

MEETING of the Energy Planning & Resources Committee
of the Clean Power Alliance of Southern California
Wednesday, January 22, 2020, 12:15 p.m.
555 W. 5th Street, 35th Floor, Los Angeles, CA 90013

MINUTES

Arcadia Public Works Service Center
11800 Goldring Road
Arcadia, CA 90166

Santa Monica City Hall – Room 201
1685 Main Street,
Santa Monica, CA 90401

Carson City Hall Executive Conference Room
701 E. Carson Street
Carson, CA 90745

Oxnard City Hall Annex
4th Floor, Conference Room
300 W. Third Street, Oxnard, CA 93030

Malibu City Hall
Council Office
23825 Stuart Ranch Road
Malibu, CA 90265

Thousand Oaks Public Works Conference Room
2100 Thousand Oaks Boulevard,
Thousand Oaks, CA 91362

I. WELCOME & ROLL CALL

Committee Chair Ramirez called the meeting to order and Interim Board Secretary Jennifer Ward called the roll.

ROLL CALL			
Arcadia	Tom Tait	Committee Member	Remote
Carson	Reata Kulcsar	Committee Member	Remote
Malibu	Skylar Peak	Committee Member	Absent
Oxnard	Carmen Ramirez	Committee Chair	Remote
Santa Monica	Kevin McKeown	Committee Member	Remote
Sierra Madre	John Capoccia	Committee Member	Absent
Thousand Oaks	Helen Cox	Committee Member	Remote

II. GENERAL PUBLIC COMMENT

Harvey Eder provided general public comments.

III. CONSENT AGENDA

1. Approved minutes from December 18, 2019 Energy Committee Meeting
2. Received and filed Risk Management Team Report

Motion: Committee Member Kulcsar, Carson.

Second: Committee Member Cox, Thousand Oaks.

Vote: Items 1 and 2 were approved by a roll call, with Committee Member Tait absent.

There were no public comments on this item.

IV. REGULAR AGENDA

3. Approved 2019 Clean Energy RFO Utility Scale Track Shortlist

Natasha Keefer, Director of Power Planning and Procurement, provided a presentation on the RFO – Utility Scale Track. Ms. Keefer highlighted that the RFO review team met on January 13th to review RFO proposals. Based on the review, staff is seeking approval from the Committee on the shortlist and waitlist for the Utility Scale Track RFO. The goal for this RFO is to meet CPA renewable energy needs and meet long-term contracting requirements under SB 350. Ms. Keefer commented that the eligible projects for this RFO include RPS and RPS + Storage projects in the 10-400 megawatt size and must be in operation by December 31, 2023.

For this RFO, there were 59 conforming offers, and project locations included California, Arizona, Nevada, and Wyoming. Approximately three quarters of the offers were solar + storage and the remainder were a mix of various other types. Most of the projects were located in California, with only one project located in Los Angeles County. Additionally, most online dates are in 2022 and 2023.

Ms. Keefer reviewed the qualitative results and indicated that a majority of projects in environmental stewardship fell in the neutral to medium range, and that a high number were located in and/or benefit Disadvantaged Communities (DACs). Additionally, 72% committed to project labor agreements. Committee Member McKeown asked why Kern County had so many more projects. Ms. Keefer stated that Kern County is a very pro-renewable development county and designate areas for renewable development.

Ms. Keefer reviewed the valuation approach. CPA values these resources by considering all the benefits of the project against all the cost to calculate a net present value (NPV) per megawatt hour. These projects are then ranked based on the first through fourth quartile, with the first quartile being the highest value. Ms. Keefer commented that the value spread by technology clearly indicates that most high value projects are solar + storage technology. However, to achieve portfolio diversity, CPA may need to consider projects in the lower quartile. Projects were removed from consideration if they scored low on the development risk and environmental stewardship categories. Additionally, out of state projects were removed if they scored in the second quartile or lower. Ms. Keefer also stated that five wind projects bid into the RFO and two were removed due to low

environmental stewardship scores and none were competitive with previous wind offers.

Ms. Keefer commented that the review team looked to have a robust shortlist, and thus targeted about 5 million megawatt hours on the shortlist in anticipation that projects will drop out, so as to allow CPA to still achieve its target of 1-2 million megawatt hours. Ms. Keefer highlighted that staff is recommending eleven projects to the shortlist, equating to about 4.5 million megawatt hours per year of generation. It was also noted that 90% of the shortlist projects committed to a project labor agreement and the remainder of the projects committed to a prevailing wage and targeted hiring.

Committee Member Kulcsar asked staff to confirm that all the shortlisted projects are in California. Ms. Keefer confirmed they are all California projects.

Ms. Keefer highlighted that three projects were added to the waitlist. These projects are next in line from an NPV basis. All of the waitlist projects are in California and are solar + storage.

Committee Member McKeown commented that the shortlist and waitlist recommendation is the best balance the review team and staff could have achieved and encourages the Committee to move forward with the staff recommendation to approve the shortlist and waitlist projects. Committee Member Cox commented that the process was well organized and well prepared, and this is a promising list of projects.

Motion: Committee Member McKeown, Santa Monica

Second: Committee Member Tait, Arcadia

Vote: Item 3 was approved by a unanimous roll call vote, with Committee Member Peak absent.

Public Comments: Harvey Eder provided comments on Item 3.

4. Update on 2020 Integrated Resource Plan Process

Natasha Keefer, Director of Power Planning and Procurement, provided an update on the Integrated Resource Plan (IRP) process. Ms. Keefer highlighted that CPA must submit the IRP filing on May 1st, and it is anticipated that the Board will consider the IRP for approval in April. The IRP is a planning exercise for load serving entities (LSE) in California to look at a range of future outcomes and ensure the reliability and environmental targets set by the state are met. Ms. Keefer commented that there are three critical discussions currently happening around the IRP. First, how to transition from a centralized investor owned utility (IOU) planning process to a disaggregated process because of the proliferation of CCAs. Second,

how to transition from dependence on fossil fuel resources to 100% clean energy. Third, maintaining grid reliability in the context of all those changes. CPA is currently participating in a joint effort with three other CCAs to conduct modeling for the IRP submission. This will help aggregate their load up to make sure that the modeling is coherent and cohesive, so when the plans are submitted to the PUC, they will be approved.

Ms. Keefer reviewed the requirement for a conforming plan that seeks to achieve the 46 million metric tons of GHG emissions target by 2030 set for the state by the California Air Resources Board (CARB). The modeling will indicate what the cost will be to get to this target. The modeling is also looking at CPA's current portfolio and a range of alternative future portfolios to meet customers' electrical energy needs in an affordable, system-wide manner.

Ms. Keefer commented that currently CPA is awaiting guidance from the CPUC on whether CPA can submit other alternative views of the conforming plan to meet better GHG targets and inputs to finalize the modeling tool.

Committee Member McKeown commented about the possibility of a 38 or 30 million metric ton GHG target, considering the climate crisis, these more aggressive targets seem to be more feasible and we should advocate strongly for that. Committee Member Cox asked about the modeling, whether we must use CPUC forecasting assumptions, and what is the impact if CPA has different load expectations. Ms. Keefer responded that this is a tenuous point in the IRP proceeding and that there is a question about how much oversight the CPUC has over directing CCA procurement. Ms. Keefer also stated that CPA is seeing more pressure from the CPUC to ensure the CCA RPS plans are consistent with their IRP filings. Chair Ramirez asked if CPA is coordinating with other CCAs on this matter. Ms. Keefer clarified that CPA is coordinating with other CCAs, and CCAs have offered to provide information on their IRP portfolios.

Public Comments: Harvey Eder provided comments that CPA should consider equity and social justice.

V. COMMITTEE MEMBER COMMENTS

Committee Member Tait thanked staff for all their hard work on the RFO. Chair Ramirez commented that the Ormond Beach Once Through Cooling Plant was scheduled to be shut down this year, but the CPUC has extended it because of reliability issues and as such, the City is working on a deal that would be presented to the State Water Board that proposes to demolish the Ormond Beach Plant once the reliability issue is resolved.

VI. ADJOURN

Committee Chair Ramirez adjourned the meeting.