



Special Board Meeting

March 16, 2021

Item 1: Resolution Authorizing Interim Chief Executive Officer to Execute EEl Master and Lockbox Agreements Related to CEA Energy Procurement

Item 1: CEA Energy Transactions Agreements

- Recommendation:
 - Adopt Resolution 2021-008 Authorizing the Interim Chief Executive Officer to execute EEI Master and Lockbox Agreements and Confirmations to the EEI Master Agreement Related to Clean Energy Alliance Procurement, Subject to the limits in the Energy Risk Management Policy and to Specialized Energy Transactions Attorney approval.

Item 1: CEA Energy Transactions Agreements

- Solicitations are in process to select energy suppliers
 - Energy
 - Renewable Energy
 - Carbon Free Energy
 - Capacity
 - Related products
- Suppliers identified with competitive proposals and ability to meet CEA's renewable energy goals
- At end of negotiation process and ready to execute agreements

Item 1: CEA Energy Transactions Agreements

- Agreements are standard agreements used for procurement of energy products
 - EEI Master Agreement
 - Industry standard agreement for conventional energy hedges
 - Establishes terms and conditions for an ongoing contractual relationship
 - Not for a specific purchase and sale
 - Master agreement to streamline energy purchases and sales
 - Specific purchase and sales are executed using Confirmation Agreement
 - Confirmation Agreement
 - Agreement that binds buyer and seller to a particular quantity of specific types of energy at a specific price
 - Governed by terms and conditions in EEI Master Agreement

Item 1: CEA Energy Transactions Agreements

- Lockbox Agreements
 - Establishes CEA's Lockbox Account as credit security for energy transactions
 - Parties to the agreements include CEA, River City Bank, and Energy Suppliers
 - Intercreditor and Collateral Agency Agreement
 - Security Agreement
 - Account Control Agreement
 - Enables new CCAs with no credit to execute contracts for energy supply
 - Standard structure for new CCAs

Item 1: CEA Energy Transactions Agreements

- Value of Transactions Subject to the limits established in the adopted Energy Risk Management Policy

Delegation of Authority: Title/Governing Body	Product Type	Tenor Limit	Volumetric Limit	Notional Value Limit
Chief Executive Officer	System Power	Up to 1 year	400,000 MWh	\$ 15,000,000
	Resource Adequacy	Up to 1 year	1,500 MW	\$ 10,000,000
	Renewables	Up to 1 year	200,000 MWh	\$ 3,500,000
	GHG-free	Up to 1 year	200,000 MWh	\$ 1,000,000
Chief Executive Officer + CEA Board Chair	All Products	1 to 5 years	Unlimited	\$ 75,000,000
CEA Board	All Products	Any	Unlimited	Unlimited

Board Questions/Discussion