

**Clean Energy Alliance - Board of Directors
Meeting Minutes
May 27, 2021, 2 p.m.
City of Solana Beach
635 S. Highway 101, Solana Beach, CA 92075
Teleconference Locations per State of California Executive Order N-29-20**

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

ROLL CALL: Board Member Druker, Vice Chair Bhat-Patel, Chair Becker

FLAG SALUTE: Chair Becker led the flag salute.

BOARD COMMENTS & ANNOUNCEMENTS: Chair Becker thanked staff on behalf of the member cities for their experience and guidance in launching CEA.

PRESENTATIONS

Clean Energy Alliance Flips the Switch! - Recognition of Clean Energy Alliance Launch – Video Presentation

Interim CEO Barbara Boswell expressed gratitude to the Board for their leadership and guidance and to the member cities for their support in launching CEA and bringing cleaner energy to the region and presented the Clean Energy Alliance Flips the Switch video in celebration of the launch.

PUBLIC COMMENT: None

APPROVAL OF MINUTES

Minutes of the Regular Meeting held April 22, 2021

Motion by Vice Chair Bhat-Patel, second by Member Druker to approve the minutes of the regular meeting held May 27, 2021, as submitted.

Motion carried unanimously, 3/0.

Consent Calendar

Item 1: Clean Energy Alliance Treasurer’s Report

RECOMMENDATION

Receive and File Clean Energy Alliance Interim Treasurer’s Report.

Item 2: Adopt Resolution Setting Time and Place for Clean Energy Alliance Board Meetings July 2021 – June 2022

RECOMMENDATION

Adopt Resolution No. 2021-010 Setting Time and Place for Clean Energy Alliance Board Meetings July 2021 – June 2022.

Item 3: Approve Increase in Keyes & Fox Legal Services Agreement

RECOMMENDATION

Approve Increase in Keyes & Fox Legal Services Agreement from \$120,000 to a not to exceed amount of \$150,000 and authorize the Interim Chief Executive Officer to execute all documents, subject to General Counsel approval.

Motion by Chair Becker, second by Member Druker to approve the Consent Calendar.

Motion carried unanimously, 3/0.

New Business

Item 4: Clean Energy Alliance Interim Chief Executive Officer Operational, Administrative and Regulatory Affairs Update

RECOMMENDATION

- 1) Receive and file Community Choice Aggregation Update Report from Interim CEO.
- 2) Receive and file Community Choice Aggregation Regulatory Affairs Report from Special Counsel.

Interim CEO Barbara Boswell gave an update highlighting Call Center activity; total participation of 95%; Green Impact Opt Up of 186 and no Opt Downs to Clean Impact; and customer outreach events noting initial meetings held with the Carlsbad Unified and Solana Beach School Districts to discuss partnering with the schools to develop rates specific to the school districts and the way they operate.

Ms. Boswell commented regarding the Western Community Energy CCE declaring a fiscal emergency and filing for Chapter 9. Ms. Boswell assured that CEA is not in the same position and has a very conservative Energy Risk Management Policy that is used to manage CEA portfolio and procurement and ensures compliance for sufficient energy procurement to meet CEA's needs.

Special Council Ty Tosdal updated the Board on the following regulatory affairs: AB 1139 Net Energy Metering (NEM) proceeding commenting that this bill eliminates grandfathering for customers who have been on any previous NEM tariff for more than 10 years; makes projects eligible for the new tariff after 2023 public works projects and imposes interconnection fees and wholesale new generation credits on the NEM tariff if the CPUC does not adopt a new tariff by February 2022. Mr. Tosdal commented regarding the NEM proceedings and the large number of proposals under consideration with utilities and solar developers on opposite ends of the spectrum. He commented that the Joint Investor Owned Utility proposal would default new NEM customers onto new Time of Use rates, set new export compensation and impose grids benefit charge commensurate to size of system and a customer charge to recover billing costs. The California Solar and Storage Association (CALSSA) would step down existing export compensation to 45% of retail based on capacity thresholds, provide full retail compensation for exports from low income, CARE and multi-family customers with no changes to commercial customers. This proposal also indicates monthly true ups would be appropriate. Solar developers are concerned rates could be structured in a way that customers would no longer see the benefit of solar and the demand would dissipate. A proposed decision is anticipated for end of year. Mr. Tosdal updated on PCIA Decision indicating that the Revised Proposed Decision lifts annual PCIA cap but leaves cap in place for SDG&E in 2021; adopts RPS but rejects RA and GHG-free allocation mechanisms and declines to address ERRA timing issues. Lastly, the CPUC issued a Proposed Decision recommending against further expansion of direct access.

Board questions and comments included inquiry regarding how AB 1139 might sync with California Legislature decision; CEA watch position; and when is the earliest benefit date to CEA if SB 612 passed.

Mr. Tosdal commented that the Legislature decision prevails over CPUC decision, and the Commission would have to restructure NEM program to accommodate and implement provisions of the bill. Regardless of the outcome there would be no direct impact on CCA rates. Regarding SB 612, 2023 would be the earliest benefit year but cap would be lifted in 2022.

CEA Board received reports received.

Item 5: Review Proposed Clean Energy Alliance Fiscal Year 21/22 Budget and Schedule Adoption for June 24, 2021

RECOMMENDATION

Review Proposed Fiscal Year 21/22 Budget and Schedule Adoption for June 24, 2021.

Interim CEO Barbara Boswell gave an overview of the CEA FY21/22 Budget and reviewed the additions recommended to the draft budget or a Program/Key Account Manager position and a Human Resources Consultant.

Board consensus to revisit the recommended additions in the fall when CEA has been operational for a few months and schedule budget adoption for June 24, 2021.

Item 6: Adopt Resolution Establishing Policy for Adding New Member Agencies to Clean Energy Alliance

RECOMMENDATION

Adopt Resolution No. 2021-011 Establishing Policy for Adding New Member Agencies to Clean Energy Alliance.

Interim CEO Barbara Boswell gave the presentation outlining the policy for adding new members to the CEA.

Board comments and questions included estimates for startup costs; policy of City of San Diego; possible viewed impediments for joining CEA; alternatives to consider for startup costs; and possible existing CALCCA policies that could be shared.

Ms. Boswell indicated that estimated startup cost is approximately \$50,000 which could be shared by all members joining at the same time and commented that she is not aware of a City of San Diego policy for adding new members.

Motion by Chair Becker, second by Member Druker, to adopt Resolution 2021-011 Establishing Policy for Adding New Member Agencies to Clean Energy Alliance.

Motion carried unanimously, 3/0.

Item 7: Approve Response to County of San Diego Requesting CCE Information

RECOMMENDATION

Approve response to County of San Diego requesting CCE information.

Interim CEO Barbara Boswell presented the item reviewing the request from the San Diego Board of Supervisors (BOS) to engage in discussion with Clean Energy Alliance and San Diego Community Power and return to the BOS in August 2021 with options and the response to the County.

Motion by Chair Becker, second by Member Druker, to approve response to the County of San Diego requesting CCE information.

Motion carried unanimously, 3/0.

Item 8: Approval of Agreement for the Procurement of Long-Term Renewable Power Supply with Shell Energy North America

RECOMMENDATION

Authorize the Interim Chief Executive Officer to execute a power purchase agreement with Shell Energy North America for the procurement of long-term renewable power supply, subject to Special Transactions Counsel approval.

Interim CEO Barbara Boswell gave an overview of SB 350 and indicated that the transfer of Solana Energy Alliance (SEA) customers to CEA would also transfer the 65% of state mandated renewable energy standards since SEA served customers through May 2021. SEA selected Shell Energy North America to fulfill the requirement and execution of the agreement ensures compliance with SB 350. Ms. Boswell also commented that the agreement is consistent with CEA Goals and sufficient revenue will be generated to pay costs through the term of the contract at CEA's current rates.

Board comments and questions included: what percent of the long-term renewable energy would be procured for SEA/CEA needs; this agreement currently covers SEA renewable requirements and future contracts to cover CEA minimum renewable requirements of 39% of total energy with the state mandated 65% of the 39% in long-term contracts of 10 years or more for the current compliance period; and the need for CEA to focus on developing more local renewable options from small and mid-size clean energy companies.

Ms. Boswell commented that the agreement fulfills all the renewable requirements for SEA customers and that approximately 15 to 20% of CEA's long-term renewable contracting requirements continue to be negotiated with other suppliers.

Motion by Member Druker, second by Chair Becker, to authorize the Interim Chief Executive Officer to execute a power purchase agreement with Shell Energy North America for the procurement of long-term renewable power supply, subject to Special Transactions Counsel approval.

Motion carried 2/1 with Member Bhat-Patel voting no.

BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS: The Board requested that the subject of returning to in-house meetings be placed on the July agenda.

ADJOURN: Chair Becker adjourned the meeting at 3:26 pm.

DocuSigned by:

Susan Caputo

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Susan Caputo, MMC
Interim Board Clerk