



**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, August 20, 2015
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

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 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.

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|----|------------------------------------|----|
| a. | SCPPA Board Minutes for 07-16-2015 | 4 |
| b. | Monthly Investment Report 06-15 | 11 |
| c. | Resolution 2015-080 | 13 |
- Extension of the Professional Services Agreement with Altairius Consulting Group, Inc.

d.	Resolution 2015-083	16
	SCPPA Staff Participation in Post 2017 Hoover Agreements on behalf of SCPPA members	
e.	Resolution 2015-084	20
	Magnolia Power Project Audit	

STAFF REPORTS

3.	<u>Executive Director's Report</u>	30
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The Executive Director will report on activities since the last Board meeting:

a.	Resolution 2015-085	33
	Sacramento Office Lease	

4.	<u>Project Administration Director's Report</u>	49
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The Director of Project Administration will report on project-related staff and agent activities:

a.	Hoover Monthly Status Report 08-15	55
b.	Magnolia Monthly Status Report 07-15	58
c.	Palo Verde Monthly Status Report 08-15	65
d.	San Juan Monthly Status Report 08-15	67
e.	Resolution 2015-081	69
	Revised Budgets for Magnolia Project	
f.	Resolution 2015-082	70
	Annual Budget for Hoover Upgrading Project	
g.	Resolution 2015-086	71
	Don A Campbell II Budget	
h.	Resolution 2015-087	73
	Hoover Post 2017 Meeting Expenses	

5.	<u>Government Affairs Reports</u>	75
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The Director of Regulatory Affairs will report on the regulatory activities at the state and federal level:

a.	Morgan Meguire Monthly Report 08-15	77
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6. **Finance and Accounting Director's Report** 86

The Director of Finance and Accounting will report on the status of current financing activities:

a. **Finance Committee Minutes 08-03-15** 87

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:

a. **Energy Systems Report** 89

b. **Program Development Report** 91

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).

BILL D. CARNAHAN
Executive Director
Southern California Public Power Authority

**MINUTES OF THE
REGULAR MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC AUTHORITY MEETING**

A regular meeting of the Board of Directors was held on August 20, 2015 at the offices of the Authority, 1160 Nicole Court, Glendora, California.

This meeting was called to order at 10:00 A.M. by Mr. Davis.

The following board members (M) and alternates (A) were present: Dukku Lee (B), Ron Davis (B), Dave Kolk (B), Carl Stills (A), Stephen Zurn (B), Marcie Edwards (B), Yarek Lehr (A), Eric Klinkner (A), Reiko Kerr (A)

Staff members were: Bill Carnahan (S), Richard Morillo (S), Steve Homer (S), Ted Beatty (S), Tanya DeRivi (S), Salpi Ortiz (S), Daniel Hashimi (S), Katie Ellis (S), Bryan Cope (S), Kelly Nguyen (S), Julie Felipe (S), Arpi Lepedzhyan (S), Erin Lewis (S), Kevin Crawford (S), Jordan Hope (S), Yolanda Pantig (S), Atif Haji Dato (S)

Attorneys and consultants present were: Steve Cole (Consultant), Todd Dusenberry (Vernon), Rick Diaz (Banning), Jody Cross (CA ISO), Joanne Serano (CA ISO)

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

Motion was carried allowing Mr. Davis to conduct the meeting in President Mason and Vice President Balachandran's absence.

Joanne Serano addressed the Board introducing herself as the new director and invited the Board of Directors to attend the CAISO symposium in October.

Consent Calendar

- (a) SCPPA Board Minutes for 07-16-2015**
- (b) Monthly Investment Report 06-15**
- (c) Resolution 2015-080 (Altarius Consulting Group)**

Extension of Professional Services Agreement

(d) Resolution 2015-083 (Post 2017 Hoover Negotiations)

Agreement for SCPA to participate on behalf of the Members during the Post 2017 Negotiations

Moved by: Eric Klinkner
Seconded by: Dukku Lee
Unanimously Approved

STAFF REPORTS

Executive Director's Report

Ms. Ortiz gave a presentation regarding the upcoming legislative tour and the anniversary celebration in November.

Resolution 2015-085 (GPT Trust)

Lease Agreement for the Sacramento Office Space

Moved By: Marcie Edwards
Seconded By: Dukku Lee
Unanimously Approved

Project Administration Director's Report

Mr. Homer reviewed resolution 2015 - 083 on the consent calendar and received a board motion on how to properly allocate billings resulting from the future bills.

Mr. Homer reported the findings from the San Juan environmental study, with minimal findings.

Mr. Homer also discussed a proposed change to Palo Verde voting requirements. Ms. Edwards was unable to give a response due to her needing to present proposed amendments to LA City Counsel.

Ms. Ellis gave a report on the four SCPA wind projects and their production for 2015 so far comparatively to the expected project

averages at time of purchase. Wind speed is in one of the lowest averages in the past few years.

Resolution 2015-081 (Magnolia Power Project)
Revised Budget

Moved By: Dukku Lee
Seconded By: Eric Klinkner
Unanimously Approved

Resolution 2015-082 (Hoover Uprating Project)
Annual Budget

Moved By: Dukku Lee
Seconded By: Reiko Kerr
Unanimously Approved

Resolution 2015-086 (Don A Campbell II)
Budget

Moved By: Marcie Edwards
Seconded By: Stephen Zurn
Unanimously Approved

Resolution 2015-087 (Hoover Post 2017)
Agreement to share costs of Meeting Expenses

Moved By: Carl Stills
Seconded By: Vince Brar
Unanimously Approved

Government Affairs Reports

Ms. DeRivi announced the new hire of an Energy Analyst in SCPPA Sacramento, Sarah Taheri.

Ms. DeRivi discussed CEC Data Reporting regarding the most recent working group meeting between CEC, SCPPA, LADWP, NCPA, CMUA and SMUD, online RPS data reporting database and reduced requirements for small POUs.

Update on the state legislation's SB 350 which is being held in the suspense file waiting for the governor's office to weigh in. AB 645 a component of the 50/50/50 ruling - also suspended.

EPA Clean Power Plan's final rule was released on August 3 with slightly strengthened goal for making coal more efficient, running more natural gas, and add renewables and nuclear. Ms. DeRivi gave the board a spectrum on how California compares to the nation as a whole. California needs to make a 23% adjustment to remain compliant on the new ruling.

Ms. Kerr discussed how this clean power plan will affect Riverside and IPP. Ms. Kerr also acknowledged Ms. DeRivi's work towards the CEC and Clean Power Plan on behalf of SCPA and its Members.

Finance and Accounting Director's Report

Mr. Crawford discussed the upcoming Magnolia Audit as well as SCPA's intent to rotate the SCPA owned projects through an audit process every three years. The Magnolia Audit is expected to commence in January 2016.

Mr. Crawford also discussed SCPA's work in updated the Investment Policy with expectation of completion by the end of 2015.

Mr. Crawford discussed the comparison of rates and how they would be displayed on the SCPA website. Mr. Lee suggested that the comparison become much more simplified by class rather than the current range data. Mr. Cole determined that this method would be acceptable as long as the information is clear to the reader what the data is reporting and the date range that the information was pulled from. Mr. Kolk asked that the rate comparison be removed from the current SCPA website until these changes are made. Mr. Lee suggested that updates should be brought to the finance committee before being posted publicly on the website.

Resolution 2015-084 (Magnolia Power Project)
Agreement to Conduct an Audit

		Approve	Deny	Present, Not Voting
Project Vote:	Azusa			X
	Anaheim	X		
	Banning			X
	Burbank	X		
	Cerritos	X		
	Colton	X		
	Glendale	X		
	IID			X
	LADWP			X
	Pasadena	X		
	Riverside			X
	Vernon			X

Moved By: Vince Brar

Seconded By: Dukku Lee

Unanimously Approved

Director of Resource and Program Development

Mr. Beatty discussed the solar and geothermal development that SCPPA is currently undertaking.

Mr. Beatty gave an explanation of YieldCo and how it compares against Private and Public Power.

Mr. Beatty presented Lawrence Berkeley Labs solar data and noticeable trends in cost of solar and installation within the US and how the US compares against some European and Asian countries as well as Australia. The data presents that soft costs are what creates the varied costs between states and countries.

Mr. Beatty gave an update regarding training within SCPPA as well as gave a preview of the presentation that Black and Veatch will be providing at the September board meeting.

Mr. Beatty discussed the new Community Solar ad hoc working group and what they will be working towards. Mr. Beatty also provided an update regarding the SCPA working groups charters and the progress these documents have made.

Mr. Beatty discussed the current RFPs that are in process through SCPA.

Closed Session

At this point the board went into closed session to discuss personnel and litigation matters.

There being no further business, the meeting was adjourned at 12:10 p.m.

Respectfully submitted,

Mario Ignacio
Assistant Secretary

c: Board of Directors