

Clean Energy Alliance
JOINT POWERS AUTHORITY

Regular Board Meeting
May 21, 2020, 2 p.m.
Hosted by the City of Solana Beach

Item 1: Administrative, Operational and Regulatory Affairs Update

Barbara Boswell, Interim Chief Executive Officer
Ty Tosdal, Special Counsel Regulatory Affairs

Item 1: Administrative, Operational and Regulatory Affairs Update

- Recommendation
 - 1) Receive and File Community Choice Aggregation Update Report from Interim Chief Financial Officer
 - 2) Receive and File Community Choice Aggregation Regulatory Affairs Report from Special Counsel

Item 1: Administrative, Operational and Regulatory Affairs Update

Clean Energy Alliance
Timeline of Implementation Related Action Items

Timing	Date Completed	Description	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20
12/19/19	12/19/19	Appoint Interim Executive Director									
12/19/19	12/19/19 & 12/23/19	Approve & File Implementation Plan & Statement of Intent									
1/16/20	1/16/20	Direction on Banking and Credit Solutions									
1/16/20	1/16/20	Authorize RFP for Technical Consultant to Assist with Regulatory Filings									
1/16/20	1/16/20	Authorize RFP for Data Manager/Call Center									
1/16/20	1/16/20	CEA Public Outreach and Marketing Kickoff									
1/20/20	1/20/20	Issue RFP for Technical Consultant & Data Manager									
2/20/20	2/20/20	Select Financial Institution & Approve Financing Plan									
2/20/20	2/20/20	Select Technical Consultant to Assist with Regulatory Filings									
2/20/20	2/20/20	Select Data Manager									
2/20/20	2/20/20	Staff Develop & Submit Draft Customer Notice to CPUC									
2/20/20	2/20/20	Develop Renewable Portfolio Standards Procurement Plan									
2/20/20	2/20/20	Authorize Execution of Service Agreement with SDG&E									
4/20/20	4/23/20	Post CCA Bond with CPUC									
4/20/20	4/23/20	Execute Service Agreement with SDG&E & Submit to CPUC									
4/20/20	4/20/20	Year-Ahead Resource Adequacy Forecast Filing									
6/1/20		File 2020 Renewable Portfolio Standards Procurement Plan									
8/20/20		Approve Integrated Resource Plan									
8/31/20		File Integrated Resource Plan									

Key:

Administrative
Implementation Plan Related
Regulatory Compliance

- Implementation Tasks on target
- CCA Registration Complete
- 2020 Renewable Portfolio Standards Procurement Plan due 6/1/20

Item 1: Administrative, Operational and Regulatory Affairs Update

- FY 20/21 Financing Strategy
 - Continuing to work with financial institutions on term sheets
 - Recommendation to Board June 18, 2020
- Long-Term Renewable Procurement
 - 65% of state minimum RPS is 10-year or longer contracts
 - Solicitations to kick-off late June

Item 1: Administrative, Operational and Regulatory Affairs Update

- Regulatory Affairs Report – Ty Tosdal, Tosdal APC

Item 2: Clean Energy Alliance Treasurer's Report

Marie Berkuti, Interim Treasurer

Item 2: Clean Energy Alliance Treasurer's Report

- Recommendation
 - Receive and File Clean Energy Alliance Treasurer's Report

Item 2: Clean Energy Alliance Treasurer's Report

Clean Energy Alliance
Budget to Actuals
As of April 30, 2020

	BUDGET	ACTUALS	VARIANCE
Revenue			
Advances from Member Agencies	\$ 450,000.00	\$ 450,000.00	-
Total Revenue	<u>450,000.00</u>	<u>450,000.00</u>	-
Expenditures			
Staffing/Consultants	\$ 50,000.00	\$ 22,019.24	\$ 27,980.76
Legal Services	130,000.00	37,812.69	92,187.31
Professional Services	115,000.00	51,330.89	63,669.11
Memberships & Due	1,500.00		1,500.00
Graphic Design Services	6,500.00		6,500.00
CCA Bond	147,000.00	100,000.00	47,000.00
Total Expenditures	<u>\$ 450,000.00</u>	<u>\$ 211,162.82</u>	<u>\$ 238,837.18</u>
Net Results (Revenue - Expenditures)	<u>\$ -</u>	<u>\$ 238,837.18</u>	<u>\$ 238,837.18</u>

- 100% Revenue Accrued
- 47% of Expenditures incurred
- Anticipate savings @ June 30, 2020

Item 2: Clean Energy Alliance Treasurer's Report

FY 19/20 Estimated Expenditures		
Description	FY 19/20 Adopted Budget	FY 19/20 Estimated Exp
Staffing/Consultants	\$50,000	\$40,000
Legal Services	130,000	75,000
Professional Services	115,000	79,000
Memberships/Dues	1,500	1,500
Graphic Design Svcs	6,500	0
CCA Bond	147,000	100,000
TOTAL	\$450,000	\$295,500

- \$154,500 Savings Expected
- CCA bond paid at lower amount
- Savings in legal/consultant travel
- Savings available for FY 20/21 Budget

Item 2: Clean Energy Alliance Treasurer's Report

Clean Energy Alliance
Statement of Financial Position
As of April 30, 2020

Assets		
River City Bank - Operating Account	\$ 146,549.27	
Due from Other Governments	<u>150,000.00</u>	
Total Assets		<u>\$ 296,549.27</u>
Liabilities		
Accounts Payable	<u>\$ 57,712.09</u>	
Total Liabilities		<u>\$ 57,712.09</u>
Reserve for Future Expenditures		<u><u>\$ 238,837.18</u></u>

- Assets - cash on hand and accounts receivable
- Liabilities - invoices received and not yet paid
- Reserve – unexpended budget

Item 2: Clean Energy Alliance Treasurer's Report

Clean Energy Alliance
List of Payments Issued April 2020

Date	Vendor	Description	Amount
4/14/20	Pacific Energy Advisors	March 2020 Technical Consulting Svcs	\$ 23,661.50
4/14/20	RWG Law	November 2019 General Counsel Svcs	3,383.50
4/14/20	RWG Law	December 2019 General Counsel Svcs	3,085.05
4/14/20	RWG Law	January 2020 General Counsel Svcs	7,003.54
4/14/20	RWG Law	February 2020 General Counsel Svcs	5,824.00
4/14/20	Tosdal APC	December 2019 Regulatory Counsel Svcs	3,359.50
4/14/20	Tosdal APC	January 2020 Regulatory Counsel Svcs	1,983.50
4/14/20	Tosdal APC	February 2020 Regulatory Counsel Svcs	5,105.00
4/23/20	California Public Utilities Commission	Clean Energy Authority CCA Bond	100,000.00
4/28/20	River City Bank	Analysis Fee	45.14
			<u>\$ 153,450.73</u>

River City Bank Analysis Fee Credited Back May 2020 per agreement

Item 2: Treasurer's Report

Board Discussion

Item 3: Clean Energy Alliance FY 20/21 Draft Budget

Barbara Boswell, Interim Chief Executive Officer

Item 3: Clean Energy Alliance FY 20/21 Draft Budget

- Recommendation
 - Review and provide input on Draft FY 20/21 Budget and direct staff to return final budget to Board for adoption June 18, 2020

Fiscal Year 20/21 Work Plan

Timing	Description	3rd Qtr '20	4th Qtr '20	1st Qtr '21	Apr-21	May-21	Jun-21	Jul-21
7/1/20	Marketing/Customer Outreach Plan Development & Kickoff							
7/16/20	Approve Policies:							
	Inclusive & Sustainable Workforce Policy							
	Unsolicited Proposals Policy							
	Non-Energy Procurement Policy							
	Records Retention Policy							
	Investment Policy							
7/16/20	Energy Risk Management Policy Review							
7/16/20	Authorize RFO for Wholesale Energy Services							
7/16/20	RFO for Long-Term Renewables							
7/16/20	RFO for Resource Adequacy							
7/16/20	Bid Evaluation and Criteria Scoring System							
7/16/20	Award Scheduling Coordinator & Wholesale Energy Services							
	Establish Community Advisory Committee							
8/1/20	Energy Risk Management Policy Development							
8/20/20	Approve Energy Risk Management Policy							
	Strategic Plan							
11/1/20	System Testing with SDG&E							
11/1/20	Set up Call Center/Scripting/IVR Recordings							
1/1/21	Create Customer Pre- and Post-Enrollment Notices							
2/1/21	Rate Setting							
3/1/21	Customer Noticing							
5/1/21	Launch							

Key:

Board Actions/Activity
Staff/Consultant Activity
Marketing/Customer Outreach
CCA Launch

Draft FY 20/21 Assumptions

- Continue existing consulting services agreements through FY 20/21
- Anticipated additional consulting services
 - Communications & Marketing – Transition from City of Carlsbad
 - Technical Consultants
 - Board Clerk Services – Transition from Member Agencies
- Customer Outreach/Communications & Required Mailers
- Cash flow & estimated minimum lockbox reserves
- Fund with available FY 19/20 funds & financing from financial institutions & 3rd parties (no additional member advances)

Item 3: Clean Energy Alliance

FY 20/21 Draft Budget

Clean Energy Alliance
FY 19/20 Estimates and FY 20/21 Proposed Budget

	FY 19/20 Budget	FY 19/20 Estimates	FY 20/21 Proposed	NOTES
Staffing/Consultants	\$ 50,000.00	\$ 40,000.00	\$ 120,000.00	Interim CEO, other staffing needs
Legal Services	130,000.00	75,000.00	320,000.00	General Counsel & Special Counsel
Professional Services	115,000.00	79,000.00	310,000.00	Energy Consultants, Communications & Marketing & Other Support
CalCCA Membership & Dues	1,500.00	1,500.00	15,000.00	Affiliate Membership 19/20, Operational Membership 20/21
Print/Mail Services			132,000.00	Required mailers (58,000 * 4 mailers * \$.56)
Advertising			10,000.00	Public Hearing Notices
Graphic Design Services	6,500.00		10,000.00	Logo/Mailers/Letterhead etc
Website Maintenance			2,500.00	Monthly Website Maintenance
Audit Services			40,000.00	Annual Financial Audit
CCA Bond	147,000.00	100,000.00	47,000.00	
OPERATING EXPENDITURES	450,000.00	295,500.00	1,006,500.00	
CAISO Deposit			500,000.00	Required Participation in Congestion Revenue Rights
Cash Flow & Lockbox Reserves			2,500,000.00	Lockbox Reserve/Cash Flow
NON-OPERATING EXPENDITURES	-	-	3,000,000.00	
TOTAL	\$ 450,000.00	\$ 295,500.00	\$ 4,006,500.00	

Item 3: Clean Energy Alliance FY 20/21 Draft Budget

Existing Agreements Continuing into FY 20/21

SERVICE PROVIDED	CONSULTING FIRM	FY 20/21 NOT TO EXCEED
Interim Chief Executive Officer	Bayshore Consulting Group	\$100,000
General Counsel	RWG Law	\$120,000
Special Counsel – Regulatory	Tosdal APC	\$100,000
Special Counsel – Energy Transactions	Hall Energy Law	\$85,000
Technical Consultants	Pacific Energy Advisors	\$163,200

Item 3: Clean Energy Alliance FY 20/21 Draft Budget

- Typical CCA Cash Flow



- Cash from energy transactions not expected until July 2021
- Financing from financial institutions/3rd parties needed for start-up & reserves

Item 3: Clean Energy Alliance FY 20/21 Draft Budget

Financing Needs

Proposed Budget	\$4,006,500
Funds from FY 19/20	<u>\$154,500</u>
Financing Needed	\$3,852,000
Possible Loan from Calpine	<u>\$650,000</u>
Bank Financing	\$3,202,000

Staff returning June 18, 2020 Board Meeting with Financing Recommendation

Item 3: Draft FY 20/21 Budget

Board Discussion

Item 4: Clean Energy Alliance Consulting Services Agreements Extension Authorization

Barbara Boswell, Interim Chief Executive Officer

Item 4: Clean Energy Alliance Consulting Services Agreements Extension Authorization

- Recommendation
 - Authorize Interim Chief Financial Officer to execute extensions of agreements subject to the not to exceed amounts:

Service Being Provided	Consultant	Not to Exceed
General Counsel	RWG Law	\$120,000
Special Counsel – Regulatory	Tosdal APC	\$100,000
Special Counsel – Energy Transactions	Hall Energy Law	\$85,000
Technical Consultants	Pacific Energy Advisors	\$163,200

- Authorize Board Chair to execute extension of agreement with Bayshore Consulting Group for Interim Chief Executive Officer Services for amount not to exceed \$100,000

Item 4: Clean Energy Alliance Consulting Services Agreements Extension Authorization

- Existing Consulting Services Agreements:

Scope of Work	Consultant	FY 19/20 Not to Exceed	FY 20/21 Not to Exceed
Interim Chief Executive Officer	Bayshore Consulting Group	\$50,000	\$100,000
General Counsel	RWG Law	\$80,000	\$120,000
Special Counsel – Regulatory	Tosdal APC	\$50,000	\$100,000
Special Counsel – Energy Transactions	Hall Energy Law	\$100,000	\$85,000
Technical Consultants	Pacific Energy Advisors	\$75,000	\$163,200

- Board Directed Extension of Existing Agreement through 6/30/21 at its April 16, 2020 Meeting

Item 4: Consulting Services Agreement Extension

Board Discussion

Item 5: Clean Energy Alliance Extension of Service Agreements with Member Agencies

Barbara Boswell, Interim Chief Executive Officer

Item 5: Extension of Service Agreements with Member Agencies

- Recommendation
 - Authorize Interim Chief Executive Officer to execute extension of agreements:
 - City of Carlsbad – Interim Board Secretary
 - City of Solana Beach – Interim Treasurer/Chief Financial Officer & Auditor

Item 5: Extension of Service Agreements with Member Agencies

- Section 5.3 of the Clean Energy Alliance (CEA) Joint Powers Authority Agreement
 - requires CEA Board to appoint a Board Secretary;
 - November 5, 2019 CEA Board appointed Sheila Cobian, Clerk Service Manager, City of Carlsbad, as Interim Board Secretary;
 - FY 20/21 proposed Sheila Cobian continue as Interim Board Secretary of record for CEA;
 - CEA seek consulting services for clerk duties related to the Board meetings and any Citizen Advisory Committee meetings that are required to follow the Brown Act requirements.

Item 5: Extension of Service Agreements with Member Agencies

- Section 5.4 of the Clean Energy Alliance (CEA) Joint Powers Authority Agreement
 - requires CEA Board to appoint a Board Treasurer/Chief Financial Officer & Auditor;
 - November 5, 2019 CEA Board appointed Marie Berkuti, Finance Director/Treasurer, City of Solana Beach, as Interim Board Treasurer/Chief Financial Officer & Auditor;
 - FY 20/21 proposed Marie Berkuti continue as Interim Board Treasurer/Chief Financial Officer & Auditor for CEA;
 - CEA seek consulting services for daily accounting services related to CEA financial transactions.

Item 5: Extension of Service Agreements with Member Agencies

Board Discussion

Item 6: Clean Energy Alliance Request for Qualifications Portfolio Management/Energy Advisory and Scheduling Coordinator Services

Barbara Boswell, Interim Chief Executive Officer

Item 6: Clean Energy Alliance Request for Qualifications Portfolio Management/Energy Advisory and Scheduling Coordinator Services

- Recommendation
 - Authorize Interim Chief Executive Officer to issue request for qualifications for Portfolio Management/Energy Advisory and Scheduling Coordinator Service and return to Board for award July 16, 2020

Item 6: Request for Qualifications Portfolio Management/Energy Advisory and Scheduling Coordinator Services

- CEA requires additional technical services related to procurement of energy, portfolio management and scheduling coordinator services for May 2021 launch
- Existing agreement with Pacific Energy Advisors scope limited to:
 - Development of Pro Forma
 - April 2020 Year- Ahead Resource Adequacy and related procurement
 - Initial Long-Term Renewable Procurement
 - Initial Renewable Portfolio Standards Procurement Plan
 - Integrated Resource Plan
 - Rate Setting Activities

Item 6: Request for Qualifications Portfolio Management/Energy Advisory and Scheduling Coordinator Services

- Portfolio Management/Energy Advisory Services
 - Develop & implement portfolio management strategy
 - Align with CEA stated goals
 - Carbon reduction targets
 - Power product options as identified by CEA Board
 - Energy risk management
 - Work with CEA to develop an energy risk management policy
 - Identify and recommend risk-management strategies

Item 6: Request for Qualifications Portfolio Management/Energy Advisory and Scheduling Coordinator Services

- Portfolio Management/Energy Advisory Services (cont.)
 - Power procurement
 - Conventional, Resource Adequacy, Renewable, Carbon Free
 - Consistent with CEA goals & priorities/CAISO rules and practices
 - Policy & Programs
 - Program support: local renewable energy development, energy storage initiatives, community solar and storage program
 - Other policies/programs as identified by CEA Board

Item 6: Request for Qualifications Portfolio Management/Energy Advisory and Scheduling Coordinator Services

- Scheduling coordinator
 - Short-term forecasting
 - Scheduling CEA load into CAISO day-ahead market
 - Validating CAISO statements for load settlements
 - Managing Congestion Revenue Rights portfolio
 - Bidding into various CRR auctions
- Capability to schedule future CEA owned/controlled generating facilities

Item 6: Request for Qualifications Portfolio Management/Energy Advisory and Scheduling Coordinator Services

- RFQ process
 - Respondents can respond to all or a portion of services
 - Respondents can propose expanded services
 - CEA Board flexibility to award to provide best value to CEA

Item 6: Request for Qualifications Portfolio Management/Energy Advisory and Scheduling Coordinator Services

Board Discussion

Item 7: Clean Energy Alliance Request for Proposal Communications & Marketing Services

Barbara Boswell, Interim Chief Executive Officer

Item 7: Clean Energy Alliance Request for Proposal Communications & Marketing Services

- Recommendation
 - Authorize Interim Chief Executive Officer to issue request for proposal for Communications and Marketing Services and return to Board for award July 16, 2020

Item 7: Clean Energy Alliance Request for Proposal Communications & Marketing Services

- Current Services
 - City of Carlsbad through Service Agreement
 - Developed CEA website
 - Established CEA email addresses
 - Handled media and press releases

Item 7: Clean Energy Alliance Request for Proposal Communications & Marketing Services

- FY 20/21 Service Needs
 - Comprehensive customer outreach education campaign
 - May 2021 launch
 - CEA brand
 - Required customer communications/mailers
 - Goal – address concerns/reduce opt outs
 - Website maintenance & update
 - Add customer optionality – opt up/opt out
 - Media relations
- Return results to Board for review and award July 16, 2020

Item 7: Clean Energy Alliance Request for Proposal Communications & Marketing Services

Board Discussion

Item 8: Clean Energy Alliance New Member Outreach Matrix

Barbara Boswell, Interim Chief Executive Officer

Item 8: Clean Energy Alliance New Member Outreach Matrix

- Review, discuss and approve Clean Energy Alliance Outreach Matrix

Item 8: Clean Energy Alliance New Member Outreach Matrix

Potential New Member	Board/Alternate Contact	Staff Contact	Notes
Escondido			Feasibility underway with San Marcos/Vista
San Marcos			Feasibility underway with Escondido/Vista
Vista			Feasibility underway with San Marcos/Escondido
Oceanside			
San Diego County			
Santee			
Dana Point/OC			Greg Wade/Jason Haber participated in CCA workshop
San Clemente/OC			Same as above
San Juan Capistrano/OC			Same as above
El Cajon			
Lemon Grove			
National City			
Poway			

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