



## 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 **December 19, 2019** at the offices of the Authority:

**1160 Nicole Court  
Glendora, California 91740**

*This meeting was called to order at **10:02 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), Ramzi Raufdeen (A), Rebecca Gallegos (A), Stephen Zurn (B), Enrique Martinez (B), Reiko Kerr (A), Gurcharan Bawa (B), Todd Corbin (B), Danny Garcia (A), Abraham Alemu (B)

**Staff Members Present Were:**

Nicholas Blair, Bryan Cope, Tanya DeRivi, Katherine Ellis, Daniel Hashimi, Randolph Krager, Joanna Lopez, Aileen Ma, Amy Mmagu

**Attorneys, Member Employees  
and Consultants Present Were:**

Victor Hsu (Norton Rose Fulbright), Michelle Kinman (LACI)

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

Mr. Somoano brought the meeting to order at 10:02 AM. Mr. Webster reviewed emergency protocol. Mr. Somoano invited comments from the public. There being none, introductions were made. Mr. Somoano presented the Consent Calendar to the Board for consideration.

Anaheim and Riverside abstained on item E, Resolution 2019-140, authorizing SCPPA to maintain its membership on the California Electric Transportation Coalition ("CalETC") Board for a period of three (3) years commencing on January 1, 2020.

### **2. CONSENT CALENDAR:**

- **MINUTES OF THE BOARD OF DIRECTORS**
  - October 17, 2019
- **MINUTES OF THE BOARD OF DIRECTORS**
  - November 21, 2019
- **MONTHLY INVESTMENT REPORT**
  - October 2019
- **MONTHLY FINANCE COMMITTEE MINUTES**
  - November 2019
- **RESOLUTION 2019-140:** Approve the Resolution authorizing SCPPA to maintain its membership on the California Electric Transportation Coalition ("CalETC") Board for a period of three (3) years

commencing on January 1, 2020.

### **CONSENT CALENDAR**

**Moved By:** Tom Miller

**Seconded By:** Dukku Lee

**Anaheim and Riverside both abstained on item E.  
UNANIMOUSLY APPROVED**

### **3. EXECUTIVE DIRECTOR'S REPORT**

Mr. Webster welcomed Mr. Alemu as the permanent General Manager of Vernon. The Board received a 2020 Board Calendar, as well as a Finance Committee Members and Alternates list for 2020. Mr. Webster noted that Banning is now a part of the Finance Committee, with Jennifer Christensen as the representative. Mario Ignacio from LADWP is the Committee Chair and Brian Beelner of Anaheim is the Committee Vice-Chair. Mr. Webster thanked the Board for all they do and invited Board Members to receive a holiday gift on their way out of the meeting.

Mr. Webster provided a Working Group Update. The Renewables Working Group is working on negotiations for wind, solar, solar battery, geothermal, and biomass. The Renewables Working Group will be putting together three major RFPs in the new year: Rolling Renewables RFP; a Standalone Storage RFP for both CAISO and LADWP; and a Resource Adequacy RFP.

The Transportation Electrification Working Group West Coast Clean Transit Corridor initiative is a project that all the Members funded and participated in with some of the IOUs. Mr. Cope has distributed the final draft out to Member Staff for any final comments. The plan is to finish the report by January. The Group recently took a tour of Proterra's electric bus manufacturing facility in the City of Industry.

The Public Benefits Group is working on the POUs' Energy Efficiency Cost Effectiveness Tool.

Resource Planning Working Group has a Southern California POU summary document and will have a presentation to the Board early next year.

SCPPA staff did DISC training on how to effectively communicate together. It was a successful staff development activity.

Mr. Somoano invited questions from the Board. Mr. Robledo asked about the Transportation Electrification Working Group's West Coast Clean Transit Corridor. Mr. Cope answered his questions.

### **SPECIAL PRESENTATION**

### **4. SPECIAL PRESENTATION**

Mr. Cope introduced Michelle Kinman, Director of Transportation with Los Angeles Cleantech Incubator (LACI). Ms. Kinman presented LACI's Roadmap 2.0 goal to reduce carbon emissions by an additional 25% beyond Governor Brown's current requirement. Ms. Kinman outlined a three-pronged plan to accomplish the goal by 2028, when the Olympic games will be held in Southern California. Ms. Kinman took questions from the Board.

### **STAFF REPORTS**

### **5. RESOURCE AND PROGRAM DEVELOPMENT REPORTS**

Mr. Cope reminded the Board of his presentation of ZappyRide at the previous month's Board Meeting. Pricing has not changed; however, ZappyRide did add a fourth level of pricing for smaller Members.

**RESOLUTION 2019-139: ZappyRide**

**Moved By:** Rebecca Gallegos    **Seconded By:** Steve Zurn

**Riverside Abstained  
UNANIMOUSLY APPROVED**

Mr. Cope presented to the Board for their consideration and approval Resolution 2019-141. A Request for Proposals was issued for Education and Outreach programs for Energy Efficiency. Tinker, LLC was the highest rated provider of all submittals. No subcontracting is required. In addition, Tinker provides a digital platform for water efficiency and makes resources available in Spanish.

Current Members interested include Azusa, Burbank, Colton, Glendale, and Pasadena.

**RESOLUTION 2019-141: Tinker, LLC**

**Moved By:** Manny Robledo    **Seconded By:** Gurcharan Bawa

**Riverside Abstained  
UNANIMOUSLY APPROVED**

**6. DIRECTOR OF ASSET MANAGEMENT AND SPECIAL PROJECTS' REPORT**

Ms. Ellis advised the Board of a Force Majeure Notice that the Chiquita Canyon Landfill Gas plant was closed down three (3) separate times in the month of October for Public Safety Power Shutoffs. The plant was down a total of about 90 hours with an estimated loss of 540 megawatt hours of generation. SCPPA Members will not incur any cost associated with the loss of generation. This is the first tangible impact of the Public Safety Power Shutoffs (PSPS) that SCPPA has seen.

Ms. Ellis recapped the Fall Outage at Palo Verde. OSHA Recordable Injuries Goal was zero. Actual number of injuries was three. A welder received a flash burn to his eyes, another worker cut his hand on a sharp edge of metal, and a third worker fell down some temporary stairs and dislocated his shoulder.

ALARA Dose Goal for radiation was  $\leq 18.2$  REM. Actual was radiation exposure was 13.6 REM.

Zero clock resets. O&M for the fall outage came in under budget at \$28.2M. The plant missed the Outage Duration Goal by 7 days, 1 hour, 8 minutes. Final metric is a goal of 100 days of continuous operation. The outcome of this goal is yet to be determined. Ms. Ellis discussed various events that contributed to the plant outage. In addition to the three injuries, there were also three dropped items, any of which could have resulted in fatalities. Although there were no injuries resulting from dropped items, there is a plan to redirect the Site Safety Committee to focus more on frontline employees. There is also a move to assign accountability to an APS manager for every contractor, every day they're on site in an attempt to improve safety.

Ms. Ellis briefed the Board on the upcoming retirement of Bob Bement, Chief Nuclear Officer of Arizona Public Services Co. Mr. Bement is retiring as of the end of this year. His position with APS will be replaced by Maria Lacal. There will be a transition period from January to March when Mr. Bement and Ms. Lacal will work together before Mr. Bement leaves APS at the end of March.

Ms. Ellis gave the Board an update on the Northern Nevada Geothermal Project Dispute Resolution. Executives from Ormat, SCPPA, and LADWP met in person and were able to reach a tentative agreement. No changes to the PPA will be needed. Ormat agreed to be more transparent and to explore enhancements that will increase efficiency. Legal teams are working through the formal Dispute Resolution Agreement, which should be completed in January.

Copper Mountain Solar Dispute has made progress. Executives from LADWP, SCPPA, and ConEdison met the week of Thanksgiving and settled on past curtailments. They agreed to work together in good faith to revise the Interconnection Operating Protocols and Procedures to address future curtailments. No change to the PPA is needed. A Dispute Resolution Agreement should be completed in January.

Ms. Ellis stated that Occidental Energy Marketing delivered Notice of Termination of the Base Contract for Sale and Purchase of Natural Gas for the Magnolia plant. There is a need for another vendor to provide services to the Magnolia power plant. Participants are working on an RFP; however, there are only six months to get another party lined up. Ms. Ellis noted that another Member could provide services. She invited Members to contact her directly if they are so inclined.

Ms. Ellis welcomed questions from the Board; however, there being none, she concluded her presentation.

## **7. GOVERNMENT AFFAIRS**

Mr. Blair gave an update on the California Air Resources Board's Advanced Clean Trucks rulemaking effort, which will now only require one week's worth of data reporting, as opposed to an entire year, as previously discussed. Conversations are ongoing regarding which week will be reported. Mr. Blair said the agreement by CARB to accept one week as reflective of an entire year is a big win and will save time and resources. In May, CARB will vote to implement the data requirement, which will go into effect in April 2021.

Last week at the CARB Board Meeting, 105 people testified on the proposal. SCPPA intends to be very active with CARB as they next move to develop a Fleet Vehicle Mandate – this rulemaking will begin in February. Ms. DeRivi asked the Board to ensure their fleet managers are engaged in this process. CARB ultimately wants utilities to convert all medium and heavy use vehicles to zero emission vehicles. SCPPA has been urging state policymakers for over a year that all electric vehicles does not make sense in all applications (e.g., mutual aid).

Ms. DeRivi highlighted five CEC RPS rule updates Members should be aware of for the January 10<sup>th</sup> workshop. While advocacy efforts to date have garnered key wins on the long-term procurement requirement (including getting full credit for grandfathered resources and use of optional compliance measures), additional work is needed on how to redefine "long-term" and use of delay of timely compliance. Members should plan to revisit what each utility's Board has adopted for optional compliance measures and delay of timely compliance.

Additional provisions include defining reasonable proximity for voluntary green pricing programs; SCPPA is arguing that close proximity means adjoining counties from service territory.

Ms. DeRivi discussed SCPPA's SB350 amendment on fully resourced utilities. If there are any changes needed, Members are encouraged to communicate changes to SCPPA staff.

Ms. DeRivi took questions from the Board.

Ms. Mmagu stated there will be an Advocacy Day on Procurement Mandates, specifically, Pumped Storage. This will take place on January 14, 2020. SCPPA is asking Members to send representatives to meet with the 43 SCPPA legislators. The Senate will have a hearing on 2-year bills on Wednesday, January 15. The Senate will also be hearing the San Diego Water Authority's pumped storage bill.

Ms. DeRivi asked about Member interest in an Educational Advocacy campaign, which would target legislators via social media, print ads, and other such media. Pasadena is in favor of the campaign and is willing to partially pick up the cost. Mr. Somoano noted that Mr. Webster has authority to move forward with an educational advocacy vendor, based on Member interest. Interested Members include Azusa, Banning, Colton, Pasadena, Riverside, and Vernon. Anaheim, LADWP, Glendale, Cerritos, and Burbank do not wish to participate. IID will consider and get back to Mr. Webster. Mr. Webster said SCPPA will move forward in procuring a vendor depending on the will of the participants.

## **8. FINANCE**

Ms. Ma presented to the Board for their consideration and approval Resolutions 2019-142 and 2019-143. Resolution 2019-142 is a Resolution to approve Magnolia Project A Bond Refunding. Ms. Ma presented a plan of finance as well as reasons for refunding. On December 2, 2019, the Finance Committee recommended approval of Resolution 2019-142, authorizing the preparation of all necessary documents. This is a project vote including Anaheim, Burbank, Colton, Glendale, and Pasadena.

PROJECT VOTE (MAGNOLIA)			
RESOLUTION 2019-142: MAGNOLIA BOND REFUNDING			
Moved By: Dukku Lee		Seconded By: Steve Zurn	
Member	Approve	Deny	Present, Not Voting
Azusa			X
Anaheim	X		
Banning			X
Burbank	X		
Cerritos			X
Colton	X		
Glendale	X		
IID			X
Los Angeles			X
Pasadena	X		
Riverside			X
Vernon			X

Resolution 2019-143 is a project vote for Tieton Bond Refunding. Participants are Glendale and Burbank. On December 2, 2019, the Finance Committee recommended approval of the Resolution, authorizing the preparation of all necessary documents.

PROJECT VOTE (TIETON)			
RESOLUTION 2019-142: MAGNOLIA BOND REFUNDING			
Moved By: Steve Zurn		Seconded By: Jorge Somoano	
Member	Approve	Deny	Present, Not Voting
Azusa			X
Anaheim			X
Banning			X
Burbank	X		
Cerritos			X
Colton			X
Glendale	X		
IID			X
Los Angeles			X

Pasadena	X
Riverside	X
Vernon	X

## 9. ROUNDTABLE DISCUSSION

Mr. Somoano invited the Board to share any roundtable discussion items. Mr. Webster noted the Annual Report is available in printed form and will be sent electronically as well.

Mr. Morillo said his closed session item will be brought back in January. Mr. Somoano closed the meeting at 12:12 PM

Respectfully Submitted,

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**MICHAEL S. WEBSTER**  
Assistant Secretary