



**REGULAR MEETING of the Board of Directors of the
Clean Power Alliance of Southern California
Thursday, January 9, 2020
2:00 p.m.**

The L.A. Grand Hotel Downtown
2nd Floor, Pacific Ballroom 3
333 South Figueroa Street
Los Angeles, CA 90071

Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting materials, should contact Christian Cruz at least two (2) working days before the meeting at ccruz@cleanpoweralliance.org or (213) 269-5870. Notification in advance of the meeting will enable us to make reasonable arrangements to ensure accessibility to this meeting and the materials related to it.

PUBLIC COMMENT POLICY: *The General Public Comment item is reserved for persons wishing to address the Board on any Clean Power Alliance-related matters not on today's agenda. Public comments on matters on today's Consent Agenda and Regular Agenda shall be heard at the time the matter is called. Comments on items on the Consent Agenda are consolidated into one public comment period. As with all public comment, members of the public who wish to address the Board are requested to complete a speaker's slip and provide it to Clean Power Alliance staff at the beginning of the meeting but no later than immediately prior to the time an agenda item is called.*

Each speaker is limited to two (2) minutes (in whole minute increments) per agenda item with a cumulative total of five 5 minutes to be allocated between the General Public Comment, the entire Consent Agenda, or individual items in the Regular Agenda. Please refer to Policy No. 8 – Public Comment for additional information.

In addition, members of the Public are encouraged to submit written comments on any agenda item to PublicComment@cleanpoweralliance.org. To enable an opportunity for review, written comments should be submitted at least 72 hours but no later than 24 hours in advance of the

noticed Board meeting date. Any written materials submitted thereafter will be distributed to the Board at the Board meeting. Any written submissions must specify the Agenda Item by number, otherwise they will be considered General Public Comment.

Members of the public may also participate in this meeting remotely at the following addresses:

Calabasas City Hall – Council Conference Room
100 Civic Center Way, Calabasas, CA 91301

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

Whittier City Hall – Admin Conference Room
13230 Penn Street, Whittier, CA 90602

I. WELCOME AND ROLL CALL

II. GENERAL PUBLIC COMMENT

III. CONSENT AGENDA

1. Approve Minutes from December 5, 2019 Board of Directors Meeting
2. Authorize the Executive Director to execute Amendment No. 1 to the Power Purchase Agreement (PPA) with Golden Fields Solar III LLC and execute a Consent and Agreement for collateral assignment
3. Approve Submittal of Letter of Intent for CPA to participate in and contribute funding to the California Electric Vehicle Incentive Program (CALeVIP)

IV. REGULAR AGENDA

4. Adopt Resolution 20-01-001 to Approve CPA's Approach to the Default of Residential Customers to Time-of-Use (TOU) Rates

V. MANAGEMENT UPDATE

VI. COMMITTEE CHAIR UPDATES

Director Lindsey Horvath, Chair, Legislative & Regulatory Committee

Director Julian Gold, Chair, Finance Committee

Director Carmen Ramirez, Chair, Energy Planning & Resources Committee

VII. BOARD MEMBER COMMENTS

VIII. REPORT FROM THE CHAIR

IX. ADJOURN – TO REGULAR MEETING ON FEBRUARY 6, 2020

***Public Records:** Public records that relate to any item on the open session agenda for a regular Board Meeting are available for public inspection. Those records that are distributed less than 72 hours prior to the meeting are available for public inspection at the same time they are distributed to all, or a majority of, the members of the Board. The Board has designated Clean Power Alliance, 555 W. 5th Street, 35th Floor, Los Angeles, CA 90013, as the location where those public records will be available for inspection. The documents are also available online at www.cleanpoweralliance.org.*

REGULAR MEETING of the Board of Directors of the
Clean Power Alliance of Southern California
Thursday, December 5, 2019, 2:00 p.m.

MINUTES

*The L.A. Grand Hotel Downtown
2nd Floor Pacific Ballroom 3, 333 South Figueroa St, Los Angeles, CA 90071*

*Calabasas City Hall – Council Conference Room
100 Civic Center Way, Calabasas, CA 91301*

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I. WELCOME AND ROLL CALL

Chair Diana Mahmud called the meeting to order at 2:03 p.m.
Interim Board Secretary Christian Cruz conducted roll call.

Roll Call				
1	Agoura Hills	Deborah Klein Lopez	Director	Remote
2	Alhambra	Martin Ray	Alternate	Present
3	Arcadia	Sho Tay	Director	Present
4	Beverly Hills	Julian Gold	Director	Present
5	Calabasas	John Bingham	Alternate	Present
6	Camarillo	Tony Trembley	Director	Remote
7	Carson	Reata Kulcsar	Alternate	Present
8	Claremont	Jennifer Stark	Alternate	Present
9	Culver City	Meghan Sahli-Wells	Director	Present
10	Downey	Sean Ashton	Director	Present
11	Hawaiian Gardens	Victor Farfan	Director	Remote
12	Hawthorne	Frank Feng	Alternate	Present
13	Los Angeles County	Sheila Kuehl	Vice-Chair	Present
14	Malibu	Skylar Peak	Director	Present
15	Manhattan Beach	Nancy Hersman	Director	Present

16	Moorpark	Janice Parvin	Director	Remote
17	Ojai	Johnny Johnston	Director	Remote
18	Oxnard	Carmen Ramirez	Director	Present
19	Paramount			Absent
20	Redondo Beach	Christian Horvath	Director	Present
21	Rolling Hills Estates	Steve Zuckerman	Director	Present
22	Santa Monica	Kevin McKeown	Director	Present
23	Sierra Madre	John Capoccia	Director	Present
24	Simi Valley			Absent
25	South Pasadena	Diana Mahmud	Chair	Present
26	Temple City			Absent
27	Thousand Oaks	Helen Cox	Alternate	Remote
28	Ventura	Christy Weir	Director	Remote
29	Ventura County	Linda Parks	Vice-Chair	Present
30	West Hollywood	Lindsey Horvath	Director	Present
31	Whittier	Vicki Smith	Alternate	Remote

II. GENERAL PUBLIC COMMENT

There were no general public comments made.

III. CLOSED SESSION

1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
(Government Code Section 54956.8)

Property:

- a. 801 S. Grand Avenue, Los Angeles, CA
- b. 444 S. Flower Street, Los Angeles, CA
- c. 800 W. Sixth Street, Los Angeles, CA

Agency negotiator: Theodore Bardacke for all properties

Negotiating parties, respectively:

- a. CIM Group
- b. Coretrust Capital Partners, LLC

- c. Walter Kahn (Pacific Financial Equities, LLC)

Under negotiation: Price and Terms for all properties

Nancy Whang, General Counsel, reported that for Closed Session Item 1, direction was provided.

2. PUBLIC EMPLOYMENT
(Government Code Section 54957)
General Counsel Performance Evaluation Process

Nancy Whang, General Counsel, reported that for Closed Session Item 2, no action was taken, but comments were given.

IV. **CONSENT AGENDA**

1. Appoint Christian Cruz as the temporary Board Secretary for each Board meeting where a permanent Board Secretary is not available
2. Approve Minutes from October 3, 2019 Board of Directors Meeting
3. Adopt Resolution No. 19-12-018 amending CPA Bylaws regarding non-elected Alternate Directors attending closed session
4. Authorize the Executive Director to execute an Amended Task Order No. 1 with Ascend Analytics to expand the scope of service to include the 2019 Reliability RFO and to increase the not-to-exceed amount by \$50,000 for a total Task Order value of \$195,000
5. Authorize the Executive Director to execute a Third Amended MRW Task Order No. 1 with MRW and Associates (MRW) for Rate Setting and Cost of Service Analysis to adjust the scope of work, extend the term to February 28, 2021, and increase the not-to-exceed amount by \$55,000 from \$369,090 to \$424,090
6. Authorize the Executive Director to execute an Amended and Restated Consulting Agreement as attached, or in a substantially similar form, with Maher Accountancy (Maher) to modify the scope of work, extend the term to September 30, 2020, and reduce the monthly fee to \$15,000/month for January–June 2020 and up to \$10,000/month as mutually agreed by the parties for July–September 2020
8. Receive and file Community Advisory Committee summary from October and November 2019 meetings
9. Receive and file Board of Directors and Standing Committee meeting schedule for 2020

Item 7 was pulled for further discussion by Director Kulcsar, City of Carson.

Motion: Director Lindsey Horvath, West Hollywood
Second: Director Gold, Beverly Hills

Vote: Items 1 through 6 and 8 through 9 were approved unanimously by roll call vote.

7. Approve Policy No. 12 for Non-Energy Public Contracting

Nancy Whang, General Counsel, provided a brief overview of the policy, which was developed by senior staff with input from the Executive Committee at two different public meetings. Ms. Whang highlighted that this policy includes practices to obtain the best value for products and services.

Director Kulcsar asked about the not-to-exceed (NTE) \$50,000 amount threshold for there to be a solicitation process. Specifically, Director Kulcsar highlighted that most cities have a lower threshold and would like clarification, as to how that dollar amount was chosen. Ms. Whang responded that this amount is consistent with other CCAs. However, Ms. Whang also clarified, that \$50,000 is not the threshold to do any kind of competitive solicitation, this is just the threshold that requires a formal solicitation. Ms. Whang also highlighted that in the policy there is a provision that for any contracts valued at \$50,000 or less, the Executive Director shall request quotes, whether written or oral, from at least three vendors (Page 73 Article 4, of the Agenda Packet), which provides the opportunity for there to be an informal solicitation process. Director Kulcsar asked if she could make a motion to approve the policy but strike out “oral quotes” from the policy and only have written quotes. Director Ashton indicated he would second that motion, if Director Kulcsar were to make it, and would be fine to remove the language “oral quotes” from the policy and just have written quotes (Page 73, Article 4, Section 1, Line 5 of the Agenda Packet).

Chair Mahmud asked if the Board members had any further discussion on this. Director Lopez asked if this amendment to the policy would create an additional administrative burden on staff. Ted Bardacke, Executive Director, stated that it is common to request the cost of a service or product orally, over the course of a conversation, and those responses are documented. This provides an opportunity for staff to vet proposals that are cost effective versus those that are not without going through a time-consuming formal process. Once proposals are vetted, staff can then ask for written proposals from those vendors that would likely be the most cost effective. Director Gold stated his City of Beverly Hills has a \$50,000 threshold and is comfortable with the policy, as is. Director Capoccia, also stated his small City of Sierra Madre has a \$25,000 threshold and considering the size of CPA the \$50,000 is appropriate. Vice-Chair Parks clarified for the Board that the issue being raised is not the dollar amount but the language stating “oral quotes” would also be allowed, as the policy is currently written. Ms. Whang also clarified that this is different from the Executive Director signing authority, and that anything below the \$125,000 signing authority amount is still reported to the Board monthly. Vice-Chair Kuehl commented, that if every quote had to be written it would create administrative issues for staff. Director Ashton stated that based on Mr. Bardacke and Ms. Whang clarification, that any oral solicitation that leads to a contract would still be written and that all oral communication is memorialized, it is thus satisfactory for him to move forward with the policy, as written. Chair Mahmud further clarified that all contracts would be written, and that the verbiage in question just pertains to solicitation. Director Lopez asked that the Board take a vote to approve the staff recommendation, as it seems based on the discussion, the Board is ok with the policy as written.

Motion: Director Lopez, Agoura Hills

Second: Director Kuehl, Los Angeles County
Vote: Item 7 was approved by roll call vote of 27-1-3 (ayes, nays, abstentions/absent).

AYES:	Agoura Hills, Alhambra, Arcadia, Beverly Hills, Calabasas, Camarillo, Claremont, Culver City, Downey, Hawthorne, Hawaiian Gardens, Los Angeles County, Malibu, Manhattan Beach, Moorpark, Ojai, Oxnard, Redondo Beach, Rolling Hills Estates, Santa Monica, Sierra Madre, South Pasadena, Thousand Oaks, Ventura, Ventura County, West Hollywood, Whittier
NOES:	Carson
ABSTAIN:	
ABSENT:	Paramount, Simi Valley, Temple City

There were no public comments on this item.

V. REGULAR AGENDA

10. Approve General Counsel Employment Contract

Ted Bardacke, Executive Director, provided a brief presentation on the recommended employment contract for CPA's General Counsel. Mr. Bardacke indicated that as an institution, CPA is not ready to move in a bonus structured direction, and given the fact that the General Council has twenty years of experience, and taking into consideration what other CCAs have done with their General Counsel contracts, the Executive Committee arrived at the designated salary amount in the CPA General Counsel Contract.

There were no public comments on this item.

Motion: Director McKeown, Santa Monica
Second: Director Christian Horvath, Redondo Beach
Vote: Item 10 was approved by a unanimous roll call vote.

11. Presentation on Fiscal Year 2018-2019 Financial Statements

David McNeil, Chief Financial Officer, provided a presentation on the audited financial statements for the fiscal year ending June 30, 2019. Mr. McNeil highlighted that the Finance Committee was heavily involved throughout the audit process. Mr. McNeil highlighted the balance sheet from the audit report. Specifically, Mr. McNeil pointed out that CPA currently has approximately \$15 million in cash and very little in capital assets. However, most of CPAs assets are in the form of accounts receivable (energy that has been used and invoiced to customers) and accrued revenue (energy used by customers, as of June 30th and not invoiced). As CPA generates more reserves, most of the reserves will be assets in the form of cash. Mr. McNeil highlighted current CPA liabilities, which consists of accrued cost of electricity, notes payable to the bank, and the loans payable to Los Angeles County. The Los Angeles County loan is due to be paid on September 30, 2020, and CPA is on schedule to pay that balance. The note payable to the bank is classified as a non-current liability, because it is due when the bank line terminates on March 31, 2021. Mr. McNeil spoke on the accrued cost of electricity, which is the bulk of

CPA liability, and represents electricity that has been used by CPA customers and has or has not been invoiced to CPA by its suppliers.

Mr. McNeil then presented on the CPA net position, which is the difference between assets and liabilities and is divided into restricted collateral (restricted balance in the lock box account, which serves as security for CPA suppliers and funds restricted when CPA borrows money) and unrestricted collateral.

Director Zuckerman asked about how capacity commitments or RA shows on the balance sheet. Mr. McNeil stated that it does not have a line item but would fall under expenses.

Mr. McNeil then presented on the CPA income statement, which includes retail sales of electricity to customers, cost of electricity, and any operating expenses associated with running the business. This section highlights a full year's results for Phase I and II, approximately four months of sales to residential customers, and a month and a half of Phase IV enrollments. Mr. McNeil highlighted the current annual budget revenues are approximately \$800 million. The cost of energy is associated with those revenues and the remainder is operating revenues. Additionally, Mr. McNeil highlighted the change in the net position, because CPA started the year in the negative. However, CPA earned \$18.6 million, taking into the account the earned amount versus the negative the total net position is in the positive at \$15.9 million.

Mr. McNeil moved on to discuss the audit findings. He indicated the Finance Committee received the results and presentation from Baker Tilly on the audit results at their October meeting. Director Gold, Chair of the Finance Committee, provided the Board a brief oral update on the committee discussion. Director Gold highlighted that this was a clean audit.

Vice-Chair Kuehl asked about the cost of energy being more than expected and net income being less than expected. Mr. McNeil clarified that the contribution to the net position was 8% less than budget. Director Ramirez asked whether there were any policy control issues. Director Gold clarified that the only issue raised by the auditor was the need for a procurement policy, however it was noted that CPA staff had already been working on a policy, which was presented to the Board today.

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

11. Presentation on Current CPA Financial Performance

David McNeil, Chief Financial Officer, provided a presentation on the current CPA financial performance. Mr. McNeil commented, that to date CPA has accumulated approximately \$28 million in reserves, which is positive. Looking at the next fiscal year, it is expected that there will be more contributions to CPA reserves. Mr. McNeil indicated that the major areas of risk will be due to load. Specifically, where the load comes in, which in turn drives energy consumption, revenue, and procurement. Additionally, weather is unpredictable, and projections are historically done using normal weather patterns, but in the last year weather was unpredictable and led to lower energy consumption and therefore lower spot market prices. Mr. McNeil pointed out that because CPA is currently still building reserves and in the summer the reserves were still low, CPA was particularly risk averse. CPA, therefore, conservatively hedged their position to avoid large risk appropriate for the start-

up of CPA. In the next fiscal year it is expected that CPA will be less hedged and more balanced now that reserves are getting larger.

Mr. McNeil moved to discuss the expected reserve policy and targets and the CPA expected performance. Currently, CPA is at 3% in reserves and by the end of the year CPA should be at 6%. CPA's reserve policy calls for 30% minimum and it is expected that it will take approximately 4 years to hit that target.

Public Comments: Steven Nash commented that staff let the numbers speak for themselves and cautioned about being too optimistic.

This item was for informational purposes only.

12. Update on Local Programs/Customer Outreach and Discuss Member Agency and Regional Delivery Mechanisms for Local Programs

Ted Bardacke, Executive Director, provided a presentation to the Board local programs and customer outreach. Mr. Bardacke covered four items: 1) Local Programs Strategic Plan 2) Near-term initiatives 3) Customer Outreach Efforts, and 4) Program Delivery Mechanisms.

Mr. Bardacke discussed the Local Programs Strategic Plan, which is about 75% completed and the Community Advisory Committee provided direction on. This plan is being organized into three program types: 1) Resiliency, 2) Grid Management, and 3) Local Procurement. Mr. Bardacke highlighted the program delivery mechanisms. Specifically, Mr. Bardacke highlighted the funding availability is low as the agency builds reserves. There are ways that CPA can begin rolling things out by leveraging other funding sources.

As it pertains to resiliency, Mr. Bardacke highlighted the DER Pilot Program, which is expected to roll out in January and approximately \$800,000 in incentives will be distributed through this program. Additionally, CPA is seeking an initial allocation of funding through the PUC for two programs targeting disadvantaged communities and low-income customers. If a customer is already signed up for the CARE or FERA program and also resides in a disadvantaged community, they will get an additional 20% bill discount, which will be covered through PUC public goods funding and cap and trade funding. Director Zuckerman asked how this compares to SCE programs. Mr. Bardacke indicated that SCE will likely roll out this same program sometime in the future, as well, however, CPA will be able to roll these programs out significantly faster.

Mr. Bardacke discussed a new near-term initiative to fund clean power backup for emergency centers and/or essential facilities at no cost to member agencies. CPA would be able to fund this by monetizing the solar + storage assets during normal times and the systems would provide back-up power during times of community stress.

Vice-Chair Kuehl suggested that staff think of a way to provide for more than just one county facility because LA County works in conjunction with other member agencies for emergency services and since LA County has a such a large territory. Director Sahli-Wells asked if there is a way to assess the impact power shut-offs have to CPA's bottom line. Mr. Langer commented that very few outages actually occur and are relatively scattered with an impact on very few customers, so the impact to the bottom line is

minimal, but there are pockets in CPA service territory that have been impacted heavily. Vice-Chair Parks echoed Vice-Chair Kuehl's comment to provided funding for more than one essential facility for the Ventura County. Mr. Bardacke indicated that an RFI will be sent out to the cities to help identify the essential facilities to target.

Mr. Bardacke then highlighted the launch of the CPA solar + storage marketplace in the spring of 2020. This will focus around residential customers and is administered at no cost to CPA. Additionally, CPA will be launching a CBO Grant program to seek support from organizations specializing in community outreach to underserved communities and small businesses in early 2020.

Mr. Bardacke commented that CPA is starting to think about supporting member agency innovation. This stemmed from feedback during the Board retreat and during the development of the local programs strategic plan. Currently, options for support could be agency funding set asides, direct procurement and installation, or an innovation fund. While this is further down the line, CPA is thinking through how to best work with member agencies to bring ideas to fruition. Vice-Chair Kuehl commented that as CPA thinks about this, and in particular for mass market programs, a fund distribution similar to Metro's call for projects would work well.

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

VI. MANAGEMENT UPDATE

Mr. Bardacke commented on the Power Safety Power Shutoffs (PSPS), that part of the idea to support emergency/essential facilities would be to help mitigate the impact of PSPS events to member agency communities. Mr. Bardacke also noted that the Energy Committee will be making various procurement decisions over the next six weeks. Director Ashton asked if CPA has a policy to help customers during PSPS events. Mr. Bardacke clarified that CPA has no control over the PSPS process and SCE has sole discretion on when the PSPS events happen.

VII. COMMITTEE CHAIR UPDATES

There were no further updates from the Committee Chairs.

VIII. BOARD MEMBER COMMENTS

Director Ashton commented that the Independent Cities Association is having a winter seminar from January 31st – February 2nd in Santa Barbara around public safety issues.

IX. REPORT FROM THE CHAIR

Chair Mahmud reported on the election process for CPA's upcoming Board and Committee elections in 2020.

X. ADJOURN – TO REGULAR MEETING ON JANUARY 9, 2020

Chair Mahmud adjourned the meeting at 4:47 p.m.



Staff Report – Agenda Item 2

To: Clean Power Alliance (CPA) Board of Directors

From: Natasha Keefer, Director of Power Planning & Procurement

Approved By: Ted Bardacke, Executive Director

Subject: Amendment No. 1 to the Golden Fields Power Purchase Agreement and Consent and Agreement for collateral assignment

Date: January 9, 2020

REQUESTED ACTION

Authorize the Executive Director to execute Amendment No. 1 to the Power Purchase Agreement (PPA) with Golden Fields Solar III LLC and execute a Consent and Agreement for collateral assignment.

BACKGROUND

On June 28, 2019, the Board approved a 15-year PPA with the 40 MW_{ac} Golden Fields Solar III project, with an expected online date of March 31, 2021. The project is being developed by Clearway Energy, formerly a subsidiary of NRG Energy, which is one of the largest developers and owner-operators of utility-scale renewable energy projects across the United States. The project is seeking to close on its financing at the beginning of January 2020 to begin construction of the project. In order to proceed with the financing agreement with the project's lender, two actions are required: 1) a PPA Amendment that will allow for a letter of credit from Norddeutsche Landesbank Girozentrale ("Nord LB") bank, New York branch, and 2) a Consent and Agreement for collateral assignment from CPA.

PPA AMENDMENT

Associated with Clearway's financing of the project, Clearway is seeking to provide its required performance security via a letter of credit with Nord LB. Nord LB is an

international bank headquartered in Germany with experience in financing renewable energy projects with CCA buyers. The amendment makes a change to the letter of credit definition, which will allow Nord LB to provide the letter of credit as long as it maintains a credit rating of S&P BBB / Moody's Baa2 or better. Currently, the Golden Fields PPA requires that a letter of credit be issued from a bank holding a credit rating of at least A- by S&P or A3 by Moody's.

The amendment also makes a change to a provision in the PPA such that it will be an event of default if Nord LB's credit rating falls below S&P BBB or Moody's Baa2.

CONSENT AND AGREEMENT TO COLLATERAL ASSIGNMENT

Collateral assignment is the how ownership rights are transferred to a lender as security for a loan and will revert to the assignor when the load is repaid. The PPA requires that in connection with any financing or refinancing of the project, CPA must consent to the project's proposed financing, which is a common provision to protect the PPA offtaker. The purpose of this Consent to Collateral Assignment is to provide that consent. Clearway is seeking financing from CIT Bank, a leading national, publicly traded bank with \$50 billion in assets.

FISCAL IMPACT

Neither the PPA amendment nor the Consent and Agreement for collateral assignment will impact the material terms to the PPA, including price.

Attachments: 1) Amendment No. 1 to Golden Fields Power Purchase Agreement
 2) Consent and Agreement for collateral assignment

AMENDMENT NO. 1 TO POWER PURCHASE AGREEMENT

This Amendment No. 1 (the “Amendment”) to the Agreement (as defined below), is dated as of January 1, 2020 (the “Effective Date”), between Clean Power Alliance of Southern California, a California joint powers authority (“Buyer”), and Golden Fields Solar III LLC, a Delaware limited liability company (“Seller”). Seller and Buyer are each a “Party” and together the “Parties”.

RECITALS

- A. The Parties entered into that certain Power Purchase and Sale Agreement, dated as of July 1, 2019 (as may be further amended, amended and restated, supplemented or otherwise modified from time to time in accordance with the terms hereof, the “Agreement”).
- B. The Parties desire to amend the Agreement to clarify certain provisions of the Agreement as set forth herein.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Definitions. Capitalized terms used and not defined in this Amendment have the respective meanings assigned to them in the Agreement.

2. Amendments to the Agreement.

(a) The reference to “QRE service agreements” in Section 2.2 of the Agreement means Qualified Reporting Entity service agreements.

(b) The definition of “Letter of Credit” is hereby amended by adding the following to the end of such definition: “provided, however, with respect to Norddeutsche Landesbank Girozentrale, New York Branch, such rating may be BBB S&P or Baa2 from Moody’s or higher”.

(c) Section 11.1(b)(v)(A) of the Assigned Agreement is hereby amended by adding the following to the end of such section: “provided, however, with respect to Norddeutsche Landesbank Girozentrale, New York Branch, as the issuer of the Letter of Credit such rating shall be lower than BBB S&P or Baa2 from Moody’s”.

3. Limited Effect. Except as expressly provided in this Amendment, all of the terms and provisions of the Agreement are and will remain in full force and effect and are hereby ratified and confirmed by the Parties. Without limiting the generality of the foregoing, the amendments contained herein will not be construed as an amendment to or waiver of any other provision of the Agreement or as a waiver of or consent to any further or future action on the part of either Party that would require the waiver or consent of the other Party. On and after the Effective Date, each reference in the Agreement to “this Agreement,” “the Agreement,” “hereunder,” “hereof,” “herein” or words of like import will mean and be a reference to the Agreement as amended by this Amendment.

4. Miscellaneous.

(a) This Amendment is governed by and construed in accordance with, the laws of the State of California, without regard to the conflict of laws provisions of such State.

(b) This Amendment shall inure to the benefit of and be binding upon each of the Parties and each of their respective successors and permitted assigns.

(c) The headings in this Amendment are for reference only and do not affect the interpretation of this Amendment.

(d) This Amendment may be executed in counterparts, each of which is deemed an original, but all of which constitutes one and the same agreement. Delivery of an executed counterpart of this Amendment electronically or by facsimile shall be effective as delivery of an original executed counterpart of this Amendment.

(e) This Amendment constitutes the sole and entire agreement between the Parties with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter.

(f) Each Party shall pay its own costs and expenses in connection with this Amendment (including the fees and expenses of its advisors, accounts and legal counsel).

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Amendment effective as of the date first written above.

“SELLER:”

GOLDEN FIELDS SOLAR III LLC

By: _____

Printed Name:

Title:

“BUYER:”

CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA

By: _____

Printed Name:

Title:

CONSENT AND AGREEMENT
(Clean Power Alliance of Southern California)

This CONSENT AND AGREEMENT (as amended, amended and restated, supplemented or otherwise modified from time to time, this “Consent”), dated as of [____], 2020, is executed by **CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA**, a California joint powers authority (together with its successors, designees and assigns, “Contracting Party”), **GOLDEN FIELDS SOLAR III LLC**, a Delaware limited liability company (together with its successors, designees and assigns, “Collateral Assignor”), and **CIT BANK, N.A.**, in its capacity as the collateral agent (together with its successors, designees and assigns in such capacity, “Collateral Agent”) for the Secured Parties (as defined in the Financing Agreement described below). Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms, directly or by reference, in Exhibit A to the Financing Agreement.

RECITALS

A. [Class B Member], a [Delaware] limited liability company (“Class B Member”), and [DevCo], a [Delaware] limited liability company (“Buyer”, and jointly and severally with Class B Member, the “Borrower”) has entered into that certain Financing Agreement, dated as of [____], 2020 (as amended, amended and restated, supplemented or otherwise modified from time to time, the “Financing Agreement”), with the financial institutions from time to time party thereto as lenders (the “Lenders”), CIT Bank, N.A., as Collateral Agent for the Secured Parties and as Administrative Agent, the Issuing Banks (each as defined therein), and any other agents and Persons party thereto, pursuant to which, among other things, the Secured Parties have agreed to extend financing to Borrower with respect to the construction, ownership, operation and maintenance of the Project (defined below).

B. Borrower’s subsidiaries are operating, and constructing and will operate, a solar photovoltaic power plant for the generation of electrical energy and all related ancillary systems, located or to be located in California, and as further described in the Financing Agreement as the “Project” (the “Project”).

C. Collateral Assignor has entered into that certain Power Purchase and Sale Agreement, dated as of July 1, 2019 (as may be further amended, amended and restated, supplemented or otherwise modified from time to time in accordance with the terms hereof, the “Assigned Agreement”) with Contracting Party.

D. As a condition to the extension of credit under the Financing Agreement, Collateral Assignor has entered into that certain Guaranty and Security Agreement, dated as of [____], 2020 with Collateral Agent (as amended and in effect from time to time, the “Security Agreement”), pursuant to which Collateral Assignor has collaterally assigned and granted to Collateral Agent for the benefit of the Secured Parties a first-priority security interest in all of Collateral Assignor’s right, title and interest in, to and under the Assigned Agreement, including all of Collateral Assignor’s rights to receive payments under or with respect to the

Assigned Agreement and all payments due and to become due to Collateral Assignor under or with respect to the Assigned Agreement, whether as contractual obligations, damages, indemnity payments or otherwise (collectively, the “Assigned Collateral Interest”), as collateral security for satisfaction of all Obligations (as defined in the Financing Agreement) under the Financing Agreement and the other related financing documents (the “Financing Documents”).

E. It is a requirement under the Financing Agreement and the other Financing Documents that Contracting Party and the other parties hereto shall have executed this Consent.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing and the mutual agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the parties hereto hereby agree, notwithstanding anything to the contrary in the Assigned Agreement, as follows:

1. Consent and Agreement. Contracting Party:

(a) waives the Collateral Assignor’s requirement to provide prior written notice to the Contracting Party at least fifteen (15) business days prior to the assignment of the Assigned Collateral Interest pursuant to Section 14.3 of the Assigned Agreement, and acknowledges and consents in all respects to the assignment of the Assigned Collateral Interest as collateral security to Collateral Agent, for the benefit of the Secured Parties, pursuant to the Security Agreement and the terms hereof;

(b) acknowledges the right (but not the obligation) of Collateral Agent in the exercise of its rights and remedies under the Financing Agreement and the other Financing Documents, upon notice to Contracting Party that an Event of Default has occurred and is continuing under the Financing Agreement or any other Financing Documents, to cure any defaults of Collateral Assignor, make all demands, give all notices, take all actions, and exercise all rights of Collateral Assignor under the Assigned Agreement and agrees to accept any such exercise;

(c) agrees not to: (i) cancel, terminate, suspend performance or waive compliance under the Assigned Agreement, except as provided in the Assigned Agreement or by operation of law and, in any event, except as provided in Section 4 of this Consent; (ii) consent to or accept any cancellation, termination, suspension or waiver of the Assigned Agreement by Collateral Assignor without the prior written consent of Collateral Agent; or (iii) assign, transfer or otherwise dispose of (by operation of law or otherwise) any part of its right, title or interest in the Assigned Agreement, without the prior written consent of Collateral Agent (such consent not to be unreasonably withheld, conditioned or delayed);

(d) agrees not to amend, supplement or modify the Assigned Agreement in any material respect (excluding routine or immaterial change orders or amendments), unless Contracting Party provides the Collateral Agent with the proposed amendment, supplement, waiver, other modification or consent not less than fifteen (15) Banking Days prior to the proposed

date of the execution thereof and the Collateral Agent consents in writing thereto (such consent not to be unreasonably withheld, conditioned or delayed); and

(e) agrees to promptly deliver to Collateral Agent duplicates or copies of all material notices of or with respect to actual or threatened litigation or arbitration, material default, suspension, material waiver or termination delivered by Contracting Party to Collateral Assignor under or pursuant to the Assigned Agreement.

2. Collateral Assignor's Acknowledgement. Collateral Assignor acknowledges and agrees that Contracting Party is authorized to perform its obligations under the Assigned Agreement in accordance with its terms upon notice by Collateral Agent, which notice shall be deemed to be in compliance with Collateral Agent's rights under the Security Agreement and this Consent without any obligation for investigation on the part of Contracting Party, and that Contracting Party shall bear no liability to Collateral Assignor in connection therewith.

3. Subsequent Transferee.

(a) If Collateral Agent gives prior written notice to Contracting Party that an Event of Default under the Financing Agreement or any other Financing Document has occurred and is continuing and Collateral Agent has elected to exercise its rights and remedies pursuant to the Financing Agreement and the Security Agreement with respect to the foreclosure (whether judicial or nonjudicial) or sale of the Assigned Collateral Interest (or any portion thereof), Collateral Agent acknowledges and agrees it shall not assume, sell or otherwise dispose of the Assigned Collateral Interest (or any portion thereof) or any of Collateral Agent's rights under or to the Assigned Collateral Interest (or any portion thereof, and whether by foreclosure sale or other liquidation sale, conveyance in lieu of foreclosure or otherwise) unless, on or before the date of any such assumption, sale or disposition, Collateral Agent or any third party, as the case maybe, assuming, purchasing or otherwise acquiring the Assigned Agreement (or any portion thereof) (i) cures any and all defaults of Collateral Assignor under the Assigned Agreement (excluding any Personal Defaults (as defined below) that shall be deemed cured upon such foreclosure or assumption); (ii) pays Contracting Party any and all sums due and payable by Collateral Assignor to Contracting Party prior to any such assumption, sale or disposition, including but not limited to any and all damages owed by Collateral Assignor to Contracting Party; (iii) executes and delivers to Contracting Party a written assumption in which such proposed transferee (aa) expressly assumes all of Collateral Assignor's rights and obligations under the Assigned Agreement, (bb) expressly agrees to be bound by the terms of the Assigned Agreement to the same extent the Collateral Assignor is thereunder, and (cc) agrees it is subject to Contracting Party's rights and defenses under the Assigned Agreement and applicable law; and (iv) is a Permitted Transferee (collectively, a "Subsequent Transferee"). A "Permitted Transferee" means (i) the Collateral Agent; (ii) a proposed transferee (or its ultimate parent) who has a tangible net worth that is equal to or in excess of \$150,000,000, or a Credit Rating of at least BBB- from S&P, BBB- from Fitch, or Baa3 from Moody's, and has at least two (2) years of experience owning or operating power generating facilities of a size equal to or in excess of 100 MW ac or has hired a manager or operator with such qualifications to operate the Project; or (iii) any other person approved by the Contracting Party. As used herein, Personal Defaults mean defaults that are personal to the

Collateral Assignor and not curable by the Collateral Agent, such as the bankruptcy or insolvency of the Collateral Assignor.

(b) Collateral Agent further acknowledges that the collateral assignment of the Assigned Collateral Interest is for security purposes and is subject to any defenses or causes of action Contracting Party may have against Collateral Assignor and that Collateral Agent does not have the right under the Assigned Agreement to enforce the provisions of the Assigned Agreement unless and until an event of default has occurred and is continuing under the Financing Agreement or other Financing Documents and to the extent that Collateral Agent has elected to exercise its rights and remedies pursuant to the Financing Agreement (each, a “Financing Default”), in which case Contracting Party shall (i) recognize the Subsequent Transferee as its counterparty under the Assigned Agreement and (ii) continue to perform its obligations under the Assigned Agreement in favor of the Subsequent Transferee; provided, however, that Collateral Assignor’s obligations under the Assigned Agreement shall continue in their entirety in full force and effect, and Contracting Party shall remain fully liable for all of its obligations under or relating to the Assigned Agreement. A Subsequent Transferee shall have the right to assign all of its interest in the Assigned Agreement to any person, subject to the limitations set forth in Section 3(a)(i)-(iii).

(c) Contracting Party acknowledges and agrees that, notwithstanding anything to the contrary in the Assigned Agreement, none of (i) the assignment of the Assigned Agreement pursuant to the Security Agreement, (ii) the foreclosure or any other enforcement action (any such action an “Enforcement Action”) undertaken by Collateral Agent in respect of its rights under the Security Agreement or any other related pledge agreement or mortgage (including any foreclosure on the direct or indirect membership interests of the Collateral Assignor), (iii) the acquisition of the rights of Collateral Assignor under the Assigned Agreement as a consequence of any Enforcement Action by Collateral Agent or any successor, assignee, designee or purchaser (each of whom shall be subject to the requirements in Section 3 of this Consent) (or acceptance of an absolute assignment of the Assigned Agreement in lieu of an Enforcement Action) or (iv) the assignment of the Assigned Agreement by Collateral Agent to a successor, assignee, designee or purchaser (each of whom shall be subject to the requirements in Section 3 of this Consent) following a purchase after an Enforcement Action or following an absolute assignment thereof in lieu of an Enforcement Action, in and of itself shall constitute a default by Collateral Assignor under the Assigned Agreement or shall result in termination thereof; provided, however, that nothing in this Section 3(c) shall preclude Contracting Party from declaring an event of default by the Collateral Assignor under the Assigned Agreement or a termination thereof for reasons other than those set forth in this Section 3(c).

4. Right to Cure. In the event of a default or breach by Collateral Assignor in the performance of any of its obligations under the Assigned Agreement, or upon the occurrence or non-occurrence of any event or condition under the Assigned Agreement which would immediately or with the passage of any applicable grace period or the giving of notice, or both, enable Contracting Party to terminate or suspend performance under the Assigned Agreement (hereinafter, a “Default”), Contracting Party shall not cancel, suspend or terminate the Assigned Agreement or its performance thereunder until it first gives written notice of such Default to Collateral Agent and affords Collateral Agent or its successor(s), assignee(s), or designee(s) (each

of whom shall be subject to the requirements in Section 3 of this Consent) (a) a period of twenty (20) days from the Collateral Agent Default Notice Date (defined below) to cure such Default if such Default is the failure to pay amounts to Contracting Party which are due and payable under the Assigned Agreement or (b) with respect to any other Default, the same cure period applicable to the Default in the Assigned Agreement; provided, if Collateral Agent provides notice to Contracting Party within such applicable cure period that Collateral agent intends to cure such non-payment Default but reasonable anticipates that it will require additional time as set forth in a cure plan provided to Contracting Party in accordance with Section 14.2(b) of the Assigned Agreement, then Collateral Agent shall have a reasonable opportunity, but no more than ninety (90) days from the Collateral Agent Default Notice Date (defined below) to cure such nonpayment Default (provided that during such cure period Collateral Agent or Collateral Assignor continues to perform each of Collateral Assignor's other obligations under the Assigned Agreement capable of being cured). The "Collateral Agent Default Notice Date" shall mean the later to occur of (Y) receipt of such notice and (Z) the expiration of the cure periods available to the Collateral Assignor under the Assigned Agreement. Notwithstanding anything to the contrary herein, if and only if the Default is a Personal Default, then, notwithstanding any right that Contracting Party may have to terminate the Assigned Agreement, Collateral Agent shall be entitled to assume the rights and obligations of Collateral Assignor within the cure period described in Section 4(b) (as extended pursuant to the following sentences), and provided that such assumption has occurred within such period and Collateral Agent has commenced taking the actions contemplated by the next sentence which it hereby acknowledges and agrees are required to cure a Personal Default (or for such Personal Default to be deemed cured), Contracting Party shall not be entitled to terminate the Assigned Agreement as a result of such Default. Upon the occurrence of an event of Personal Default whereby possession of the Project is necessary to cure such Personal Default, and Collateral Agent or its successor(s), assignee(s), or designee(s) (each of whom shall be subject to the requirements in Section 3 of this Consent) declares an Event of Default under the Financing Agreement or any other Financing Document and commences foreclosure proceedings or any other proceedings necessary to take possession of such Project within thirty (30) calendar days of the Collateral Agent Default Notice Date, Collateral Agent or its successor(s), assignee(s), or designee(s) (each of whom shall be subject to the requirements in Section 3 of this Consent) will be allowed a reasonable period to complete such proceedings, but in no event more than one hundred twenty (120) days from Collateral Agent Default Notice Date provided that the Collateral Agent cures all monetary Defaults upon completion of such foreclosure proceedings, including but not limited to payment by Collateral Agent of any and all damages owed by Collateral Assignor to Contracting Party. After taking possession of such Project, Collateral Agent or its successor(s), assignee(s), or designee(s) (each of whom shall be subject to the requirements in Section 3 of this Consent) shall commence curing such breach or Default within twenty (20) days after having possession of such Project and thereafter diligently to pursue such cure to completion within the period that is one hundred twenty (120) days from the Collateral Agent Default Notice Date. If Collateral Agent or its successor(s), assignee(s), or designee(s) (each of whom shall be subject to the requirements in Section 3 of this Consent) is prohibited by any court order, stay or injunction, or bankruptcy or insolvency proceedings of Collateral Assignor from curing the Default or from commencing or prosecuting such proceedings, the foregoing time periods shall be extended by the period of such prohibition, but in no event shall the period be extended beyond the date that is 180 days from the Collateral Agent Notice Default Date ("Tolled Cure Period"); provided, however,

that if at any time during any applicable cure period, the Collateral Agent or its successor(s), assignee(s), or designee(s) has determined that it will no longer take any action to cure such breach or Default, the Collateral Agent shall promptly notify the Contracting Party in writing of such determination and, following such notice, the Contracting Party shall have the right to suspend or terminate the Assigned Agreement or exercise its other remedies for such breach or Default, all in accordance with the terms of the Assigned Agreement. The Parties agree that notwithstanding anything to the contrary set forth herein, Contracting Party shall have the right to take any action permitted under the Assigned Agreement in respect of an event of default thereunder after the expiration of the cure periods set forth above or at any time during the Tolled Cure Period for a Personal Default if the Collateral Agent or Collateral Assignor fails to perform each of Collateral Assignor's other obligations under the Assigned Agreement (subject to the applicable cure periods set forth in Section 4(a) or (b) for any such other Default) and, for the avoidance of doubt, the extended cure periods set forth above that apply to periods of time in addition to the period of up to 90 days from the Collateral Agent Default Notice Date, apply solely to Personal Defaults and not to any other default under the Assigned Agreement.

5. In the event that the Assigned Agreement is rejected by a trustee or debtor-in-possession in any bankruptcy or insolvency proceeding of the Collateral Assignor, to the extent permitted by applicable law, Contracting Party and Collateral Assignor shall enter into a new contract with the Collateral Agent or its transferee, assignee or designee. Such new contract shall be on the same terms and conditions as the original Assigned Agreement for the remaining term of the original Assigned Agreement before giving effect to such termination.

6. No Liability. Contracting Party acknowledges and agrees that neither Collateral Agent nor the Secured Parties (nor any successor(s), assignee(s), designee(s) (each of whom shall be subject to the requirements in Section 3 of this Consent) or other representative of Collateral Agent or the Secured Parties) shall have any liability or obligation under the Assigned Agreement as a result of exercising its rights under this Consent (other than as a Subsequent Transferee under Section 3 of this Consent), the Financing Agreement or any other Financing Document, and neither Collateral Agent nor the Secured Parties (nor any successor(s), assignee(s), designee(s) (each of whom shall be subject to the requirements in Section 3 of this Consent) or other representative of Collateral Agent or the Secured Parties) shall be obligated or required to perform any of Collateral Assignor's obligations under the Assigned Agreement or to take any action to collect or enforce any claim for payment assigned under the Financing Agreement or any other Financing Document, except during any period in which such Person has elected to become a Subsequent Transferee pursuant to Section 3 of this Consent, in which case such Subsequent Transferee shall assume all of Collateral Assignor's rights and obligations under the Assigned Agreement in accordance with Section 3 of this Consent, provided, that the obligations of such Subsequent Transferee shall be no more but no less than that of Collateral Assignor under the Assigned Agreement

7. Liability Agreement. Collateral Assignor agrees to pay, and to hold Contracting Party harmless from, any and all balance owed, loss, liability, damage, claim, cost or expense, including without limitation, any direct, indirect or consequential loss, liability, damage, claim, cost or expenses, including legal fees and expenses (collectively, "Losses") in connection with or

arising out of this Consent, other than Losses arising out of or relating to a breach or repudiation of Section 1 or Section 10 hereof.

8. Payment of Monies. Commencing on the date of this Consent and until the earlier to occur of the (i) Term Conversion Date and (ii) Discharge Date, Contracting Party agrees to make all payments (if any) required to be made by it under the Assigned Agreement in U.S. dollars and in immediately available funds directly to the account described immediately below, or, if Contracting Party has been notified in writing by Collateral Agent (with a copy to Collateral Assignor) that an Event of Default under the Financing Agreement has occurred and is continuing, to such other Person or at such other address or account as Collateral Agent may from time to time specify in writing to Contracting Party. Collateral Assignor hereby instructs Contracting Party, and Contracting Party accepts such instructions, to make all payments due and payable to Collateral Assignor under the Assigned Agreement as set forth in the immediately preceding sentence. Collateral Assignor hereby consents to the foregoing and instructs Contracting Party to do so. Collateral Assignor hereby releases Contracting Party from all liability for making payments to the Collateral Agent in accordance with the requirements of this Section.

ACCOUNT:

[] – [Golden Fields Solar III, LLC] - [Disbursement Account]

Account Number: []

Bank Name: CIT Bank, N.A.

Bank Address: 2450 Broadway Ave., Suite 400, Santa Monica, CA 90404

ABA: 322270288

Credit: [Disbursement Account] / [Golden Fields Solar III, LLC]

9. Setoffs and Deductions. Each of Collateral Assignor and Collateral Agent agrees that Contracting Party shall have any rights of set off expressly available to it under the Assigned Agreement. The parties hereto acknowledge and agree that Section 8 above is solely an instruction as to where payment is to be sent and is not a separate payment obligation of the Contracting Party from the payment obligations set forth in the Assigned Agreement.

10. Representations and Warranties. Contracting Party hereby represents and warrants to Collateral Assignor and Collateral Agent, as of the date of this Consent that:

(a) Contracting Party (i) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation/incorporation, (ii) is duly qualified, authorized to do business and in good standing under the laws of the jurisdiction of its formation/incorporation and in every other jurisdiction necessary to perform its obligations under the Assigned Agreement and this Consent, and (iii) has all requisite power and authority to conduct its business as now conducted, to own its properties and assets, and to execute, deliver and perform its obligations under the Assigned Agreement and this Consent, and to carry out the terms thereof and hereof and the transactions contemplated thereby and hereby;

(b) The execution, delivery and performance by Contracting Party of the Assigned Agreement and this Consent, and the consummation of the transactions contemplated thereby and hereby, have been duly authorized by all necessary corporate or limited liability company action, as applicable, and do not and will not require any further authorizations, consents or approvals or filings with any Person which have not been obtained or made, or violate or conflict with any provision of any law, regulation, order, permit, license, rule, judgment, injunction, or similar matters or breach any material agreement, indenture, contract or organizational document presently in effect with respect to or binding on Contracting Party or any properties to which Contracting Party may be bound;

(c) Contracting Party, to the best of Contracting Party's actual knowledge, is not in default under any document or instrument referred to in the preceding paragraph (b), or any of its obligations thereunder;

(d) All governmental approvals necessary for the execution, delivery and performance by Contracting Party of its obligations under the Assigned Agreement have been obtained and are in full force and effect, except those governmental approvals routinely obtained during the ordinary course of business during the execution of the applicable Project;

(e) Each of this Consent and the Assigned Agreement is in full force and effect, has been duly executed and delivered on behalf of Contracting Party by the appropriate representatives of Contracting Party, constitutes the legal, valid and binding obligation of Contracting Party, enforceable against Contracting Party in accordance with their respective terms except as enforceability may be limited by applicable bankruptcy, insolvency, or similar laws affecting the enforcement of rights generally;

(f) The Assigned Agreement is in full force and effect and has not been amended, supplemented or modified, and there are no related change orders and like documents. The Assigned Agreement and this Consent are the only agreements between Contracting Party and Collateral Assignor;

(g) There is no litigation, action, suit, proceeding or investigation at law or in equity by or before any governmental authority, arbitral tribunal or other body now pending or, to the actual knowledge of Contracting Party, threatened against or affecting Contracting Party that (i) questions the validity, binding effect or enforceability hereof or of the Assigned Agreement, or any action taken or to be taken pursuant hereto or thereto or any transactions contemplated hereby or thereby, (ii) could have a materially adverse effect on the performance of the obligations hereof or of the Assigned Agreement or the condition (financial or otherwise), business, or operation of Contracting Party, or (iii) could modify or otherwise adversely affect any required approvals, filings or consents which have previously been obtained or made;

(h) To Contracting Party's actual knowledge, (i) no event of force majeure exists under, and as defined in, the Assigned Agreement, (ii) no event or condition exists which would either immediately or with the passage of any applicable grace period or giving of notice, or both, enable Contracting Party to terminate or suspend its obligations under the Assigned Agreement, (iii) there are no disputes or legal proceedings between Contracting Party and Collateral Assignor,

and (iv) Collateral Assignor does not owe any indemnity payments or other amounts to Contracting Party under the Assigned Agreement, and no amounts are currently due and payable to Contracting Party under the Assigned Agreement which have not been paid;

(i) Notwithstanding anything to the contrary in the Assigned Agreement, after giving effect to the assignment by Collateral Assignor to Collateral Agent of the Assigned Collateral Interest as set forth herein and pursuant to the Security Agreement, and after giving effect to the acknowledgment of and consent to such assignment by Contracting Party, there exists no event or condition which would constitute a default, or which would, with the giving of notice or lapse of time or both, constitute a default under the Assigned Agreement. Contracting Party, to the actual knowledge of Contracting Party, has complied with all conditions precedent to the respective obligations of such parties to perform under the Assigned Agreement;

(j) Other than this Consent and the Security Agreement, the Contracting Party is not actually aware of any pledge, assignment or other transfer of any interest in the Assigned Agreement; and

(k) To Contracting Party's actual knowledge there are no facts entitling Contracting Party to any claim, counterclaim, offset or defense against Collateral Assignor in respect to the Assigned Agreement.

Each of the representations and warranties set forth in this Section 10 shall survive the execution and delivery of this Consent and the consummation of the transactions contemplated hereby for a period of three (3) years.

11. No Representation or Warranty Regarding Collateral Assignor's Interest in Assigned Agreement. Collateral Assignor and Collateral Agent each recognizes and acknowledges that Collateral Assignor makes no representation or warranty, express or implied, that Collateral Assignor has any right, title, or interest in the Assigned Agreement or as to the priority of the assignment for security purposes of the Assigned Agreement or the Assigned Collateral Interest.

12. Notices. Any communications hereunder between or among the parties hereto, or any notices provided herein to be given, may be given to the following addresses:

If to Contracting Party: Clean Power Alliance of Southern California,
500 W. 5th Street, 35th Floor
Los Angeles, CA 90013
Attn: Executive Director
Phone: (213) 269-5870
Email: tbardacke@cleanpoweralliance.org

If to Collateral Agent: CIT Bank, N.A.,
as Collateral Agent
2450 Broadway Ave., Suite 400
Santa Monica, CA 90404
Attn: Fiona Yang
Tel: (310) 449-2365

If to Collateral Assignor: Golden Fields Solar III LLC
c/o Solar Asset Management LLC
4900 Scottsdale Road, Suite 5000
Scottsdale, AZ 85251
Attn: VP Asset Management
Tel: (480) 424-1240

With copy to: Golden Fields Solar III LLC
c/o Solar Asset Management LLC
5790 Fleet Street, Suite 200
Carlsbad, CA 92008
Attn: General Counsel
Tel: (760) 710-2187
Email: jennifer.hein@clearwayenergy.com

All notices or other communications required or permitted to be given hereunder shall be in writing and shall be considered as properly given (a) if delivered in person, (b) if sent by overnight delivery service, (c) if mailed by first class mail, postage prepaid, registered or certified with return receipt requested, or (d) if sent by facsimile. Any notice or other communication so given shall be effective upon receipt by the addressee, except that any notice or other communication so transmitted by facsimile shall be deemed to have been validly and effectively given on the day (if a Banking Day and, if not, on the next following Banking Day) on which it is transmitted if transmitted before 5:00 p.m., recipient's time, and if transmitted after that time, on the next following Banking Day; provided, however, that if any notice or other communication is tendered to an addressee and the delivery thereof is refused by such addressee, such notice or other communication shall be effective upon such tender. Any party shall have the right to change its address for notice hereunder by giving written notice of such change to the other parties in the manner set forth in this Section 12. As used herein, "Banking Day" means any day except a Saturday, Sunday, or a Federal Reserve Bank holiday and shall be between the hours of 8:00 a.m. and 5:00 p.m. local time for the relevant Party's principal place of business where the relevant Party, in each instance unless otherwise specified,

shall be the Party from whom the notice, payment or delivery is being sent and by whom the notice or payment or delivery is to be received.

13. Binding Effect; Amendments. This Consent shall be binding upon and shall inure to the benefit of Contracting Party, Collateral Assignor, Collateral Agent and the Secured Parties and their respective successors, transferees and permitted assigns (including, without limitation, any Person that refinances all or any portion of the Obligations under the Financing Agreement). Contracting Party also agrees to cause any successor-in-interest to Contracting Party with respect to its interest in the Assigned Agreement to assume, in writing in form and substance reasonably satisfactory to Collateral Agent and the Secured Parties, the obligations of Contracting Party hereunder. No termination, amendment, variation or waiver of any provisions of this Consent shall be effective unless in writing and signed by Contracting Party, Collateral Agent and Collateral Assignor.

14. Governing Law. THIS CONSENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH, AND THIS CONSENT AND ALL MATTERS ARISING OUT OF THIS CONSENT AND THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE GOVERNED BY, THE LAW OF THE STATE OF CALIFORNIA WITHOUT REGARD TO ANY CONFLICTS OF LAWS PROVISIONS THEREOF THAT WOULD RESULT IN THE APPLICATION OF THE LAW OF ANOTHER JURISDICTION.

15. Venue. NOTWITHSTANDING ANY RIGHT THAT THEY MAY OTHERWISE HAVE UNDER LAW TO VENUE IN OTHER COUNTIES OR LOCATION, THE PARTIES CONSENT TO EXCLUSIVE JURISDICTION AND VENUE OF THE UNITED STATES DISTRICT COURT OR CALIFORNIA STATE COURT SITTING IN THE CITY AND COUNTY OF LOS ANGELES, CALIFORNIA FOR THE LITIGATION OF DISPUTES OF ANY NATURE ARISING OUT OF OR RELATING TO THIS CONSENT INCLUDING, WITHOUT LIMITATION, DISPUTES SOUNDING IN CONTRACT, TORT OR BASED ON STATUTE OR REGULATION, THAT THE PARTIES ARE UNABLE TO SETTLE BETWEEN THEMSELVES. **CONTRACTING PARTY, COLLATERAL ASSIGNOR AND COLLATERAL AGENT IRREVOCABLY CONSENT TO THE SERVICE OF PROCESS OUT OF ANY OF THE AFOREMENTIONED COURTS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES THEREOF BY REGISTERED OR CERTIFIED MAIL TO CONTRACTING PARTY AT ITS NOTICE ADDRESS PROVIDED PURSUANT TO SECTION 11 HEREOF. EACH OF CONTRACTING PARTY, COLLATERAL ASSIGNOR AND COLLATERAL AGENT IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT AND ANY CLAIM THAT ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.**

16. Further Assurances. Contracting Party will, upon the reasonable written request of Collateral Agent, execute and deliver such further documents and do such other acts and things as may be necessary to effectuate the purposes of this Consent at Collateral Assignor's cost and expense.

17. Severability. If any provision of this Consent is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Consent shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provision with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provision. The invalidity of a provision of this Consent in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

18. Counterparts. This Consent may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signatures are physically attached to the same document. Delivery of an executed counterpart of a signature page to this Consent by facsimile or other electronic imaging means shall be effective as delivery of a manually executed counterpart of this Consent.

19. Headings. The headings of the sections and subsections of this Consent are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Consent.

20. Interpretation. All references in this Consent to any document, instrument or agreement (a) shall include all contract variations, change orders, exhibits, schedules and other attachments thereto, and (b) shall include all documents, instruments or agreements issued or executed in replacement thereof, as amended, modified and supplemented from time to time and in effect at any given time. In the event of any conflict between the terms, conditions and provisions of this Consent and any agreement, document or instrument, the terms, conditions and provisions of this Consent shall prevail.

21. Collateral Agent's Rights. The Collateral Agent shall have the right to assign the Assigned Agreement to a Person to whom the applicable Project is transferred, subject to the limitations set forth in Section 3(a)(i)-(iii). Upon such assignment, the Collateral Agent shall be released from any further liability under the Assigned Agreement or such new agreement to the extent of the interest assigned.

22. Acknowledgements. The Contracting Party and Collateral Assignor acknowledge and agree with respect to the Assigned Agreement that:

- (i) The Collateral Agent and the Secured Parties are “Lenders” under the Assigned Agreement and shall have all rights of Lenders under the Assigned Agreement.
- (ii) For avoidance of doubt, the restriction set forth in Section 11.6 of the Assigned Agreement applies only to the 40 MWac portion of Collateral Assignor’s 192 MWac Project comprised by the “Facility” (as defined in the Assigned Agreement) to which the Assigned Agreement relates and shall not restrict any sale to any third party from any portion of the other 152 MWac portion of the Project.

[SIGNATURES FOLLOW]

12

PPA CONSENT (CLEAN POWER ALLIANCE)
(ROSAMOND CENTRAL)

IN WITNESS WHEREOF, the undersigned, by their respective officers, representatives or other authorized persons thereunto duly authorized, have duly executed this Consent and Agreement as of the date first written above.

CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA,

a California joint powers authority,
as Contracting Party

By: _____

Name:

Title:

GOLDEN FIELDS SOLAR III LLC,
a Delaware limited liability company,
as Collateral Assignor

By: _____
Name:
Title:

Accepted and Agreed:

CIT BANK, N.A.,
as Collateral Agent

By: _____
Name:
Title:



Staff Report – Agenda Item 3

To: Clean Power Alliance (CPA) Board of Directors

From: Karen Schmidt, Regional Affairs Manager
Gina Goodhill, Policy Director

Approved by: Ted Bardacke, Executive Director

Subject: California Electric Vehicle Incentive Program (CALeVIP)

Date: January 9, 2020

RECOMMENDATION

Approve the submittal of a Letter of Intent (LOI) for the California Electric Vehicle Incentive Program (CALeVIP) indicating CPA's intent to participate in an incentive program to support the installation of electric vehicle chargers in Ventura County with a minimum financial contribution of \$533,000 in 2021 and the potential for additional funding between 2021–2023.

BACKGROUND

To meet climate and local air quality targets, the State of California has set aggressive electric vehicle (EV) goals, including reaching 5 million EVs on the road by 2030 and 250,000 EV charging stations by 2025. Southern California faces a growing challenge in that regional EV adoption is outpacing the availability of infrastructure for EV drivers.

CALeVIP was launched to spur the rapid deployment of publicly accessible Level 2 EV Chargers (L2) and Level 3 Direct Current Fast Chargers (DCFC) through targeted incentive projects based on regional needs. The State of California has allocated \$58 million in current funding for the CALeVIP program and up to \$200 million in future funding, with the expectation of awarding a total of \$20 million to \$30 million annually for three to four regional initiatives. The state funds are administered by the California Energy Commission (CEC).

In August 2018, four Southern California counties (Los Angeles, Orange, Riverside, San Bernardino) were awarded \$29 million in incentives for DCFC projects with no local partners. About one-third of those funds remain. CPA has begun discussions with CALeVIP about additional state funding potential for L2 chargers in CPA's Los Angeles County territory should CPA offer a local match.

As noted in the chart below, CALeVIP has begun to prioritize contributions from local partners in its decision to award new regional initiatives and CCAs have been funding partners for CALeVIP programs in 2019 and 2020. As a result, CPA has been exploring participation in 2021 in the South-Central Coast Incentive Project, which would provide incentive funding for Ventura, Santa Barbara, and San Luis Obispo Counties.

Project Territory	Launch Date	Counties	Funding	Partners	Technology
Fresno County	December 2017	Fresno	\$4 million	N/A	Level 2
Southern California	August 2018	Los Angeles, Orange, Riverside, San Bernardino	\$29 million	N/A	DCFC
Sacramento County	April 2019	Sacramento	\$15.5 million	Sacramento Municipal Utilities District, \$1.5 million	Level 2 & DCFC
Northern California	May 2019	Shasta, Humboldt, Tehama	\$4 million	N/A	Level 2 & DCFC
Central Coast	October 2019	Monterey, Santa Cruz, San Benito	\$7 million	Monterey Bay Community Power, \$1 million/3 years	Level 2 & DCFC
San Joaquin Valley	December 2019	San Joaquin, Kern, Fresno	\$14 million	N/A	Level 2 & DCFC
Peninsula-Silicon Valley	Spring 2020	San Mateo, Santa Clara	\$60 million total funding, 2-4 years	PCE; SVCE; San Jose Clean Energy; SVP; City of Palo Alto Utilities	Level 2 & DCFC
San Diego County	Anticipated 2020	San Diego	\$17.66 million total	SANDAG; San Diego APCD	Level 2
Sonoma Coast	Anticipated 2020	Sonoma, Mendocino	\$6.75 million total	Sonoma Clean Power, Northern Sonoma County APCD	Level 2 & DCFC

On December 18, 2019, staff presented the Executive Committee with an outline of CPA's proposed involvement in the South-Central Coast Incentive Project, including a financial commitment of \$533,000 in 2021 and the potential for additional funding between 2021–2023. CPA's contributions would be directed solely to its Ventura County service territory and CPA customers and other local funders for Ventura County have been identified. The Executive Committee was supportive of CPA's participation.

If negotiations with CALeVIP, the CEC, and other local partners are successful, staff would bring a final participation agreement to the Board for consideration. However, in order to be considered, CPA must submit a LOI (Attachment 1) to the California Energy Commission in February 2020.

CALeVIP PROJECT GUIDELINES

The CEC establishes potential project funding based on a gap analysis of charging needs by county. Although not a requirement, the CEC encourages local entities (referred to as "local partners") to collaborate at the regional level on proposed projects, including providing local match funding. In the regional projects awarded to date, CCAs have been significant source of local match funding, along with regional air districts.

2021 South-Central Coast Incentive Project

Potential CEC funding for the South-Central Coast region is shown on the table below:

County	Estimated Gap (Number of Chargers)		Potential CEC Funds		
	Level 2	DCFC	Level 2 (50% of Gap)	DCFC (30% of Gap)	Total
Ventura	1,291	48	\$3,356,600	\$792,000	\$4,148,600
San Luis Obispo	272	37	\$707,200	\$610,500	\$1,317,700
Santa Barbara	752	124	\$1,955,200	\$2,046,000	\$4,001,200
TOTAL					\$9,467,500

Depending on the strength of local partner commitments, the Ventura County funding from the CEC could potentially increase from \$4.1 million to \$6.4 million. CPA has

participated in preliminary discussions with the following potential project partners for the South-Central Coast Incentive Project:

- Ventura County Air Pollution Control District
- Ventura County Regional Energy Alliance
- Santa Barbara and San Luis Obispo County Air Districts
- Monterey Bay Community Power

After a project is selected by the CEC, the CEC and local partner funds are pooled and administered by the non-profit Center for Sustainable Energy (CSE). CSE utilizes the established CALeVIP online platform and process for public and private sector entities to apply for incentives/rebates to install publicly accessible EV chargers. CSE provides marketing and technical assistance to applicants and handles disbursement of incentive payments. To streamline the application process and expedite deployment of chargers, CEC has established “pillar requirements” for use of project funds:

- Rebates may be used to pay for: equipment (including electric vehicle supply equipment, transformers, panels, and advanced energy storage); planning/design; installation costs (labor and materials); utility service orders; demand management equipment; networking agreements; extended warranties; stub-outs; and signage
- Rebates may not be used for permit fees, solar panels, or costs paid by other incentive programs
- Applications for rebates are awarded on a first-come, first-served basis
- EV charging sites may be owned publicly (e.g. at a municipal facility) or privately (e.g. at a business), but they must be publicly accessible to any EV driver 24/7
- 25% or more of funding must allocated to disadvantaged communities (DACs)

Certain elements of the program design may be customized by the local partners, including incentive levels for L2 and DCFC chargers, increased funding for DACs, maximum connector limits per site, and “areas of focus” (e.g., multifamily housing).

Considerations for CPA Participation

CEC funding along with other partner funds would provide significant leverage for CPA's investment, or approximately a 3:1 leverage ratio at the minimum level of \$533,000 funding level. The turnkey platform and program administration provided by CSE would expedite program launch, fund disbursement, charger installations, and eliminate the need to build internal capacity and tools from scratch. The tri-county partnership would leverage regional resources, public agency collaborations and community outreach channels. CEC and partner funds allocated to Ventura County would be reserved for Ventura County applicants, and CPA funds will only be used for CPA customers. It would also provide CPA with access to EV customers for demand response purposes, although customer participation in any demand response program would be voluntary.

Other considerations include:

- CPA's 2021 funding commitment would be distributed evenly between FY 20-21 and FY 21-22. Funding in subsequent years would be based on project success and results.
- The potential for additional funding from CPA beyond the minimum initial commitment indicated in the LOI could motivate CEC to increase its level of funding.
- CEC is considering future potential investment in Los Angeles County for L2 chargers; CPA is exploring whether and how to ensure that CEC matching funds in Los Angeles County could be reserved for customers in CPA service territory if CPA provided a similar local match like it proposes to do in Ventura County.

Key Milestones

- February 14, 2020 – deadline for submission of letters of intent
- February-March 2020 – workshops between CSE and partners to finalize project requirements and discuss CSE SOW, budget and contract
- June 2020 – CEC selects projects, notifies partners
- July 2020 – Partner boards approve funding for 2021 project
- Early 2021 – Program Launch

FISCAL IMPACT

CPA funding contributions would be allocated during CPA's annual budget process for fiscal years 2020-21 and 2021-22, as well as future fiscal years if approved.

Attachment: 1) CALeVIP Letter of Intent



COUNTY OF LOS ANGELES	[DATE]	<u>DRAFT</u>
COUNTY OF VENTURA	Brian Fauble	
AGOURA HILLS	California Energy Commission	
ALHAMBRA	1516 Ninth Street	
ARCADIA	Sacramento, CA 95814	
BEVERLY HILLS	Subject: 2021 California Electric Vehicle Infrastructure Project (CALeVIP) Project	
CALABASAS	Dear Mr. Fauble,	
CAMARILLO		
CARSON	Clean Power Alliance is pleased to submit this Letter of Intent that it will, in good faith,	
CLAREMONT	work with the California Energy Commission (CEC) and the CALeVIP implementer,	
CULVER CITY	Center for Sustainable Energy (CSE), to develop the framework of a regional electric	
DOWNEY	vehicle infrastructure incentive project under the CALeVIP program. Specifically, Clean	
HAWAIIAN GARDENS	Power Alliance staff will collaborate with the CEC, CSE and regional stakeholders on	
HAWTHORNE	the development of the South-Central Coast Incentive Project. Clean Power Alliance	
MALIBU	intends to contribute funding to this project according to the terms below:	
MANHATTAN BEACH	<ul style="list-style-type: none"> • Clean Power Alliance will provide a total funding commitment of \$533,000 towards the South-Central Coast Incentive Project for incentives in Ventura County in the 2021 funding year, subject to CPA Board approval; and 	
MOORPARK	<ul style="list-style-type: none"> • Clean Power Alliance anticipates committing additional funding for each of the 2022 and 2023 funding years, subject to project outcomes and CPA Board approval in 2021 and 2022; and 	
OJAI	<ul style="list-style-type: none"> • Clean Power Alliance will consider higher levels of funding for 2021 and subsequent project years based on the level of funds committed to Ventura County by the CEC and other local funding partners. 	
OXNARD		
PARAMOUNT		
REDONDO BEACH		
ROLLING HILLS ESTATES	Should the CEC award funds for the Ventura County portion of the South-Central Coast Incentive Project, Clean Power Alliance staff will seek project approval from its Board of Directors prior to July 2020, so that CEC may rely upon Clean Power Alliance's commitment in finalizing the 2021 CALeVIP project roadmap.	
SANTA MONICA		
SIERRA MADRE		
SIMI VALLEY		
SOUTH PASADENA	Sincerely,	
TEMPLE CITY		
THOUSAND OAKS		
VENTURA	Ted Bardacke	
WEST HOLLYWOOD	Executive Director	
WHITTIER		



Staff Report – Agenda Item 4

To: Clean Power Alliance (CPA) Board of Directors

From: Matthew Langer, Chief Operating Officer

Approved by: Ted Bardacke, Executive Director

Subject: Adopt Resolution 20-01-001 to Approve Policy Decisions Regarding Residential Time-of-Use (TOU) Default

Date: January 9, 2020

RECOMMENDATION

Adopt Resolution 20-01-001, which directs: (i) that CPA default its eligible residential customers to time of use (TOU) generation rates and that the transition take place concurrently with SCE's transition of CPA's customers to TOU distribution rates; (ii) that CPA offer TOU generation rates with the same TOU periods as SCE delivery rates; (iii) that CPA offer 12 months of bill protection to customers following the transition to TOU generation rates; and (iv) that CPA offer residential customers the ability to opt-out of CPA's default TOU generation rates and remain on flat rates.

The Resolution does not address actual TOU rates and rate design, which could differ from that of SCE. Rates and rate design, which includes the level of rate difference between peak and non-peak time periods, would be addressed closer to the residential TOU transition period.

BACKGROUND

California's Investor Owned Utilities (IOU), including Southern California Edison (SCE), will begin transitioning residential customers to default TOU rates starting in October 2020 and continuing through 2022 in accordance with State law and CPUC directives. The law applies only to an IOU's deployment of default TOU rates for residential customers. Under SCE's planned implementation, bundled residential customers will be transitioned

to TOU rates as the default, with certain exceptions¹. Tiered flat rates will remain an option for SCE and CPA customers that choose to opt-out of the default TOU.

CPA has the discretion to determine whether, how, and when to transition its customers to default TOU rates for the generation portion of their bill. Even if CPA does not transition its customers to default TOU, those customers are still subject to default TOU for the delivery portion (i.e. the SCE portion) of their bill. Should CPA decide to also default its residential customers to TOU generation rates, SCE has indicated that with enough forward planning, it could transition CPA's residential customers to default TOU in late 2021 or early 2022 to coincide with SCE's transition for bundled customers in Los Angeles and Ventura Counties.

POLICY AND OPERATIONAL CONTEXT

Non-residential customers have long been on TOU rates along with approximately 10% to 20% of residential customers. California is now attempting to transition most remaining residential customers to TOU rates because these rates provide those customers with a price signal to reduce consumption during periods of peak demand.

If customers respond to these price signals, the benefits of TOU rates can include:

1. Shifting of load to the middle of the day to help absorb renewable energy that would otherwise be curtailed.
2. Reduced greenhouse gas (GHG) emissions resulting from lower demand in the evening when there are less renewables on the grid.
3. Reduced system capacity needs, thus lowering Resource Adequacy costs.
4. Air quality improvements though reducing use of gas peaker plants in the evening.
5. Improved price signals for distributed energy resources such as behind-the-meter solar PV generation, energy storage, and energy efficiency.

¹ The CPUC has ordered that certain residential customers should be exempt from the IOUs' default TOU, including Medical Baseline customers and CARE/FERA customers in hot climate zones. CPA expects to substantially mirror these exemptions.

Implementing TOU rates on residential customers is a significant policy shift that will have a direct impact on millions of residential customers across the state, regardless of what CPA does. To support the transition, millions of dollars of ratepayer funds, including funds paid for by CPA customers, have been allocated for statewide and regional marketing and outreach to customers.

If CPA chooses to include its customers in the transition, it is prudent to coordinate with SCE to allow for CPA's timing and messaging to be incorporated into the planned outreach. In order to allow sufficient time for coordination with SCE, CPA must decide the following three (3) policy directions by early 2020:

1. Whether CPA will default its residential customers to TOU generation rates, and if so, whether the transition should take place at the same time SCE is defaulting CPA customers to SCE's TOU delivery rates.
2. Whether CPA will mirror SCE's hourly time of use periods.
3. Whether CPA will offer bill protection and for how long (e.g., 12 months).

DISCUSSION

In June 2019, CPA engaged Energy and Environmental Economics, Inc. (E3) to conduct a study of the impacts of residential TOU default to CPA and its customers. The study was intended to aid staff in developing its recommendations to the Board on whether and how to transition residential customers to TOU rates. At the June 2019 CPA Board Retreat, Brian Horii of E3 gave a presentation on residential default TOU as a kick-off to the study. The study is now complete and staff is presenting the following recommendations for adoption via Resolution 20-01-001.

1. Recommendation #1: Default TOU Transition and Timing

Staff recommends that CPA default its eligible residential customers² to time of use (TOU) generation rates and that the transition take place concurrently with SCE's transition of CPA's customers to TOU distribution rates.

² Certain exclusions apply as noted above.

Staff believes the transition to residential TOU rates is an important policy that complements CPA's goal to decarbonize the grid while seeking to provide competitive rates to its customers. Coordinating the timing with SCE will maximize the benefits to CPA customers of local and statewide TOU education campaigns around the IOU default TOU transition. Additionally, matching the timing of SCE's transition will minimize customer confusion.

The below table summarizes the benefits and risks of default TOU transition for CPA.

Benefits	Risks
Aligns rates with procurement costs and provides more accurate price signals to customers.	Bill increases for customers with relatively high on-peak usage (mitigated by recommended bill protection in first year).
Supports CPA grid decarbonization goals.	Potential customer confusion and dissatisfaction with TOU design and rollout.
Supports greater adoption of DERs and energy management technology.	Operational, timing, and billing coordination for rollout dependent on SCE.
Coordinates with changes being made to delivery portion of customer bills.	
Significant funds available for customer education.	
Provides customers with an opportunity to reduce their electricity bills by shifting consumption.	

2. Recommendation #2: TOU Time Periods

Staff recommends offering TOU generation rates with the same TOU periods as SCE delivery rates.

The CPUC approved the following residential rate offerings from SCE:

- TOU-D-4-9PM, a seasonal TOU rate structure with a peak period from 4pm to 9pm. The summer mid-peak and off-peak rates vary on weekends versus weekdays.
- TOU-D-5-8PM, a seasonal TOU rate structure with a peak period from 5pm to 8pm. The summer mid-peak and off-peak rates vary on weekends versus weekdays.
- Schedule D, for customers desiring to opt out of default TOU rates; a 2-tier, non-TOU design with a high usage charge applied to usage in excess of 400% of the applicable baseline allowance, similar to the existing default residential rate.

The CPUC directed SCE to default eligible residential customers to their least cost rate among the two TOU-D-4-9PM and TOU-D-5-8PM rates based on 12 months of their historic usage.

E3's study recommended that CPA offer default TOU generation rates with the same time periods as SCE, because it will avoid customer confusion that could be caused by a mismatch in TOU periods between the SCE and CPA portions of the customer bill. Deviating from SCE's TOU periods could create confusion and result in customers opting out of TOU rates and/or CPA. Additionally, CPA procures wholesale energy from the same energy market as SCE and incurs its highest energy costs during the hours of 4pm to 9pm, therefore the peak periods defined in the SCE rate structures are aligned with CPA's procurement strategy.

3. Recommendation #3: Bill Protection

Staff recommends offering 12 months of bill protection to give customers some protection financially following the transition to TOU generation rates.

The purpose of bill protection is to mitigate adverse bill impacts by creating certain guarantees that customers will not pay more than they would have paid under their old rate structure. Bill protection gives customers time to learn about their new rates and adjust their behavior to mitigate potential negative impacts.

The CPUC required that the IOUs provide 12 months of bill protection for residential customers transitioning to default TOU. E3 noted in its study that bill protection is common across the country for large rate design changes as it provides customers with financial protection during a learning period (typically one year).

The main risk for CPA related to bill protection is financial impact. The cost of bill protection is difficult to estimate because the impact of TOU rates on customer behavior is uncertain. E3's study indicated one-time bill protection costs should range between \$75,000 to \$1.5 million depending on a variety of factors. CPA has the ability to mitigate this risk by including the estimated costs of bill protection as part of the rates charged to all customers. A final decision on how to address the cost of bill protection will be considered in more detail prior to the actual TOU transition in 2021. However, staff believes the cost of bill protection is worthwhile as a measure to protect customers from bill increases during the default TOU transition period.

4. Recommendation #4: Customer Opt-Out Option

Staff recommends that CPA offer residential customers the ability to opt-out of CPA's default TOU generation rates and remain on flat rates.

Tiered flat rates for the distribution portion (i.e. SCE portion) of the bill will remain an option for CPA customers who wish to opt-out of the default TOU transition. This recommendation would give this option to CPA customers for the generation portion of the bill as well.

NEXT STEPS

If Resolution 20-01-001 is approved by the Board, staff will share CPA's policy decisions regarding residential TOU default with SCE and proceed with the necessary coordination steps related to the rollout.

As the implementation date for default TOU approaches, staff will evaluate the exact rate design needed to fully implement the transition. One approach studied by E3 would be to match the same on-peak, mid-peak, and off-peak TOU periods as SCE TOU rates (as already recommended by staff) but base actual rates on CPA's revenue requirements, rather than mirroring SCE's TOU rates. SCE's TOU rates are designed to be revenue neutral based on SCE revenue requirements for all customers across its larger, and generally hotter, service territory. CPA's revenue requirements for its customers in a milder climate are different.

Basing rates on CPA's revenue requirements would result in different price differentials (ratios) between the on-peak and off-peak rates than those offered by SCE and those ratios could be optimized for a variety of policy and/or financial goals. This type of approach, and others, would be looked at in the context of a larger policy discussion about transitioning to Cost of Service based ratemaking.

Attachments: 1) Resolution 20-01-001
 2) Residential TOU Presentation

RESOLUTION NO. 20-01-001**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA
TO APPROVE CPA'S APPROACH TO THE DEFAULT OF RESIDENTIAL
CUSTOMERS TO TIME OF USE RATES****THE BOARD OF DIRECTORS OF THE CLEAN POWER ALLIANCE OF SOUTHERN
CALIFORNIA DOES HEREBY FIND, RESOLVE, AND ORDER AS FOLLOWS:**

WHEREAS, the Clean Power Alliance of Southern California (formerly known as Los Angeles Community Choice Energy Authority) ("Clean Power Alliance" or "CPA") was formed on June 27, 2017;

WHEREAS, California law and the specific directives of the California Public Utilities Commission require investor owned utilities, including Southern California Edison (SCE), to default eligible residential customers to time-of-use (TOU) rates starting in October 2020;

WHEREAS, SCE intends to begin defaulting residential customer to TOU rates beginning in October 2020;

WHEREAS, SCE's non-residential customers are currently on TOU rates along with approximately 10% to 20% of SCE's residential customers;

WHEREAS, California is now attempting to transition most remaining residential IOU customers to TOU rates in order to provide these residential customers with price signals to reduce electricity consumption during periods of peak demand;

WHEREAS, CPA has discretion to set its own customer rates, including discretion on whether to default its residential customers to TOU generation rates, and has discretion to determine how or when those TOU generation rates apply or become effective;

WHEREAS, CPA finds that transitioning CPA's residential customer rates to TOU complements CPA's goals to promote the reduction of greenhouse gas emissions while seeking to provide competitive rates to its customers;

WHEREAS, a TOU generation rate structure may include varying peak periods per day, on weekdays or weekends, or by season (e.g., winter or summer);

WHEREAS, CPA finds that having default TOU generation time periods that are the same as SCE can avoid customer confusion over differing TOU periods between the SCE and CPA portions of the customer bill;

WHEREAS, CPA finds that transitioning CPA's residential customers to TOU at the same time as SCE's transition of its bundled customers would enable certain efficiencies, including CPA's coordination with SCE in customer outreach and education concerning the transition to TOU and could improve CPA's customer experience; and,

WHEREAS, CPA finds that a bill protection mechanism would be beneficial following a large rate design change, like the transition to TOU, as it can allow residential customers time to acclimate to the change and that a 12-month period is reasonable given its common usage across the country;

WHEREAS, CPA anticipates addressing actual TOU rates and rate design closer to the residential TOU transition period.

NOW THEREFORE, BE IT DETERMINED, ORDERED, AND RESOLVED, BY THE BOARD OF DIRECTORS OF THE CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA THAT:

1. Eligible CPA residential customers will be defaulted to CPA's TOU generation rates and the transition will take place concurrently with SCE's transition of CPA's customers to TOU distribution rates.
2. Eligible CPA residential customers will be defaulted to CPA's TOU generation rate structure with the same time of use periods, including peak periods, as SCE's TOU delivery periods.
3. CPA will provide bill protection mechanisms to CPA's residential customers for the first twelve (12) months following the transition to the TOU generation rates.
4. CPA will offer residential customers the ability to opt-out of CPA's default TOU generation rates and remain on flat rates.

APPROVED AND ADOPTED this ____ day of _____ 2020.

Chair

ATTEST:

Secretary



Residential Time of Use (TOU) Default

January 9, 2020

Staff Recommendations

Today the Board is considering Resolution 20-001 which, if adopted, will direct

- 1) that CPA default its residential customers to time of use (TOU) generation rates and that the transition take place concurrently with SCE's transition of CPA's customers to TOU distribution rates;
- 2) that CPA offer TOU generation rates with the same TOU time periods as SCE delivery rates;
- 3) that CPA offer 12 months of bill protection to customers following the transition to default TOU generation rates; and
- 4) that CPA offer residential customers the ability to opt-out of CPA's default TOU generation rates and remain on flat rates.

Residential TOU rate design, which will involve setting actual rates and the rated differential between peak and non-peak time periods, would be addressed closer to the residential TOU transition period. These rates could differ from that of SCE.

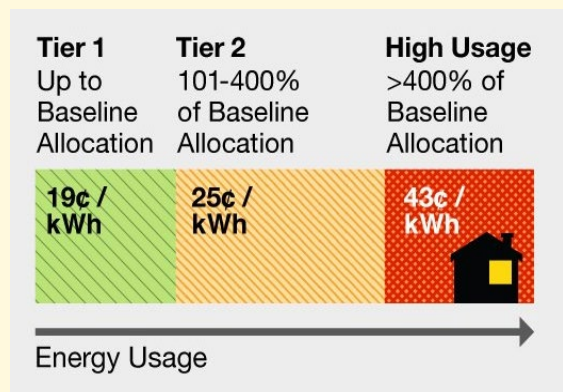
Background

- Per state law, California's IOU's will begin defaulting residential customers to TOU in October of 2020
 - Customers will have the option to return to flat tiered rates if they choose
- CPA customers will be transitioned for the delivery (i.e. SCE) portion of their bill beginning in late 2021
- CCAs have discretion to determine whether and how to transition their customers to TOU for the generation portion of the bill
- In June 2019 CPA engaged Energy and Environmental Economics, Inc. (E3) to conduct a study on the impacts of residential TOU for CPA and its customers and aid staff in developing its recommendations

Current Residential Tiered Rates

Currently, most residential customers take service on flat, tiered rates.

- Electricity costs the same, regardless of the time it is used
- The cost of electricity is the same per kWh within each tier
- As more electricity is consumed in the month, a customer may move into the next tier, and subsequent usage is billed at the new tier's rate
- The amount you can purchase in each tier is determined by a Baseline Allocation. Baseline Allocation varies by region and season (due to weather differences)



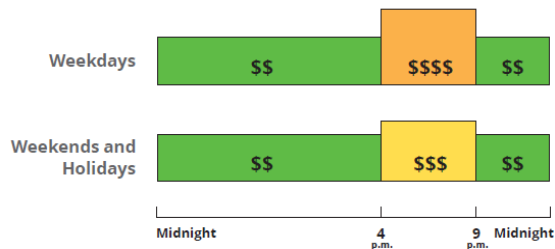
Tiering occurs on delivery side of customer bill, and CPA's generation rates are flat regardless of tier.

1 Graphic and description provided on SCE website communicating tiered rate structure.

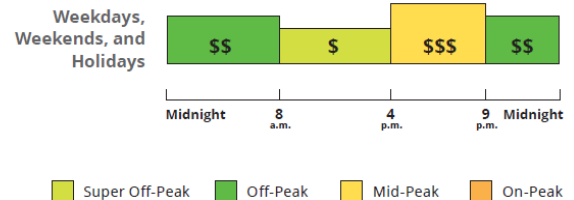
Proposed Time of Use Rates (TOU-D-4-9PM)

NEW TIME-OF-USE (TOU) PERIODS ²

Summer June 1 – September 30 (4 Months)



Winter October 1 – May 31 (8 Months)



- Summer on-peak and winter mid-peak rates occur between the hours of 4pm-9pm (or between 5pm-8pm for option D-5-8PM)
- The summer mid-peak and off-peak rates vary on weekends versus weekdays

² Graphic and description provided on SCE website communicating TOU period changes.

Recommendation #1 – Default to TOU Rates

That CPA default its residential customers to time of use (TOU) generation rates and that the transition take place concurrently with SCE's transition of CPA's customers to TOU distribution rates

- California is transitioning eligible residential customers³ to TOU rates in order to provide customers with a price signal to reduce consumption during periods of peak demand
- Potential benefits of TOU rates include:
 - Load shifting to daytime hours when solar generation is plentiful
 - Reduced system capacity needs and Resource Adequacy costs
 - GHG emissions reductions and local air quality improvements through reduced use of gas-fired generation during evening peak
 - Improved price signals for distributed energy resources such as solar PV and energy storage

³ The PUC has ordered that certain residential customers should be exempt from the IOUs' default TOU, including medical baseline customers and CARE/FERA customers in hot climate zones. CPA expects to substantially mirror these exemptions.

Coordination with SCE

There are additional benefits associated with defaulting customers to TOU rates at the same time as SCE.

- Millions of dollars in ratepayer funds (including CPA customer funds) have been allocated for customer marketing, education and outreach
- Coordinating the timing with SCE will allow CPA to leverage local and statewide TOU education campaigns around the default TOU transition, and allow CPA to help shape messaging to its mutual customers with SCE
- Matching the timing of SCE's transition could help to minimize customer confusion

Risks and Benefits for CPA of TOU Default

Benefits	Risks
Aligns rates with procurement costs	Bill increases for some customers with high on-peak usage
Supports grid decarbonization	Potential customer dissatisfaction with TOU rollout
Supports greater adoption of DERs	Operational coordination for rollout dependent on SCE
Coordinates with changes to delivery rates	
Significant funds available for customer education	
Provides opportunity for customers to lower bill by shifting times of consumption	

Recommendation #2 - Time of Use Periods

That CPA offer TOU generation rates with the same TOU periods as SCE delivery rates

- The CPUC has approved the following SCE TOU offerings:
 - TOU-D-4-9PM, a seasonal TOU rate structure with a peak period from 4pm to 9pm
 - TOU-D-5-8PM, a seasonal TOU rate structure with a peak period from 5pm to 8pm
- Establishing rates that match these TOU periods will help to avoid customer confusion that could be caused by a mismatch in TOU periods between the SCE and CPA portions of the customer bill
- Additionally, CPA incurs its highest energy costs during the hours of 4PM-9PM, therefore the recommended peak periods are well aligned with CPA's procurement strategy
- Establishing rates that match these TOU periods would still allow CPA to design its own rate amounts and rate differentials, i.e. the difference between peak and non-peak rates

Recommendation #3 - Bill Protection

That CPA offer 12 months of bill protection to protect customers financially following the default TOU transition

- Bill protection will protect customers from adverse bill impacts during their first 12 months on TOU by guaranteeing they will not pay more than they would have paid under their previous flat tiered rate structure
- Provides customers with a no-fault “learning period,” and is a common practice among utilities during major rate design changes
- The IOUs are required by the CPUC to provide 12 months of bill protection to support customers during the transition period
 - CPA customers will receive bill protection for the delivery portion of their bill regardless of whether CPA elects to default customers to TOU
- Financial impact to CPA of bill protection should range from \$75,000 - \$1.5 million, depending on a variety of factors, and is a one-time cost

Recommendation #4 – Customer Opt-Out Ability

That CPA offer residential customers the ability to opt-out of CPA's default TOU generation rates and remain on flat rates.

- Tiered flat rates will remain an option for the distribution (i.e. SCE) portion of customers' bills for customers that choose to opt-out of the default TOU transition.
- To maintain customer choice over their rate options and to avoid confusion CPA customers should have the option to opt-out of default TOU generation rates and remain on flat rates for the generation (i.e. CPA) portion of their bill.

Next Steps

If Resolution 20-01-001 is adopted, staff will share TOU policy decisions with SCE and proceed with marketing and operational coordination.

As the implementation date for default TOU approaches, staff will evaluate the exact rate design(s) needed to fully implement the transition.

One approach studied by E3 would be to match the same on-peak, mid-peak, and off-peak TOU periods as SCE TOU rates (as recommended by staff) but base actual rate levels on CPA's revenue requirements, rather than mirroring SCE's TOU rates based on SCE's revenue requirements

- Basing rates on CPA's revenue requirements would result in different price differentials (ratios) between the on-peak and off-peak rates than those offered by SCE and those ratios could be optimized rates for a variety of policy and/or financial goals
- This type of approach, and others, would be looked at in the context of a larger policy discussion about transitioning to Cost of Service based ratemaking

Item V

To: Clean Power Alliance (CPA) Board of Directors

From: Ted Bardacke, Executive Director

Subject: Management Update

Date: January 9, 2020

Reliability and Clean Energy RFO Update

CPA launched two Request for Offers (RFOs) in 2019 to support our long-term procurement efforts. The first is the 2019 Reliability RFO for energy storage projects between 10MW and 100MW in size. This RFO was in response to the CPUC requirement for all Load Serving Entities to procure incremental capacity to support system reliability. On December 18, the Energy Planning and Procurement Committee approved a shortlist of 12 projects, a summary of which is attached. Contracts for these projects are expected to be ready for Board consideration in the spring of 2020.

The second RFO is the 2019 Clean Energy RFO, consisting of two tracks. The Utility Scale track is for projects between 10MW and 400MW in size and is for standalone renewable energy projects or renewable energy projects paired with energy storage. Projects in this track must be online no later than December 31, 2023. The Distributed Track is for projects located in Los Angeles or Ventura counties between 500kW and 10MW in size and is for renewable energy, renewable energy paired with energy storage, or standalone energy storage. These projects must be online by December 31, 2024.

CPA received over 30 conforming offers in the Distributed track and over 50 in the Utility Scale track. The Energy Committee is expected to consider a shortlist for Utility Scale track in January 2020 and the Distributed track in February 2020 with Power Purchase Agreements likely to be ready for Board consideration in the spring and summer of 2020.

In parallel, staff is continuing negotiations with one remaining solar + storage project from the 2018 Clean Energy RFO.

Community Solar and Disadvantaged Communities Green Tariff

Over the holidays, CPA submitted an Advice Letter to the California Public Utilities Commission requesting funding for two new programs benefitting Disadvantaged Communities and Low-Income Customers.

First, the Community Solar program would allow CPA to develop 3.13MW of solar projects in Disadvantaged Communities (approximately 5 to 8 individual projects) within its service territory and allocate the energy produced by those projects to customers within a five-mile radius. Those customers would get a 20% bill discount. Second, the Green Tariff program would allow CPA to develop a larger renewable energy project or projects, up to 12.19MW, and allocate the energy produced by those projects to low-income customers anywhere in CPA's service territory. Those customers would also get a 20% bill discount, on top of their already existing CARE or FERA discount.

Funding from the CPUC will cover the customer bill discount, the above-market procurement costs for the new renewable energy projects, staff administrative costs, and provide funds for marketing, education and evaluation. The source of the CPUC funds are proceeds from California's Greenhouse Gas Cap-and-Trade program as well as public purpose program funding contributed by all California ratepayers in territories served by Investor Owned Utilities. CPA is the first CCA to apply to implement this program and expects approval of its application to take up to six months.

Community Based Organization (CBO) Grant Program

CPA launched its first Community Based Organization Outreach Grant (CBO Grant) to prioritize engaging underserved residents and small businesses in Los Angeles and Ventura counties on the benefits of clean energy and financial incentives through new and existing customer programs. The CBO Grant program is designed to foster collaboration between CPA and trusted local organizations to achieve the following goals:

1. Enhance understanding of CPA's service, electricity bills, and benefits and increasing enrollment in financial assistance programs
2. Enroll customers in CPA's Power Response programs
3. Enroll customers in CPA's Disadvantaged Communities Green Tariff (pending CPUC approval of CPA's funding request)

CPA is conducting a competitive application process to award small grants of up to \$20,000 to support CBO's work on these focus areas between March 2020 – March 2021. Funding for the CBO Grant program is included in CPA's local programs and communications and outreach budgets. Grant applications are due by January 31, 2020 and more information is available online at www.cleanpoweralliance.org/jobs.

Financial Performance

December's Board meeting featured a presentation on CPA's financial performance from July to October of 2019. As noted during that presentation, performance during the first quarter of Fiscal Year 2019/2020 was below expectations but performance began to improve in October, with energy revenues 4% higher than budgets and energy costs 10% less than budgeted. Net income for October was \$8.7 million greater than budget forecast. The monthly financial dashboard for October is attached to this report.

Opt-Actions

At the end of 2019, CPA's commercial (Phases 1, 2, and 4) opt-out rate was 6.37%. CPA's commercial customer base has essentially stabilized in terms of number of accounts, but a few large "subset customers" may opt-out in the coming months. The opt-out rate for new commercial customers who have started accounts since CPA's initial enrollment is significantly lower at 2.03% overall.

CPA's Residential (Phase 3) opt-out rate is 5.36% and has reached steady state. Opt-out rates among new residential move-ins is significantly lower at 1.59% overall and 1.77% for new 100% Green customers. A summary of opt-action data by jurisdiction is attached.

Total opt-out by load is estimated to be 15.14% reflecting higher opt-out rates among large commercial customers.

Beginning next month, CPA will be revising its opt-out reporting methodology to combine mass enrollment opt-out numbers with new move-ins and move-outs to report an overall “participation rate.” This will allow staff to monitor significant changes in customer behavior while controlling for the weekly churn of move-ins, move-outs and other typical account changes.

Customer Service Center Performance

Call center performance has remained steady through the transition of the Customer Service Center to standard business hours of 8:00 a.m. to 6:00 p.m., Monday through Friday that began on November 25, 2019. Call center volume continues to fall, to 2,502 calls in November and 2,307 calls in December, down from 5,173 calls in October and an average of over 10,000 calls per month in Q3 2010. In December, 99.8% of calls were answered within 60 seconds, and average wait time was 13 seconds.

Contracts Executed in December 2019 Under Executive Director Authority

Omni Government Relations & Pinnacle Advocacy were contracted to provide lobbying services, focused on legislative and regulatory issues in Sacramento and in coordination with CalCCA. The 12-month contract is for a Not-to-Exceed amount of \$108,000.

A list of non-energy contracts executed under the Executive Director’s signing authority is attached. The list includes all open contracts as well as all contacts, open or completed, executed in the past 12 months.

Staffing Update

Sean Swe has been hired as Manager of Load Forecasting to begin the process of moving CPA’s essential load forecasting activities in-house. Sean joins CPA from Burbank Water and Power, where he was responsible for load forecasting and energy rate development.

Sean has more than 10 years of experience in the energy industry, including doing cost of service studies for public agencies and direct access providers. Sean begins at CPA on January 27.

Charles Grinstead has been hired as Energy Resource Planner to support CPA's energy procurement team, particularly in the increasingly complex and evolving area of Resource Adequacy. Charles joins CPA from SCE, where he was a strategy and operational specialist focused on Resource Adequacy and the Low Carbon Fuel Standard; prior to that, Charles worked at Anaheim Public Utilities on Integrated Resource Planning. Charles began at CPA on January 6.

Alex Maranga has been hired as a Financial Analyst to support the finance and accounting team. Alex joins CPA from the US Embassy mission in Baghdad, where he worked on financial audit and controls. Alex also worked on renewable energy project development in the Democratic Republic of Congo with the Center for Sustainability Leadership. Alex began at CPA on January 2.

Upcoming Events & Community Outreach

January 21, 2020, Rancho Palos Verdes City Council Meeting: CPA staff will be present at the Council Meeting for the City of Rancho Palos Verdes to answer questions as the Council discusses participation in a CCA.

January 22, 2020, Calabasas City Council Meeting: CPA staff will present an informational update on CPA activities at the Council Meeting for the City of Calabasas.

January 28, 2020, Lake Los Angeles Rural Town Council Meeting: CPA staff will provide a presentation on how CPA works and answer customer questions at the Lake Los Angeles Rural Town Council meeting in Antelope Valley.

Attachments: 1) 2019 Reliability RFO Shortlist

- 2) October 2019 Financial Dashboard
- 3) Customer Opt-Actions Report
- 4) Non-energy Contracts Executed under Executive Director Authority

2019 Reliability RFO Shortlist

12 Projects

2021 Online Date

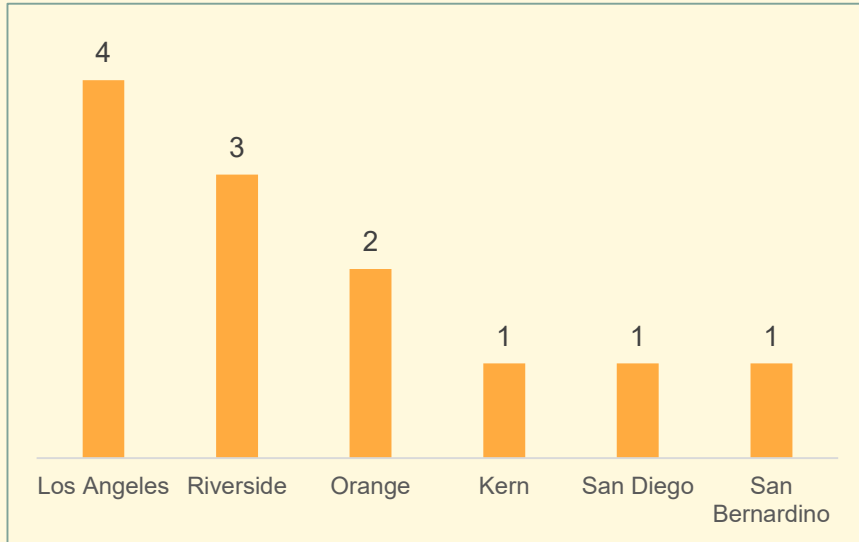
Project	MW Range	Online	Environmental Stewardship	Benefits to DACS	Workforce Development	Project Location	Development Risk Score	City
Project A	31-70	Q3 2021	Medium	Neutral	High	Medium	High	Blythe
Project C	0-30	Q3 2021	High	High	High	High	High	Whittier
Project D	0-30	Q2 2021	High	High	High	High	High	Pomona
Project F	0-30	Q3 2021	High	High	High	Medium	High	Santa Ana
Project G	71-100	Q2 2021	Medium	Medium	High	High	High	Lancaster
Project I	31-70	Q3 2021	High	High	High	Medium	High	Stanton
Project J	71-100	Q3 2021	Neutral	Neutral	High	Medium	High	Unincorporated San Diego County
Project K	31-70	Q3 2021	Neutral	High	High	Medium	High	Victorville
Project L	71-100	Q3 2021	Neutral	High	High	Medium	High	Mojave, CA

2022 and 2023 Online Date

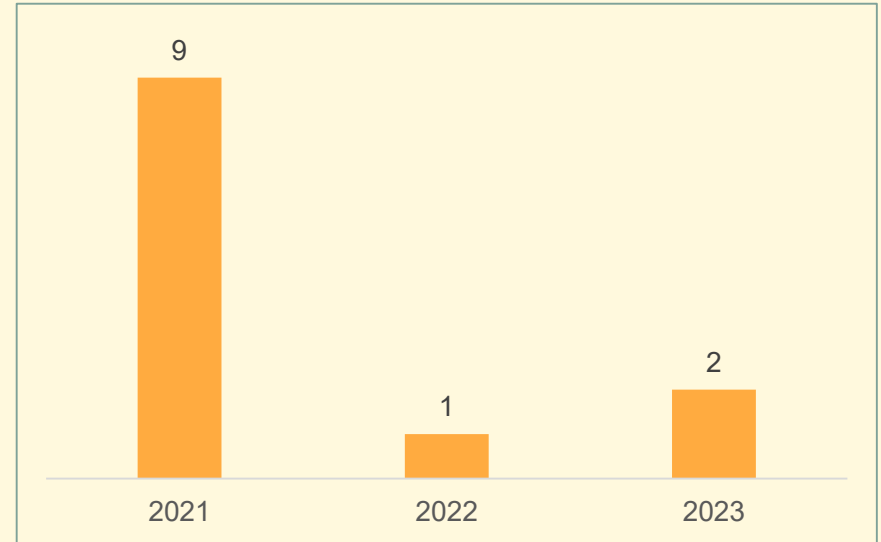
Project B	71-100	Q3 2023	Neutral	Neutral	High	Medium	High	Palm Springs
Project E	71-100	Q2 2022	High	High	High	High	High	Irwindale
Project H	71-100	Q2 2023	Medium	Medium	High	Medium	High	Blythe

Summary of Shortlisted Projects

PROJECTS BY COUNTY



PROJECTS BY COMPLIANCE YEAR



QUALITATIVE CRITERIA SCORES

	Environmental Stewardship	Benefits to DACS	Workforce Development	Project Location	Development Risk Score
High	42%	58%	100%	33%	100%
Medium	25%	17%	0%	67%	0%
Neutral	33%	25%	NA	NA	NA
Low	0%	0%	0%	0%	0%



Financial Dashboard

Summary of Financial Results

YTD
October
2019

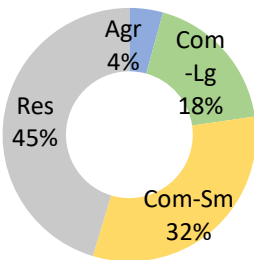
Active Accounts

1,040,000

Opt-Out %

4.9%

YTD Sales Volume
4,301 GWh

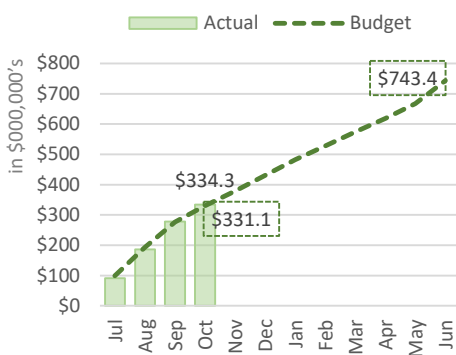


in \$000,000's

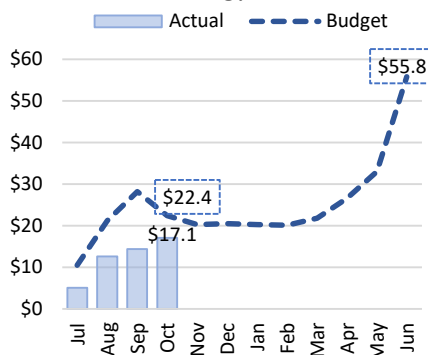
	October				Year-to-Date			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
Energy Revenues	\$56.2	\$54.0	\$2.2	4%	334.3	331.1	3.2	1%
Cost of Energy	\$53.5	\$59.8	-\$6.2	-10%	317.2	308.6	8.6	3%
Net Energy Revenue	\$2.7	-\$5.8	\$8.4	-146%	17.1	22.4	-\$5.3	-24%
Operating Expenditures	\$1.9	\$2.2	-\$0.3	-13%	7.1	8.5	-\$1.4	-16%
Net Income	\$0.7	-\$8.0	\$8.7	-109%	10.0	13.9	-\$3.9	-28%

- CPA recorded results for October 2019 that were significantly better than budgeted results. Results for the month included reversal of charges from the California Independent Systems Operator relating to July and August 2019. Results were also favorably impacted by warmer weather and higher revenue in October. Expenditures remain within authorized budget limits.
- For year-to-date:
 - Revenues of \$334.3 million were \$3.2 million or 1% above budgeted revenues.
 - Cost of energy of \$317.2 million were 3% above budgeted energy costs.
 - Operating expenditures of \$7.1 million were 16% lower than budgeted primarily due to lower than budgeted staffing, legal services, and Data & SCE service fees.
 - Net income of \$10.0M was \$3.9 million below budgeted net income of \$13.9M.
 - Management believes that available liquidity and bank lines of credit are sufficient for CPA to continue to meet its obligations.

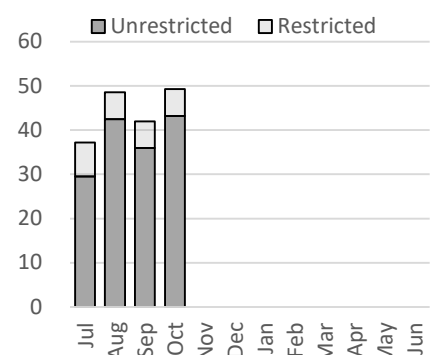
Cumulative Revenue



Net Energy Revenue



Cash & Cash Equivalents



Definitions:

Accounts: Active Accounts represent customer accounts of active customers served by CPA

Opt-out %: Customer accounts opted out divided by eligible CPA accounts

YTD Sales Volume: Year to date sales volume represents the amount of energy (in gigawatt hours) sold to retail customers

Revenues: Retail energy sales less allowance for doubtful accounts

Cost of energy: Cost of energy includes direct costs incurred to serve CPA's load

Operating expenditures: Operating expenditures include general, administrative, consulting, payroll and other costs required to fund operations

Net income: Net income represents the difference between revenues and expenditures before depreciation and capital expenditures

Cash and Cash Equivalents: Includes cash held as bank deposits.

Year to date (YTD): Represents the fiscal period beginning July 1, 2018

Clean Power Alliance - Residential Customer Status Report - December 23, 2019

		Opt Percentage by City & County				
CPA Cities & Counties	Default Tier	Total Eligible Accounts	Opt Up %	Opt Mid %	Opt Down %	Opt Out %
AGOURA HILLS	Lean Power	7,405	0.38%	0.22%	0.00%	6.95%
ALHAMBRA	Clean Power	30,641	0.13%	0.00%	1.01%	2.78%
ARCADIA	Lean Power	19,767	0.13%	0.08%	0.00%	2.83%
BEVERLY HILLS	Clean Power	15,208	0.18%	0.00%	1.28%	1.80%
CALABASAS	Lean Power	9,094	0.20%	0.14%	0.00%	3.45%
CAMARILLO	Lean Power	25,941	0.40%	0.28%	0.00%	8.57%
CARSON	Clean Power	25,185	0.09%	0.00%	0.92%	2.70%
CLAREMONT	Clean Power	11,779	0.50%	0.00%	1.88%	7.49%
CULVER CITY	100% Green Power	16,402	0.00%	1.26%	3.46%	3.86%
DOWNEY	Clean Power	33,990	0.06%	0.00%	1.02%	3.14%
HAWAIIAN GARDENS	Clean Power	3,198	0.03%	0.00%	0.97%	2.06%
HAWTHORNE	Lean Power	25,145	0.13%	0.03%	0.00%	1.59%
LOS ANGELES COUNTY	Clean Power	283,636	0.12%	0.00%	1.26%	3.31%
MALIBU	Clean Power	5,644	0.21%	0.00%	1.58%	3.03%
MANHATTAN BEACH	Clean Power	14,269	0.57%	0.00%	2.22%	3.08%
MOORPARK	Clean Power	11,513	0.30%	0.00%	2.89%	14.20%
OJAI	100% Green Power	3,113	0.00%	1.12%	4.88%	8.42%
OXNARD	100% Green Power	50,700	0.00%	0.47%	2.62%	6.27%
PARAMOUNT	Lean Power	12,851	0.03%	0.02%	0.00%	1.76%
REDONDO BEACH	Clean Power	29,732	0.34%	0.00%	1.72%	2.68%
ROLLING HILLS ESTATES	100% Green Power	2,949	0.00%	2.03%	6.99%	5.87%
SANTA MONICA	100% Green Power	47,998	0.00%	0.68%	3.00%	5.62%
SIERRA MADRE	Clean Power	4,871	0.70%	0.00%	2.01%	4.45%
SIMI VALLEY	Lean Power	41,820	0.15%	0.15%	0.00%	9.57%
SOUTH PASADENA	100% Green Power	10,828	0.00%	0.65%	2.99%	3.75%
TEMPLE CITY	Lean Power	11,681	0.12%	0.06%	0.00%	3.01%
THOUSAND OAKS	100% Green Power	45,559	0.00%	1.80%	7.14%	16.95%
VENTURA	100% Green Power	39,562	0.00%	1.12%	4.03%	10.20%
VENTURA COUNTY	100% Green Power	31,214	0.00%	0.90%	4.75%	11.56%
WEST HOLLYWOOD	100% Green Power	23,375	0.00%	0.46%	1.87%	2.26%
WHITTIER	Clean Power	28,439	0.15%	0.00%	1.41%	4.15%
	Total	923,509	0.12%	0.31%	1.89%	5.36%

Opt Percentage by Default Tier					
Default Tier	Total Eligible Accounts	Opt Up %	Opt Mid %	Opt Down %	Opt Out %
100% Green Power	271,700	0.00%	0.95%	3.97%	8.56%
Clean Power Power	498,105	0.17%	0.00%	1.34%	3.55%
Lean Power	153,704	0.19%	0.13%	0.00%	5.59%
Total	923,509	0.12%	0.31%	1.86%	5.36%

Clean Power Alliance - Non-Residential Customer Status Report - As of December 23, 2019

Opt Percentage by City & County						
CPA Cities & Counties	Default Tier	Total Eligible Accounts	Opt Up %	Opt Mid %	Opt Down %	Opt Out %
AGOURA HILLS	Lean Power	1,582	0.00%	0.00%	0.00%	6.57%
ALHAMBRA	Clean Power	5,007	0.00%	0.00%	0.56%	7.01%
ARCADIA	Lean Power	3,681	0.00%	0.19%	0.00%	3.02%
BEVERLY HILLS	Clean Power	4,431	0.02%	0.00%	0.65%	2.41%
CALABASAS	Lean Power	1,274	0.00%	0.00%	0.00%	8.24%
CAMARILLO	Lean Power	5,165	1.28%	0.17%	0.00%	7.88%
CARSON	Clean Power	4,941	0.00%	0.00%	0.65%	6.48%
CLAREMONT	Clean Power	1,617	0.06%	0.00%	0.93%	5.32%
CULVER CITY	100% Green Power	3,529	0.00%	0.68%	1.59%	4.79%
DOWNEY	Clean Power	4,769	0.00%	0.00%	0.67%	4.11%
HAWAIIAN GARDENS	Clean Power	584	0.00%	0.00%	0.51%	0.86%
HAWTHORNE	Lean Power	4,113	0.00%	0.02%	0.00%	3.12%
LOS ANGELES COUNTY	Clean Power	29,541	0.03%	0.01%	0.78%	3.83%
MALIBU	Clean Power	1,388	4.03%	0.00%	0.07%	4.18%
MANHATTAN BEACH	Clean Power	2,004	4.84%	0.00%	0.95%	4.24%
MOORPARK	Clean Power	1,895	1.06%	0.00%	0.74%	7.28%
OJAI	100% Green Power	828	0.00%	1.57%	4.59%	7.00%
OXNARD	100% Green Power	8,740	0.10%	0.21%	9.22%	8.58%
PARAMOUNT	Lean Power	3,155	0.06%	0.00%	0.00%	4.37%
REDONDO BEACH	Clean Power	4,970	0.00%	0.00%	0.89%	3.22%
ROLLING HILLS ESTATES	Lean Power	528	5.11%	0.19%	0.00%	7.95%
SANTA MONICA	100% Green Power	9,140	0.18%	0.77%	2.86%	6.44%
SIERRA MADRE	Clean Power	515	0.00%	0.00%	2.14%	3.11%
SIMI VALLEY	Lean Power	5,890	0.20%	0.03%	0.00%	6.33%
SOUTH PASADENA	Clean Power	1,422	0.07%	0.00%	1.27%	2.25%
TEMPLE CITY	Lean Power	1,427	0.00%	0.00%	0.00%	1.19%
THOUSAND OAKS	100% Green Power	7,501	0.07%	0.19%	3.71%	13.76%
VENTURA	100% Green Power	8,659	0.01%	1.48%	4.86%	9.52%
VENTURA COUNTY	100% Green Power	7,110	0.08%	1.32%	3.56%	19.23%
WEST HOLLYWOOD	100% Green Power	4,111	0.00%	0.34%	1.75%	3.14%
WHITTIER	Clean Power	4,229	0.00%	0.00%	0.64%	2.93%
Total		143,766	0.23%	0.28%	1.88%	6.37%

Opt Percentage by Default Tier					
Default Tier	Total Eligible Accounts	Opt Up %	Opt Mid %	Opt Down %	Opt Out %
100% Green Power	49,618	0.00%	0.76%	4.40%	9.91%
Clean Power Power	67,313	0.27%	0.00%	0.75%	4.17%
Lean Power	26,835	0.40%	0.07%	0.00%	5.31%
Total	143,766	0.23%	0.28%	1.88%	6.37%

Clean Power Alliance					
Non-energy contracts executed under Executive Director authority					
Rolling 12 months -- Open contracts shown in Bold					
Vendor	Purpose	Month	NTE Amount	Status	Notes
Omni Government Relations & Pinnacle Advocacy, LLC	Lobbying Services Contract	December 2019	\$ 108,000	Active	
Cameron-Cole, LLC	3rd Party Independent GHG Verification Services	November 2019	\$ 9,000	Active	
CLG Group	Executive Training	November 2019	\$ 15,000	Active	
Elite Edge Consulting	Accounting system evaluation, selection, and implementation	November 2019	\$ 50,000	Active	
Surowski Design + Development	Web Development Services	October 2019	\$ 12,000	Active	
Inventure Recruitment	Ongoing Recruitment Services	October 2019	\$ 120,000	Active	
JLL	Real Estate Brokerage Services	October 2019	NA	Active	Broker to be paid by building
Siemens	Integrated Resource Planning for 2020 CPUC IRP Compliance	October 2019	\$ 62,500	Active	25% cost share with 3 other CCAs
Jarvis, Fay & Gibson, LLP	Legal Services Agreement (General Public Law, Commercial Real Estate Leases, and Environmental Matters)	September 2019	\$ 10,000	Active	
Keyes & Fox	Legal Services Agreement (Energy Procurement & Legislative and Regulatory Issues)	September 2019	\$ 25,000	Active	
The Harmon Press	Professional Printing Services	September 2019	\$ 24,000	Active	
The Climate Registry	2018 GHG Reporting	September 2019	\$ 4,000	Active	
Abbot, Stringham and Lynch	2018 CEC Power Source Disclosure Audit	August 2019	\$ 12,400	Completed	
West Coast Mailers	Bulk Mailing Services	August 2019	\$ 20,000	Active	
InterEthnica	Written Translation Services, Typesetting, and Graphic Design in Spanish, Chinese, and Korean.	August 2019	\$ 10,000	Active	
Holland and Hart	NTE increase for NextEra PPA	August 2019	\$ 19,800	Completed	10% increase of original contract NTE of \$18,000
Baker Tilly	FY 2018/2019 Financial Audit	August 2019	\$ 30,000	Completed	
Bill Gurnsey	Subset Customer Outreach	June 2019	\$ 15,000	Active	
E3	TOU Rate Analysis	June 2019	\$ 125,000	Active	
Manatt Phelps	Legal Services (JPA governance research)	May 2019	\$ 15,000	Active	
Abbot, Stringham and Lynch	Green-E Certification - 100% Green Power Product	May 2019	\$ 6,200	Completed	
Abbot, Stringham and Lynch	AMI Data Audit	April 2019	\$ 13,500	Completed	
SHI International	VPN and SQL Database (IT)	April 2019	\$ 6,500	Active	
Polsinelli	Legal services (Employment Law)	March 2019	\$ 18,000	Active	
Chapman	Legal services (Credit Agreement)	March 2019	\$ 10,000	Completed	
Mustang Marketing	Communications and outreach to commercial and institutional customers and business groups in the Conejo Valley and Ventura County	February 2019	\$ 7,500	Completed	Amount increased in May 2019 by additional \$7,500 for an additional two months
LOACOM	Social media services and messaging to residential customers	February 2019	\$ 10,500	Completed	
M.CUBED (Richard McCann)	Financial review of SCE's proposed early termination agreement with the Coso geothermal plant	July 2018	\$ 15,000	Active	