

MEETING of the Executive Committee of the
Clean Power Alliance of Southern California
Wednesday, July 10, 2019, 1:30 p.m.

MINUTES

555 West 5th Street, 35th Floor
Los Angeles, CA 90013

Beverly Hills City Hall
4th Floor, Conference Room 4B
455 N. Rexford Drive, Beverly Hills, CA 90210

Ventura County Government Center
Channel Islands Conference Room
4th Floor Hall of Administration
800 South Victoria Avenue, Ventura, CA 93009

I. WELCOME AND ROLL CALL

Chair Diana Mahmud called the meeting to order.

Roll Call				
1	Beverly Hills	Julian Gold	Committee Member	Remote
2	Los Angeles County	Gary Gero	Committee Member	Present
3	Oxnard	Carmen Ramirez	Committee Member	Remote
4	Rolling Hills Estates	Steve Zuckerman	Committee Member	Present
5	Santa Monica	Kevin McKeown	Committee Member	Absent
6	South Pasadena	Diana Mahmud	Chair	Present
7	Ventura County	Linda Parks	Vice Chair	Remote
8	West Hollywood	Lindsey Horvath	Committee Member	Remote

II. GENERAL PUBLIC COMMENT

There were no general public comments.

III. CONSENT AGENDA

1. Approved Minutes from June 19, 2019 Executive Committee Meeting

Motion: Committee Member Gold, Beverly Hills

Second: Committee Member Ramirez, Oxnard

Vote: Item 1 was approved by a unanimous roll call vote of all voting members.

IV. REGULAR AGENDA

2. Received Report from the Executive Director

Ted Bardacke, Executive Director, reviewed the opt-out statistics for the 1% of customers impacted by the rate increases outside of the standard rate comparison ranges, referred to as “subset” customers. Mr. Bardacke highlighted that member agencies took various actions on their affected subset accounts. Member agencies generally took four types of actions as it pertained to their affected subset accounts: 1) Accounts were left at default level or opted-up; 2) Agencies opted-out all affected subset accounts and left all non-affected accounts at the default level; 3) Some agencies only opted-out their streetlight accounts and left their other subset accounts in CPA; or 4) Some member agencies did some sort of combination of the three previous categories of actions. Mr. Bardacke clarified that no member agency opted out of all of their municipal accounts.

Mr. Bardacke also provided a report on all the subset customers as a whole which include accounts on the TOU-8, GS-3, and Pumping/Agriculture rates. Mr. Bardacke noted that these customers are still within their 60-day window to opt-out, and outreach to these customers is still ongoing. CPA has brought on extra staff to assist with outreach to these customers via individual phone calls and emails, in addition to the two letters that were sent to all subset customers. Vice Chair Parks asked if any of the 100% cities are no longer 100% cities, because of this issue. Mr. Bardacke clarified

that the default rate of 100% for the entire community still remains, even if the municipality as a customer, decides to opt-out some of their accounts.

Mr. Bardacke also highlighted the series of malfunctions taking place in the SCE billing system. It took about 2-3 weeks for CPA and SCE to identify the and address the issues going forward. There were two major issues occurring: 1) Account did not bill, which meant the customer did not receive a bill from SCE, and 2) Account billed with partial charges, which meant the customer received a bill that only had SCE charges but not CPA charges included. Approximately 100,000 to 120,000 billing periods were impacted by various combinations of these issues. Mr. Bardacke indicated that this had an impact on the CPA cash flow, which was delayed by about \$5 million. To help inform those customers who were impacted, CPA in conjunction with SCE, will be posting messaging on the CPA website and will be drafting joint call center talking points. In addition, there will be on-bill messages to customers. Because the cause of this issue was due to malfunctions in SCE's billing system, which impacted customers in all CCAs, CPA requested that SCE also send letters to customers separately informing them of the issues. However, SCE has not agreed to do so.

Nancy Whang, General Counsel, also clarified that there are tariff rules that SCE must abide by. In this instance, the rules are not prescriptive nor provide specific delineations of conduct, in reference to this kind of issue, by SCE. However, CPA does have an agreement with SCE on conduct and SCE has devoted significant resources to this issue.

Chair Mahmud asked if there has been a discussion with SCE to recover incurred finance charges due to this issue. Mr. Bardacke indicated that, at this point a complaint needs to be filled with the PUC, a ruling must then be made in favor of CPA, and then that ruling would need to be taken to court

in order for CPA to recover the cost. This process, however, is lengthy and would likely cost more in legal fees than the financial damage incurred.

Mr. Bardacke provided an update on the Solar Marketplace platform CPA is developing. CPA issued an RFP several months previously for a vendor to help educate customers on options for installing solar at their properties. There were four bids and two finalists were identified. Because this service evolved into a revenue generator and there would be no cost for CPA, staff will move forward on drafting an agreement without the need to go to the Board.

Director Ramirez asked how CPA would vet contractors to ensure CPA is not exposed to liability. Ms. Whang clarified that the vendor in its proposal indicated that they are vetting the contractors doing the installation in order to ensure they are properly licensed and insured, as well as to mitigate liability. In addition, Ms. Whang is reviewing the CPA insurance coverage requirements to make sure CPA is protected and any risk is mitigated.

There were no public comments on this item. This item was for discussion purposes only.

3. Reviewed Draft Agenda for July 18, 2019 Board of Directors Meeting

Nancy Whang, General Counsel, reviewed the proposed records retention policy for CPA. In preparing the policy, staff reviewed various retention policies from like agencies such as MCE and Metro and also surveyed the CPA staff for input. Ms. Whang highlighted that the policy includes a provision to suspend the disposal of information in the event of litigation, subpoenas, and claims, if needed.

Ted Bardacke, Executive Director, indicated that a new consent item will be included on the Board Agenda, which is the extension and increase for the

MRW Task Order, which is the consultant that provides rate analysis services for CPA. This will be brought to the Board because it is an amendment to a Task Order and the total amount is above the Executive Director's signing authority.

Additionally, staff will bring to the Board, for discussion, the issue of member expansion. This came about from the Board retreat, and at that time the expansion breakout group thought it important to bring it to the Board, as a whole.

Mr. Bardacke also highlighted the amendment to the Energy Risk Management Policy, which will also appear before the Board. The amendments will be in reference to the PCC-3 Renewable Energy Credits (RECs) and the CPA hedging strategy, which will help to mitigate risks. Mr. Bardacke clarified that CPA's 100% Green Power rate product will be fully fulfilled by PCC-1 resources.

There were no public comments on this item. This item was for discussion purposes only.

V. COMMITTEE MEMBER COMMENTS

There were no additional Committee Member comments.

VI. ADJOURN

Chair Mahmud adjourned the meeting.