



**SOUTHERN CALIFORNIA PUBLIC POWER
AUTHORITY
NOTICE OF MEETING
Board of Directors**

NOTICE IS HEREBY GIVEN by the undersigned, as the Executive Director of the Southern California Public Power Authority, that a regular meeting of the Board of Directors is to be held as follows:

Thursday, April 20, 2017

10:00 AM

SCPPA Glendora Office

1160 Nicole Court

Glendora, California 91740

(626) 793-9364

The following matters are the business to be transacted and considered by the Board of Directors /n

Pages

1. Notice/Agenda and Opportunity for the Public to Address the Board

Any member of the Board may request that items on the agenda be taken out of order, or that items be added to the agenda pursuant to the provisions of Section 54954.2(b) of the California Government Code. Members of the public may address the Board at this time on any agenda item of general interest, provided that item is within the subject matter jurisdiction of the Board. Comments from members of the public shall be limited to three (3) minutes unless additional time is approved by the board.

2. Consent Calendar

All matters listed under the Consent Calendar are considered to be routine and will all be enacted by one motion. There will be no separate discussion of these items prior to the time the Board votes on the motion, unless one or more board members, staff or the public request that specific items be discussed and/or removed for separate discussions or action.

a. SCPPA Board Minutes

5

For March 16, 2017

b. Combined Financial Statement (Unaudited)

8

December 31, 2016 and 2015

c.	Monthly Investment Report	58
	For February 2017	
d.	Resolution 2017-009	60
	Approval of a Professional Services Agreement with PDE, Inc.	
e.	Resolution 2017-010	74
	Approval of an Equipment Purchase Agreement with Sediver USA, Inc. and a Participation Agreement with LADWP.	
f.	Resolution 2017-011	108
	Moss Adams LLP engagement letter/professional services agreement	
g.	Resolution 2017-012 (Project Vote)	121
	Approval of an Agreement for Purchase and Installation of a new Generator Step Up Transformer for Apex Generating Station ("Apex") with Mitsubishi Electric Power Products, Inc. ("Mitsubishi").	
h.	Resolution 2017-013	125
	Request from the City of Pasadena to withdraw funds from the Project Stabilization Fund.	
i.	Resolution 2017-014	128
	GE Energy Consulting Agreement for PSLF Fundamentals & Mechanics of Steady-State Analysis and Mechanics of Running PSLF Dynamics/Dynamic Simulation Applications training.	

STAFF REPORTS

3.	<u>Executive Director's Report</u>	132
	The Executive Director will report on activities since the last Board meeting.	
4.	<u>Government Affairs Reports</u>	133
	The Director of Government Affairs will report on the regulatory activities at the state and federal level. Topics include:	
	<ul style="list-style-type: none"> • ARB Scoping Plan • ARB Cap-and-Trade • IRPs • Aliso Canyon 	
a.	Resolution 2017-015	135

b. Federal Legislative Energy Market Report 152

For April 2017

5. Chief Financial Officer's Report

The Chief Financial Officer will report on the status of current financing activities. Topics Include:

- Rate Forecasting Presentation
- Budget Overview

a. Finance Committee Minutes 156

For April 3, 2017

6. Project Administration Director's Report 159

The Director of Project Administration will report on project-related staff and agent activities.
Topics include:

- Project draft budgets
- Budget comparisons for 12-31-16
- Hoover audit - Katie

a. Project Reports 163

- Hoover Status Report - April 2017
- MPP Operations Report - March 2017
- Palo Verde Status Report - April 2017
- San Juan Unit 3 Status Report - February 2017

7. Director of Resource and Program Development

The Director of Resource and Program Development will report on current activities, including
renewable energy project development, resource planning issues, Public Benefits and smart grid.
Topics include:

- Development Update
- Energy Efficiency

a. Project Development Report 177

For April 2017

b. Program Development Report 180

For April 2017

8. New Business

New topics may be introduced in order to be added to the next meeting agenda for future consideration and action by the Board.

9. Closed Session

- **Public Employment:** Work review and performance evaluation of the Executive Director of the Authority pursuant to Section 54957 of the California Government Code.
- **Potential Litigation:** Conference with legal counsel regarding the potential initiation of litigation pursuant to subdivision (c) of Section 54956.9 of the California Government Code (one potential case).
- **Potential Litigation:** Conference with legal counsel regarding significant exposure to litigation pursuant to subdivision (b) of Section 54956.9 of the California Government Code (one potential case).

The Authority upon request will provide reasonable accommodation to the disabled to ensure equal access to its meetings. To ensure availability, such request should be made 48 hours in advance by contacting the Authority at (626) 793-9364 during business hours.



MICHAEL S. WEBSTER

Executive Director

Southern California Public Power Authority

**MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY**

A regular meeting of the Board of Directors was held on April 20, 2017 at the offices of the Authority, 1160 Nicole Court, Glendora, California.

This meeting was called to order at 10:00am by the President.

**The following board members (B)
and alternates (A) were present:**

Girish Balachandran (B), Fred Mason (B), Vince Brar (A), Dukku Lee (B), Steve Zurn (B), Ramon Abueg (A), George Morrow (B), Jorge Somoano (B), Kelly Nguyen (B), Viken Kasarjian (A), Eric Klinkner (A), David Kolk (B), Gurcharan Bawa (B), Rebecca Gallegos (A) Reiko Kerr (A),

Staff members present were:

Mike Webster, Rick Morillo, Ted Beatty, Tanya DeRivi, Sarah Tehari, Steve Homer, Salpi Ortiz, Katie Ellis, Mike Bell, Greg Broeking, Daniel Hashimi, Yoli Pantig, Mario Ignacio

**Attorneys, member
employees and**

Stephen Cole (Consultant), Chris Fresh (Cordoba), Helen Romero Shaw (SCGC), Tina Javid (SCGC), Paul Schultz (LADWP), Tim Berg (IID), Anthony Samson (Arnold & Porter)

Consultants present were:

1. Notice/Agenda and Opportunity for the Public to Address the Board

Mr. Balachandran afforded the public an opportunity to address the Board. There being no request to do so, the Board proceeded to the Consent Calendar.

2. Consent Calendar

- (a) SCPPA Board Minutes for 03-16-2017
- (b) Combined Financial Statement (Unaudited) 12-31-16
- (c) Monthly Investment Report for February 2017
- (d) Resolution 2017-009
- (e) Resolution 2017-010
- (f) Resolution 2017-011
- (g) Resolution 2017-012 (Project Vote)
- (h) Resolution 2017-013
- (i) Resolution 2017-014

The consent calendar was approved as follows.

Moved By: **George Morrow**
Seconded By: **Fred Mason**

Unanimously Approved

3. Executive Director's Report

Mr. Webster thanked the board for their participation in the Strategic Planning session. Mr. Webster reviewed the process, the focus and the priorities of the staff that was taken from the Strategic Planning and mentioned the updates will be presented at the May Board Meeting. Ms. Kerr asked for clarification on a comment that was mentioned during the Strategic Planning session regarding oversight on SCPPA LA. Mr. Webster clarified that research was done on the issue which came from Colton in regards to scheduling and Cal ISO related charges. Mr. Webster assured that steps are being taken to handle the issue. Mr. Webster also mentioned the follow up Strategic Planning Session Meeting which will be on October 19th, 2017 in conjunction with the SCPPA Board Meeting. Mr. Webster mentioned efforts on redesigning the SCPPA Website to add a members only access section which will include SCPPA document, working group documents for better efficiency and resource. Mr. Webster also mentioned on identifying a working group to test out video conferencing capability and the need to video conferencing.

STAFF REPORTS

4. Government Affairs Report

Ms. DeRivi introduced Mr. Anthony Samson of Arnold & Porter Kay Scholer, the new legislative lobbyist in Sacramento. Mr. Samson gave a brief history on Arnold & Porter Kay Scholer and his experience history.

Resolution 2017-015 (Arnold & Porter Kay Scholer)

Legal Service Agreement for Legislative Services

Moved By: Vivken Kasarjian

Seconded By: Jorge Somoano

Unanimously Approved

Ms. Tehari reported on ARB 2030 scoping plan which is anticipated for adoption in late June by the ARB Board in 2 part vote, approval of the scoping plan followed by the Cap-and-Trade program amendment. Ms. Tehari mentioned the strong opposition of the EJAC on Cap-and-Trade and also stated that SCPPA filed comments on April 10th on the draft scoping plan. Ms. Tehari also mentioned the ARB/EJAC joint meeting which will be held in Sacramento on April 26th. Next Ms. Tehari reviewed the new post-2020 allowance allocation proposals which reflects significant improvement in posts-2020 allocations, discussion on rate impacts/analysis, JUG Advocacy and lastly listed the Environmental Justice priorities which included AB 197, ensure direct emission reductions in environmental justice communities, Incentivize early action, Increase transparency and data sharing between ARB and local air districts, Increase accountability for polluters and Provide investments & economic benefits for EJ communities. Ms. DeRivi discussed SB 350 IRPs. The CEC/ARB implementation priorities which included the ARB Green House Gas Target Setting, mentioned the CEC Baselineing and draft CEC IRP Guidelines for POUs. Lastly the Board had a lengthy discussion discussed 2 strategic topics which included, Aliso Canyon and 100% Renewables.

5. Chief Financial Officer's Report

Mr. Bell presented 2017 Rate Forecasting, topics included SCE rate discussion, SCPPA member rate comparison, Forecasting methodology, 2017 preliminary forecast results and conclusions and next steps.

Mr. Broeking presented to the Board the proposed SCPPA Fiscal Year 2017-2018 Budget. Following Mr. Broeking, Mr. Homer presented to the Board the Project Budgets.

6. Project Administration Director's Report

Mr. Homer reviewed the budget comparison for period ending 12-31-16, 36 budgets with a total of \$431 million which was 3% under budget for the period.

Ms. Ellis gave a brief updated on the Hoover Closing Audit by Baker Tilly which had no significant findings. She reviewed the recommendations by Baker Tilly which included records keeping, updating calculations and controls.

7. Director of Resource and Program Development

Mr. Beatty reported on Renewable Developments, which included 3 solar projects totaling 319 MW. Mr. Beatty reported on the Biomass RFP where SCPPA was seeking 29 MW, he reported that 9 proposals were received with 30%+ premiums. Next Mr. Beatty reported on the POU Energy Efficiency 11th edition Annual Report. Mr. Beatty highlighted the annual energy savings which grew 3.7% over the last 3 years and that the program costs declined 11.3% over the same period. Mr. Beatty also reviewed a summary of SCPP member Energy Efficiency Programs by Resource Saving, Cost, and Cost Test Ratios.

8. New Business

Mr. Balachandran reported on attending the APPA Legislative Rally and represented the SCPPA Board on Vegetation Management plans and Federal land and Hydro power plants.

There being no further business the board adjourned at

Respectfully Submitted,

David H. Wright
Secretary

cc: SCPPA Board