

Clean Energy Alliance - Board of Directors
Meeting Minutes
July 23, 2020 – 3 p.m.
Carlsbad City Hall – City Council Chamber – Virtual Meeting
1200 Carlsbad Village Drive, Carlsbad, CA 92008

CALL TO ORDER: 3 p.m.

ROLL CALL: Haviland, Becker, Schumacher.

FLAG SALUTE: Board Member Schumacher led the Pledge of Allegiance.

BOARD COMMENTS & ANNOUNCEMENTS: None.

PRESENTATIONS: None.

APPROVAL OF MINUTES:

Minutes of the Special Meeting held May 7, 2020.

Motion by Board Member Schumacher, seconded by Vice Chair Becker, to approve the minutes as presented. Motion carried unanimously, 3/0.

Minutes of the Regular Meeting held May 21, 2020.

Motion by Board Member Schumacher, seconded by Vice Chair Becker, to approve the minutes as presented. Motion carried unanimously, 3/0.

NEW BUSINESS

Item 1: Clean Energy Alliance Integrated Resource Plan Informational Item

RECOMMENDATION

Receive informational presentation on Clean Energy Alliance Integrated Resource Plan.

Pacific Energy Advisors (PEA) President and CEO John Dalessi presented the staff report and reviewed the PowerPoint presentation (on file in the Office of the Board Secretary).

In response to an inquiry from Board Member Schumacher, PEA President and CEO Dalessi explained the differences between the green house gas metric ton benchmarks to attain an optimal resource mix.

PEA President and CEO Dalessi confirmed he would be returning with the draft plan and seeking approval at the August 20, 2020 meeting.

Board Member Schumacher commented her interest in phasing out PCC 2.

In response to an inquiry from Chair Haviland, PEA President and CEO Dalessi explained while there may be some additional information available at the August 20, 2020 meeting,

the rates and CEA's overall financial situation will likely be more clear closer to January 2021.

In response to an inquiry from Vice Chair Becker, PEA President and CEO Dalessi explained the planning period is ten years and updated every two years.

Vice Chair Becker commented she felt there wasn't enough input from staff or information to decide on the integrated resource plan.

Chair Haviland commented she felt this item should be agendaized for discussion at the August 20, 2020 meeting.

Item 2: Clean Energy Alliance Credit Solution Update

RECOMMENDATION

Receive update on Clean Energy Alliance Credit Solution.

Chief Executive Officer Barbara Boswell presented the staff report and reviewed the PowerPoint presentation (on file in the Office of the Board Secretary).

Vice Chair Becker and Chair Haviland commented their gratitude to the City of Carlsbad for offering the alternative financing option.

In response to an inquiry from Chair Haviland, Chief Executive Officer Boswell explained that another meeting may need to be scheduled depending on when the City of Carlsbad makes a decision about financing.

Item 3: Clean Energy Alliance Regulatory Affairs Update

RECOMMENDATION

- 1) Authorize filing protest of San Diego Gas & Electric Expedited Application 20-07-___, Under the Power Charge Indifference Adjustment Account Trigger Mechanism.
- 2) Authorize filing motion for party status of San Diego Gas & Electric 2021 ERRRA Application 20-04-014.
- 3) Direct staff to bring a draft Policy on Delegation of Authority to CEA Regarding Regulatory and Legislative Matters to the Board for consideration.

Chief Executive Officer Barbara Boswell and CEA Special Counsel Ty Tosdal presented the staff report and reviewed the PowerPoint presentation (on file in the Office of the Board Secretary).

In response to an inquiry from Vice Chair Becker, Special Counsel Tosdal explained there is a 60-day timeline with protests due by August 13, 2020 and a decision anticipated for September 2020. He further confirmed CalCCA is also submitting a protest letter.

In response to an inquiry from Board Member Schumacher, Special Counsel Tosdal explained the rate change proposal would go into effect October 2020 and would effect customers in Solana Beach. He also explained while this does not have an immediate impact on CEA's operations, it does set a precedent, and is a basis for the recommended action. He also stated he anticipates Solana Energy Alliance to join in protest.

In response to an inquiry from Vice Chair Becker, Special Counsel Tosdal explained San Diego Community Power is also anticipated to join in protest.

Motion by Vice Chair Becker, seconded by Board Member Schumacher, to authorize filing a joint statement of protest with Solana Energy Alliance (SEA) and San Diego Community Power (SDCP) to the Public Utility Commission (PUC) regarding San Diego Gas & Electric's (SDGE) Expedited Application 20-07-___, under the Power Charge Indifference Adjustment Account Trigger Mechanism. Motion carried unanimously, 3/0.

Motion by Chair Haviland, seconded by Vice Chair Becker, to authorize filing a motion for party status of SDGE 2021 ERRRA Application 20-04-014. Motion carried unanimously, 3/0.

Motion by Vice Chair Becker, seconded by Board Member Schumacher, to direct staff to return with a draft Policy on Delegation of Authority to CEA Regarding Regulatory and Legislative Matters to the Board for consideration. Motion carried unanimously, 3/0.

Board Member Schumacher commented she would be interested in scheduling time at the next board meeting or holding separate special meeting that solely focused on regulatory and legislative matters. Special Counsel Tosdal explained he thought a separate meeting would be helpful.

Chair Haviland commented that a special meeting may be scheduled if it is found more time is needed than available at the next board meeting.

Item 4: Clean Energy Alliance Community Advisory Committee Timeline

RECOMMENDATION

Review, Provide Input, and Approve Community Advisory Committee Timeline.

Chief Executive Officer Barbara Boswell presented the staff report and reviewed the PowerPoint presentation (on file in the Office of the Board Secretary).

Board Member Schumacher commented she was supportive of moving forward with the decision before hearing back from SDGE.

Vice Chair Becker commented she was concerned with the timeline, process, and finances involved considering the launch date is unclear. She suggested the timeline be moved back one month to decide at the August 20, 2020 meeting instead of spending funds that don't need to be spent at this time.

In response to an inquiry from Chair Haviland, Chief Executive Officer Boswell explained that opening the application process is manageable.

Chair Haviland commented she's comfortable starting the application process in anticipation of staying on track with the May 2021 launch date with the understanding that there may be adjustments needed.

In response to an inquiry from Vice Chair Becker, Chief Executive Officer Boswell explained she was comfortable with the timeline as proposed with the understanding that the board may need to be flexible depending on the outcome of what happens with SDGE and after more information is received at the August 20, 2020 meeting.

Motion by Board Member Schumacher, seconded by Chair Haviland, to approve the Community Advisory Committee timeline. Motion carried unanimously, 3/0.

Item 5: Clean Energy Alliance Inclusive & Sustainable Workforce Policy

RECOMMENDATION

Approve Clean Energy Alliance Inclusive & Sustainable Workforce Policy.

Chief Executive Officer Barbara Boswell presented the staff report and reviewed the PowerPoint presentation (on file in the Office of the Board Secretary).

Board Member Schumacher commented her concern with the current language being aspirational and is supportive of more clear language similar to that used in the inclusive and sustainable workforce policy submitted by IBEW 569, including bringing local, new, well-paying jobs with project labor in place. She explained she would like to achieve 100 percent renewable energy while respecting the workforce that supports those efforts.

Vice Chair Becker commented her thanks to staff, the Sierra Club, and IBEW 569 for their input into the inclusive and sustainable workforce policy and gratitude for their shared goals. She explained the importance of growing and securing the CEA's viability for success and the board's past decisions about the policy, including identifying which cities to actively solicit to join, which would be opposed to much of the IBEW 569 proposed language, including requiring the use of project labor on all projects. She explained voting to adopt the IBEW 569 policy would be a vote against CEA's growth and jeopardize its viability. She stated she would be willing to revisit other inclusive and sustainable workforce policies after securing more financial stability. She also stated she was in support of adopting the July 16, 2020 workforce policy with the recommended edits on pages 2 and 3.

Chair Haviland commented most CCAs also share the same values of clean power generation with sustainable workforces and was unable to reconcile the good benefits with the small number of CCAs that have adopted this. She would like to receive more information from Peninsula Clean Energy who has adopted the policy and inquire if it's limited their ability to receive proposals back for projects, raised their costs, or had any other negative impacts to better understand how CEA may be effected.

In response to an inquiry from Chair Haviland, Chief Executive Officer Boswell explained she contacted a representative from Peninsula Clean Energy, but has not yet heard back. She also stated MCE has a policy that is significantly less robust than CEA's proposed policy and that the other JPAs she contacted explained they are considering adopting policies.

Board Member Schumacher commented she disagreed that the policy would be detrimental to CEA and suggested reviewing the policy section by section to grapple with the few points of contention to not delay it further.

In response to an inquiry from Board Member Schumacher, Vice Chair Becker explained she was comfortable moving forward with the staff and attorney suggested version and not go through the policy line by line.

In response to an inquiry from Board Member Schumacher, Chair Haviland commented she felt it was important to understand their points of agreement and those of concern and was in favor of identifying these today.

In response to an inquiry from Chair Haviland, Vice Chair Becker explained she would adopt the staff recommended policy, but not the redline language. She explained its something that can be reviewed in the future, but not the proposed, inflexible policy.

Chair Haviland commented she feels it's CEA's opportunity to put together policies that are based on the values of the three cities that started the JPA and will be attractive to other cities. She explained she's not comfortable moving forward with making a decision on the policy today when there is a board member who does not feel comfortable with it. She suggested the policy be reviewed and that each board member return with specific proposals to discuss at the another meeting.

In response to an inquiry from Vice Chair Becker regarding bias in staff recommendations, Board Member Schumacher explained legal analysis should not include additional recommendations in a forum where the public can not weigh in.

In response to an inquiry from Chair Haviland, Vice Chair Becker explained she is concerned with scheduling weekly special meetings.

In response to an inquiry from Board Member Schumacher, Vice Chair Becker explained she was not willing to approve the IBEW 569's proposed language. She further explained her concern with the public and staff not having enough time to review and comment on proposals made at board meetings. She explained the board has met to discuss the policy for three meetings and suggested Board Member Schumacher return with revised language that she would like the CEA Board Members and staff to consider.

Chair Haviland explained she would work with staff to agendize time to review Board Member Schumacher's policy proposal at the next board meeting on August 20, 2020 and that if it appeared there wouldn't be enough time, they would look to schedule a special meeting.

BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS

Vice Chair Becker commented she would like to agendize to have two board members until other cities join, if the board agrees, that General Counsel Stepanicich prepare the proposed amendment language to stay within the required voting time frame.

Board Member Schumacher explained she is not supportive of amending the bylaws of the JPA agreement.

In response to an inquiry from Vice Chair Becker, Board Member Schumacher explained board alternates can attend ad hoc committee meetings, but not be decision makers on the board.

Chair Haviland commented her support for agendizing the item, but was not in support of General Counsel Stepanicich preparing the amendment language until a decision is made.

ANNOUNCEMENTS:

Chair Haviland announced the next meeting is scheduled for August 20, 2020 at 2 p.m., hosted by City of Solana Beach.

ADJOURNMENT:

Chair Haviland adjourned the duly noticed meeting at 4:39 p.m.

DocuSigned by:
Susan Caputo
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Sheila R. Cobian, MMC
Interim Board Secretary