



## **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 16, 2018**

**10:00 AM**

SCPPA Glendora Office  
1160 Nicole Court | Glendora, California  
(626) 793-9364

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

#### **1. NOTICE / AGENDA AND OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD**

Members of the public may address the Board at this time on any item on today's agenda or any other item that 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. 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.

#### **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. Minutes of the Board of Directors**

For July 19, 2018

##### **B. Quarterly Investment Report**

For June 2018

**C. Monthly Investment Report**

For June 2018

**D. Resolution 2018-071**

Authorization to enter the West Coast Clean Transit Corridor Initiative Collaboration Agreement with Southern California Edison (SCE) and other utilities.

**E. Resolution 2018-081**

Approval of the ANPP Hassayampa Switchyard Interconnection Agreement with Sun Streams, LLC.

**F. Resolution 2018-084**

Approval of an agreement to reinstate and extend the Professional Services Agreement with Meteologica.

**3. EXECUTIVE DIRECTOR'S REPORT**

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

- Six-Month Strategic Objectives

**A. Resolution 2018-085**

Approval of adjustments to Salary Ranges.

**B. Resolution 2018-086**

Approval of modifications to the Employee Benefits Policy.

**4. DIRECTOR OF ASSET MANAGEMENT AND SPECIAL PROJECTS' REPORTS**

The Director of Asset Management and Special Projects has provided a written report on project-related staff and agent activities.

**C. Project Reports**

- MPP Operations Report 07-2018
- Palo Verde Status Report 08-2018
- Quarterly Renewables Performance Report

**5. CHIEF FINANCIAL AND ADMINISTRATIVE OFFICER'S REPORT**

The Interim Chief Financial & Administrative Officer will report on the status of current financing activities. Topics include:

- 2018 STS Bond Issuance
- 2018 STS Bond Continuing Disclosure
- Project Updates

**A. Finance Committee Meeting Minutes**

For June 4, 2018.

**B. Resolution 2018-082**

Authorizing the issuance of the Southern Transmission System 2018 Refunding Bonds to refund the Southern Transmission System 2008 Subordinate Refunding Series A Bonds and a portion of the Southern Transmission System 2009 Subordinate Refunding Series A Bonds.

**C. Resolution 2018-083**

Authorizing the execution and delivery by the Authority of the Continuing Disclosure Resolution relating to the issuance of the Southern Transmission System 2018 Refunding Bonds to refund the Southern Transmission System 2008 Subordinate Refunding Series A Bonds and portion of the Southern Transmission System 2009 Subordinate Refunding Series A Bonds.

**6. DIRECTOR OF GOVERNMENT AFFAIRS' REPORTS**

The Director of Government Affairs will report on regional, state, and/or federal legislative and regulatory activities affecting Southern California public power utilities including: climate change and air quality, wildfires, renewable energy and traditional energy resources, transportation and building electrification, alternative energy supplies, resource planning, market and utility operations, and joint powers agreements.

- CARB Low Carbon Fuel Standard
- State Legislative Update: Grid Regionalization (AB 813), SB 100, Wildfires (SB 901)

**A. SCPPA Monthly Federal Legislative Report**

**7. LEGAL**

The General Counsel will make a presentation on proposed amendments to the SCPPA By-Laws.

**A. Resolution 2018-080**

Approval of amendments to SCPPA By-Laws relating to the Board elections and governance of the Finance Committee.

**8. ROUNDTABLE DISCUSSION**

Opportunity for Board Members to bring up informational items or request that an item be added to a future Board Agenda.

**9. CLOSED SESSION**

- **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.
- **Conference with Labor Negotiator:** SCPPA designated representative: Michael S. Webster, Executive Director. Unrepresented employees: All SCPPA staff (excluding Executive Director).
- **Public Employment:** Work review and performance evaluation of the Executive Director of the Authority pursuant to section 54957 of the California Government Code.
- **Public Employment:** Work review and performance evaluation of the General Counsel 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.*

A handwritten signature in blue ink, reading "Michael S. Webster", is positioned above a horizontal line.

**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 August 16, 2018 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), Manny Robledo (B), Thomas Miller (B), Jorge Somoano (B), Stephen Zurn (B), Gurcharan Bawa (B), Todd Jorgenson (B)

Rebecca Gallegos (A), Henry Martinez (A), Reiko Kerr (A), Angela Kimmey (A)

Staff Members present were:      Michael Webster, Richard J. Morillo, Katherine Ellis, Daniel Hashimi, Bryan Cope, Salpi Ortiz, Joanna Lopez, Tanya DeRivi, Amy Mmagu, Nicholas Blair

Attorneys, Member Employees and Consultants present were:      Yolanda Pantig (SCPPA-Downtown), Greg Broeking (Michael Bell Management Consulting), Stephen Cole (Norton Rose Fulbright), Victor Hsu (Norton Rose Fulbright), (NextEra Energy), Robert Ennis (), Jennifer (), Janice Lehman (Anaheim)

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

Mr. Lee offered 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**

Due to changes in the Resolution 2018-071 documents regarding the West Coast Clean Transit Corridor Initiative Collaboration Agreement, the item was pulled from consent and moved to the Executive Director's Comments for discussion. The remainder of the Consent Calendar was moved as follows.

- Board Meeting Minutes from July 19, 2018
- Quarterly Investment Report for June 2018
- Monthly Investment Report for June 2018
- *Resolution 2018-081* – Approval of the ANPP Hassayampa Switchyard Interconnection Agreement with Sun Streams, LLC.
- *Resolution 2018-084* – Approval of an agreement to reinstate and extend the Professional Services Agreement with Meteologica.

There was a motion and second to approve the consent calendar, which passed unanimously.

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

Mr. Webster reported on the SCPA Strategic Objectives for fiscal year 2018-19.

Mr. Webster discussed the adjustments to the Salary Ranges and the modifications to the Employee Benefits Policy and asked for approval of Resolution 2018-085 and Resolution 2018-086.

- **Resolution 2018-085** – Approval of adjustments to the Salary Ranges.
- **Resolution 2018-086** – Approval of modifications to the Employee Benefits Policy.

Moved By:           **Reiko Kerr**  
Seconded By:       **Henry Martinez**

**Unanimously Approved**

- **Resolution 2018-071** – Authorization to enter into the West Coast Clean Transit Corridor Initiative Collaboration Agreement with Southern California Edison (SCE) and other utilities.

**No Action Taken.**

Resolution 2018-071 regarding the West Coast Clean Transit Corridor Initiative Collaboration Agreement was pulled from consent and discussed as a part of the Executive Directors Comments. Mr. Cope noted that the change was made due to significant alterations made to the since the time of the agenda posting. The Board requested more time to review the changes and no motion was made. The item was listed to return for discussion at the regularly scheduled September Board of Director's Meeting.

## **STAFF REPORTS**

### **4. Director of Asset Management and Special Projects' Report**

Due to time constraints, Ms. Ellis provided a written report in lieu of a presentation. Ms. Ellis provided the Board an opportunity to ask questions regarding the report. There being no questions, Ms. Ellis deferred to Greg Broeking for the Chief Financial and Administrative Officer's Report.

### **5. Chief Financial and Administrative Officer's Report**

Mr. Broeking discussed the Southern Transmission System 2018 Refunding Bonds and asked the Board for approval of resolutions 2018-082 and 2018-083.

- **Resolution 2018-082 (Project Vote – Southern Transmission System)**– Authorizing the issuance of the Southern Transmission System 2018 Refunding Bonds to refund the Southern Transmission System 2008 Subordinate Refunding Series A Bonds and a portion of the Southern Transmission System 2009 Subordinate Refunding Series A Bonds.
- **Resolution 2018-083 (Project Vote – Southern Transmission System)** – Authorizing the execution and delivery by the Authority of the Continuing Disclosure Resolution relating to

the issuance of the Southern Transmission System 2018 Refunding Bonds to refund the Southern Transmission System 2008 Subordinate Refunding Series A Bonds and a portion of the Southern Transmission System 2009 Subordinate Refunding Series A Bonds.

Moved By: **Jorge Somoano**  
Seconded By: **Gurcharan Bawa**

**Unanimously Approved**

Mr. Broeking provided the Board with the Moody's updates and briefed the Board on the 2017-18 Budget to Actual Costs and how the performance allowed for changes to be made to the 2018-19 Budget.

**6. Government Affairs Report**

Ms. DeRivi provided a State Legislative Update which included discussion on SB 100, AB 813, and SB 901. Ms. Derivi provided the Board with a summary on SB 100 and suggested position change on the bill – oppose unless amended. Ms. Mmagu provided clarification on the reasoning for the change in position. The Board members declared their support to adopt the new position on the bill.

Ms. DeRivi discussed the status of the AB 813 Grid Regionalization bill and implications of the bill. Ms. Mmagu highlighted the jurisdictional concerns and governance issues. Ms. DeRivi noted the possibility of a similar bill coming to session.

Ms. Mmagu discussed SB 901 regarding wildfires and current concerns with the current emergency alert system.

Ms. DeRivi provided the Board with the SPPA State Legislative Scorecard and noted that all current positions are to oppose.

Mr. Blair provided the board with updates on the CARB Low Carbon Fuel Standard and identified the regulatory amendments to the Point-of-Purchase Rebate Program. Ms. DeRivi noted the important upcoming dates regarding this matter. Mr. Blair highlighted the overall impact as it relates to SPPA and noted SPPA's plan to submit a support letter and attend the September CARB Board Meeting to voice support to CARB staff.

**7. Legal**

Mr. Morillo summarized the proposed changes to the SPPA By-Laws regarding the SPPA Board elections and Finance Committee governance. Mr. Morillo asked for Board approval of Resolution 2018-080.

- **Resolution 2018-080** – Approval of amendments to the SPPA By-Laws relating to the Board elections and governance of the Finance Committee.

Moved By: **Dukku Lee**  
Seconded By: **Reiko Kerr**

**Unanimously Approved**

**8. Roundtable Discussion**

Board Members were given a two minute opportunity to bring up informational items or request that an item be added to a future Board Agenda.

**9. 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 **1:00 PM** by the Board at the conclusion of the closed session discussion.

Respectfully Submitted,

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David H. Wright  
Secretary