



**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, November 16, 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.

- |   |          |
|---|----------|
| <b>a. Minutes of the Board of Directors</b> | <b>5</b> |
| <b>For October 19, 2017</b>                 |          |
| <b>b. Resolution 2017-099</b>               | <b>9</b> |

Approval of a Master Professional Services Agreement with Electric Power Research Institute (EPRI).

**c. Resolution 2017-102** 24

Second Amendment to Professional Services Agreement with Public Financial Management, Inc (PFM).

**d. Resolution 2017-103 (Project Vote)** 29

Approve and authorize execution and delivery of Power Sales Agreement with LADWP, Imperial Irrigation District, the City of Anaheim, and the City of Riverside for the ARP-Loyalton Biomass Project.

**e. Resolution 2017-104** 78

Approve extension of Agreement for Professional Services as Interim Chief Financial Officer with Michael Bell Management Consulting, Inc.

**STAFF REPORTS**

**3. Executive Director's Report** 83

The Executive Director will report on activities since the last Board meeting.

- Discussion and update on the Six-Month Strategic Objectives
- Approval of Fred Mason Retirement Resolution 2017-100

**a. Resolution 2017-100** 87

Honoring Fred Mason on his Retirement.

**4. Government Affairs Reports** 89

The Director of Government Affairs will report on the regulatory activities at the state and federal level. Topics include:

- Discussion of SCAQMD Rule 1196
- Legislative Working Group survey results

**a. SCPPA Monthly Federal Legislative Report** 90

**5. 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:

- Updates on New Development Projects
- Updates on New RFP's

•	RFQ Update on Load Management Services	
•	RFP Update for EV Charger installation	
•	Proposal to create a Customer Experience Working Group	
a.	<b>Project Development Report</b>	100
	For October 2017	
b.	<b>Program Development Report</b>	102
	For October 2017	
6.	<u>Chief Financial Officer's Report</u>	
	The Chief Financial Officer will report on the status of current financing activities. Topics Include:	
•	Approval of Investment Policy – Resolution 2017-101	
a.	<b>Resolution 2017-101</b>	104
	Adopt resolution approving the updated Investment Policy that has been reviewed by the Finance Committee and recommended for approval by the Investment Committee.	
7.	<u>Project Administration Director's Report</u>	137
	The Director of Project Administration will report on project-related staff and agent activities. Topics include:	
•	Budget Comparisons	
•	Approval of Azusa Colton Swap in the Astoria 2 and Antelope DSR II Solar Projects - Resolution 2017-105	
a.	<b>Project Reports</b>	141
•	MPP Operations Report 10-2017	
•	Palo Verde Status Report 11-2017	
•	San Juan Status Report 09-2017	
b.	<b>Resolution 2017-105 (Project Vote)</b>	153
	Azusa-Colton Swap	
8.	<u>Roundtable Discussion</u>	
	Opportunity for Board Members to bring up informational items or request that an item be added to a future Board Agenda.	
9.	<u>Closed Session</u>	

- Security: Consultation with Michael S. Webster, Executive Director, and Richard J. Morillo, General Counsel regarding security issues pertaining to the essential public services (water and electric service), pursuant to Section 54957 (a) of the California Government Code.
- 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).
- Pending Litigation: Conference with legal counsel regarding existing litigation related to the Pinedale Gas Reserves Project entitled Southern California Public Power Authority, et al. v. Ultra Resources, Inc., Case No. 16-32202 (MI), United States Bankruptcy Court, Southern District of Texas, pursuant to subdivision (a) of Section 54956.9 of the California Government Code.



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 November 16, 2017 at the offices of the Authority, 1160 Nicole Court, Glendora, California.

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

The following Board Members (B) and Alternates (A) were present:      Dukku Lee (B), Stephen Zurn (B), David Wright (B), Girish Balachandran (B), Kelly Nguyen (B), Federico Langit (A), Jorge Somoano (B), Vince Brar (A), Rebecca Gallegos (A), Eric Klinkner (A), Todd Dusenberry (A), Danny Garcia (A), Louis Thing (A), Jim Steffens (A), Todd Dusenberry (A), Vicken Kasarjian (A),

Staff Members present were:      Mike Webster, Richard Morillo, Greg Broeking, Steve Homer, Ted Beatty, Tanya DeRivi, Sarah Taheri, Daniel Hashimi, Bryan Cope, Randy Krager, Katie Ellis, Salpi Ortiz, Joanna Lopez, Yolanda Pantig, Peter Huynh

Attorneys, Member Employees and Consultants present were:      Stephen Cole (Attorney), Anthony Samson (Arnold & Porter Kay Scholer)

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

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

### **Consent Calendar**

Resolution 2017-099 – Approval of a Master Professional Services Agreement with Electric Power Research Institute.

Resolution 2017-102 – Second Amendment to Professional Services Agreement with Public Financial Management.

Resolution 2017-103 – (Project Vote) Approve and authorize execution and delivery of Power Sales Agreement with LADWP, Imperial Irrigation District, the City of Anaheim, and the City of Riverside for the ARP Loyaltan Biomass Project.

Resolution 2017-104 – Approve extension of Agreement for Professional Services as interim Chief Financial Officer with Michael Bell Management Consulting, Inc.

The consent calendar was approved as follows.

Moved By:      **Dukku Lee**  
Seconded By:    **George Morrow**

**Unanimously Approved**

### Project Vote

Member	Approve	Deny	Present, Not Voting
Azusa			X
Anaheim	X		
Banning			X
Burbank			X
Cerritos			X
Colton			X
Glendale			X
Imperial Irrigation District	X		
Los Angeles	X		
Pasadena			X
Riverside	X		
Vernon			X

## 2. Executive Director's Report

Mr. Webster thanked the Board members who participated in strategic planning meeting that was held at SCPA in November and highlighted couple of the items that were discussed in that meeting.

Mr. Webster also reported on the hiring of the new SCPA CFO. Mr. Webster also updated the Board on the completion of purchasing of the Training Center building.

Mr. Webster requested Board Approval on the Resolution honoring Mr. Mason.

### ***Resolution 2017-100***

Approval of Fred Mason Retirement Resolution 2017-100.

Moved By: **Steve Zurn**  
Seconded By: **Kelly Nguyen**

### **Unanimously Approved**

Mr. Webster mentioned to the Board two events that will take place in December. The Legislative State and Federal Briefing Dinner and the Conjoining Forces Panel discussion and encouraged the General Managers to promote these events with their utility staff.

Todd Dusenberry from the City of Vernon Public Utilities and chair of Mutual Assistance working group reported on lessons learned and best practices on response leads for the year.

## **STAFF REPORTS**

## 3. Government Affairs Report

Ms. DeRivi reported on SCAQMD Rule 1196 and the Legislative working group survey. She shared some of the observations from the survey which included; training needs, decision making, and she also identified some of the challenges and listed some recommendations to the Board.

Anthony Samson of Arnold & Porter, Kay Scholer also updated the Board with some recommendations on decision making protocols.

**4. Director of Resource and Program Development**

Mr. Krager reported on renewable project procurement. He updated the Board on the RPS project activity which included Four Geothermal Projects, Two SB 859 Biomass Projects, Four Solar Projects with Energy Storage, and One Solar Project with Energy Storage Option. Mr. Krager also reported on new and recent requests for proposals which are; Energy Scheduling and Trading Services, Compressed Air Energy Storage, and Renewable Energy Resources.

Mr. Cope reported on program development, he updated the Board on several RFQ's that were issued on Load Management Services. Mr. Cope also updated the Board on the electrification program and listed the 5 contracts that the Board approved last month on EV charger installation. Mr. Cope also talked about the shift from customer service to customer experience and proposed to reinvent the customer service working group to focus on customer experience.

**5. Chief Financial Officer's Report**

Mr. Broeking presented the Investment policy that was reviewed and approved by the Finance and Investment and asked the Board to approve resolution 2017-101.

***Resolution 2017-101***

Adopt resolution approving the updated SCPPA Investment Policy.

Moved By: **Dukku Lee**  
Seconded By: **Vicken Kasarjian**

**Unanimously Approved**

**6. Project Administration Director's Report**

Mr. Homer reported on the budget comparisons for quarter ending 6-30-17 and requested approval on resolution 2017-105 for Astoria 2 and Antelope DSR II solar projects.

***Resolution 2017-105 (Project Vote-Astoria 2 & Antelope DSR II)***

SCPPA to approve the Azusa Colton Swap in the Astoria 2 and Antelope DSR II Solar Projects.

Moved By: **George Morrow**  
Seconded By: **Rebecca Gallegos**

**Project Vote  
(X=DSR II, Y=Astoria)**

<b>Member</b>	<b>Approve</b>	<b>Deny</b>	<b>Present, Not Voting</b>
Azusa	X,Y		
Anaheim			X,Y
Banning	Y		X
Burbank			X,Y
Cerritos			X,Y
Colton	X,Y		
Glendale			X.Y

Imperial Irrigation District		X,Y
Los Angeles		X,Y
Pasadena		X,Y
Riverside		X,Y
Vernon	Y	X

**Unanimously Approved**

**7. Roundtable Discussion**

Board Members were given a two minute opportunity to speak on current topics of interest at their individual cities or request that items be added to a future Board Agenda.

**8. Closed Session**

The President declared an end to the public portion of the meeting and the Board then went into closed session to discuss the items listed on the meeting notice. The meeting was adjourned at 12:40 PM by the Board at the conclusion of the closed session discussion.

Respectfully Submitted,

\_\_\_\_\_  
David H. Wright  
Secretary

cc: SCPPA Board