



# REGULAR MEETING of the Board of Directors of the Clean Power Alliance of Southern California

**Thursday, March 3, 2022**

**2:00 p.m.**

**SPECIAL NOTICE:** Pursuant to the Proclamation of the State of Emergency by Governor Newsom on March 4, 2020, AB 361, and enacting Resolutions, and as a response to mitigating the spread of COVID-19, the Board of Directors will conduct this meeting remotely.

**To Listen to the Meeting:**

<https://us06web.zoom.us/j/84912360644>

or

Dial: (346) 248-7799 Meeting ID: 849 1236 0644

**PUBLIC COMMENT:** Members of the public may submit their comments by one of the following options:

- Email Public Comment: Members of the public are encouraged to submit written comments on any agenda item to [clerk@cleanpoweralliance.org](mailto:clerk@cleanpoweralliance.org) up to four hours before the meeting. Written public comments will be announced at the meeting and become part of the meeting record. Public comments received in writing will not be read aloud at the meeting.
- Provide Public Comment During the Meeting: Please notify staff via email at [clerk@cleanpoweralliance.org](mailto:clerk@cleanpoweralliance.org) at the beginning of the meeting but no later than immediately before the agenda item is called.
  - You will be asked for your name and phone number (or other identifying information) similar to filling out a speaker card so that you can be called on when it is your turn to speak.
  - You will be called upon during the comment section for the agenda item on which you wish to speak on. When it is your turn to speak, a staff member will unmute your phone or computer audio.
  - You will be able to speak to the Board for the allotted amount of time. Please be advised that all public comments must otherwise comply with our Public Comment Policy.
  - Once you have spoken, or the allotted time has run out, you will be muted during the meeting.

If unable to connect by Zoom or phone and you wish to make a comment, you may submit written comments during the meeting via email to: [clerk@cleanpoweralliance.org](mailto:clerk@cleanpoweralliance.org).

While downloading the Zoom application may provide a better meeting experience, Zoom does not need to be installed on your computer to participate. After clicking the webinar link above, click "start from your browser."

*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 the Clerk of the Board at least two*

(2) working days before the meeting at [clerk@cleanpoweralliance.org](mailto:clerk@cleanpoweralliance.org) or (323) 640-7664. 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.

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## **CALL TO ORDER AND ROLL CALL**

## **GENERAL PUBLIC COMMENT**

## **CONSENT AGENDA**

1. Adopt Resolution 22-03-025 Finding the Continuing Need to Meet by Teleconference Pursuant to Government Code Section 54953(e)
2. Approve Minutes from February 3, 2022 Board of Directors Meeting
3. Appoint Gabriela Monzon as the Board Secretary and appoint Raynette Tom as alternate Board Secretary
4. Adopt Resolution 22-03-026 to Amend and Restate the CPA Bylaws
5. Approve Support Position on AB1814 in the 2021/2022 California Legislative Session and Support Position on HR 6662 in the 117th Congressional Session
6. NewGen Cost of Service Task Order and Amendment
  - a. Ratify Amendment No. 2 to the Professional Services Agreement Amendment with NewGen Strategies and Solutions LLC (NewGen) for review of SCE's ERRAs with a total Not to Exceed (NTE) amount of \$108,060
  - b. Ratify Cost of Service Study Task Order Issued to NewGen with an NTE amount of \$115,270

- c. Approve Amendment No. 1 to Cost of Service Study Task Order increasing the total NTE amount to \$130,370
7. Approve Agreement with MRW to Support 2022 Rate Setting Activities
8. Receive and File FY 2021/22, Q2 Financial Report
9. Receive and File Q4 2021 Risk Management Report
10. Receive and File Q4 2021 Communications Report
11. Receive and File Community Advisory Committee Monthly Report

## **REGULAR AGENDA**

### **Information Item**

12. Fiscal Year (FY) 2022/2023 Rates Outlook

## **CLOSED SESSION**

13. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION  
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: 1

## **MANAGEMENT REPORT**

### **COMMITTEE CHAIR UPDATES**

Director Lindsey Horvath, Chair, Legislative & Regulatory Committee

Director Julian Gold, Chair, Finance Committee

Director Robert Parkhurst, Chair, Energy Planning & Resources Committee

## **BOARD MEMBER COMMENTS**

## **REPORT FROM THE CHAIR**

## **ADJOURN – NEXT REGULAR MEETING ON APRIL 7, 2022**

***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. Those documents are available for inspection online at [www.cleanpoweralliance.org/agendas](http://www.cleanpoweralliance.org/agendas)*



## Staff Report – Agenda Item 1

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**To:** Clean Power Alliance (CPA) Board of Directors

**From:** Nancy Whang, General Counsel

**Approved by:** Ted Bardacke, Chief Executive Officer

**Subject:** Adopt Resolution 22-03-025 Finding the Continuing Need to Meet by Teleconference Pursuant to Government Code Section 54953(e)

**Date:** March 3, 2022

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### **RECOMMENDATION**

Adopt Resolution 22-03-025 finding the continuing need to meet by teleconference pursuant to Government Code Section 54953(e).

### **BACKGROUND/DISCUSSION**

This resolution is required pursuant to AB 361, signed by Governor Newsom on September 20, 2021, so that CPA may continue to meet under the modified teleconferencing rules.

The State of Emergency declared by Gov. Newsom remains in effect and COVID-19 and the Omicron variant continues to pose a threat to the health and lives of the public as discussed more fully in Resolution 22-03-025. For these reasons, the recommended action is for the Board to adopt the attached Resolution 22-03-025 finding the continuing need to meet by teleconference pursuant to Government Code Section 54953(e).

This Resolution will authorize the Board to hold teleconference meetings within the requirements of AB 361 but does not prohibit the Board from holding in person meetings in the future.

### **ATTACHMENT**

1. Resolution 22-03-025 Finding the Continuing Need to Meet by Teleconference.

**RESOLUTION NO. 22-03-025****RESOLUTION OF THE BOARD OF DIRECTORS OF CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA FINDING THE CONTINUING NEED TO MEET BY TELECONFERENCE PURSUANT TO GOVERNMENT CODE SECTION 54953(e)**

**THE BOARD OF DIRECTORS OF CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA HEREBY RESOLVES AS FOLLOWS:**

**WHEREAS**, all meetings of the Board Of Directors, the Executive Committee, the Energy, Finance, and Legislative and Regulatory Committee (“Three Standing Committees”), and the Community Advisory Committee (“CAC”) of Clean Power Alliance Of Southern California (“CPA”) are subject to the Ralph M. Brown Act (Cal. Gov. Code §§54950 – 54963) (“Brown Act”); and

**WHEREAS**, Government Code section 54953(e) of the Brown Act makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

**WHEREAS**, on March 4, 2020, Governor Newsom declared a State of Emergency as a result of the COVID-19 pandemic; and

**WHEREAS**, such State of Emergency due to COVID-19 remains in effect; and

**WHEREAS**, COVID-19 continues to threaten the health and lives of the public; and

**WHEREAS**, the Delta variant is highly transmissible in indoor settings, the Omicron variant is a variant of concern, and breakthrough cases of COVID-19 remain common.

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

**IT IS DETERMINED, AFFIRMED, AND ORDERED** that due to COVID-19, holding in-person meetings of the Board of Directors, Executive Committee, Three Standing Committees, and CAC of CPA will present imminent risk to the health and safety to attendees.

**IT IS FURTHER DETERMINED, AFFIRMED, AND ORDERED** that meetings of the Board of Directors, Executive Committee, Three Standing Committees, and CAC of CPA may continue to meet by teleconference in accordance with Government Code section 54953(e).

**IT IS FURTHER DETERMINED, AFFIRMED, AND ORDERED** that this Resolution shall take effect immediately upon its adoption and shall be effective until the

earlier of (1) 30 days from the date of adoption of this Resolution, or (2) such time the Board of Directors of the Clean Power Alliance of Southern California adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the Board may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953, or (3) the Board of Directors of the Clean Power Alliance of Southern California adopts a Resolution rescinding this Resolution.

**IT IS FURTHER DETERMINED, AFFIRMED, AND ORDERED** that the approval of this Resolution is not a “project” under Section 21065 of the Public Resources Code and under California Environmental Quality Act (“CEQA”) Guidelines Sections 15378(a) and is exempt under CEQA Guidelines Section 15061(b)(3).

**ADOPTED AND APPROVED** this \_\_\_\_ day of \_\_\_\_\_ 2022.

\_\_\_\_\_  
Diana Mahmud, Chair

**ATTEST:**

\_\_\_\_\_  
Gabriela Monzon, Board Secretary

**MINUTES**

REGULAR MEETING of the Board of Directors of the  
Clean Power Alliance of Southern California  
Thursday, February 3, 2022, 2:00 p.m.

*The Board of Directors conducted this meeting remotely, pursuant to the Proclamation of the State of Emergency by Governor Newsom on March 4, 2020, AB 361, and enacting CPA Resolutions, and as a response to mitigating the spread of COVID-19*

**CALL TO ORDER & ROLL CALL**

Chair Diana Mahmud called the meeting to order at 2:00 p.m. and Susan Caputo, Interim Clerk of the Board, conducted roll call.

<b>Roll Call</b>				
1	<b>Agoura Hills</b>	Deborah Klein Lopez	Director	Remote
2	<b>Alhambra</b>	Jeff Maloney	Director	Remote
3	<b>Arcadia</b>	Sho Tay	Director	Remote
4	<b>Beverly Hills</b>	Julian Gold	Director	Remote
5	<b>Calabasas</b>	Michael McConville	Alternate	Remote
6	<b>Camarillo</b>	Susan Santangelo	Director	Remote
7	<b>Carson</b>	Reata Kulcsar	Alternate	Remote
8	<b>Claremont</b>	Corey Calaycay	Director	Remote
9	<b>Culver City</b>	Daniel Lee	Director	Remote
10	<b>Downey</b>	Sean Ashton	Director	Remote
11	<b>Hawaiian Gardens</b>	Ramie L. Torres	Alternate	Remote
12	<b>Hawthorne</b>	Alex Monteiro	Director	Remote
13	<b>Los Angeles County</b>	Sheila Kuehl	<b>Vice Chair</b>	Remote
14	<b>Malibu</b>	Mikke Pierson	Director	Remote
15	<b>Manhattan Beach</b>	Dana Murray	Alternate	Remote
16	<b>Moorpark</b>	Janice Parvin	Director	Remote
17	<b>Ojai</b>	Betsy Stix Michelle Ellison	Director Alternate	Remote
18	<b>Oxnard</b>	Bert Perello	Director	Remote
19	<b>Paramount</b>	Vilma Cuellar Stallings	Director	Remote
20	<b>Redondo Beach</b>	Ted Semaan	Alternate	Remote

21	<b>Rolling Hills Estates</b>	Steve Zuckerman	Director	Remote
22	<b>Santa Monica</b>	Gleam Davis	Director	Remote
23	<b>Sierra Madre</b>	Robert Parkhurst	Director	Remote
24	<b>Simi Valley</b>	Ruth Luevanos	Director	Remote
25	<b>South Pasadena</b>	Diana Mahmud	<b>Chair</b>	Remote
26	<b>Temple City</b>	Fernando Vizcarra	Director	Remote
27	<b>Thousand Oaks</b>	Kevin McNamee	Director	Remote
28	<b>City of Ventura</b>	Joe Yahner	Alternate	Remote
29	<b>Ventura County</b>	Linda Parks	<b>Vice Chair</b>	Remote
30	<b>West Hollywood</b>	Lindsey Horvath	Director	Remote
31	<b>Westlake Village</b>	Ned Davis	Director	Remote
32	<b>Whittier</b>	Vicki Smith	Alternate	Remote

All votes are unanimous unless otherwise stated.

**GENERAL PUBLIC COMMENT**

No general public comment was made.

**CONSENT AGENDA**

1. Adopt Resolution Finding the Continuing Need to Meet by Teleconference Pursuant to Government Code Section 54953 (e)
2. Approve Minutes from December 2, 2021 Board of Directors Meeting
3. Approve Minutes from January 6, 2022 Board of Directors Meeting
4. Approve and authorize the Chief Executive Officer to execute a Memorandum of Understanding between CPA and Electrical Training Institute for Program Implementation Services on the Clean Energy Workforce Development Investment Plan project with a total financial contribution of \$225,500
5. Receive and File Community Advisory Committee Monthly Report

**Motion:** Director Santangelo, Camarillo  
**Second:** Director Parkhurst, Sierra Madre  
**Vote:** The consent agenda was approved by a roll call vote, and a no vote from Director Perello on Item 2 only, as he was not present at the December 2, 2021 meeting.

**REGULAR AGENDA**

6. Public Noticing and Discussion of Proposed Amendments to CPA Bylaws  
 Ted Bardacke, Chief Executive Officer, provided a brief oral report. Mr. Bardacke explained that the current requirements in the bylaws prevent the Vice-Chairs from holding officer positions after June 2022, due to either term expiration or choosing not to run for local elective office. To address the issue, one of the proposed



changes to the bylaws is to set the County Supervisors for each county Member Agency as Vice Chairs, rather than elected to the position. Mr. Bardacke invited discussion from the Chair and Board Members.

Chair Mahmud stated that the Executive Committee discussed and unanimously agreed that the proposed changes were appropriate.

Director Kulcsar proposed an additional amendment to the bylaws – removal of the eligibility requirement that candidates for at-large positions on the Executive Committee be Regular Directors only. Director Kulcsar noted that if given the opportunity, Alternate Directors would participate and engage even more, and are already allowed to serve on CPA standing policy committees. Several Directors expressed gratitude for Director Kulcsar's participation and input but did not support the additional proposed amendment, citing concerns that Alternate Directors, in particular city staff, will not be accountable to the electorate like a Regular Director is. Directors pointed out that the distinction of CPA is that its leadership is accountable to its constituents. Vice Chairs Kuehl and Parks, and Directors Gold, Parkhurst, Zuckerman, Perello, Santangelo, and Calaycay all provided comments in support of the proposed amendments as presented by staff.

Chair Mahmud noted that the proposed amendments allow CPA to benefit from the continued leadership of both Vice Chairs Kuehl and Parks until their terms expire; and expressed gratitude for Director Kulcsar's participation in the CPA Board and Committees. Chair Mahmud concluded the discussion by stating that accountability to constituents was a guiding principle in adding eligibility requirements for leadership positions.

In response to Director Torres's comment about the attendance and participation of Regular Directors, Chair Mahmud clarified that there are attendance requirements for Regular Directors who would like to serve on the Executive Committee.

#### **CLOSED SESSION**

##### **7. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: 1**

Nancy Whang, General Counsel, stated that there was no reportable action taken.

#### **MANAGEMENT REPORT**

Mr. Bardacke discussed a Southern California Edison (SCE) billing issue that CPA was made aware of only two days prior to the Board meeting. About 145,000 CPA customers received SCE bills without CPA charges in late December. The error originated in the new SCE billing system and although the error is fixed, a discussion has just begun to identify where both the system and communication breakdown occurred.

Directors Gold, Maloney, and Monteiro noted that they were affected by the error and that talking points will be helpful to explain the situation to residents in their communities. Directors Semaan, Santangelo, Ramirez, and Perello also requested that talking points and customer communication be shared with member agencies so they can communicate the error to customers. Director Perello also expressed appreciation for CPA staff's transparency when issues like this occur. In response to questions, comments, and

feedback from Board members, Mr. Bardacke confirmed that talking points will be shared with Board members and CPA will conduct outreach to its customers as well. Directors Ashton and Monteiro also suggested that CPA explore the feasibility of acquiring its own billing system.

Mr. Bardacke also provided an update on CPA operations. All active residential customers who are eligible for utility bill relief under the California Arrearage Payment Program (CAPP) will receive amounts equal to 100% on their eligible past due amounts totaling more than \$15 million and credits will be automatically applied on customers' bills over the next several weeks. The Hawthorne City Council voted unanimously to change their default rate to 100% Green and the City of Hermosa Beach voted unanimously to conduct a feasibility study on the viability of joining CPA. In the next 6-8 weeks, several CPA member agencies will consider the Power Ready MOU. Mr. Bardacke reviewed the process to join CPA, provided updates on the Power Response program, residential Time of Use transition, and member agency surveys on electrification reach codes and diversity, equity, and inclusion.

Directors Parkhurst and Horvath thanked staff for their efforts in CPA-led initiatives, particularly in the areas of DEI and electrification. Director Ellison reported that Ojai recently passed an electrification reach code and banned natural gas in new build construction and offered advocacy assistance for cities interested in passing their own electrification reach codes. Director Monteiro thanked those who helped him build support for passing the 100% Green default rate change in Hawthorne.

#### **COMMITTEE CHAIR UPDATES**

Director Horvath, Legislative & Regulatory Committee Chair, announced that a virtual Lobby Day will occur in May to engage new representatives and find support on issues that affect CPA.

Director Gold, Finance Committee Chair, reported that CPA is in good financial health and the Committee recently discussed the CPA collections guidelines and will review it again in the coming months.

Director Parkhurst, Energy Planning & Resources Committee Chair, reported that the Committee recently discussed the Mid-Term Reliability RFO and shortlisted/waitlisted five projects that will help CPA meet about half of its long-term procurement requirements for long-duration storage and baseload renewables.

Each Committee Chair encouraged Board members to join and participate in the Committees of their interest.

#### **BOARD MEMBER COMMENTS**

Vice Chair Parks announced that the County of Ventura recently approved two measures; one to require city leases with other entities to use 100% clean energy and allowing the use of 100% clean energy as a GHG mitigation measure in CEQA documents. Director Ellison thanked cities that have opted for the 100% Green default rate as it created momentum for a statewide movement towards clean energy and mentioned several cities in Southern and Northern California that are also transitioning to 100% clean energy, citing CPA's experience and success. Vice Chair Kuehl emphasized discussions happening throughout various county commissions, cities, and agencies about transitioning to zero-

emission energy and the use of electricity to eliminate dependency on fossil fuels; and suggested that CPA consider how it can collaborate and participate in that transition. Director Santangelo announced that the Camarillo City Council will consider transitioning to 100% Green default rate on March 9<sup>th</sup>.

**REPORT FROM THE CHAIR**

Chair Mahmud welcomed new Board members Ned Davis and Kevin McNamee; invited Board members to participate in the Power Response program; and reminded Board members that there are two different TOU rates and constituents can find out which program they are in by visiting the SCE website. Chair Mahmud said we would address Director Perello's question regarding the pledge of allegiance.

**ADJOURN**

Chair Mahmud adjourned the meeting at 4:07 p.m.

DRAFT



### Staff Report – Agenda Item 3

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**To:** Clean Power Alliance (CPA) Board of Directors  
**From:** Nancy Whang, General Counsel  
**Approved by:** Ted Bardacke, Chief Executive Officer  
**Subject:** Appointment of Board Secretary (Board Clerk)  
**Date:** March 3, 2022

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#### **RECOMMENDATION**

Appoint Gabriela Monzon as the Board Secretary, commonly referred to as “Board Clerk,” and in the event that the Board Secretary is unavailable, appoint Raynette Tom as alternate Board Secretary.

#### **REASON FOR RECOMMENDED ACTION**

Gabriela Monzon will return to her position as Board Secretary effective March 1, 2022. In conformance with Section 5.2 of the Joint Powers Agreement, the Board must appoint a Board Secretary who is responsible for keeping minutes and all other official records of the Authority.

This appointment is in conformance with the Joint Powers Agreement.

Raynette Tom will continue to serve as the alternate Board Secretary in the event that the Board Secretary is not available.

#### **ATTACHMENTS**

None.



## Staff Report – Agenda Item 4

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**To:** Clean Power Alliance (CPA) Board of Directors  
**From:** Nancy Whang, General Counsel  
**Subject:** Adopt Resolution 22-03-026 to Amend and Restate the CPA Bylaws  
**Date:** March 3, 2022

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### **RECOMMENDATION**

Adopt Resolution 22-03-026 to amend and restate the CPA Bylaws.

### **BACKGROUND**

At the February 3 Board meeting, the Board reviewed and discussed the following amendments to the Bylaws.

1. Vice Chairs:
  - a. The County Supervisor for each county Member Agency will automatically serve as Vice Chairs.
  - b. In the event that a Vice Chair seeks to run for Chair, is otherwise eligible to run, and wins the election, a process is specified for elections of a Vice Chair among the remaining Regular Directors is specified.
2. Immediate Past Chair: A minor edit is proposed to correct the oversight and allow the immediate past Chair to also be an Alternate Director.
3. Clean up and other minor edits for internal consistency.

The Board expressed support for these revisions and these revisions are reflected in the Bylaws attached to the Resolution.

**RESOLUTION**

This resolution will adopt the CPA Bylaws, as amended and restated therein.

**ATTACHMENTS**

1. Resolution 22-03-026 Amended and Restated CPA Bylaws
2. Amended and Restated CPA Bylaws

**RESOLUTION NO. 22-03-026****A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA  
TO AMEND AND RESTATE THE BYLAWS**

**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**, Sections 3.2.12 and 4.5.13 of the Joint Powers Agreement ("JPA") authorizes the Board of Directors ("Board") to adopt bylaws that are necessary or desirable to fulfill CPA's purposes and for the governance of CPA's operations;

**WHEREAS**, Section 4.11.1 requires CPA to provide the Board with 30 days advanced notice of its intent to adopt or amend the Bylaws;

**WHEREAS**, on or about January 28, 2022, CPA provided the 30-day public notice of the intent to amend the Bylaws and attached the proposed amendments to the February 3, 2022 Board meeting agenda;

**WHEREAS**, on February 3, 2022, the Board discussed the draft amendments to the Bylaws and expressed consensus support for these amendments; and,

**WHEREAS**, the amended and restated Bylaws attached hereto conform to the amendments presented to the Board on February 3, 2022.

**NOW THEREFORE, BE IT DETERMINED, ORDERED, AND RESOLVED, BY THE BOARD OF DIRECTORS OF THE CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA** that the amended and restated Bylaws attached as Exhibit A is hereby approved and adopted effective March 3, 2022.

**APPROVED AND ADOPTED this \_\_\_\_ day of \_\_\_\_\_ 2022.**

\_\_\_\_\_  
Diana Mahmud, Chair

**ATTEST:**

\_\_\_\_\_  
Gabriela Monzon, Board Secretary

**EXHIBIT A to  
Resolution 22-03-026**



**BYLAWS FOR  
CLEAN POWER ALLIANCE  
OF SOUTHERN CALIFORNIA**

**PREAMBLE**

The Clean Power Alliance of Southern California<sup>1</sup> (“CPA”) was established on June 27, 2017, pursuant to the execution of the Joint Powers Agreement (“JPA”). The members of CPA are referred to individually as “Party” or “Local Agency” or collectively, as “Parties” or “Local Agencies” in these Bylaws. The JPA and any Amendments to the JPA shall collectively be referred to as the “Agreement.”

**ARTICLE I**

**PURPOSE AND DEFINITIONS**

Section 1. Purpose of Bylaws. The Agreement authorizes the Board of Directors to develop Operating Policies and Procedures, including but not limited to Bylaws, to implement the affairs of CPA. By approving these Bylaws, the Board intends to provide additional definition concerning governance, internal organization, Board committees, and other matters addressed in these Bylaws.

Section 2. Definitions. Unless specifically defined in these Bylaws, all defined terms shall have the same meaning ascribed to them in the Agreement.

Section 3. Precedence. If any provision of these Bylaws conflicts with any provision of the Agreement, the Agreement shall prevail, and these Bylaws shall be amended to eliminate such conflict.

**ARTICLE II**

**BOARD OF DIRECTORS**

Section 1. Board of Directors. CPA shall be governed by a Board of Directors composed of one representative of each of the Parties (“Board”).

Section 2. Appointment of Directors by Party. Consistent with Section 4.2 of the Agreement, the governing body of each Party shall appoint and designate in writing to CPA one regular Director (“Regular Director”) and up to two alternate Directors (“Alternate Director”) who may vote on matters when the Regular Director is absent for a Board meeting.

Section 3. Resignation. In addition to meeting a Party’s requirements concerning resignation, a

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<sup>1</sup> CPA was originally established and known as The Los Angeles Community Choice Energy Authority (“LACCE”). LACCE’s name was changed in Amendment No. 2 to the original JPA on April 5, 2018.

Director may resign at any time by giving written notice to the Chair and the Board Secretary. Any resignation is effective upon receipt of the written notice or at a time designated in the written notice. A vacancy shall be filled as specified in Article IX.

Section 4. Removal for Cause.

- a. Grounds for Removal. A Director may be removed for cause. Cause shall be defined for the purposes of this section as follows:
  - i. Unexcused absences by a Regular Director from three (3) consecutive Board meetings except an “unexcused absence” shall not be applied against a Regular Director if any one of the Alternate Directors from a Party attends a Board meeting in place of that Regular Director. An unexcused absence shall not include an absence due to vacation, illness or medical appointment, family emergency, jury duty, religious observance, or some other unavoidable conflict, if the Regular Director notifies CPA of the conflict in writing;
  - ii. Unauthorized disclosure of confidential information or documents from a closed session or the unauthorized disclosure of information or documents provided to the Director on a confidential basis and whose public disclosure may be harmful to the interests of CPA;
  - iii. Willful violation of any of CPA’s Operating Policies and Procedures;
  - iv. Has been found by a final order or judgment of any court to be of unsound mind;
  - v. Has been convicted of a felony while serving as a Director; or,
  - vi. Fails or ceases to meet any required qualification that was in effect at the beginning of that Director’s current term of office.
- b. Process for Removal.
  - i. If a Director is considered to have met any of the Grounds for Removal specified in Article II, Section 4.a., above, the matter shall be referred to the Executive Committee for investigation and consideration of removal of such Director.
  - ii. Prior to considering the removal, the Executive Committee shall provide written notice to the Director proposed for removal and the governing body that appointed such Director at least thirty (30) days prior to the meeting at which the proposed removal will be considered by the Executive Committee. The notice shall state the grounds for removal, a brief summary of the supporting facts, and the date of the scheduled hearing on the removal (“Removal Notice”). The Director proposed for removal shall be given an opportunity to be heard and to submit any supporting oral or written evidence at the meeting. Upon consideration of the evidence presented, the Executive Committee shall issue a written recommendation to the Board concerning the removal of such Director within ten (10) business days after the removal matter is heard by the Executive Committee, unless the Chair determines that additional time is needed. A copy of the recommendation shall be sent to the Director proposed for removal and the governing

body that appointed such Director within three (3) business days of the issuance of the written recommendation.

- iii. If the Executive Committee recommends a Director's removal, this recommendation shall be considered by the full Board at the next Regular Meeting following the issuance of the Executive Committee's written recommendation. A copy of the Removal Notice and any evidence presented to the Executive Committee shall be provided to the Board. A Director shall not be removed for cause from the Board unless two-thirds of all present Directors (excluding the Director subject to removal) vote in favor of the removal.

### ARTICLE III

#### INTERNAL ORGANIZATION

##### Section 1. Chair.

- a. The Board shall elect from among themselves a Chair. The current Chair shall announce the nomination period for Chair elections at a Regular Meeting. The election shall occur at the next Regular Meeting or as soon thereafter at a Regular Meeting following the Chair's announcement.
- b. Eligibility. The following minimum eligibility requirements must be met in order for a Regular Director to be elected as Chair.
  - i. The potential candidate must be a Regular Director;
  - ii. The potential candidate must have attended at least 50% of CPA's Regular Meetings in the prior 12 months; and,
  - iii. The potential candidate must affirm that the candidate intends to serve a full term as Chair.
- c. Extension of Term of Office. If, for any reason, the election of a new Chair is not made, the then current Chair shall continue to serve in his/her position until an election is held at a Regular Meeting of the Board.

##### Section 2. Vice-Chairs.

- a. There shall be two Vice-Chairs. One of the Vice-Chairs shall be a Supervisor for the County of Los Angeles, and the other Vice-Chair shall be a Supervisor for the County of Ventura.
- b. Eligibility. The following minimum eligibility requirements must be met in order for a Regular Director to be named as a Vice Chair.
  - i. The Vice Chair must be a Regular Director; and,

- ii. In the event of a vacancy specified in this Section 2.c. or 4, below, the candidate must meet Section 2.b.i., have attended at least 50% of CPA's Regular Meetings in the prior 12 months, and affirm that the candidate intends to serve a full term as Vice Chair.
- c. In the event a Vice Chair runs for and wins election as Chair, any such vacancy of the Vice Chair shall be filled as specified in Article IX, Section 3.b.

Section 3. Term of Board Officers. The Chair and the two Vice Chairs shall constitute the "Board Officers." The Chair shall serve a two-year term commencing on the first day of the Fiscal Year (as defined in Section 7.1 of the Agreement) and ending on the last day of the following Fiscal Year two years later and Vice Chairs terms will run concurrent thereto as reasonably practical.

A Chair or a Vice-Chair elected pursuant to Article IX, Section 3.b. shall not serve in that position for more than two consecutive full two-year terms.

Section 4. Removal of Board Officers. The Board may remove any of the Board Officers, with or without cause, by a two-thirds vote of the present Directors of the Board at a Regular Meeting of the Board, excluding the Board Officer subject to removal. If removal is being considered, three or more Directors must provide written notice of the proposed removal to the affected Director and to the Executive Director. Thirty (30) days after the receipt of the notice, the Executive Director shall place the removal vote on the agenda at the next Regular Meeting of the Board.

Section 5. Appointment of Treasurer. The Chief Financial Officer ("CFO") of CPA shall act as the Treasurer of CPA. In the event of a vacancy, the Board Chair shall appoint a qualified person to act as the interim Treasurer within ninety (90) days of the date the position becomes vacant, and the interim Treasurer shall remain in that role until a new CFO is named. The Treasurer shall:

- a. Possess the powers of, and shall perform any functions required by applicable law, including those duties described in the Government Code Section 6505.5 and the Agreement, and which may be prescribed by the Board or these Bylaws.
- b. Prepare, maintain, and update as needed reserve and investment policies governing CPA's building of reserves and management of investments respectively.
- c. Prepare any other reports or policies that the Board or the Finance Committee requires.

Section 6. General Counsel. The General Counsel shall be the attorney for the Board and CPA and shall represent the Board and CPA in all actions, hearings, and proceedings for or against CPA, or when CPA may be legally interested. The General Counsel shall also be the legal advisor to the Board and by extension, to CPA's officers and employees in their official capacity. When requested, the General Counsel shall give written legal advice or opinions to the Board or to any CPA officer or employee.

The General Counsel may delegate her/his authority by designating other attorney(s) on a limited or temporary basis to assist in the performance of her/his duties.

**ARTICLE IV****BOARD MEETINGS**

Section 1. Regular Meetings. The regular meetings of the Board (“Regular Meeting”) shall be held on the first Thursday of each month at 2 PM, unless the Chair and the Executive Director agree that a Regular Meeting should be held on another day and time.

Section 2. Closed Session.

- a. Confidentiality. All information presented to the Board in closed session shall be confidential. No person attending a closed session may disclose any matter discussed in the session except as provided below.
  
- b. Discussions with Local Agency Governing Bodies and Local Agency Legal Counsel. A Director may disclose information obtained in a closed session that has direct financial or liability implications for the Director’s Local Agency, to the following individuals: i) Legal counsel of the Director’s governing body for purposes of obtaining advice on whether the matter has direct financial or liability implications for that Local Agency; and ii) Members of the governing body of the Local Agency present in a closed session of that Local Agency.

Prior to disclosing any information obtained in a closed session to legal counsel of the Director’s Local Agency or other members of the legislative body of the Director’s Local Agency, the Director shall notify the General Counsel of the intention to discuss the matter with their Local Agency’s legal counsel or other members of the legislative body. This notification shall provide the General Counsel with an opportunity to discuss with the Local Agency’s legal counsel whether the matter has direct financial or liability implications for the Director’s Local Agency.

- c. Procedure.
  - i. The General Counsel and Executive Director shall designate staff members and others who shall remain in the closed session to assist the Board in its deliberations.
  - ii. Any Director who has not attended a closed session and wishes to be advised of the content of the session may inquire of any Director who attended the closed session. The person contacted may advise the inquiring Director of the content of the session. The advised Director shall not disclose the matter for which the session was held.
  - iii. The General Counsel shall be consulted before an item is placed on the ClosedSession agenda.
  
- d. Alternate Directors Participation. Any designated Alternate Director of the legislative body of a Local Agency who is attending a properly noticed meeting of CPA in lieu of a Local Agency Regular Director may participate in a closed session meeting of CPA.

## ARTICLE V

### RULES GOVERNING COMMITTEES

Section 1. Establishment of Committees. Section 5.9 of the Agreement establishes the Executive Committee, the Finance Committee, and the Community Advisory Committee, and authorizes the Board to establish additional policy committees. The Finance Committee and the policy committees identified in Article VII shall collectively be referred to as “Standing Committees.” The duties and authority of all Committees shall be subject to the approval and direction of the Board.

Section 2. Committee Voting. Action by a Committee on matters shall require an affirmative vote of a majority of the Director members who are present at the meeting unless otherwise specified in these Bylaws.

Section 3. Ad Hoc Committees. The Board may create Ad Hoc Committees from time to time, to undertake special assignments on behalf of the Board. An Ad Hoc committee shall exist for a specified term or until its special assignments are completed, whichever comes first, but its existence may be extended for an added term or added assignments by action of the Board. The Board Chair shall appoint the Chair of any Ad Hoc Committee. Any Ad Hoc Committee membership shall be governed by Article VII, Section 2.

Section 4. Removal of a Committee Member. Except as otherwise provided in Article II, Section 5, the Board may remove any Committee member from office, including any At-Large member of the Executive Committee or a Standing Committee Chair, with or without cause, by a two-thirds vote of the present Directors of the Board at a Regular Meeting of the Board.

Section 5. Open Meeting Requirements. The meetings of the committees established by the Board shall be governed by the provisions of the Ralph M. Brown Act (Government Code Section 54950 et seq.).

## ARTICLE VI

### EXECUTIVE COMMITTEE

Section 1. Executive Committee. The duties of the Executive Committee shall be to review and provide advice to the Executive Director and the entire Board on policy, operation, and organizational matters, and perform such other responsibilities, tasks, or activities as delegated to it by the Board.

The Executive Committee shall consist of the following ten (10) Directors:

- a. The Chair of the Board, who shall serve as Chair of the Executive Committee;
- b. The two Vice-Chairs of the Board, who shall serve as the Vice-Chairs of the Executive Committee;
- c. The Chair from each of the Standing Committees;

- d. The immediate past Chair of the Board;
- e. Two (2) At-Large Directors, each of which represent a Party located in the County of Los Angeles; and,
- f. One (1) At-Large Director, who represents a Party located in the County of Ventura.

Section 2. At-Large or Standing Committee Chair Eligibility Requirements. The following minimum eligibility requirements must be met in order for a Director to be elected as an At-Large member of the Executive Committee or appointed as a Standing Committee Chair.

- a. The potential candidate must be a Regular Director;
- b. The potential candidate must have attended at least 50% of CPA's Regular Meetings in the prior 12 months; and,
- c. The potential candidate must affirm that the candidate intends to serve a full term as an Executive Committee member or a Standing Committee Chair.

Section 3. Election of At-Large Executive Committee Members. The Regular Directors of Parties located in the County of Los Angeles shall elect from among themselves two At-Large members subsequent to the election of the Board Officers. The Regular Directors of Parties located in the County of Ventura shall elect from among themselves one At-Large member subsequent to the election of the Board Officers.

The Chair shall announce the nomination period for the At-Large members at a Regular Meeting. The election shall occur at the next Regular Meeting following the Chair's announcement.

Section 4. Term of At-Large Executive Committee Members and Immediate Past Chair. The At-Large Executive Committee members and when applicable, the immediate past Chair shall serve a two-year term, concurrent with the term of the Board Officers.

Section 5. Extension of Term of Executive Committee Members. If, for any reason, the election of new At-Large Directors is not made, the then current Directors shall continue to serve in his/her position until an election is held at a Regular Meeting of the Board.

Section 6. Alternate Directors in Executive Committee. Except as otherwise provided in Section 5.1 of the Agreement, in the event a Regular Director member of the Executive Committee is unavailable to attend a duly-noticed meeting of the Executive Committee, an Alternate Director representing the same Party may attend the Executive Committee meeting in place of that Regular Director provided that an Alternate Director shall not vote on any matter requiring Executive Committee action.

Section 7. Tie-Break in Executive Committee Vote. In the event of a tie vote of the Executive Committee, the matter shall be referred to the Board for a percentage vote in accordance with Section 4.10.1 of the Agreement.

## ARTICLE VII

### STANDING COMMITTEES

Section 1. Appointment and Term of Standing Committee Chairs. The Board Chair shall appoint the Chairs of each Standing Committee after the Board Chair is elected. The Chairs of each Standing Committee shall be Regular Directors and appointed to a two-year term concurrent with the term of the Board Officers. If, for any reason, the appointment of new Committee Chairs is not made, the then-current Committee Chair shall continue to serve in his/her position until an appointment is made by the Chair at a meeting of the Board.

Section 2. Standing Committee Membership. Any Director or Alternate Director who wishes to join a Standing Committee may become a member of that Committee. A Director or Alternate Director who wishes to join a Committee shall notify the Board Chair and the Board Secretary in writing of their intention to join. In no event shall the number of Directors in any one Standing Committee constitute a quorum of the Board and in no event shall a Party be represented on any one Standing Committee by more than one Director member.

Section 3. Alternate Directors in Standing Committees. Except as otherwise provided in Article VI, Section 5 of the Bylaws, in the event a Director member of a Standing Committee is unavailable to attend a duly-noticed meeting of that Committee, an alternate Director representing the same Party as the absent Director may attend and if applicable, vote in the Committee meeting in place of the absent Director.

Section 4. Finance Committee. The Standing Finance Committee's duties shall include but not be limited to reviewing and recommending to the Executive Director and the Board:

- a. Fiscal year budgets;
- b. Financial policies and procedures including a reserve and investment policy; and,
- c. Other measures ensuring the sound financial management of CPA or as similarly directed by the Board.

The Finance Committee shall select an Independent Auditor who shall perform a financial audit of accounts of CPA on an annual basis. The Independent Auditor shall be accredited in the State of California and provide independent, accurate, and timely assessments of CPA's financial activities in compliance with generally accepted government auditing standards.

The Finance Committee shall recommend to the Board an Internal Auditor. The Internal Auditor may assess compliance with CPA's financial policies and procedures; review CPA's internal processes or the adequacy of financial controls; make recommendations for improvement; and any similar duties as the Board may direct.

Section 5. Energy Planning & Resources Committee ("Energy Committee"). There shall be a Standing Energy Committee whose duties shall be to review and provide advice to the Executive Director, the Executive Committee, and the Board on policy, operation and organizational matters related to CPA's procurement and development of electric power supplies; the identification and quantification of risk within the energy market; promotion of renewable energy projects and programs; and any similar duties as the Board may direct.



Section 6. Legislative and Regulatory Committee. There shall be a Standing Legislative and Regulatory Committee whose duties shall be to review and provide advice to the Executive Director and the Board on policy, operation and organizational matters related to CPA’s legislative and regulatory principles, priorities, and strategies; to promote CPA’s interests by protecting local control and autonomy; to ensure fair treatment of CPA’s customers by regulatory bodies; and any similar duties as the Board may direct.

## ARTICLE VIII

### COMMUNITY ADVISORY COMMITTEE (“CAC”)

Section 1. Purpose. Pursuant to Section 5.9.1(c) of the Agreement, the CAC shall be an advisory committee formed to advise the Board on community outreach and engagement issues; to outreach to key stakeholder communities; and to undertake any assignments as directed by the Board. The CAC is not a Standing Committee.

Section 2. CAC Member Selection Process. On an ongoing basis, CPA’s staff shall accept and solicit applications from customers that reside or work within CPA’s territory to become a member of the CAC. A list of all CAC member applicants by geography, skills and association, along with copies of all completed applications, shall be provided to the Board and the Board shall select CAC members from this list of CAC applicants.

Section 3. CAC Membership. The CAC shall be comprised of a total of 15 members representing customers or key stakeholders residing or working in the seven (7) geographical regions, as follows:

- a. Three (3) members from the East Ventura/West Los Angeles County Region.
- b. Two (2) members from the West/Unincorporated Ventura County.
- c. Two (2) members from the Westside region in Los Angeles County.
- d. Two (2) members from the South Bay region in Los Angeles County.
- e. Two (2) members from the Gateway Cities region in Los Angeles County.
- f. Two (2) members from the San Gabriel Valley region in Los Angeles County.
- g. Two (2) members from the Unincorporated Los Angeles County.

Section 4. CAC Officers. The CAC shall appoint from among themselves by majority vote one Chair and two Vice-Chairs. At least one of the Vice Chairs shall be a member residing in the jurisdiction of a Party located in the County of Ventura. The CAC may establish Bylaws of the CAC (“CAC Bylaws”) governing the operation of the CAC. Any CAC Bylaws shall be drafted by the seated CAC members. Prior to becoming effective, any CAC Bylaws, including any amendments thereto, must be approved by a majority of the seated CAC members who are present at a meeting. The CAC Chair, or designee, shall be the liaison between the Board and the CAC and to the extent requested by each Board subject to the limits of the Agreement and applicable law.

Section 5. CAC Term. The term of service of each CAC member will be two years commencing at the Board Meeting in May and expiring in April two years later. There shall be no limit to the number of terms a CAC member may serve.

Section 6. CAC Quorum and Voting. Fifty percent (50%) of the seated CAC members shall constitute a quorum for the transaction of business. Action of the CAC on all matters shall require an affirmative vote of a majority of all members who are present at the subject meeting.

Section 7. CAC Member Removal. A CAC member may be removed by a majority vote of the Board, with or without cause.

Section 8. CAC Vacancies.

- a. Whenever a vacancy occurs among the CAC Officers during that officer's term of office, the CAC shall hold an election to fill such vacancy within 90 days of the date of the vacancy if there are 90 days or more in the term at the time the vacancy occurs.
- b. Whenever a vacancy occurs for a CAC member during that member's term of office, the Board shall fill such vacancy.

Section 9. Reimbursements. CAC members may seek reimbursement of expenses incurred to attend a duly-noticed CAC meeting or a Board authorized meeting in compliance with "CPA Reimbursements for Board of Directors" policy, Policy No. CPA2018-05.

## ARTICLE IX

### DIRECTOR VACANCIES

Section 1. Vacancy Definition. A vacancy shall exist in the case of death; resignation; expiration of term; termination or withdrawal of membership from CPA; removal of a Director by the governing body of a Party that designated and appointed the member Director; removal of a Director by the Board; or when a Director, who is an elected member of a Party, ceases to be an elected member, including term limits.

Section 2. Vacancy of a Director. Whenever a vacancy occurs for a Regular Director or Alternate Director representing a Party, the affected Party shall comply with Section 4.3 of the Agreement and the appointment and designation shall occur in a manner consistent with each Party's rules, regulations, bylaws, policies, or procedures. In addition, the affected Party shall notify the Executive Director in writing no later than five (5) business days after a replacement Director is appointed or elected by the governing body.

Section 3. Vacancy of a Regular Director serving as a Board Officers.

- a. Chair. Whenever a vacancy occurs of a Regular Director serving as Chair during the Chair's term of office, the Board shall hold an election to fill such vacancy within 90 days of the date of the vacancy if there are 90 days or more in the term at the time the vacancy occurs. The election of a Chair shall be consistent with Article III, Section 1.
- b. Vice Chair. In the event of a Vice Chair vacancy due to Article III, Section 2.c. or 4, the

Regular Directors of the Parties representing Member Agencies located in the County where the Vice Chair vacancy occurred shall elect a Vice Chair. The election of Vice Chair shall be consistent with Article III, Section 2.b.

Section 4. Vacancy of At-Large Executive Committee Member. Whenever a vacancy occurs for an At-Large Executive Committee member, during that member's term of office, the Board shall hold an election to fill such vacancy within 90 days of the date of the vacancy if there are 90 days or more in the term at the time the vacancy occurs. The election of an At-Large Executive Committee Member shall be consistent with Article VI, Sections 1.e and f., and Article VI, Section 2.

Section 5. Vacancy of Standing Committee Chairs. Whenever a vacancy occurs for a Standing Committee Chair, during that Standing Committee Chair's term of office, the Board Chair shall fill such vacancy within 90 days of the date of the vacancy if there are 90 days or more in the term at the time the vacancy occurs.

Section 6. Remaining Term. Any Director appointed or elected to fill a vacancy before the expiration of the term for which her or his predecessor was appointed shall serve for the remainder of such term.

## **ARTICLE X**

### **ELECTIONS**

When an election is required as specified in these Bylaws, the candidate who receives the greatest number of votes among voting Regular Directors or in the event that two of the same position are being filled, the top two candidates with the greatest number of votes among voting Regular Directors shall be elected. In the event of a tie, a roll call vote shall be held until a winner is selected.

## **ARTICLE XI**

### **VOTING**

Voting on any other CPA matters shall be held in accordance with the requirements of Sections 4.10 and 4.11 of the Agreement and these Bylaws.



## Staff Report – Agenda Item 5

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**To:** Clean Power Alliance (CPA) Board of Directors

**From:** Gina Goodhill, Policy Director

**Approved By:** Ted Bardacke, Chief Executive Officer

**Subject:** Approve Support Position on AB1814 in the 2021/2022 California Legislative Session and HR 6662 in the 117<sup>th</sup> Congressional Session

**Date:** March 3, 2022

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### **RECOMMENDATION**

Approve a support position for AB 1814 in the 2021/2022 California Legislative Session and HR 6662 in the 117<sup>th</sup> Congressional Session, as recommended by the Legislative & Regulatory Committee.

### **DISCUSSION**

#### [AB 1814 \(Assemblymember Grayson\)](#)

Recommended Position: Support

This CalCCA-sponsored bill would authorize Community Choice Aggregators (CCAs) to submit applications to the California Public Utilities Commission (CPUC) to receive funding to administer transportation electrification programs in their service area. Access to additional funding would allow CCAs to increase and expand their electric vehicle programs, which will benefit CCA customers and will help meet the state's electric vehicle adoption goals.

California has ambitious air quality and climate change reduction goals related to transportation, including putting five million zero-emission vehicles (ZEVs) on the road by 2030, installing 250,000 electric vehicle charging stations by 2025; and a requirement

that all new cars and passenger trucks sold in California must be ZEVs by 2035<sup>1</sup>. It will require a collective effort to meet these goals. The California Energy Commission (CEC) has assessed California's electric vehicle charging infrastructure rollout and determined that the state will be over 1 million chargers short of what will be required to support the 2030 EV adoption goals<sup>2</sup>.

While the CPUC authorizes IOUs to file applications to receive ratepayer funds for their transportation electrification programs, CCAs are not explicitly authorized to access these funds, despite CCA customers also paying into those funds. In some past years, IOUs have proposed more than \$2 billion in funding for transportation electrification programs, and the CPUC has approved at least \$1 billion of that. Local leaders and CCAs have little ability to tailor electric vehicle infrastructure and programs that are run through the IOUs, particularly for traditionally under-represented areas.

AB 1814 would explicitly authorize CCAs to file applications for programs and investments to accelerate widespread transportation electrification. To submit these applications, CCAs would have to meet the same requirements that IOUs are currently required to meet for program administration and oversight. This is similar to how CPA participates in the DAC Green Tariff Program and the Community Solar Green Tariff program, and to how some CCAs participate in the Energy Efficiency programs. Access to these funds would allow CCAs to provide communities with expanded EV charging programs and pilots that complement the current options.

CalCCA is the sponsor of this bill, and it will be their top legislative priority in the 2022 legislative session. There is currently no public support or opposition for this bill, as it is newly introduced.

### [HR 6662 EVs for All Act \(Congresswoman Nanette Barragan\)](#)

Recommended Position: Support

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<sup>1</sup> <https://www.ca.gov/archive/gov39/2018/01/26/governor-brown-takes-action-to-increase-zero-emission-vehicles-fund-new-climate-investments/index.html>

<sup>2</sup> <https://www.energy.ca.gov/news/2021-06/report-shows-california-needs-12-million-electric-vehicle-chargers-2030>

This bill would require that the U.S. Department of Energy (DOE) and the U.S. Department of Housing and Urban Development (HUD), develop a program which would authorize up to \$50 million per year to public housing agencies, local governments, or non-profit organizations to support EV car sharing services at public housing projects. Public housing residents face significant barriers accessing reliable and affordable transportation, especially zero-emission transportation. Yet these same public housing buildings are often located in communities that are disproportionately affected by air pollution, where the benefits of clean air vehicles would be most impactful.

While CPA would be unlikely to directly receive grants from this program, the goals of the bill complement other CPA programs such as the CALeVIP program and the Community Solar program. It also complements CPA's goal of providing equitable access to the benefits of clean energy and vehicle electrification.

The Los Angeles Cleantech Incubator (LACI), with whom CPA often partners, worked closely with the Congresswoman on developing the legislation. The bill currently has 23 cosponsors, including 7 California representatives, and over 50 environmental, environmental justice, clean technology and clean air organizations have supported the bill. This would be the first time the CPA Board has taken a position on a federal bill.

### **Alignment with CPA 2022 Legislative & Regulatory Platform**

The issues addressed in the bill aligns with CPA's 2022 Legislative & Regulatory Platform, specifically section 4b and 4c.

### **ATTACHMENT**

1. 2022 Legislative & Regulatory Platform



## 2022 Legislative and Regulatory Policy Platform

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### Overview and Purpose

The Clean Power Alliance (CPA) Legislative and Regulatory Policy Platform (Platform) serves as a guide to the CPA Board of Directors and CPA staff in their advocacy efforts and engagement on policy matters of interest to CPA. The Platform allows both members of the CPA Board of Directors and CPA staff to pursue actions at the local, regional, state, and federal legislative and regulatory levels in a consistent manner and with the understanding that they are pursuing actions in the best interest of the organization and its mission, its member agencies, and its customers. The Platform enables the organization to move swiftly to respond to events in Sacramento (Legislative / Executive) and San Francisco (California Public Utilities Commission) and provides guidance to the Executive Director on the support or oppose positions that should be taken on legislative and regulatory matters that come before the California Community Choice Association (CalCCA) Board of Directors.

All CPA positions on individual bills are presented to the CPA Board of Directors for approval, except during times of urgency as provided under the protocols approved by the CPA Board of Directors on June 7, 2018, that allow the Chair, Vice-Chairs, Legislative & Regulatory Committee Chair, and Executive Director to act on behalf of the organization in urgent advocacy matters.

### Policy Principles

The Legislative and Regulatory Policy Platform is centered around four basic principles:

1. Protecting CPA's local control and autonomy by its members, especially with regards to finances, power procurement, reliability, and local customer programs.
2. Ensuring equal treatment of unbundled and bundled customers by the CPUC and other state agencies.
3. Supporting recognition that electricity is an essential good, and that CPA should have the ability to set electric rates and offer programmatic services that are affordable and inclusive for all.

4. Pursuing environmental initiatives that exceed prescriptive State mandates, promote the growth in renewable energy capacity at the local level, encourage clean energy adoption by CPA customers, and reduce fossil fuel dependency, with the goal of combating climate change.

## **Policy Platform**

### 1) Local Control, Finance, and Power Procurement

CPA will pursue legislative and regulatory activity that:

- a. Supports the authority of CPA and its Board of Directors to retain local control over its activities;
- b. Supports the protection of CPA's procurement autonomy;
- c. Supports the ability of CPA to maintain control over its financial decisions;
- d. Supports the ability of CPA to expand its service offerings and activities in response to a changing energy landscape;
- e. Supports the ability of CPA to access state incentives and funding for its customers and member agencies; and
- f. Supports the ability of CPA to enhance reliability through accelerating the deployment of energy storage resources, fully valuing behind the meter energy resources, and expanding the use of demand response.

### 2) Equitable Treatment of CPA Customers

CPA will pursue legislative and regulatory activity that:

- a. Supports the equal treatment of unbundled and bundled customers by the CPUC and the legislature; and
- b. Supports the development of a state regulatory environment that is empowering for community energy providers.

### 3) Ratepayer Advocacy and Social Justice

CPA will pursue legislative and regulatory activity that:

- a. Supports the protection of all ratepayers, particularly environmental and social justice communities in CPA's service territory;
- b. Supports supplier diversity in CPA's contracting activities and through women-owned, minority-owned, disabled-veteran-owned, and lesbian, gay, bisexual, and/or transgender owned business enterprises;



- c. Supports workforce development with a focus on new stable, well-paying local jobs, and participation in a just transition to a low-carbon economy;
- d. Supports the ability for CPA to set appropriate benchmarks for performance measurement using accepted industry standards; and
- e. Supports increased access to clean energy technologies, clean energy and contracting jobs, and clean energy opportunities for environmental and social justice communities in CPA's service territory.

#### 4) Environmental Leadership

CPA will pursue legislative and regulatory activity that:

- a. Supports the ability of CPA and its members to meet and exceed State goals for greenhouse gas emissions reductions (e.g. encouraging movement towards 100% renewable energy), climate action planning, and fossil fuel independence;
- b. Supports the ability of CPA to promote growth in renewable energy capacity, resiliency, and electrification at the local level, in a way that is equitable for all customers;
- c. Supports the ability of CPA to promote electrification of the transportation sector in response to state and federal goals aimed at increasing the usage of zero emission vehicles;
- d. Supports the ability of CPA to promote electrification and the reduction of natural gas usage in the building sector.



## Staff Report – Agenda Item 6

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**To:** Clean Power Alliance (CPA) Board of Directors

**From:** Matthew Langer, Chief Operating Officer

**Approved by:** Ted Bardacke, Chief Executive Officer

**Subject:** Ratify Amendment No. 2 to Professional Services Agreement with NewGen Strategies and Solutions, LLC (NewGen) for ERRA Support Services and Task Order for Cost of Service Study issued to NewGen; and Approve Amendment No. 1 to Task Order for Cost of Service Study

**Date:** March 3, 2022

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### **RECOMMENDATION**

1. Ratify
  - a. Amendment No. 2 to the Professional Services Agreement between CPA and NewGen Strategies and Solutions, LLC (NewGen) for review of SCE ERRA filings with a total Not to Exceed (NTE) amount of \$108,060; and,
  - b. Cost of Service Study Task Order issued to NewGen with an NTE amount of \$115,270; and,
2. Approve Amendment No. 1 to Cost of Service Study Task Order increasing the total NTE amount to \$130,370.

### **DISCUSSION**

#### **Ratification Request**

On May 13, 2020, CPA executed a Professional Services Agreement (PSA) with NewGen for technical services in support of CPA's review of SCE's 2020 ERRA filings.<sup>1</sup> The total NTE of the PSA was \$71,240. On April 23, 2021, CPA and NewGen entered into

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<sup>1</sup> CPA entered into this PSA with NewGen because NewGen offers specialized finance expertise and understanding of the regulatory framework to evaluate SCE's confidential workpapers. Through such work, NewGen identified issues in SCE's filings that resulted in a reduction of charges to CPA customers.

Amendment No. 1 to the PSA to allow NewGen to review SCE's 2021 ERRAs filings, with a new cumulative NTE of \$102,560. The NTEs for the original PSA and Amendment No 1 to the PSA were under the CEO's signing authority of \$125,000.

In April 2021, CPA ran a competitive Task Order solicitation for a cost-of-service (COS) study and related support services. CPA selected NewGen and CPA executed the COS Task Order on June 18, 2021 with an NTE of \$115,270. Additionally, on November 11, 2021, CPA and NewGen entered into Amendment No. 2 to the PSA to increase the NTE by \$5,500 to a total of \$108,060.

Because the Task Order for COS study and Amendment No. 2 to the PSA placed the cumulative spend within a 12-month period with NewGen above the CEO's signing authority of \$125,000, the Task Order for COS study and Amendment 2 to the PSA should have been approved by the Board. However, due to an oversight, staff did not seek Board approval. Staff is seeking ratification of the COS Study Task Order and Amendment No. 2 to the PSA.<sup>2</sup>

*Approval Request – Amendment No. 1 to the COS Study Task Order*

The California Public Utilities Commission (CPUC) is currently considering changes to the Net Energy Metering (NEM) program that may affect the distribution charges NEM customers pay and change the way SCE calculates export compensation for its generation customers. While the change to generation charges does not directly impact CPA's NEM customers, CPA intends to reevaluate its NEM program in light of any changes made by the CPUC. An important input into this evaluation is the cost impact of the current NEM program on CPA's finances. NewGen is already in the process of conducting a COS analysis as part of the COS Study Task Order, making it ideally situated to conduct the additional NEM analysis. Amendment No. 1 adds a NEM analysis to the scope of work of the COS Study Task Order and extends the term to December 31, 2022 in order to complete the NEM work and any other related COS study work.

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<sup>2</sup> Staff has established controls in its non-energy contracting process to ensure that this oversight does not occur again.

Staff seeks Board approval of Amendment No.1 to the COS study Task Order to add a NEM component to the study of CPA's COS scope of work and to extend the term of the TO work to December 31, 2022. The incremental cost for Amendment No. 1 to COS Task Order is \$15,100, bringing the total NTE for the COS Task Order to \$130,370.

### **FISCAL IMPACT**

The contract costs discussed herein are included in the Board-approved FY 2021-2022 budget. Any contract costs impacting FY 2022-2023 will be incorporated into the proposed FY 2022-2023 budget.

### **ATTACHMENTS**

1. Amendment No. 2 to the NewGen Professional Services Agreement
2. NewGen Cost of Service Study Task Order
3. Amendment No. 1 to Cost of Service Study Task Order

**AMENDMENT NUMBER TWO  
NEWGEN STRATEGIES AND SOLUTIONS LLC  
PROFESSIONAL SERVICES AGREEMENT**

This Amendment Number Two (“AMENDMENT TWO”) to the Professional Services Agreement is made by and between Clean Power Alliance of Southern California (“CPA”) and NewGen Strategies and Solutions LLC (“CONTRACTOR”) on November 16, 2021. CPA and CONTRACTOR may individually be referred to herein as a “Party,” or collectively as the “Parties.”

**RECITALS**

WHEREAS, a Professional Services Agreement (“AGREEMENT”) was executed on May 13, 2020, between CPA and CONTRACTOR in order to contract for professional services to support CPA’s efforts in the California Public Utilities Commission (“CPUC”) 2021 Energy Resource Recovery Account (“ERRA”) forecast proceedings;

WHEREAS, on April 15, 2021, CPA and CONTRACTOR executed Amendment Number One (“AMENDMENT ONE”) in order to extend the term of the AGREEMENT and update both the scope of work set forth in Exhibit A and compensation set forth in Exhibit B;

WHEREAS, CPA desires to further amend the AGREEMENT in order to update both the scope of work set forth in Exhibit A and compensation set forth in Exhibit B;

WHEREAS, CONTRACTOR has the competence and specialized expertise to provide the professional services, described above; and,

WHEREAS, CONTRACTOR desires to provide and perform these professional services.

NOW, THEREFORE, it is mutually agreed by and between the Parties hereto to amend the AGREEMENT as follows:

1. Exhibit A: Exhibit A of the AGREEMENT shall be deleted in its entirety and replaced with the Exhibit A (Scope of Work) attached to this AMENDMENT TWO.
2. Exhibit B: Exhibit B of the AGREEMENT shall be deleted in its entirety and replaced with the Exhibit B (Payments and Rates) attached to this AMENDMENT TWO.
3. Except as specifically amended hereby, all other terms and conditions of the AGREEMENT shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this AMENDMENT TWO to be executed as of the date first above written.

CONTRACTOR

CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA

By: *Tony Georgis*  
Tony Georgis (Nov 17, 2021 12:35 MST)

By: *Theodore Bardacke*

Name: Tony Georgis

Name: Theodore Bardacke

Title: Managing Director

Title: Executive Director

## **Exhibit A Scope of Work**

Contractor has divided the scope of services into the following main tasks:

- Task 1 – Review SCE Filings (Initial Application, Supplements, and November Update)
- Task 2 – Generate Discovery Requests and Ongoing Support for Discovery
- Task 3 – Support Written Comments or Direct Testimony
- Task 4 – Support and Attend Hearing
- Task 5 – Support for Public Safety Power Shut-Off Cost Recovery Proceeding

A description of each task follows.

### **Task 1: Review and Analyze SCE Filings (Initial Application, Supplements, and November Update)**

Contractor will conduct an initial review of SCE's filed materials, including supporting testimony, workpapers, and exhibits. A call with Contractor, Keyes & Fox, LLP ("K&F") and CPA should be held to discuss initial impressions and identify areas of focus. After the kickoff call Contractor will complete a directed and more detailed review of SCE's filed materials. Contractor will collaborate with K&F and CPA to develop a list of issues that may adversely impact CPA and that may be mitigated through discovery or filing testimony and/or comments in opposition to SCE's proposal.

Contractor will continue to focus on the identified issues as Contractor reviews and analyzes SCE's filings, including any supplemental testimony and workpapers and the November Update to the ERRA Forecast. As additional issues arise in later filings, Contractor will coordinate the review and response with K&F and CPA.

### **Task 2 – Generate Discovery Requests and Ongoing Support for Discovery**

Throughout Contractor's detailed review of SCE's filed materials described under Task 2, Contractor will generate requests for discovery to be approved and filed by K&F and respond to discovery issues by SCE or other intervenors in the case. Contractor will collaborate with K&F to ensure that CPA is apprised of any discovery requests or issues.

### **Task 3 – Support Written Comments or Direct Testimony**

Given development of the issues list in Task 1, as supplemented by responses to discovery received under Task 2, Contractor will prepare direct testimony or support preparation of comments or responses to SCE's proposal in support of CPA. Contractor understands that the final form of CPA's intervention in the ERRA Forecast will depend on the magnitude of issues identified through Tasks 1 and 2, and the legal strategy determined as the case progresses. If filed testimony is required, Brian Dickman will be

available as the lead sponsor of testimony. If testimony is not required, Contractor will assist in the preparation of comments in opposition to SCE's proposal. Contractor also anticipates supporting written comments filed in response to proposed decisions, and reply comments addressing other parties' positions as required.

#### **Task 4 – Support and Attend Hearing**

After completion of Task 3 and upon direction from CPA, Contractor will prepare for, and attend hearing(s) stemming from Contractor's filed direct testimony in this case. Contractor expects this preparation to include 3-4 days of internal preparation, and then another 1-2 days of preparation with K&F and/or with CPA. In addition, Contractor has budgeted for the time and reasonable travel expenses of attending one hearing as part of this Scope of Services and any such expense is governed by Exhibit B to this Agreement.

#### **Task 5 – Support for Public Safety Power Shut-Off Cost Recovery Proceeding**

The Commission established Phase 2 of SCE's 2019 ERRRA Compliance case to develop a method for estimating lost sales and revenue during PSPS events and evaluate whether an adjustment should be made to the utility's revenue requirement related to PSPS events during 2019. SCE's Application, A.20-04-002, was consolidated with the 2019 ERRRA Compliance Applications for PG&E, A.20-02-009, and SDG&E, A.20-06-001, for purposes of completing Phase 2.

The Consolidated Phase 2 application will proceed in the same manner as the initial applications, with Joint IOU testimony, intervenor response, rebuttal, and hearings.

Consultant will undertake a review of the Consolidated Phase 2 proceeding, following the approach outlined in Tasks 1-4 above, and provide expert testimony and witness support through the conclusion of the proceeding.



**Exhibit B  
Payments and Rates**

Contractor shall satisfactorily provide all the contemplated services detailed in Exhibit A to this Agreement at the hourly billing rates specified in Table 1 below and in compliance with the terms and conditions of this Agreement.

<b>Table 1: NewGen Strategies &amp; Solutions Billing Rates</b>	
<b>Position</b>	<b>Hourly Billing Rate</b>
President / Managing Director / Director	\$230 - \$360
Executive Consultant	\$220 - \$320
Senior Consultant	\$190 - \$220
Consultant	\$135 - \$150
Administrative Services	\$110
Note: Billing rates are subject to change based on annual reviews and salary increases, provided, that Contractor shall provide CPA 30 days prior written notice of any changes to the billing rates.	

Contractor shall not exceed the amounts specified for each of the Tasks listed in Table 2:

<b>Table 2: Not to Exceed (NTE) Costs for Each Task</b>		
		<b>Total Cost</b>
Task 1	Review SCE Filings (Initial Application, Supplements, and November Update)	\$ 54,500.00
Task 2	Generate Discovery Requests and Ongoing Support for Discovery	\$ 12,740.00
Task 3	Support Written Comments or Direct Testimony	\$13,520.00
Task 5	Support for Public Safety Power Shut-Off Cost Recovery Proceeding	\$5,500.00
	<b>NTE Subtotal Without Hearing:</b>	\$86,260.00 per Contract Year
Task 4	Support and Attend Hearing	\$19,300.00
	<b>NTE Total Including Hearing:</b>	\$105,560.00 per Contract Year

In addition, CPA will reimburse Contractor for up to \$2,500 of CPA-authorized expenses in order for Contractor to complete the design work detailed in Exhibit A to this Agreement provided that Contractor has obtained prior written approval from the CPA contact listed in Section 16 of the Agreement. Any Contractor expenses shall be at-cost, with no mark-

up or margin, and shall be submitted with documentation, including but not limited to a receipt, confirming the expense.

The total compensation paid to Contractor, including all deliverables and any expenses, shall not exceed \$108,060.00 per Contract Year.



- C. Contractor shall satisfactorily perform and complete all required Services in accordance with Statement of Work notwithstanding the fact that total payment from CPA shall not exceed the Total Maximum Amount.
- D. Contractor shall submit all invoices under this Task Order to:  
 Clean Power Alliance  
 Attn: Chief Operating Officer  
 801 S. Grand Ave., Suite 400  
 Los Angeles, CA 90017

IV. SERVICES

In accordance with Master Agreement Section 2 (Work), Contractor may not be paid for any task, deliverable, service, or other work that is not specified in this Task Order, and/or that utilizes personnel not specified in this Task Order, and/or that exceeds the Total Maximum Amount of this Task Order, and/or that goes beyond the expiration date of this Task Order.

ALL TERMS OF THE MASTER AGREEMENT SHALL REMAIN IN FULL FORCE AND EFFECT. THE TERMS OF THE MASTER AGREEMENT SHALL GOVERN AND TAKE PRECEDENCE OVER ANY CONFLICTING TERMS AND/OR CONDITIONS IN THIS TASK ORDER. NEITHER THE RATES NOR ANY OTHER SPECIFICATIONS IN THIS TASK ORDER ARE VALID OR BINDING IF THEY DO NOT COMPLY WITH THE TERMS AND CONDITIONS OF THE MASTER AGREEMENT.

Contractor's signature on this Task Order document confirms Contractor's awareness of the terms and conditions of the Master Agreement and specifically with the provisions of Section 2 (Work) of the Master Agreement, which establishes that Contractor shall not be entitled to any compensation whatsoever for any task, deliverable, service, or other work:

- A. That is not specified in this Task Order, and/or
- B. That utilizes personnel not specified in this Task Order, and/or
- C. That exceeds the Total Maximum Amount of this Task Order, and/or
- D. That goes beyond the expiration date of this Task Order.

REGARDLESS OF ANY ORAL PROMISE MADE TO CONTRACTOR BY ANY CLEAN POWER ALLIANCE PERSONNEL WHATSOEVER.

\_\_\_\_\_  
 CONTRACTOR  
 By: *Tony Georgis*  
Tony Georgis (Jun 18, 2021 14:28 MDT)  
 Name: Tony Georgis  
 Title: Managing Director - Energy Practice  
 Date: Jun 18, 2021

\_\_\_\_\_  
 CLEAN POWER ALLIANCE  
 By: *Theodore Bardacke*  
 Name: Theodore Bardacke  
 Title: Executive Director  
 Date: Jun 18, 2021

**EXHIBIT E1-A**  
**NEWGEN TASK ORDER DESCRIPTION**  
**Cost of Service Ratemaking Study**

**SUMMARY**

In Tasks #1 and #2 NewGen Strategies and Solutions, LLC (“NewGen”) will develop deliverables including a Cost of Service model and a Final Study that will inform a potential change to the CPA rate setting approach. CPA is planning to conduct this study to: 1) better understand the current landscape of Cost-of-Service rate setting; 2) review potential cost-of-service based rate setting approaches, and; 3) decide whether it will continue to fundamentally follow SCE rate design or deviate in future years.

Task #3 of this Task Order is for implementation of an identified Cost of Service rate setting approach and is an option that CPA may exercise at CPA’s sole discretion.

**TASK LIST**

**Task #1: Study Preparation and Cost of Service Analysis**

NewGen will, in consultation with and under the strategic guidance of CPA, perform the following services in preparation for completing the study:

Task 1.A

- Meet with CPA staff to:
  - Clarify CPA’s rate setting history and current approach.
  - Identify Key CPA rate setting objectives and parameters.
  - Identify Data Needs to analyze and implement COS based rate setting approaches and potential data gaps.
  
- Develop a background memo for CPA staff that describes the current landscape of:
  - Developing revenue requirements for generation-only load serving entities with an emphasis on LSEs operating in competitive markets and without guaranteed cost recovery.
  - Current Cost of Service (COS) utility rate design methodologies and approaches in practice, including a discussion of both embedded and marginal cost approaches.
  - Cost Allocation Methodologies, including methodological alternatives (options) to allocate costs to discrete groups of customers whose electricity use and cost of service is strongly correlated with weather and wholesale market price fluctuations which may vary significantly from year to year and whose variability appears to be increasing.

Tas-k 1.B

- Cost of Service Model and Cost Allocation Methodology: Develop COS Model and Cost Allocation Methodology for the purposes of the study analysis and CPA’s future use.
- Identify the historic cost to serve each rate class and power product, and project future cost to serve using relevant inputs including scenarios based on load and wholesale market price variability.
- Identify the cost to serve customers with behind the meter generation and storage assets and electric vehicles/Electric Vehicle Supply Equipment (EVSE).

- Identify elements that impact Cost of Service rate design. For each of these elements, discuss and document key considerations for CPA. These elements should include but are not limited to:
  - Mix of demand charges and energy charges
  - TOU periods (hours, day of week) and seasons (months)
  - TOU ratios
  - Voltage discounts
  - Indifference charges, including multiple PCIA vintages
  - Weather, wholesale market and geography related load and cost volatility

**Task 1.A Deliverables:** Initial landscape memo

**Task 1.B Deliverables:** Complete Cost of Service Model and Cost Allocation Methodology, Identification and documentation of rate design elements.

## **Task #2: Identification of Approaches, Recommendations, and Final Study**

Upon successful completion of Task 1, NewGen will, in consultation with and under the strategic guidance of CPA, perform the following:

- Identify and propose 3 discrete COS-based CPA rate setting approaches that take into account key rate setting elements defined in Task 1 above. Rate setting approaches should also consider the following questions:
  - How to structure price difference between CPA's five rate products.
    - Adders, discounts, or other?
  - Should CPA expand or contract the number of rate groups? Are there opportunities to combine rate classes or create new ones?
  - How to approach treatment of legacy rates, including Net Energy Metering?
  - How to approach treatment of customers on discount programs, such as CARE, FERA, and Medical Baseline?
  - What is the cost allocation methodology?
  - How might the transition to default residential time of use impact these approaches?
  - How might projected load changes due to future DER and electrification impact these approaches?
  - What are the pros and cons of the different COS-based rate setting approaches in terms of allocating costs to discrete groups of customers whose electricity use and cost of service is strongly correlated with weather and wholesale market price fluctuations which may vary significantly from year to year and whose variability appears to be increasing?.

For each approach, NewGen will develop representative rates and cost comparisons to SCE for key rate classes. These rate classes will include, at a minimum, DOM, DOM-CARE, GS-1, GS-2, GS-3, PA-2, PA-3, and TOU-8 Primary, Secondary and Sub-transmission.

- Identify a recommended rate setting approach based on CPA rate setting objectives.
- Provide implementation strategy recommendations that identify and describe:
  - Potential customer communication strategies
  - Order of implementation for different customer types
    - All customers, all at once, or;
    - Staggered by rate type, customer class, or other?
  - Potential customer exclusions from COS rate implementation
  - Implementation timing

- What time of year would minimize and/or maximize customer impacts?

**Task 2 Deliverables:** Final Study that includes identification of 3 discrete approaches, identification of recommended approach, and implementation strategy considerations.

**Task #3: Implementation of selected Cost of Service rate setting approach – Exercised at CPA’s Sole Option**

If CPA, in its sole discretion and communicated in writing to NewGen, chooses to proceed with Task 3, NewGen will, in consultation with and under the strategic guidance of CPA, perform the following services related to implementation of selected Cost of Service rate setting approach:

- Cost of Service Rate Model
  - Utilizing the Cost of Service rate setting approach identified in Task #2, and identified relevant inputs, develop and document specifications of a Cost of Service Rate Model.
  - Develop and deliver the Cost of Service Rate Model to CPA consistent with the above specifications.
  - Provide training for CPA’s future use of the Model.
- Rate Factors, Rate Sheets and JRCs
  - Generate detailed customer rate factors for all residential and non-residential CPA customer rate classes.
  - Provide rate factors in CPA’s preferred format for the purposes of revenue forecasting.
  - Create detailed rate sheets for use by CPA’s data manager to conduct billing functions in data manager’s preferred format.
  - Create rate/customer bill comparisons for distribution to customers. This shall include:
    - Joint Rate Comparisons (JRC) of key rate classes for joint mailers with SCE
    - JRCs for all rate classes to be posted on CPA’s website

**Task 3 Deliverables:** Final detailed rate factors and rate sheets in CPA data manager’s preferred format, Joint Rate Comparisons, and Cost of Service Rate Model.

If CPA chooses to exercise its option for Task #3, CPA will provide 30 days written notice prior to commencement of work. If exercised, the Not-to-Exceed (“NTE”) amount is \$15,100 for Task 3.

**SCHEDULE AND COORDINATION**

Each task listed above will be undertaken in close coordination with CPA’s project team. The consultant will discuss initial findings or approaches for each task with CPA’s project team before developing final work products in order to avoid rework. CPA’s project team will provide timely feedback and input in developing the work product.

The key deliverables for CPA’s Cost of Service Study are listed below and may be adjusted slightly.

Action/Milestone	Key Event Date
CPA Task Order Executed	June 21, 2021
Task #1.A. - Task Order kick-off meeting	Week of June 21, 2021

Task #1.A - Background Memo Due	July 9, 2021
Task #1.B - Deliverables Due	August 16, 2021
Task #2 Deliverables Due	October 1, 2021
Task #3 Deliverables Due (if CPA elects)	February 1, 2022



***EXHIBIT D***

**FORMS REQUIRED FOR EACH TASK ORDER  
BEFORE WORK BEGINS**

- D1 CERTIFICATION OF EMPLOYEE STATUS
- D2 CERTIFICATION OF NO CONFLICT OF INTEREST
- D3 CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT
- D4 CONTRACTOR/SUBCONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND  
CONFIDENTIALITY AGREEMENT
- D5 CAMPAIGN CONTRIBUTIONS DISCLOSURE FORM
- D6 CALIFORNIA PUBLIC RECORDS ACT ACKNOWLEDGEMENT AND AGREEMENT

**EXHIBIT D1**  
**CERTIFICATION OF EMPLOYEE STATUS**

CONTRACTOR NAME: NewGen Strategies and Solutions, LLC

Task Order No. 1

CPA Master Agreement No. \_\_\_\_\_

I CERTIFY THAT: (1) I am an Authorized Official of Contractor; (2) the individual(s) named below is(are) Contractor's employee(s) or subcontractor; (3) applicable state and federal income tax, FICA, unemployment insurance premiums, and workers' compensation insurance premiums, in the correct amounts required by state and federal law, will be withheld as appropriate, and paid by Contractor for the individual(s) named below or for its subcontractor (if applicable) for the entire time period covered by the attached Task Order. The Contractor shall be solely responsible for any and all payments to its employees or subcontractor

EMPLOYEES/SUBCOTRACTOR

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

I declare under penalty of perjury that the foregoing is true and correct.

*Tony Georgis*  
Tony Georgis (Jun 18, 2021 14:28 MDT)

Signature of Authorized Official

**Tony Georgis**

Printed Name of Authorized Official

**Managing Director - Energy Practice**

Title of Authorized Official

**Jun 18, 2021**

Date



## EXHIBIT D3

### CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

Contractor Name NewGen Strategies and Solutions, LLC

Task Order No.1

CPA Master Agreement No. \_\_\_\_\_

#### GENERAL INFORMATION:

The Contractor referenced above has entered into a Master Agreement with the Clean Power Alliance to provide certain services to CPA. Contractor is required to sign this Contractor Acknowledgement and Confidentiality Agreement.

#### CONTRACTOR ACKNOWLEDGEMENT:

Contractor understands and agrees that the Contractor employees, consultants, outsourced vendors, subcontractors, and independent contractors (Contractor's Staff) that will provide services in the above referenced agreement are Contractor's sole responsibility. Contractor understands and agrees that Contractor's Staff must rely exclusively upon Contractor for payment of salary and any and all other benefits payable by virtue of Contractor's Staff's performance of work under the above-referenced Master Agreement.

Contractor understands and agrees that Contractor's Staff are not employees of CPA for any purpose whatsoever and that Contractor's Staff do not have and will not acquire any rights or benefits of any kind from CPA by virtue of my performance of work under the above-referenced Master Agreement. Contractor understands and agrees that Contractor's Staff will not acquire any rights or benefits from CPA pursuant to any agreement between any person or entity and CPA.

#### CONFIDENTIALITY AGREEMENT:

Contractor and Contractor's Staff may be involved with work pertaining to services provided by the CPA and, if so, Contractor and Contractor's Staff may have access to confidential data and information pertaining to persons and/or entities receiving services from CPA. In addition, Contractor and Contractor's Staff may also have access to proprietary information supplied by other vendors doing business with CPA, including advanced meter infrastructure data or similarly sensitive or confidential information. In addition, Contractor and Contractor's Staff may also have access to proprietary information supplied by other vendors doing business with CPA. CPA has a legal obligation to protect all such confidential data and information in its possession, especially advanced meter data, or similar sensitive or confidential data and information. Contractor and Contractor's Staff understand that if they are involved in CPA work, CPA must ensure that Contractor and Contractor's Staff will protect the confidentiality of such data and information. Consequently, Contractor must sign this Confidentiality Agreement as a condition of work to be provided by Contractor's Staff for CPA.

Contractor and Contractor's Staff hereby agrees that they will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced Master Agreement between Contractor and the CPA. Contractor and Contractor's Staff agree to forward all requests for the release of any data or information received to CPA Project Director.

Contractor and Contractor's Staff agree to keep confidential all records and all data and information pertaining to persons and/or entities receiving services from CPA, Contractor proprietary information and all other original materials produced, created, or provided to Contractor and Contractor's Staff under the above-referenced Master Agreement. Contractor and Contractor's Staff agree to protect these confidential materials against disclosure to other than Contractor or CPA employees who have a need to know the information. Contractor and Contractor's Staff agree that if proprietary information supplied by other CPA vendors is provided during this employment, Contractor and Contractor's Staff shall keep such information confidential.

Contractor and Contractor's Staff agree to report any and all violations of this agreement by Contractor and Contractor's Staff and/or by any other person of whom Contractor and Contractor's Staff become aware.

Contractor and Contractor's Staff acknowledge that violation of this Confidentiality and Acknowledgement Agreement may subject Contractor and Contractor's Staff to civil and/or criminal action and that CPA may seek all possible legal redress.

SIGNATURE: *Tony Georgis* DATE: Jun 18, 2021  
Tony Georgis (Jun 18, 2021 14:28 MDT)

PRINTED NAME: Tony Georgis TITLE Managing Director - Energy Practice

**EXHIBIT D4**

**CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND  
CONFIDENTIALITY AGREEMENT**

Contractor Name: NewGen Strategies and Solutions, LLC

Employee/Subcontractor Name: \_\_\_\_\_

Task Order No. 1

CPA Master Agreement No. \_\_\_\_\_

**GENERAL INFORMATION:**

The Contractor referenced above has entered into a Master Agreement with the CPA to provide certain services to CPA. CPA requires your signature on this Contractor Non-Employee Acknowledgement and Confidentiality Agreement.

**NON-EMPLOYEE ACKNOWLEDGEMENT:**

I understand and agree that the Contractor referenced above has exclusive control for purposes of the above-referenced Master Agreement. I understand and agree that I must rely exclusively upon the Contractor referenced above for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced Master Agreement.

I understand and agree that I am not an employee of the CPA for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from CPA by virtue of my performance of work under the above-referenced Master Agreement. I understand and agree that I do not have and will not acquire any rights or benefits from CPA pursuant to any agreement between any person or entity and CPA.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced Master Agreement is contingent upon my passing, to the satisfaction of CPA, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of CPA, any such investigation shall result in my immediate release from performance under this and/or any future agreements with the CPA.

**CONFIDENTIALITY AGREEMENT:**

I may be involved with work pertaining to services provided by CPA and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from CPA, including advanced meter infrastructure data and similarly sensitive information. In addition, I may also have access to proprietary information supplied by other vendors doing business with CPA. The County has a legal obligation to protect all such confidential data and information in its possession, especially advanced meter infrastructure data or similarly sensitive confidential data and information. I understand that if I am involved in CPA work, CPA must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by the above-referenced Contractor for CPA. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced Master Agreement between the above-referenced Contractor and CPA. I agree to forward all requests for the release of any data or information received by me to the above-referenced Contractor.

I agree to keep confidential all data and information pertaining to persons and/or entities receiving services from CPA, Contractor proprietary information, and all other original materials produced, created, or provided to or by me under the above-referenced Master Agreement. I agree to protect these confidential materials against disclosure to other than the above-referenced Contractor or CPA employees who have a need to know the information. I agree that if proprietary information supplied by other CPA vendors is provided to me, I shall keep such information confidential.

I agree to report to the above-referenced Contractor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to the above-referenced Contractor upon completion of this Master Agreement or termination of my services hereunder, whichever occurs first.

SIGNATURE: *Tony Georgis*  
Tony Georgis (Jun 18, 2021 14:28 MDT)

DATE: Jun 18, 2021

PRINTED NAME: Tony Georgis

POSITION: Managing Director - Energy Practice

**AMENDMENT NUMBER ONE TO  
NEWGEN STRATEGIES AND SOLUTIONS, LLC  
MASTER AGREEMENT TASK ORDER NO. 1**

This Amendment Number One (“AMENDMENT ONE”) to the Master Agreement Task Order No. 1 is hereby entered into by and between Clean Power Alliance of Southern California (“CPA”) and NewGen Strategies and Solutions LLC (“CONTRACTOR”) effective as of December 31, 2021. CPA and CONTRACTOR may individually be referred to herein as a “Party,” or collectively as the “Parties.”

**RECITALS**

WHEREAS, a Master Agreement Task Order No. 1 (“AGREEMENT”) was executed on June 18, 2021, between CPA and CONTRACTOR to provide a cost of service ratemaking study;

WHEREAS, CPA desires to amend the AGREEMENT in order to extend the term of the AGREEMENT, update the scope of work set forth in Exhibit E1-A, and update the compensation set forth in Exhibit E1;

WHEREAS, CONTRACTOR has the competence and specialized expertise to provide the services, described above; and,

WHEREAS, CONTRACTOR desires to continue providing and performing these professional services.

NOW, THEREFORE, it is mutually agreed by and between the Parties hereto to amend the AGREEMENT as follows:

1. Exhibit E1 of the AGREEMENT is deleted in its entirety and replaced with Exhibit E1 (MASTER AGREEMENT TASK ORDER), attached hereto.
2. Exhibit E1-A of the AGREEMENT is deleted in its entirety and replaced with Exhibit E1-A (NEWGEN TASK ORDER DESCRIPTION), attached hereto.

IN WITNESS WHEREOF, the parties hereto have caused this AMENDMENT ONE to be executed as of the date first above written.

[Signature Page Follows]



CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA

By

---

Theodore Bardacke  
Chief Executive Officer

CONTRACTOR: NewGen Strategies and Solutions LLC

By

---

Tony Georgis  
Managing Director, Energy Practice

**EXHIBIT E-1****MASTER AGREEMENT TASK ORDER  
(TIME AND MATERIALS BASIS)****NEWGEN STRATEGIES AND SOLUTIONS, LLC**

Task Order No. 1 CPA Master Agreement No. \_\_\_\_\_

Project Title: Cost of Service Ratemaking Study

Period of Performance: June 21, 2021 to December 31, 2022

CPA Project Director: Ted Bardacke

CPA Task Order Manager: Matthew Langer

**I. GENERAL**

Contractor shall satisfactorily perform all Services detailed in the Task Order attached hereto as Exhibit E1-A, on a time and materials basis, in compliance with the terms and conditions of Contractor's Master Agreement identified above.

**II. PERSONNEL**

Contractor shall provide the below-listed personnel whose labor rates are as shown:

Name	<u>Tony Georgis</u>	@ \$310/hour.
Name	<u>Natalie Accardo</u>	@ \$190/hour.
Name	<u>Meghan Helper</u>	@ \$135/hour.
Name	<u>Max Bernt</u>	@ \$230/hour.
Name	<u>Scott Burnham</u>	@ \$260/hour.
Name	<u>Kyle Palm</u>	@ \$135/hour.
Name	<u>Jack Buckley</u>	@ \$135/hour.
Name	<u>Stephen Kistler</u>	@ \$170/hour.
Name	<u>Eilidh Spery</u>	@ \$110/hour.
Name	<u>Rebecca Shiflea</u>	@ \$160/hour.
Name	<u>Brian Dickman</u>	@ \$300/hour.

**III. PAYMENT**

A. The Total Maximum Amount that CPA shall pay Contractor for all Services to be provided under this Task Order shall not exceed One Hundred Thirty Thousand, Three

Hundred Seventy Dollars (\$130,370.00). Contractor shall invoice CPA no more than \$115,270 upon completion of Tasks #1 and #2 and no more than \$15,100 upon completion of Task #3.

- B. Contractor shall invoice CPA only for hours actually worked, in accordance with the terms and conditions of Contractor's Master Agreement. Twenty percent (20%) of invoiced amounts will be held back until each Task is completed to the reasonable satisfaction of CPA. Upon the completion of the Tasks respectively as described above, the held back amounts will be invoiced by Contractor and paid by CPA in accordance with the terms and conditions of Contractor's Master Agreement. Contractor shall be responsible for limiting the number of hours worked by Contractor personnel under this TASK ORDER, not to exceed the Total Maximum Amount in III.A, above.
- C. Contractor shall satisfactorily perform and complete all required Services in accordance with Statement of Work notwithstanding the fact that total payment from CPA shall not exceed the Total Maximum Amount.
- D. Contractor shall submit all invoices under this Task Order to:  
Clean Power Alliance  
Attn: Chief Operating Officer  
801 S. Grand Ave., Suite 400  
Los Angeles, CA 90017

#### IV. SERVICES

In accordance with Master Agreement Section 2 (Work), Contractor may not be paid for any task, deliverable, service, or other work that is not specified in this Task Order, and/or that utilizes personnel not specified in this Task Order, and/or that exceeds the Total Maximum Amount of this Task Order, and/or that goes beyond the expiration date of this Task Order.

ALL TERMS OF THE MASTER AGREEMENT SHALL REMAIN IN FULL FORCE AND EFFECT. THE TERMS OF THE MASTER AGREEMENT SHALL GOVERN AND TAKE PRECEDENCE OVER ANY CONFLICTING TERMS AND/OR CONDITIONS IN THIS TASK ORDER. NEITHER THE RATES NOR ANY OTHER SPECIFICATIONS IN THIS TASK ORDER ARE VALID OR BINDING IF THEY DO NOT COMPLY WITH THE TERMS AND CONDITIONS OF THE MASTER AGREEMENT.

Contractor's signature on this Task Order document confirms Contractor's awareness of the terms and conditions of the Master Agreement and specifically with the provisions of Section 2 (Work) of the Master Agreement, which establishes that Contractor shall not be entitled to any compensation whatsoever for any task, deliverable, service, or other work:

- A. That is not specified in this Task Order, and/or
- B. That utilizes personnel not specified in this Task Order, and/or
- C. That exceeds the Total Maximum Amount of this Task Order, and/or
- D. That goes beyond the expiration date of this Task Order.

REGARDLESS OF ANY ORAL PROMISE MADE TO CONTRACTOR BY ANY CLEAN POWER ALLIANCE PERSONNEL WHATSOEVER.

**EXHIBIT E1-A**  
**NEWGEN TASK ORDER**  
**DESCRIPTION**

**Cost of Service Ratemaking Study**

**SUMMARY**

In Tasks #1 and #2 NewGen Strategies and Solutions, LLC (“NewGen”) will develop deliverables including a Cost of Service model and a Final Study that will inform a potential change to the CPA rate setting approach. CPA is planning to conduct this study to: 1) better understand the current landscape of Cost-of-Service rate setting; 2) review potential cost-of-service based rate setting approaches, and; 3) decide whether it will continue to fundamentally follow SCE rate design or deviate in future years.

Task #3 of this Task Order is for an evaluation of net energy metering (NEM) rate options and their impacts to CPA’s cost recovery.

**TASK LIST**

**Task #1: Study Preparation and Cost of Service Analysis**

NewGen will, in consultation with and under the strategic guidance of CPA, perform the following services in preparation for completing the study:

Task 1.A

- Meet with CPA staff to:
  - Clarify CPA’s rate setting history and current approach.
  - Identify Key CPA rate setting objectives and parameters.
  - Identify Data Needs to analyze and implement COS based rate setting approaches and potential data gaps.
  
- Develop a background memo for CPA staff that describes the current landscape of:
  - Developing revenue requirements for generation-only load serving entities with an emphasis on LSEs operating in competitive markets and without guaranteed cost recovery.
  - Current Cost of Service (COS) utility rate design methodologies and approaches in practice, including a discussion of both embedded and marginal cost approaches.
  - Cost Allocation Methodologies, including methodological alternatives (options) to allocate costs to discrete groups of customers whose electricity use and cost of service is strongly correlated with weather and wholesale market price fluctuations which may vary significantly from year to year and whose variability appears to be increasing.

Task 1.B

- Cost of Service Model and Cost Allocation Methodology: Develop COS Model and Cost Allocation Methodology for the purposes of the study analysis and CPA’s future use.

- Identify the historic cost to serve each rate class and power product, and project future cost to serve using relevant inputs including scenarios based on load and wholesale market price variability.
- Identify the cost to serve customers with behind the meter generation and storage assets and electric vehicles/Electric Vehicle Supply Equipment (EVSE).
- Identify elements that impact Cost of Service rate design. For each of these elements, discuss and document key considerations for CPA. These elements should include but are not limited to:
  - Mix of demand charges and energy charges
  - TOU periods (hours, day of week) and seasons (months)
  - TOU ratios
  - Voltage discounts
  - Indifference charges, including multiple PCIA vintages
  - Weather, wholesale market and geography related load and cost volatility

**Task 1.A Deliverables:** Initial landscape memo

**Task 1.B Deliverables:** Complete Cost of Service Model and Cost Allocation Methodology, Identification and documentation of rate design elements.

## **Task #2: Identification of Approaches, Recommendations, and Final Study**

Upon successful completion of Task 1, NewGen will, in consultation with and under the strategic guidance of CPA, perform the following:

- Identify and propose 3 discrete COS-based CPA rate setting approaches that take into account key rate setting elements defined in Task 1 above. Rate setting approaches should also consider the following questions:
  - How to structure price difference between CPA's five rate products.
    - Adders, discounts, or other?
  - Should CPA expand or contract the number of rate groups? Are there opportunities to combine rate classes or create new ones?
  - How to approach treatment of legacy rates, including Net Energy Metering?
  - How to approach treatment of customers on discount programs, such as CARE, FERA, and Medical Baseline?
  - What is the cost allocation methodology?
  - How might the transition to default residential time of use impact these approaches?
  - How might projected load changes due to future DER and electrification impact these approaches?
  - What are the pros and cons of the different COS-based rate setting approaches in terms of allocating costs to discrete groups of customers whose electricity use and cost of service is strongly correlated with weather and wholesale market price fluctuations which may vary significantly from year to year and whose variability appears to be increasing?.

For each approach, NewGen will develop representative rates and cost comparisons to SCE for key rate classes. These rate classes will include, at a minimum, DOM, DOM-CARE, GS-1, GS-2, GS-3, PA-2, PA-3, and TOU-8 Primary, Secondary and Sub-transmission.

- Identify a recommended rate setting approach based on CPA rate setting objectives.
- Provide implementation strategy recommendations that identify and describe:
  - Potential customer communication strategies
  - Order of implementation for different customer types
    - All customers, all at once, or;
    - Staggered by rate type, customer class, or other?
  - Potential customer exclusions from COS rate implementation
  - Implementation timing
    - What time of year would minimize and/or maximize customer impacts?

**Task 2 Deliverables:** Final Study that includes identification of 3 discrete approaches, identification of recommended approach, and implementation strategy considerations.

### **Task #3: Evaluation of Net Energy Metering Rate Options and Impacts to CPA Cost Recovery**

NewGen will, in consultation with and under the guidance of CPA, perform the following services related to evaluating the impacts of NEM to CPA and related NEM rate making options:

- Evaluate current NEM customer cost recovery
  - Utilize Cost of Service model to develop cost-basis to serve a representative distributed energy customer in the Residential and Small General Service customer class.
  - Evaluate current CPA NEM customer generation rate structures and bills to calculate revenues and compare to costs to determine level of cost recovery.
  - Compare CPA NEM generation cost recovery and rates to SCE.
- Evaluate future NEM cost recovery risks
  - Utilize Cost of Service results and develop cost-based generation rates for NEM customers.
  - Provide NEM generation rate options and scenarios for CPA review for future NEM customers.
- CPUC Avoided Cost Calculator (ACC)
  - Review and apply ACC to CPA Residential and Small General Service to determine benefits calculated.
  - Integrate results with NEM cost recovery analysis.

**Task 3 Deliverables:** Integrate NEM cost basis analysis and ACC results in Cost of Service model. Provide NEM rate design functionality in Rate Design model for Residential and Small General Service customer classes including Cost of Service results.

### **SCHEDULE AND COORDINATION**

Each task listed above will be undertaken in close coordination with CPA's project team. The consultant will discuss initial findings or approaches for each task with CPA's project team before

developing final work products in order to avoid rework. CPA's project team will provide timely feedback and input in developing the work product.

The key deliverables for CPA's Cost of Service Study are listed below and may be adjusted slightly.

<b>Action/Milestone</b>	<b>Key Event Date</b>
CPA Task Order Executed	June 21, 2021
Task #1.A. - Task Order kick-off meeting	Week of June 21, 2021
Task #1.A - Background Memo Due	July 9, 2021
Task #1.B - Deliverables Due	August 16, 2021
Task #2 Deliverables Due	October 1, 2021
Task #3 Deliverables Due	March 15, 2022



## Staff Report – Agenda Item 7

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**To:** Clean Power Alliance (CPA) Board of Directors  
**From:** Matthew Langer, Chief Operating Officer  
**Approved by:** Ted Bardacke, Chief Executive Officer  
**Subject:** MRW 2022 Rate Setting Professional Services Agreement  
**Date:** March 3, 2022

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### **RECOMMENDATION**

Approve the Professional Services Agreement (2022 Agreement) between CPA and MRW and Associates LLC (MRW) with a Not to Exceed (NTE) amount of \$80,000.

### **BACKGROUND**

Rate setting is highly complex, technical, and nuanced effort CPA undertakes each year. MRW has been CPA's rates consultant since 2018 and has successfully helped CPA through the last three years of rate setting. MRW's rate tools are integrated with CPA's processes, and MRW has deep knowledge of CPA's rate design. MRW's unique experience with CPA makes them the most knowledgeable, cost-effective, and competent consultant to conduct CPA's 2022 rate setting efforts.

CPA entered into a Services Agreement for 2021 rate setting services on December 3, 2020 and Amendment No. 1 to the 2021 Services Agreement on October 22, 2021 (2021 Agreement). The total NTE for the 2021 Agreement was \$125,000. Because the combined NTE of the 2021 Agreement and 2022 Agreement would exceed the Chief Executive Officer's signing authority of \$125,000 within a 12-month period, staff is seeking Board approval of the 2022 Agreement.



**SCOPE OF WORK**

The 2022 Agreement includes five tasks. Tasks 1-3 cover the standard work of rate setting that CPA conducts each year. This includes analyzing various rate scenarios, developing detailed rate sheets, and preparing joint rate comparisons as SCE changes rates throughout the year. Task 4 entails developing a new tool to compare CPA and SCE rate trends over time. Task 5 covers other as-needed consulting services.

**FISCAL IMPACT**

The proposed contract costs are included in the Board-approved FY 2021-2022 budget.

**ATTACHMENT**

1. MRW 2022 Rate Setting Professional Services Agreement

## Clean Power Alliance of Southern California

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This Professional Services Agreement (this “Agreement”), dated and effective as of March 4, 2022 (the “Effective Date”), is made by and between:

**CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA (“CPA”), and**

**MRW & ASSOCIATES LLC (“Contractor”).**

CPA and Contractor are sometimes collectively referred to herein as the “Parties” and each individually as a “Party.” In consideration of the terms of this Agreement, and for other good and valuable consideration, the Parties make the following acknowledgments and agreements:

### RECITALS

**WHEREAS**, CPA may contract with a provider to support CPA’s 2022 ratemaking process;

**WHEREAS**, CPA selected Contractor because Contractor has the specialized expertise and experience to provide services related to CPA’s rate setting calculations and implementation, including the development of the Joint Rate Comparison for CPA, and offers CPA the Best Value;

**WHEREAS**, Contractor desires to provide these specialized services to CPA;

**WHEREAS**, the purpose of this Agreement is to set forth the terms and conditions upon which Contractor shall provide the specialized services to CPA;

**NOW, THEREFORE**, it is agreed based on the consideration set forth below by the Parties to this Agreement as follows:

### AGREEMENT

#### **1. Definitions**

- a. The definition of “Confidential Information” is set forth in paragraph 10.b. of this Agreement.
- b. “CPA Data” shall mean all data gathered or created by Contractor in the performance of the Services pursuant to this Agreement, including any customer or customer-related data.
- c. “CPA Information” shall mean all confidential, proprietary, or sensitive information provided by CPA to Contractor in connection with this Agreement.
- d. “CPA Materials” shall mean all finished or unfinished content, writing and design of materials but not limited to messaging, design, personalization, or other materials, reports, plans, studies, documents and other writings prepared

by Contractor, its officers, employees and agents for CPA for the performance of, the purpose of, or in the course of implementing this Agreement.

- e. “CPA Product” includes collectively CPA Data, CPA Information, and CPA Materials.
- f. “Services” shall mean the scope of work Contractor provides to CPA as specified in Exhibit A.

## **2. Exhibits and Attachments**

The following exhibits and attachments are attached to this Agreement and incorporated into this Agreement by this reference:

Exhibit A – Scope of Work  
Exhibit B – Reserved  
Exhibit C – Compensation  
Exhibit D – Reserved

Should a conflict arise between language in the body of this Agreement and any exhibit or attachment to this Agreement, the language in the body of this Agreement controls, followed by Exhibit A, B, C, and D in that order.

## **3. Services to be Performed by Contractor**

In consideration of the payments set forth in this Agreement and in Exhibit C, Contractor shall perform services for CPA in accordance with the terms, conditions, and specifications set forth in this Agreement and in Exhibit A (“Services”).

## **4. Compensation**

CPA agrees to compensate Contractor as specified in Exhibit C:

- a. In consideration of the Services provided by Contractor in accordance with all terms, conditions and specifications set forth in this Agreement and Exhibit A, CPA shall make payment to Contractor based on time and material rates, and in the manner specified in Exhibit C.
- b. Unless otherwise indicated in Exhibit C, Contractor shall invoice CPA monthly to [accountspayable@cleanpoweralliance.org](mailto:accountspayable@cleanpoweralliance.org) for all compensation related to Services performed during the previous month. Payments shall be due within fifteen (15) calendar days after the date the invoice is submitted to CPA at the specified email address. All payments must be made in U.S. dollars.

## **5. Term**

Subject to compliance with all terms and conditions of this Agreement, the term of this Agreement shall be one (1) year from the Effective Date (“Initial Term”).

## 6. Termination

- a. Termination for Convenience. CPA may terminate the Agreement in accordance with this paragraph in whole, or from time to time in part, whenever CPA determines that termination is in CPA's best interests. A termination for convenience, in part or in whole, shall take effect by CPA delivering to Contractor, at least thirty (30) calendar days prior to the effective date of the termination or prior to a Notice of Termination specifying the extent to which performance of the Services under the Agreement is terminated.

If the termination for convenience is partial, Contractor may submit to CPA a request in writing for equitable adjustment of price or prices specified in the Agreement relating to the portion of this Agreement which is not terminated. CPA may, but shall not be required to, agree on any such equitable adjustment. Nothing contained herein shall limit the right of CPA and Contractor to agree upon amount or amounts to be paid to Contractor for completing the continued portion of the Agreement when the Agreement does not contain an established price for the continued portion. Nothing contained herein shall limit CPA's rights and remedies at law.

- b. Termination for Default. If Contractor fails to provide in any manner the Services required under this Agreement, otherwise fails to comply with the terms of this Agreement, or violates any ordinance, regulation or law which applies to its performance herein and such default continues uncured for thirty (30) calendar days after written notice is given to Contractor, CPA may terminate this Agreement by giving five (5) business days' written notice. If Contractor requires more than thirty (30) calendar days to cure, then CPA may, at its sole discretion, authorize additional time as may reasonably be required to effect such cure provided that Contractor diligently and continuously pursues such cure.
- c. Termination for Lack of Third-Party Funding. CPA may terminate this Agreement if funding for this Agreement is reduced or eliminated by a third-party funding source.
- d. Effect of Termination. Upon the effective date of expiration or termination of this Agreement: (i) Contractor may immediately cease providing Services in its entirety or if a termination to a part of the Agreement, cease providing the Services that have been terminated; (ii) any and all payment obligations of CPA under this Agreement will become due immediately except any equitable adjustment pursuant to Paragraph 5(a); (iii) promptly transfer title and deliver to CPA all CPA Product or any work in progress pursuant to this Agreement; and (iv) each Party will promptly either return or destroy (as directed by the other Party) all Confidential Information of the other Party in its possession as well as any other materials or information of the other Party in its possession.

Upon such expiration or termination, and upon request of CPA, Contractor shall reasonably cooperate with CPA to ensure a prompt and efficient transfer of all data, documents and other materials to CPA in a manner such as to minimize the impact of expiration or termination on CPA's customers.

## **7. Contract Materials**

CPA owns all right, title and interest in and to all CPA Materials and CPA Data. Upon the expiration of this Agreement, or in the event of termination, CPA Materials and all CPA Information, in whatever form and in any state of completion, shall remain the property of CPA and shall be promptly returned to CPA. Upon termination, Contractor may make and retain a copy of such Contract Materials if required by law or pursuant to the Contractor's reasonable document retention or destruction policies.

## **8. Payments of Permits/Licenses**

Contractor bears responsibility to obtain any license, permit, or approval required for it to provide the Services to be performed under this Agreement at Contractor's own expense prior to commencement of the Services.

## **9. No Recourse against Constituent Members**

CPA is organized as a Joint Powers Authority in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) pursuant to the Joint Powers Agreement and is a public entity separate from its constituent members. CPA shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. Contractor shall have no rights and shall not make any claims, take any actions or assert any remedies against any of CPA's constituent members in connection with this Agreement.

## **10. Confidential Information**

- a. Duty to Maintain Confidentiality. Contractor agrees that Contractor will hold all Confidential Information in confidence, and will not divulge, disclose, or directly or indirectly use, copy, digest, or summarize, any Confidential Information unless necessary to comply with any applicable law, regulation, or in connection with any court or regulatory proceeding applicable in which case, any disclosure shall be subject to this paragraph 10.c. and d., below
- b. Definition of "Confidential Information". The following constitutes "Confidential Information," whether oral or written: (a) the terms and conditions of, and proposals and negotiations related to, this Agreement, (b) information, in whatever form, that CPA shares with Contractor in the course and scope of this Agreement, or (c) information that either Contractor stamps or otherwise identifies as "confidential" or "proprietary" before disclosing it to the other.

Confidential Information shall not include: (1) information that is generally available to the public or in the public domain at the time of disclosure; (2) information that becomes publicly known other than through any breach of this Agreement by Contractor or its Representatives; (3) information which is subsequently lawfully and in good faith obtained by Contractor or its Representatives from a third party, as shown by documentation sufficient to establish the third party as the source of the Confidential Information; provided that the disclosure of such information by such third party is not known by Contractor or its Representatives to be in breach of a confidentiality agreement or other similar obligation of confidentiality; (4) information that Contractor or

its Representatives develop independently without use of or reference to Confidential Information provided by Contractor; or (5) information that is approved for release in writing by Contractor.

- c. California Public Records Act. The Parties acknowledge and agree that the Agreement including but not limited to any communication or information exchanged between the Parties, any deliverable, or work product are subject to the requirements of the California Public Records Act (Government Code Section 6250 et seq.). In order to designate information as confidential, the Disclosing Party must clearly stamp and identify the specific portion of the material designated with the word “Confidential.” The Parties agree not to over-designate material as Confidential Information. Over-designation includes stamping whole agreements, entire pages or series of pages as “Confidential” that clearly contain information that is not Confidential Information.
- d. Third Party Request for Confidential Information. Upon request or demand of any third person or entity not a Party hereto pursuant to the California Public Records Act for production, inspection and/or copying of Confidential Information (“Requested Confidential Information”), CPA will as soon as practical notify Contractor in writing via email that such request has been made. CPA will be solely responsible for taking at its sole expense whatever legal steps are necessary to prevent release to the third party of the Confidential Information designated by Contractor. If Contractor takes no such action after receiving the foregoing notice from CPA, CPA shall, at its discretion, be permitted to comply with the third party’s request or demand and is not required to defend against it. If Contractor does take or attempt to take such action, Contractor agrees to indemnify and hold harmless CPA, its officers, directors, employees and agents (“CPA Indemnified Parties”), from any claims, liability, award of attorneys’ fees, or damages, and to defend any action, claim or lawsuit brought against any of CPA Indemnified Parties for Contractor’s attempt to prevent disclosure or CPA’s refusal to disclose any Confidential Information.

## **11. Insurance**

All required insurance coverages shall be substantiated with a certificate of insurance and must be signed by the insurer or its representative evidencing such insurance to CPA within 10 business days after the Agreement is fully executed. The general liability policy shall be endorsed naming Clean Power Alliance of Southern California and its employees, officers and agents as additional insureds. The certificate(s) of insurance and required endorsement shall be furnished to CPA prior to commencement of work and maintained throughout the Term and any Renewal Term. Each certificate shall provide for thirty (30) days advance written notice to CPA of any cancellation or reduction in coverage. Said policies shall remain in force through the life of this Agreement and shall be payable on a per occurrence basis only, except those required by paragraph (d) below which may be provided on a claims-made basis consistent with the criteria noted therein.

Nothing herein shall be construed as a limitation on Contractor’s obligation under paragraph 6 of this Agreement to indemnify, defend, and hold CPA harmless from any and all liabilities arising from the Contractor’s negligence, recklessness or willful misconduct in the performance of this Agreement. CPA agrees to timely notify the

Contractor of any negligence claim.

Failure to provide and maintain the insurance required by this Agreement will constitute a material breach of the Agreement. In addition to any other available remedies, CPA may suspend payment to the Contractor for any services provided during any time that insurance was not in effect and until such time as the Contractor provides adequate evidence that Contractor has obtained the required coverage.

a. General Liability

The Contractor shall maintain a commercial general liability insurance policy in an amount of no less than one million (\$1,000,000.00) with a two million dollar (\$2,000,000.00) aggregate limit. CPA shall be named as an additional insured on the commercial general liability policy and the Certificate of Insurance shall include an additional endorsement page.

b. Auto Liability

Where the services to be provided under this Agreement involve or require the use of any type of vehicle by Contractor in order to perform said services, Contractor shall also provide comprehensive business or commercial automobile liability coverage including non-owned and hired automobile liability in the amount of one million dollars combined single limit (\$1,000,000.00).

c. Workers' Compensation

The Contractor acknowledges the State of California requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code. If Contractor has employees, a copy of the certificate evidencing such insurance or a copy of the Certificate of Consent to Self-Insure shall be provided to CPA prior to commencement of work.

d. Professional Liability Insurance

Coverages required by this paragraph may be provided on a claims-made basis with a "Retroactive Date" either prior to the date of the Agreement or the beginning of the contract work. If the policy is on a claims-made basis, coverage must extend to a minimum of twelve (12) months beyond completion of contract work. If coverage is cancelled or non-renewed, and not replaced with another claims made policy form with a "retroactive date" prior to the Agreement effective date, the Contractor must purchase "extended reporting" coverage for a minimum of twelve (12) months after completion of contract work. Contractor shall maintain a policy limit of not less than \$1,000,000.00 per incident. If the deductible or self-insured retention amount exceeds \$100,000.00, CPA may ask for evidence that Contractor has segregated amounts in a special insurance reserve fund or Contractor's general insurance reserves are adequate to provide the necessary coverage and CPA may conclusively rely thereon.

Contractor shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the performance of the Agreement. Contractor shall monitor the safety of the job site(s) during the project to comply with all applicable federal, state, and local laws, and to follow safe work practices.

**12. Indemnification**

Contractor agrees to indemnify, defend, and hold harmless CPA, its employees, officers, and agents, from and against, and shall assume full responsibility for payment of all wages, state or federal payroll, social security, income or self-employment taxes, with respect to Contractor's performance of this Agreement. Contractor further agrees to indemnify, and hold harmless CPA from and against any and all third-party claims, liabilities, penalties, forfeitures, suits, costs and expenses incident thereto (including costs of defense, settlement, and reasonable attorney's fees), which CPA may hereafter incur, become responsible for, or pay out, as a result of death or bodily injuries to any person, destruction or physical damage to tangible property, or any violation of governmental laws, regulations or orders, to the extent caused by Contractor's negligent acts, errors or omissions, or the negligent acts, errors or omissions of Contractor's employees, agents, or subcontractors while in the performance of the terms and conditions of the Agreement, except for such loss or damage arising from the sole negligence or willful misconduct of CPA, elected and appointed officers, employees, agents and volunteers.

**13. Independent Contractor**

- a. Contractor acknowledges that Contractor, its officers, employees, or agents will not be deemed to be an employee of CPA for any purpose whatsoever, including, but not limited to: (i) eligibility for inclusion in any retirement or pension plan that may be provided to employees of Contractor; (ii) sick pay; (iii) paid non-working holidays; (iv) paid vacations or personal leave days; (v) participation in any plan or program offering life, accident, or health insurance for employees of Contractor; (vi) participation in any medical reimbursement plan; or (vii) any other fringe benefit plan that may be provided for employees of Contractor.
- b. Contractor declares that Contractor will comply with all federal, state, and local laws regarding registrations, authorizations, reports, business permits, and licenses that may be required to carry out the work to be performed under this Agreement. Contractor agrees to provide CPA with copies of any registrations or filings made in connection with the work to be performed under this Agreement.

**14. Compliance with Applicable Laws**

The Contractor shall comply with any and all applicable federal, state and local laws and resolutions affecting Services covered by this Agreement.

**15. Nondiscriminatory Employment**

Contractor and/or any permitted subcontractor, shall not unlawfully discriminate against any individual based on race, color, religion, nationality, sex, sexual orientation, age, protected veteran status, or condition of disability. Contractor and/or any permitted subcontractor understands and agrees that Contractor and/or any permitted subcontractor is bound by and will comply with the nondiscrimination mandates of all federal, state and local statutes, regulations and ordinances.



**16. Work Product.**

All finished and unfinished reports, plans, studies, documents and other writings prepared by and for Contractor, its officers, employees and agents in the course of implementing this Agreement shall become the sole property of CPA upon payment to Contractor for such work. CPA shall have the exclusive right to use such materials in its sole discretion without further compensation to Contractor or to any other party. Contractor shall, at CPA's expense, provide such reports, plans, studies, documents and writings to CPA or any party CPA may designate, upon written request. Contractor may keep file reference copies of all documents prepared for CPA.

**17. Notices**

Any notice, request, demand, or other communication required or permitted under this Agreement shall be deemed to be properly given when **both**: (1) transmitted via email to the email address listed below; and (2) sent to the physical address listed below by either being deposited in the United States mail, postage prepaid, or deposited for overnight delivery, charges prepaid, with an established overnight courier that provides a tracking number showing confirmation of receipt.

In the case of CPA, to:

Name/Title: Theodore Bardacke, Chief Executive Officer  
Address: 801 S. Grand Ave., Suite 400  
Los Angeles, CA 90017  
Telephone: (213) 269-5890  
Email: [tbardacke@cleanpoweralliance.org](mailto:tbardacke@cleanpoweralliance.org)

In the case of Contractor, to:

Name/Title: Mark Fulmer, President  
Address: 1736 Franklin Street, 7th Floor  
Oakland, CA 94612  
Telephone: (510) 834-1999 x240  
Email: [mef@mrwassoc.com](mailto:mef@mrwassoc.com)

**18. Assignment**

Neither this Agreement nor any of the Parties' rights or obligations hereunder may be transferred or assigned without the prior written consent of the other Party. Subject to the preceding sentence, this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

**19. Subcontracting**

Contractor may not subcontract Services to be performed under this Agreement without the prior written consent of CPA. If the CPA's written consent to a subcontract is not obtained, Contractor acknowledges and agrees that CPA will not be responsible for any fees or expenses claimed by such subcontractor.

## **20. Retention of Records and Audit Provision**

Contractor and any subcontractors authorized by the terms of this Agreement shall keep and maintain on a current basis full and complete documentation and accounting records, employees' time sheets, and correspondence pertaining to this Agreement. Such records shall include, but not be limited to, documents supporting all income and all expenditures. CPA shall have the right, during regular business hours, to review and audit all records relating to this Agreement during the Agreement period and for at least five (5) years from the date of the completion or termination of this Agreement. Any review or audit may be conducted on Contractor's premises, or, at CPA's option, Contractor shall provide all records within a maximum of fifteen (15) days upon receipt of written notice from CPA. Contractor shall refund any monies erroneously charged. Contractor shall have an opportunity to review and respond to or refute any report or summary of audit findings and shall promptly refund any overpayments made by CPA based on undisputed audit findings.

## **21. Conflict of Interest**

- a. No CPA employee whose position with the CPA enables such employee to influence the award of this Agreement or any competing Agreement, and no spouse or economic dependent of such employee, shall be employed in any capacity by the contractor or have any other direct or indirect financial interest in this Agreement. No officer or employee of the Contractor who may financially benefit from the performance of work hereunder shall in any way participate in the CPA's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the CPA's approval or ongoing evaluation of such work.
- b. The Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Agreement. The Contractor warrants that it is not now aware of any facts that create a conflict of interest. If the Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to CPA. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this paragraph shall be a material breach of this Agreement.

## **22. Publicity**

Contractor shall not issue a press release or any public statement regarding the Agreement, Services contemplated by this Agreement, or any other related transaction unless CPA has agreed in writing the contents of any such public statement.

## **23. Governing Law, Jurisdiction, and Venue**

This Agreement shall be governed by, and construed in accordance with, the laws of the State of California. The Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in

the County of Los Angeles.

**24. Amendments**

None of the terms and conditions of this Agreement may be changed, waived, modified or varied in any manner whatsoever unless in writing duly signed by the Parties.

**25. Severability**

Should any provision of this Agreement be held invalid or unenforceable by a court of competent jurisdiction, such invalidity will not invalidate the whole of this Agreement, but rather, the remainder of the Agreement which can be given effect without the invalid provisions, will continue in full force and effect and will in no way be impaired or invalidated.

**26. Complete Agreement**

This Agreement constitutes the entire Agreement between the parties. No modification or amendment shall be valid unless made in writing and signed by each party. Failure of either party to enforce any provision or provisions of this Agreement will not waive any enforcement of any continuing breach of the same provision or provisions or any breach of any provision or provisions of this Agreement.

**27. Counterparts**

This Agreement may be executed in one or more counterparts, including facsimile(s), emails, or electronic signatures, each of which shall be deemed an original and all of which together will constitute one and the same instrument

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the date first above written.

MRW & Associates LLC

Clean Power Alliance of Southern California

\_\_\_\_\_  
By: Mark Fulmer  
Title: President

\_\_\_\_\_  
By: Theodore Bardacke  
Title: Chief Executive Officer

## Exhibit A – Scope of Work

### **PROJECT TASKS AND DELIVERABLES**

Contractor shall support CPA's 2022 ratemaking, as specified by CPA and at CPA's discretion, by conducting the rate setting process using tools and processes developed in previous CPA ratemakings.

Contractor must complete the tasks set forth below:

#### **Task #1: Rate Scenario Calculations**

- a. Contractor shall prepare sets of detailed CPA rates reflecting different rate setting scenarios upon CPA request. CPA has indicated its desire to simplify rates compared to rate setting performed in 2021. This will involve reducing the number of 100% green products by eliminating separate 100% green products for non-CARE/FERA/MB opt-up and default 100% green customers. CPA also expects to end the CARE/FERA/MB customer rate freeze, explore different rate setting approaches for subset customers, and test various rate discounts/premiums compared to SCE rates on a total bill basis.
- b. Detailed rates will be provided to CPA's revenue forecaster to assess the financial impact to CPA of different rate setting approaches.

**Deliverable for Task #1:** Completion of rate scenario calculations as set forth above.

#### **Task #2: 2022 Rate Setting Implementation**

Contractor shall prepare final detailed rates for implementation once CPA has decided on a rate setting approach. Contractor shall provide the rates in the format directed by CPA's data manager. The detailed rates shall include separate rate summary tables for review by CPA's Board, rate summaries for posting to CPA's website, and a rate spreadsheet for implementation by CPA's billing system.

**Deliverable for Task #2:** Final 2022 rates, including but not limited to rate summary tables for review by CPA's Board, rate summaries for posting to CPA's website, and a rate spreadsheet for implementation by CPA's billing system.

#### **Task #3: Joint Rate Comparison (JRC) Updates:**

Contractor will support CPA with producing JRCs both for mailing and posting to CPA's website for its new rates. Contractor shall also support JRC development for any SCE rate changes in 2022. Contractor maintains a spreadsheet tool for this purpose.

**Deliverable for Task #3:** Final JRCs for mailing and posting to CPA's website, as set forth above.

**Task #4: Historical Rate Comparisons:** Contractor shall develop new tools to automate preparation of reports that analyze CPA and SCE rate trends historically. This will involve a rate comparison tool that can compare old and new rates, as well as selected rates in a time series. CPA requests comparisons of both detailed rates as well as total bills. For comparison purposes, total bills should reflect the same billing determinants over time as part of the analysis.

**Deliverable for Task #4:** New tools to automate report preparation, including a new rate comparison tool, as set forth above.

**Task #5: As-Needed Consulting**

- a. Contractor shall provide as-needed consulting services for matters related to rates, but outside of the specific scope of work identified in Tasks 1, 2, 3 and 4.
- b. The parties shall agree in advance when a request falls under Task 5.

**Deliverable for Task #5:** Completion of additional consulting services as set forth above.

**SCHEDULE AND COORDINATION**

Tasks 1 and 2 listed above will be undertaken in close coordination with CPA staff. Contractor will discuss initial findings or approaches for each task with CPA staff before developing final work products or deliverables. CPA staff will provide timely direction, feedback, and input in developing the work product.

Existing timelines for CPA and SCE rate setting drive the schedule for the Scope of Work. The key events for CPA's 2022 Rate Setting Process are listed below. Note: rows shaded in grey are milestones that inform the schedule, but do not indicate Scope of Work due dates. Dates are subject to change based on when SCE publishes rates and timing of CPA Board process.

Date	Action
April 2022	Complete rate scenario analysis (Task 1)
May 5, 2022	CPA's Board of Directors adopts direction on 2022 rate setting approach
May 2022	Complete final detailed rate scenario calculations (Task 2)
May 2022	Delivery of new rate comparison tool (Task 4)
June 2, 2022	CPA's Board of Directors adopts 2022 rates for implementation

**Exhibit B – [Intentionally Left Blank]**

## **Exhibit C – Compensation**

### **Time and Materials**

CPA shall pay Contractor, at the following hourly rates, to the personnel listed below:

<b>Name</b>	<b>Company/Subcontractor</b>	<b>Hourly Rate</b>
Mark Fulmer	MRW & Associates, LLC	\$350
Mary Neal	MRW & Associates, LLC	\$299
Carlo Bencomo-Jasso	MRW & Associates, LLC	\$253

The Total Maximum Amount that CPA shall pay Contractor for all Services to be provided under this Professional Services Agreement shall not exceed Eighty Thousand Dollars, including any expenses that Contract may incur in the performance of the Services (\$80,000.00) ("Not-to-Exceed" or "NTE").

Any travel, administrative expenses, and materials (hereinafter, "Expenses") will be billed in the amount incurred by Contractor for actual out-of-pocket cost, without any additional mark-up by Contractor. Any Expenses incurred shall be billed for the month in which the Expenses are incurred. Expense reports detailing all Expenses, along with receipts, shall be presented to CPA for reimbursement. All expenses must be approved by CPA in advance writing before they are incurred.

Contractor shall satisfactorily perform and complete, in the judgement of CPA, all required Services in accordance with Exhibit A notwithstanding the fact that total payment from CPA shall not exceed the NTE.

**Exhibit D – [Intentionally Left Blank]**





## Staff Report – Agenda Item 8

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**To:** Clean Power Alliance (CPA) Board of Directors  
**From:** David McNeil, Chief Financial Officer  
**Subject:** FY 2021/22 Q2 Financial Report  
**Date:** March 3, 2022

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### **ATTACHMENT**

1. FY 2021/22 Q2 Financial Report

**CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA**  
**STATEMENT OF NET POSITION**  
**As of December 31**

	2021	2020
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 67,450,194	\$ 63,431,862
Accounts receivable, net of allowance	103,408,024	66,678,499
Accrued revenue	44,419,776	37,095,112
Other receivables	7,578,663	376,390
Prepaid expenses	2,193,981	1,598,689
Deposits	13,903,151	10,411,925
Restricted cash	3,614,700	4,861,700
Total current assets	242,568,489	184,454,178
Noncurrent assets		
Capital assets, net of depreciation	628,115	517,544
Deposits	88,875	188,875
Total noncurrent assets	716,991	706,420
Total assets	243,285,480	185,160,597
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	3,329,969	2,236,719
Accrued cost of electricity	84,695,457	87,073,852
Other accrued liabilities	2,917,480	4,244,748
User taxes and energy surcharges due to	6,460,038	5,706,224
Loans payable to County of Los Angeles	30,000,000	-
Supplier security deposits	5,522,400	5,927,000
Unearned program funds	1,750,941	-
Total current liabilities	134,676,285	105,188,542
Noncurrent liabilities		
Supplier security deposits	7,142,000	6,724,000
Deferred rent	291,167	-
Total noncurrent liabilities	7,433,167	6,724,000
Total liabilities	142,109,452	111,912,542
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Fiscal Stabilization Fund	-	17,392,965
<b>NET POSITION</b>		
Investment in capital assets	628,115	517,544
Restricted for collateral	3,614,700	4,861,700
Unrestricted	96,933,212	50,475,846
Total net position	\$ 101,176,027	\$ 55,855,090

**CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**As of December 31**

	<u>2021</u>	<u>2020</u>
<b>OPERATING REVENUES</b>		
Electricity sales, net	\$ 483,626,589	\$ 392,511,979
Revenue transferred from/(to) Fiscal Stabilization Fund	-	6,407,035
Other revenue	480,116	-
Total operating revenues	<u>484,106,706</u>	<u>398,919,014</u>
<b>OPERATING EXPENSES</b>		
Cost of electricity	443,361,578	385,876,353
Contract services	8,844,581	7,308,945
Staff compensation	3,843,067	2,448,678
General and administration	835,379	398,214
Total operating expenses	<u>456,884,606</u>	<u>396,032,190</u>
Operating income (loss)	27,222,100	2,886,824
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Interest income	17,963	139,563
Interest and related expenses	<u>(293,335)</u>	<u>(61,376)</u>
Total nonoperating revenues (expenses)	<u>(275,372)</u>	<u>78,187</u>
<b>CHANGE IN NET POSITION</b>		
Net position at beginning of period	26,946,728	2,965,011
Net position at end of period	<u>74,229,299</u>	<u>46,585,635</u>
	<u>\$ 101,176,027</u>	<u>\$ 49,550,646</u>

**CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA**  
**STATEMENT OF CASH FLOWS**  
**As of December 31**

	<u>2021</u>	<u>2020</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>		
Net operating income (loss)	\$ 27,222,100	\$ 735,631
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation expense	63,220	14,059
Revenue adjusted for allowance for uncollectible accounts	10,431,641	4,960,138
Expenses paid directly from loan proceeds		
(Increase) decrease in:		
Accounts receivable	(25,615,765)	(27,487,743)
Energy market settlements receivable	-	147,873
Other receivables	(5,165,610)	206,982
Accrued revenue	11,479,288	12,895,305
Prepaid expenses	1,994,223	5,221,193
Deposits	(576,309)	(846,728)
Increase (decrease) in:		
Accounts payable	(1,454,179)	595,073
Energy market settlements payable	1,116,385	13,273,665
Accrued cost of electricity	(4,579,261)	20,172,832
Other accrued liabilities	1,150,128	557,964
User taxes due to other governments	1,130,939	1,811,471
Loans payable	-	-
Fiscal stabilization fund	-	(6,407,035)
Supplier security deposits	(37,798,000)	9,164,580
Unearned program funds	152,955	-
Net cash provided (used) by operating activities	<u>\$ (20,448,245)</u>	<u>\$ 35,015,259</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
Loan proceeds	30,000,000	-
Principal payments on loan	-	(9,945,750)
Interest and related expense payments	(110,370)	(30,865)
Net cash provided (used) by non-capital financing activities	<u>29,889,630</u>	<u>(9,976,615)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Payments to acquire capital assets	(201,423)	(465,967)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income received	17,963	124,443
Net cash provided (used) by investing activities	<u>17,963</u>	<u>124,443</u>
Net change in cash and cash equivalents	9,257,925	24,697,120
Cash and cash equivalents at beginning of period	61,806,968	61,055,767
Cash and cash equivalents at end of period	<u>\$ 71,064,894</u>	<u>\$ 85,752,887</u>
<b>Reconciliation to the Statement of Net Position</b>		
Cash and cash equivalents (unrestricted)	67,450,194	80,855,887
Restricted cash	3,614,700	4,897,000
Cash and cash equivalents	<u>\$ 71,064,894</u>	<u>\$ 85,752,887</u>

**CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA**  
**BUDGETARY COMPARISON SCHEDULE**  
**July 1, 2021 through December 31, 2021**

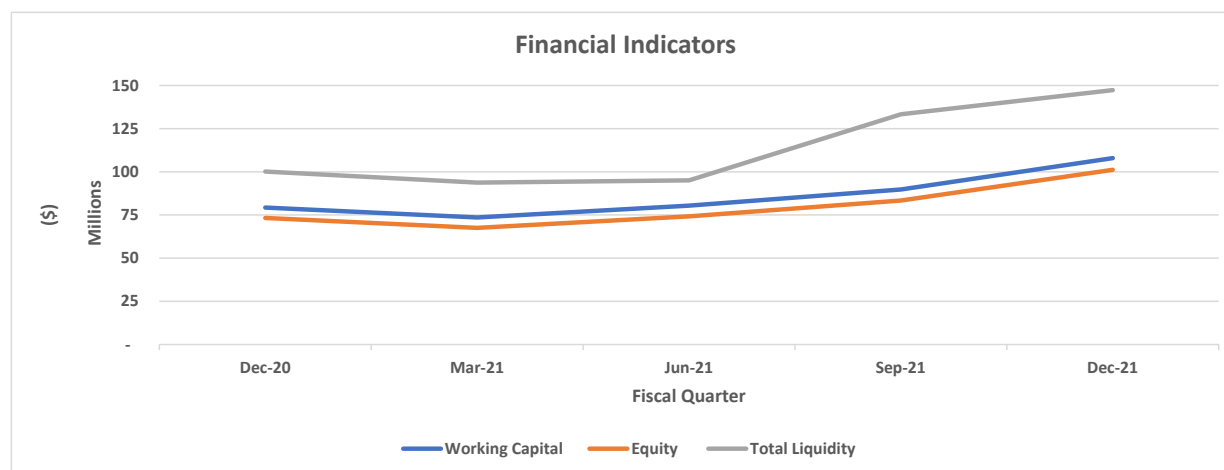
	2021/22 YTD Budget	2021/22 YTD Actual	2021/22 YTD Budget Variance (Under) Over	2021/22 YTD Actual / Budget %	2021/22 Budget	2021/22 Remaining Budget	2021/22 Remaining Budget %
<b>Operating revenues</b>							
Revenue - electricity, net	\$ 498,932,133	\$ 483,626,590	\$ (15,305,543)	97%	\$ 895,246,680	\$ 411,620,090	46%
Revenue transferred from/(to) Fiscal Stabilization Fund	-	-	-		-	-	
Other revenues	937,000	480,116	(456,884)	51%	1,868,000	1,387,884	74%
Total operating revenues	499,869,133	484,106,706	(15,762,427)	97%	897,114,680	413,007,974	46%
<b>Energy costs</b>							
Energy procurement	511,177,604	443,361,578	(67,816,026)	87%	834,281,512	390,919,934	47%
Total energy costs	511,177,604	443,361,578	(67,816,026)	87%	834,281,512	390,919,934	47%
<b>Operating revenues less energy costs</b>	(11,308,471)	40,745,128	52,053,599	-360%	62,833,168	22,088,040	35%
<b>Operating Expenses</b>							
Staffing	4,946,400	3,843,067	(1,103,333)	78%	9,893,000	6,049,933	61%
Technical services	619,000	584,839	(34,161)	94%	1,184,000	599,161	51%
Legal services	700,800	283,758	(417,042)	40%	1,237,000	953,242	77%
Other professional services	1,010,500	511,307	(499,193)	51%	1,612,000	1,100,693	68%
Communications and outreach	779,148	524,561	(254,587)	67%	1,505,000	980,439	65%
Mailers	553,000	429,205	(123,795)	78%	797,000	367,795	46%
Billing data manager	5,208,400	5,126,486	(81,914)	98%	10,417,000	5,290,514	51%
SCE services	1,008,000	960,000	(48,000)	95%	2,016,000	1,056,000	52%
Customer programs	536,000	424,425	(111,575)	79%	1,872,000	1,447,575	77%
General and administrations	773,840	555,647	(218,194)	72%	1,584,000	1,028,354	65%
Occupancy	273,970	216,513	(57,457)	79%	548,000	331,487	60%
Total operating expenses	16,409,058	13,459,808	(2,949,250)	82%	32,665,000	19,205,192	59%
<b>Operating income</b>	(27,717,529)	27,285,320	55,002,849		30,168,168	2,882,848	10%
<b>Non-operating revenues (expenditures)</b>							
Interest income	72,000	17,963	(54,037)	25%	144,000	126,037	88%
Finance and interest expense	(224,978)	(293,335)	(68,357)	130%	(287,000)	6,335	-2%
Depreciation	(78,000)	(63,220)	14,780	81%	(156,000)	(92,780)	59%
Total non-operating revenues (expenditures)	(230,978)	(338,592)	(107,614)	147%	(299,000)	39,592	
<b>Change in net position</b>	(27,948,507)	26,946,729	54,895,236		29,869,168	2,922,440	10%
<b>Other uses</b>							
Capital outlay	231,000	201,423	(29,577)	87%	297,000	95,577	32%
Depreciation	(78,000)	(63,220)	14,780	81%	(156,000)	(92,780)	59%
Total other uses	153,000	138,203	(14,797)	90%	141,000	2,797	2%
<b>Change in fund balance</b>	\$ (28,101,507)	\$ 26,808,525	\$ 54,910,032	-95%	\$ 29,728,168	\$ 2,919,643	

### Select Financial Indicators

Note		Dec-20	Mar-21	Jun-21	Sep-21	Dec-21
1	Working Capital	79,265,635	73,552,500	80,451,054	89,731,305	107,892,204
2	Current Ratio	1.76	1.76	1.55	1.50	1.80
3	Days Sales Outstanding	27	29	40	40	39
4	Equity	73,248,055	67,513,318	74,229,299	83,341,183	101,176,027.15
5	Equity to Assets %	40%	40%	32.78%	31%	42%
6	Available Cash	63,431,862	56,883,382	58,192,268	53,357,388	67,450,193.67
7	Available Line of Credit	36,733,000	36,853,000	36,853,000	80,000,000	79,853,000.00
8	Total Liquidity	100,164,862	93,736,382	95,045,268	133,357,388	147,303,194
9	Days Liquidity on Hand (TTM)	49	45	44	60	67
10	Gross Margin	5%	4%	6.4%	5.4%	8.4%
11	Net Margin	-2%	-4%	3.4%	3.1%	5.6%

#### Percentage Change from Prior Quarter

Working Capital	-7%	9%	12%	20%
Current Ratio	0%	-12%	-4%	20%
Days Sales Outstanding	9%	37%	0%	-4%
Equity	-8%	10%	12%	21%
Equity to Assets %	0%	-17%	-6%	35%
Available Cash	-10%	2%	-8%	26%
Available Line of Credit	0%	0%	117%	0%
Total Liquidity	-6%	1%	40%	10%
Days Liquidity on Hand (TTM)	-9%	-3%	37%	12%



Note	Description	Note	Description
1	Current Assets less Current Liabilities	7	Total Line of Credit less Borrowing and Letters of Credit
2	Current Assets divided by Current Liabilities	8	Sum of Available Cash and Line of Credit
3	Accounts receivable divided by Sales divided by 365	9	Total Liquidity divided by trailing 12 month expenses divided by 365
4	Net Position plus Fiscal Stabilization Fund	10	Operating revenue less energy cost divided by operating revenue
5	Equity (Net Position + FSF) divided by Total Assets	11	Change in net position divided by operating revenue
6	Unrestricted cash and cash equivalents		



## Staff Report – Agenda Item 9

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**To:** Clean Power Alliance (CPA) Board of Directors  
**From:** Geoff Ihle, Director, Energy Market Risk Management  
**Subject:** 2021 Q4 Risk Management Team Report  
**Date:** March 3, 2022

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### **ATTACHMENT**

1. 2021 Q4 RMT Report



**Quarterly Report of Risk Management Team  
October 1, 2021 through December 31, 2021 (Q4 2021)**

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**I. Introduction**

The Board of Directors of Clean Power Alliance (CPA) approved an Energy Risk Management Policy (ERMP) at its July 12, 2018 meeting, which provides the framework for conducting procurement activities in a manner that maximizes the probability of CPA meeting its portfolio, reliability, and financial goals. The ERMP was subsequently amended in July 2019, July 2020, and July 2021.

The ERMP requires quarterly reporting to the Board on the activities, projected financial performance, and general market outlook facing CPA. The Risk Management Team (RMT)<sup>1</sup> submits this report in accordance with this requirement. The RMT also reports on ERMP compliance monthly to both the Finance Committee and Energy Planning & Resources Committee.

**II. Risk Management Team Activities**

The RMT is responsible for implementing, maintaining, and overseeing compliance with the ERMP and for maintaining the Energy Risk Hedging Strategy. The primary goal of the RMT is to ensure that the procurement activities of CPA are executed within the guidelines of the ERMP and are consistent with Board directives. Several business practices are prescribed in the ERMP. What follows is a summary of CPA's compliance with these practices as outlined in the Policy.

**A. ERMP Acknowledgement Form**

It is the policy of CPA that all CPA Representatives participating in any activity or transaction within the scope of the ERMP shall sign on an annual basis or upon any revision, a statement acknowledging compliance with the ERMP. Execution of the ERMP Acknowledgement Form was completed by Board members, relevant CPA staff, and relevant consultants.

There are no existing or potential conflicts of interest to report. All business has been conducted consistent with applicable laws and regulations.

**B. Transaction Types**

The ERMP includes a list of approved transaction types. All products that have been purchased or sold by CPA during the current quarterly period represent an approved transaction type as listed in Appendix C of the ERMP.

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<sup>1</sup> The RMT is comprised of CPA's Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, and Vice President of Power Supply.



### C. Counterparty Suitability

The ERMP requires that all counterparties with whom CPA transacts must be reviewed for creditworthiness and assigned a credit limit. A formal Counterparty Credit Protocol document that describes the method for evaluating counterparties and establishing a credit limit was developed by CPA's Chief Financial Officer and CPA's former scheduling coordinator, The Energy Authority (TEA). The Protocol was approved by the Chief Executive Officer, in consultation with the RMT, and enacted in Q1 2019.

Pursuant to the ERMP, no counterparty credit limit may exceed \$50 million. CPA is fully compliant with this obligation at the end of the quarter. Due to elevated forward power prices, during the quarter several of CPA's counterparties credit exposures grew to exceed their designated credit limits. These exceedances have shrunk due to a combination of increased collateral posting from counterparties and counterparties' ongoing deliveries to CPA under their contracts, which reduces credit exposure.

### D. System of Record

As required by the ERMP, all transactions are being stored both in CPA's systems as well as in CPA's Scheduling Coordinator's (currently Tenaska Power Services, or TPS) trading and risk management system. Similarly, all transaction approvals are being logged and stored on TPS's servers, with information being made available to CPA staff via a secure web portal. The transaction record also includes the confirmation letters for each transaction. CPA is in the process of transitioning its transaction repository to an internal data warehouse, which will provide additional functionality and security features.

### E. Position Tracking and Management Reporting

To manage risk, the ERMP requires the regular production of various reports. The status of each report required by policy follows:

- Financial Model Forecast: The financial model captures historical and projected revenues and energy and operating costs and produces various financial reports and forecasts on an accrual basis. The model uses load forecast data produced by CPA, energy contract details from CPA's Front Office and Middle Office systems, revenue projections from CPA's revenue model<sup>2</sup>, historical financial results from the accounting system maintained by CPA, and forward prices from the ICE Data Service and TPS.
- Net Position Report: Short- and long-term net position reports are in production, managed directly by CPA procurement staff, and linked to TPS's trade capture system. The short-term net position report updates daily and incorporates the current weather outlook for the next 60 days to show net positions for the current and next months. The long-term net position report assumes normal weather and shows net positions through the balance of the current year and prompt four years.
- Counterparty Credit Exposure: CPA is fully compliant with the credit policies included in the ERMP, with the above-mentioned market price-induced exceedances being managed

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<sup>2</sup> CPA's revenue model is currently maintained by a third-party consultant, MRW. Plans are in place to transition that model to being maintained in-house.

by the RMT. CPA receives daily updates of counterparty credit exposures on both a notional and mark-to-market basis.

- Monthly Risk Analysis: The ERMP requires both stress testing of financial results, as well as probability-based assessments of future financial projections. CPA continues to implement risk analysis tools to stress test financial results and validate potential hedging transactions. Current focus is on the prompt 12 months.
- Quarterly Board Report: Subject of this report.

#### F. Delegation of Authority

All executed transactions during the current period have been approved consistent with the Delegation of Authority outlined in Section 5 of the ERMP.

#### G. Limit and Other Compliance Violations

The ERMP requires that transaction volumes should not be executed that exceed the requirements of meeting CPA's load (energy and capacity), renewable and/or carbon free energy requirements. The ERMP designates specific prompt-year (PY) up to prompt 5-year hedge targets for different product types.

For energy, these targets are measured at the end of the quarter for the following prompt quarter, e.g. Q4 for prompt Q1. RMT reviewed the relevant quarterly hedge targets for 2021 and beyond and identified no policy deviations.

For renewables, three annual limit policy deviations were noted in December:<sup>3</sup>

Policy Deviation	Required Action
2022 renewables maximum hedge target was exceeded due to budget action taken to reduce 2021 and 2022 renewable and carbon free purchases.	CPA will continue to assess its 2022 load forecast and seek opportunities to sell additional length, if appropriate.
2025 and 2026 renewables maximum hedge targets were slightly exceeded due to contracted long-term resources expected to come online.	No action recommended at this time. Forecasted positions may be change with new load, default changes, and generation forecasts (e.g. scenarios assuming project delays or failure rates).
2022 carbon free maximum hedge target was exceeded due to transactions necessary to achieve CPA's 2022 product content targets.	CPA will continue to assess its 2022 load forecast and seek opportunities to sell additional length, if appropriate.

#### H. Training

The ERMP acknowledges the importance of ongoing education as part of its risk management framework. Consistent with this, the ERMP outlines certain training requirements. All procurement

<sup>3</sup> These deviations were corrected in January in conjunction with an updated load forecast that took into account member agency default changes that will take place in 2022.

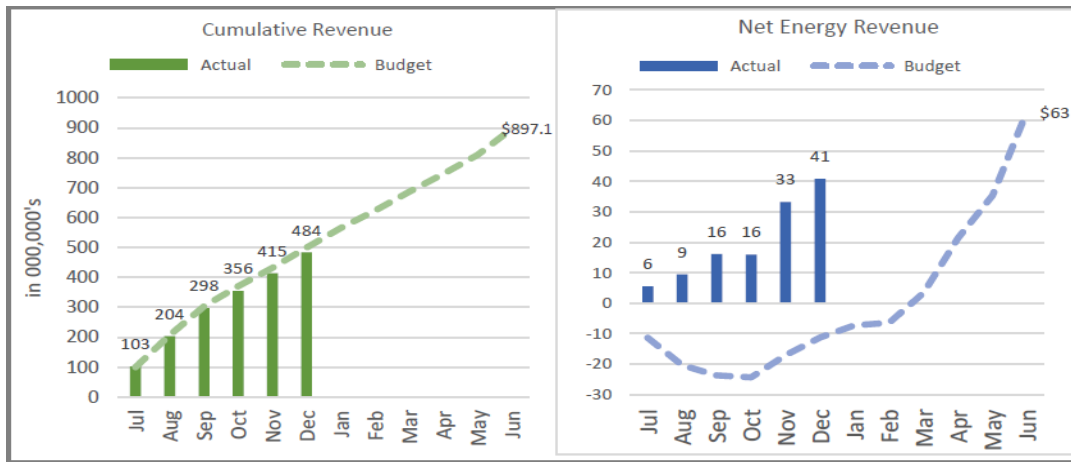
and risk management staff, including the members of the RMT, were up to date on required training. Annual FERC Market Manipulation Rules training has been scheduled to be completed in Q1, 2022.

I. Hedging Strategy

CPA is compliant with the hedging strategy provided in Appendix A of the ERMP.

J. Financial Performance

CPA was ahead of budget for the first half of FY 2021-22 ending December 31, 2021 and expects to meet or exceed its budget targets for the fiscal year.



III. General Market Conditions

Pricing in Q4 2021 reflected fall temperature and load conditions, with easing market prices and load than the previous quarter. Day Ahead energy market prices were again lower than energy market forward prices used to set CPA 2021 rates and budget. There were no significant market events affecting CPA in Q4 2021.



## Staff Report – Agenda Item 10

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**To:** Clean Power Alliance (CPA) Board of Directors  
**From:** Gina Goodhill, Interim Director of External Affairs  
**Subject:** External Affairs FY Q4 Communications Report  
**Date:** March 3, 2022

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### **ATTACHMENT**

1. External Affairs FY Q4 Communications Report



# Item 10: External Affairs Q4 Report



# Summary

- CPA continues to grow its presence and promote key activities through earned media, social media, and community engagement.
- Press releases on the California Arrearages Payment Program, Power Response Expansion, and Community Grants received positive press coverage.
- Newsletter subscribers and open rates continue to grow.
- CPA continues to see spikes in website visitors when promoting programs via email and paid media; a decline in bounce rate indicates visitors are finding the information for which they are looking.
- CPA continues to grow its followers for its three platforms: Twitter, Facebook and LinkedIn. Instagram will launch in April.
- Facebook changed its analytics, which led to a temporary drop as CPA adjusts to the new privacy and algorithm changes. While impressions and posting metrics have decreased, follower engagement continues to grow due to quality over quantity.



# Summary Continued

- CPA continues to be active throughout Los Angeles and Ventura counties; as COVID-19 guidelines become more lenient, in-person outreach and engagement will increase
- CPA launched its NextDoor account in January, with a goal of building deeper relationships within CPA communities
- CPA awarded \$75,000, in partnership with Calpine, as part of the 2021 Community Reinvestment Grant. The 2022 Grant will fund over \$200,000 worth of grants.
- CPA conducted its first market research study, including two focus groups, to measure residential customers brand awareness and customers attitudes about clean energy. CPA is still analyzing the results and lessons learned and will share the findings with the Board during the next quarterly report.



# CPA In the News

All the latest news on Clean Power Alliance, including our calendar of meetings, events and community activities. Check back often for updates!

**Clean Power Alliance Announces Vulnerable Customers to Receive Nearly \$16 Million in Financial Assistance from the California Arrearage Payment Program**

*February 4, 2022*

[Learn More](#)

**Clean Power Alliance Expands Successful Power Response Energy Conservation and Incentive Program**

*February 1, 2022*

[Learn More](#)

**Eight Non-Profits in Clean Power Alliance's Service Territory Receive Grants to Advance Sustainability, Clean Energy and Diversity Initiatives**

*November 18, 2021*

[Learn More](#)

**More Reliable Clean Energy in Southern California as Clean Power Alliance Brings New Storage Facility Online**

*November 8, 2021*

[Learn More](#)

**Clean Power Alliance and Goldman Sachs Asset Management Announce New Solar-plus-Storage Clean Energy Facility Now Online**

*October 15, 2021*

[Learn More](#)

**EDF Renewables North America and Clean Power Alliance Sign Power Purchase Agreement for Solar-plus-Storage Project**

*September 2, 2021*

[Learn More](#)



# External Affairs Dashboard

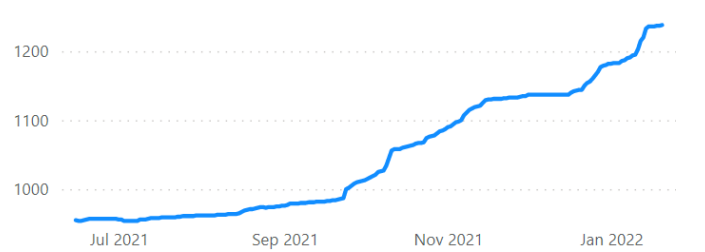
## Measuring our performance

Metrics	Q1 2022 (to date)	Q2 2021 (April – June)	Q3 2021 (July – Sept)	Q4 2021 (Oct - Dec)
Power Share (enrollments)	2335/6300 goal	463/6300 goal	1006/6300	1800/6300
Website Traffic	136,311 views	69,210 views	87,239 views	88,070 views
Social Media Engagement Rate	4.2% (excludes Facebook)	6.1%	31%	39.5%
Newsletter open rate	45%	29.5%	27.6%	31.5%
PR Impressions & Ad Value	207,638,972 impressions \$2.5 million ad value	200,000,000 impressions \$2.6 million ad value	53,500,000 impressions half million ad value	381,176,638 impressions \$3.8 million ad value

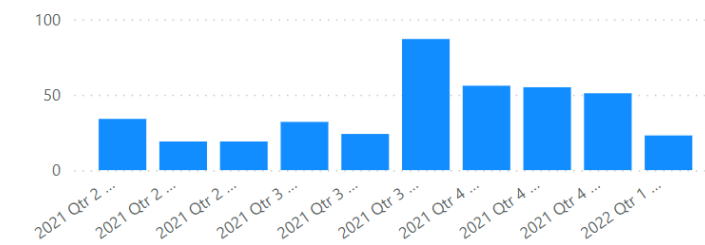
# Social Media Metrics

## Twitter

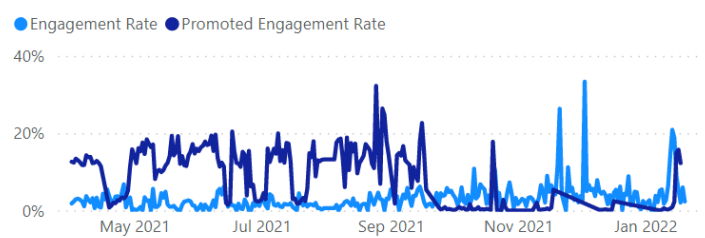
Followers by Date



Tweets published by Year, Quarter and Month

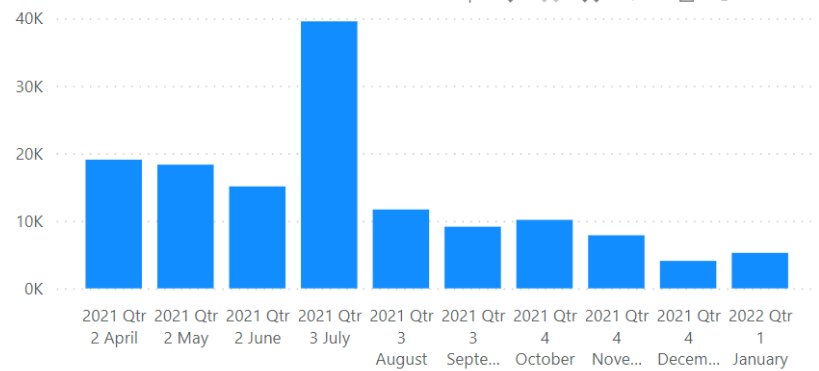


Engagement Rate and Promoted Engagement Rate by Date

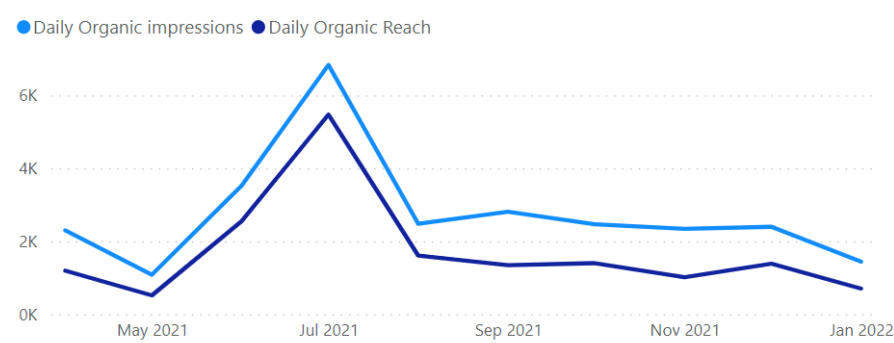


## Facebook

Daily Page Engaged Users by Year, Quarter

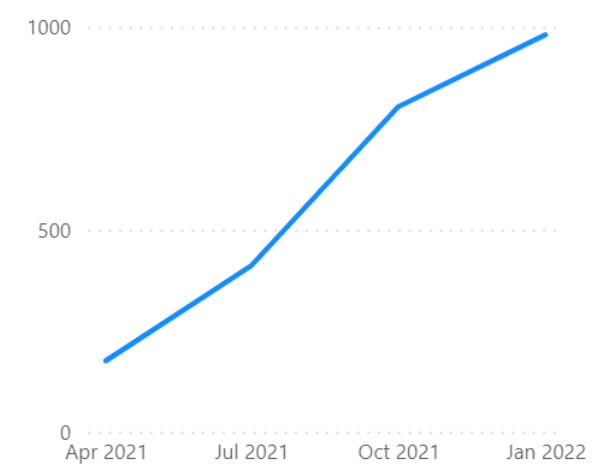


Daily Organic impressions and Daily Organic Reach by Year, Quarter and Month

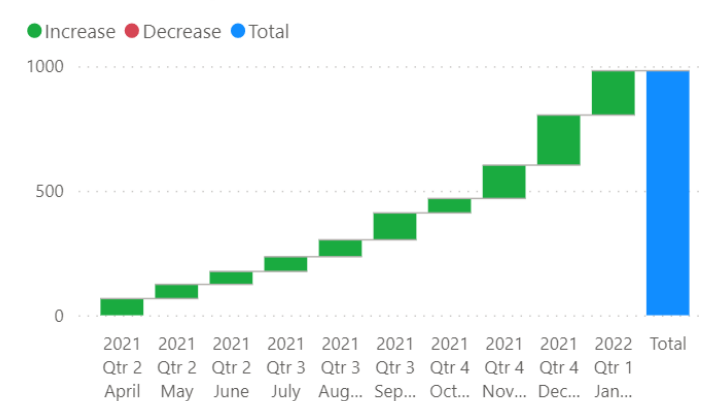


## LinkedIn

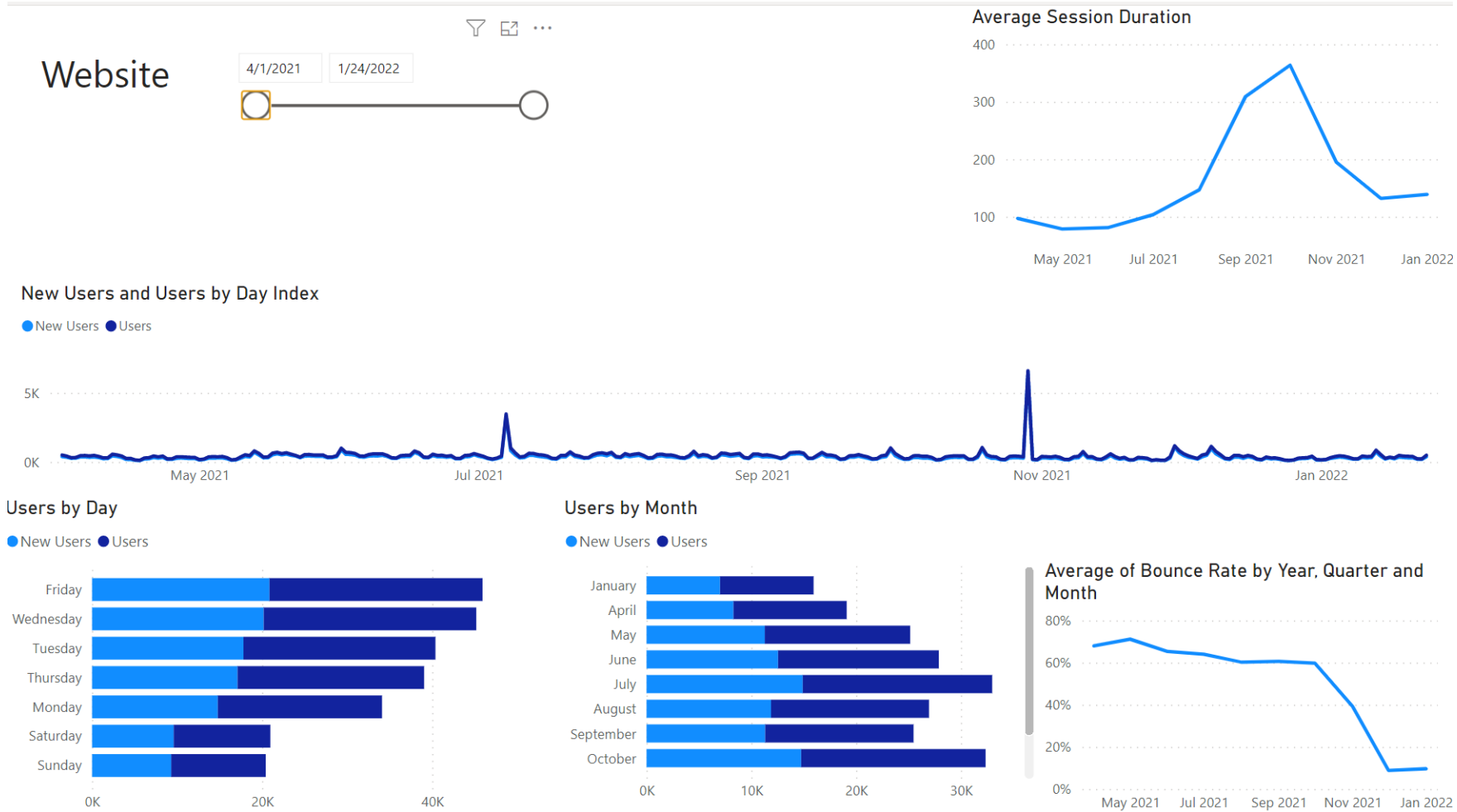
Total Followers



Total followers by Year, Quarter and Month



# Website Metrics

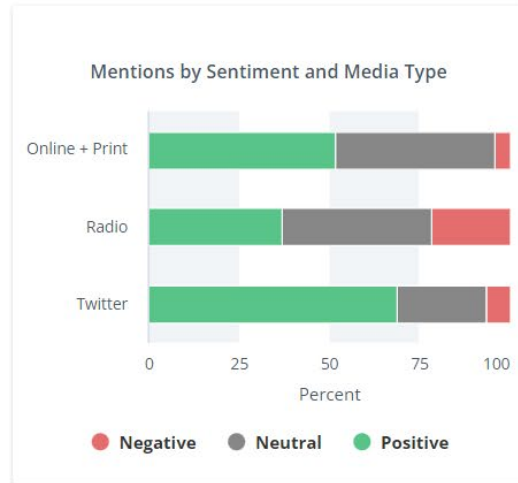


# Earned Media

## EA Quarterly Report 11-17-21 to 2-14-21



### Mention Analytics



**Total Radio Audience**  
7,079,013

**Total Publicity Value**  
USD \$5,740

**Total Online + Print Audience**  
199,177,574

**Total Online + Print Publicity**  
USD \$2,509,117

**Total Social Followers**  
1,382,385



# Community Engagement

- ⚡ Active throughout LA and Ventura Counties
- ⚡ 15 presentations
- ⚡ 3 community events
- ⚡ 11 membership meetings
- ⚡ Launched NextDoor social platform in January

# CPA Annual Market Research

## WHAT WAS MEASURED

- ⚡ Brand Awareness with our residential customers
- ⚡ Our customers attitudes about clean power

## WHAT ARE THE PERCEPTIONS OF THE FOLLOWING TOPICS

- ⚡ Exploring awareness of clean energy providers
- ⚡ How people think about clean energy
- ⚡ Understanding how people evaluate participating in CPA
- ⚡ Explored Power Share and Power Response Programs
- ⚡ CPA's Website

## METHODOLOGY

### Phase One:

- Quantitative Study with 725 residents in Los Angeles and Ventura County in proportion to the county's population.

### Phase Two:

- Two focus groups to better understand select quantitative findings





# Community Reinvestment Grant

## ⚡ 2021 Grant Cycle

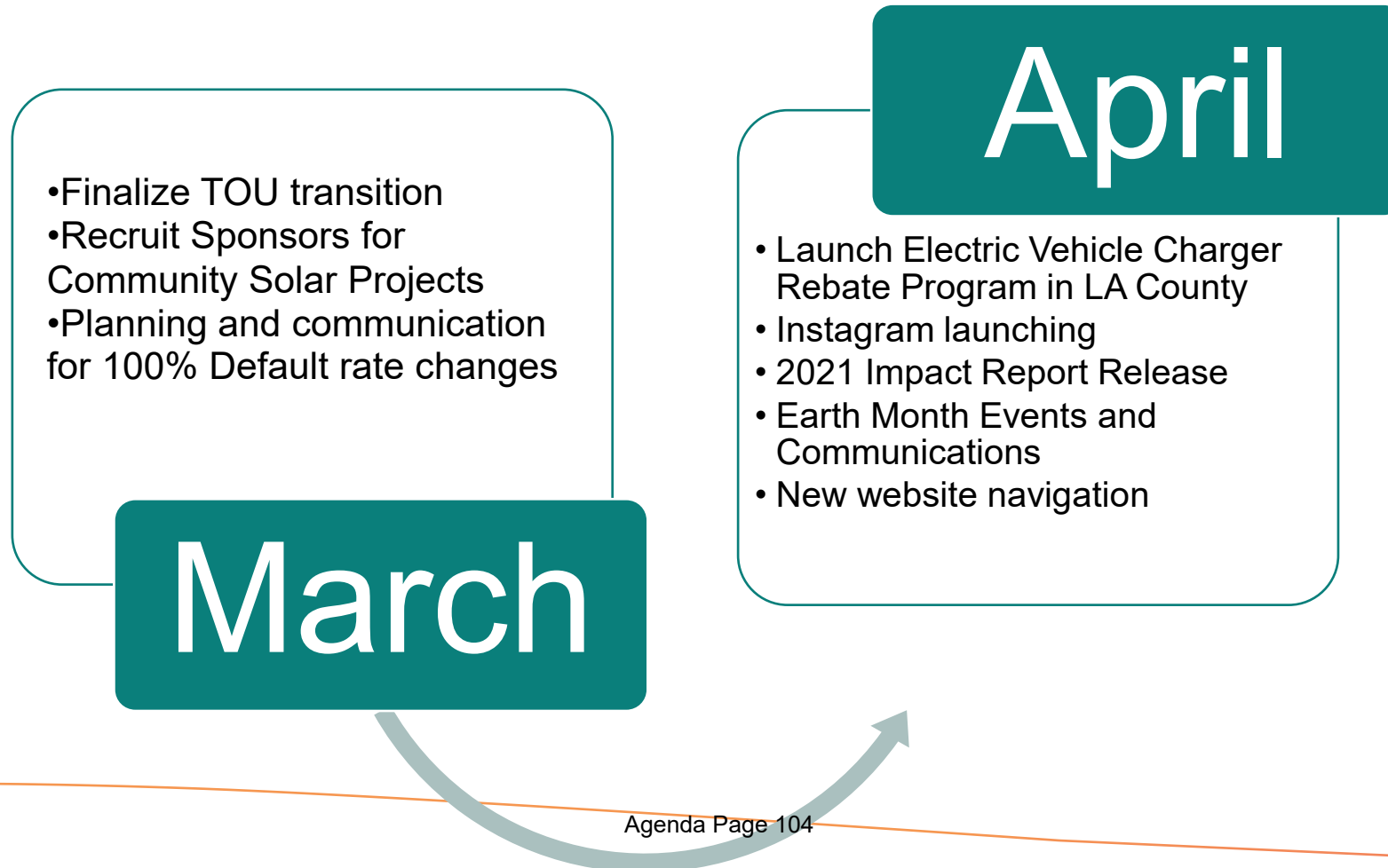
- More than \$75,000 awarded amongst 8 non-profits
- Recipients: Active San Gabriel Valley, Climate Action Santa Monica, Columbia Memorial Space Center, U.S. Green Building Council, International Youth Indigenous Council, Clean Coalition, El Concilio Family Services, Special Services for Groups

## ⚡ 2022 Grant Cycle

- Approximately \$200,000 will be awarded in 2022
- Applications period to open in summer
- Recipients to be announced late fall/early winter

# Q2 2022 Look ahead

In addition to day-to-day duties such as social media, newsletters, media inquiries, public meeting, speech and presentation support -- the EA team is concentrating on many key upcoming initiatives.







## Staff Report – Agenda Item 11

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**To:** Clean Power Alliance (CPA) Board of Directors  
**From:** Christian Cruz, Community Outreach Manager  
**Approved by:** Ted Bardacke, Chief Executive Officer  
**Subject:** Community Advisory Committee (CAC) Report  
**Date:** March 3, 2022

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### **RECOMMENDATION**

Receive and file.

### **FEBRUARY MEETING REPORT**

At the February meeting, the CAC received an update and a presentation on Net Energy Metering (NEM) 3.0 from Director of Regulatory Affairs, CC Song. NEM is a tariff adopted by the California Public Utilities Commission (CPUC), as well as many other load serving entities (LSE) in California, to incentivize rooftop solar adoption. Ms. Song reviewed NEM 3.0 goals and objectives developed by CPA staff and reviewed the CPUC Proposed Decision (PD) on NEM 3.0, including the legacy treatment of current NEM customers, export compensation options, non-bypassable and fixed charges (including the grid participation charge), and low-income incentives. Staff reviewed the grid participation charge in detail, as it has been a key point of debate in the CPUC proceeding.

The CPUC delayed its deliberation on the PD and the proceeding has been reassigned to the new CPUC President. As such, an oral argument will be scheduled in the near future and if an alternate proposed decision is issued, there will be another opportunity for parties to provide comments. Additionally, staff highlighted that regardless of the CPUC PD, CPA has the authority to set its own NEM export compensation rates.

Because of the complexity of the CPUC PD and its potential impacts on ratepayers, in conjunction with the delayed deliberation of the PD, the CAC moved to convene a working

group of a subset of CAC members. The working group will report back to the Committee with a possible recommendation on how best to respond if and when an alternate PD is issued. The working group will also assist the CAC to provide feedback and recommendations to the Board for any modification of CPA's own NEM policy and tariff following a CPUC decision.

### **CAC 2022-2023 Workplan**

On Friday, November 12<sup>th</sup>, 2021, the CAC held a retreat that offered an opportunity for CAC members to learn more about key issues facing the energy industry. The retreat also offered an opportunity for the CAC to discuss goals and priorities to include in their workplan. During the discussion, the CAC noted that as the Committee has evolved, it has become clear that it should continue to identify issues, provide input, and engage in meaningful community outreach. At that time, the CAC requested that staff convene a subset of CAC members for a workplan working group. The working group was tasked with refining the feedback received during the retreat and bringing back a final draft of the workplan for review and adoption by the Committee.

On January 27, CPA staff met with the working group of CAC members. Based on the input from the November 2021 retreat and discussion during the working group meeting surrounding the strengths, weaknesses, and proposed updates to the workplan, an updated workplan was drafted. Key updates/additions included:

- Development of a CAC matrix to track region-specific accomplishments
- Ensuring staff assist CAC members in cross region communication between CAC members
- CAC members will report each month any specific accomplishments, in-progress work, or sub-region member agency best practices
- If individual members have capacity, they may represent the CAC and CPA at local and ethnic chambers of commerce, resident councils, business associations, and councils of government or host workshop(s) to raise awareness in the community on relevant programs, renewable energy, and other impactful CPA initiatives
- The CAC will play an active role in CPA's diversity, equity, and inclusion (DEI) initiatives, particularly in the areas of community and stakeholder engagement. As

such, the updated workplan included a myriad of identified priorities for on-going CAC engagement

At the February 17, 2022, meeting, staff presented the final draft workplan, as proposed by the CAC working group for review, and the CAC unanimously adopted the 2022-2023 workplan (Attached). In the future, the CAC may review and modify this workplan as needed based on evolving CPA needs, community priorities, and Board recommendations and requests.

### **NEXT STEPS**

As noted during the NEM 3.0 discussion, staff will assist in convening a CAC working group in the coming weeks. Staff will also update the CAC when an alternate PD is proposed by the CPUC. Additionally, staff will work with the CAC to obtain their feedback when CPA begins the process of developing its internal NEM policies, for Board consideration.

With the adoption of the updated workplan, staff will work with the CAC Chair, Vice Chairs, and committee members on plan implementation.

### **ATTACHMENTS**

1. CAC Meeting Attendance
2. CAC 2022-2023 Adopted Workplan

<b>Community Advisory Committee Attendance</b>											
<b>2022</b>											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov
<b>East Ventura/West LA County</b>											
Angus Simmons (Vice Chair)	✓	✓									
Jennifer Burke	✓	✓									
Debbie West	A	✓									
<b>San Gabriel Valley</b>											
Richard Tom	✓	✓									
Kim Luu	✓	A									
<b>West/Unincorporated Ventura County</b>											
Lucas Zucker	A	A									
Vern Novstrup	A	✓									
<b>South Bay</b>											
David Lesser	✓	✓									
Emmitt Hayes	A	✓									
<b>Gateway Cities</b>											
Jaime Lopez	A	A									
Genaro Bugarin	✓	✓									
<b>Westside</b>											
Cris Gutierrez	✓	✓									
David Haake (Chair)	✓	✓									
<b>Unincorporated LA County</b>											
Neil Fromer	✓	✓									
Kristie Hernandez	✓	✓									

**Major Action Items and Presentations**

**January**

- Executive Director Update
- Diversity, Equity, and Inclusion Plan Update

**February**

- Executive Director Update
- Net Energy Metering 3.0
- CAC Final Draft Workplan

# Clean Power Alliance of Southern California Community Advisory Committee 2022-23 Workplan

*Adopted February 17, 2022*

Clean Power Alliance (CPA) believes in a clean energy future that is local, where communities are empowered, and customers are given a choice about the source of their energy. We are Southern California's locally operated electricity provider across Los Angeles and Ventura counties, offering clean renewable energy at competitive rates.

In furtherance of its mission and goals, CPA's Joint Powers Agreement establishes a Community Advisory Committee (CAC) to provide a venue for ongoing community support and engagement in the policy direction of the organization.

The CAC is comprised of a total of 15 members representing customers or key stakeholders residing or working in seven (7) geographical regions comprising CPA's service territory, as follows:

- A. Three (3) members from the East Ventura/West Los Angeles County Region.
- B. Two (2) members from the West/Unincorporated Ventura County.
- C. Two (2) members from the Westside region in Los Angeles County.
- D. Two (2) members from the South Bay region in Los Angeles County.
- E. Two (2) members from the Gateway Cities region in Los Angeles County.
- F. Two (2) members from the San Gabriel Valley region in Los Angeles County.
- G. Two (2) members from the Unincorporated Los Angeles County.

In November 2021, the CAC held its annual retreat, and during a productive discussion on the updates to the 2020-2021 workplan the CAC members requested that a working group of a subset of CAC members be convened to focus on updating and expanding the CAC workplan based on discussion and feedback from the retreat. The working group met in January 2022 and provided revisions and updates to the CAC workplan.

The workplan is intended to guide CAC member activities over the coming year and serve as a tool for the CAC, CPA staff, and CPA Board communication, collaboration, and impact assessment. It will also inform the development of more detailed individual CAC members and region-specific objectives and workplans. The workplan organizes CAC-related activities into three categories: 1) CPA Commitments to Support the CAC; 2) CAC Member Commitments; and 3) Opportunities for Expanded CAC Engagement; and outlines planned activities and timelines for each.

## **1. CPA Commitments to Support the CAC**

- Present key CPA Board items to the CAC for review and input with ample time in advance of Board decision making, including:
  - Long-term clean energy/storage requests for offers (RFOs)
  - Rate setting
  - Legislative and regulatory platforms
  - Annual budget and budget amendments
  - Local program design and evaluation
  - Workforce development
- Support CAC chair, co-chairs, and individual members in development of individual and region-specific objectives and workplans

- Support the convening of CAC working groups as needed to define objectives and activities for priority topics/initiatives identified in the CAC workplan
- Develop and deliver targeted educational materials and trainings for CAC members on CPA and energy topics
- Maintain CAC master list of community/stakeholder groups and contacts with input from CAC members
- Facilitate communication and alignment between the CAC and the Board of Directors.
- Develop and maintain a CAC matrix that tracks region-specific accomplishments
- Ensure CAC meeting agendas provide opportunity for CAC members to report on specific accomplishments, in-progress work, and regional member agency best practices
- Provide quarterly member agency and dashboard reports for each region
- Assist in cross regional communication between CAC members

CPA staff will actively engage with CAC members for input during the development of the CPA Diversity, Equity, and Inclusion (DEI) plan

## **2. CAC Member Commitments**

- Solicit stakeholder input as needed and provide input and feedback to the CPA Board on key policy and planning topics, including:
  - Long-term clean energy/storage requests for offers (RFOs)
  - Legislative and regulatory platforms
  - Rate setting
  - Annual budget and budget amendments
  - Local program design and evaluation
  - Workforce development
- Work with CAC co-chairs and CPA staff to develop individual member and region-specific objectives and workplans
- Participate in CPA-organized outreach activities in their respective regions (e.g., Earth Day events)
- Build relationships with community leaders and organizations in impacted and hard to reach communities
- Follow CPA on social media and engage as needed/appropriate to raise awareness of CPA in community and region
- Respond to community questions/comments and alert CPA staff to community commentary that may warrant staff engagement
- Engage in CAC training and review of CAC materials
- Work with staff to identify community stakeholders in all regions and provide contact lists for development of master CAC list
- Convene a working group on community outreach/education to identify objectives and activities for 2022 and beyond
- Participate in annual CAC retreat to establish 2023-2024 goals and priorities.
- Report on specific accomplishments, in-progress work or regional member agency best practices to the CAC via email or during the CAC monthly meetings

## **3. Opportunities for Expanded CAC Engagement**

Beyond the minimum and ongoing commitments listed in the sections above, CAC members identified the following priorities for deeper engagement:

- Education on CPA, energy, and climate relevant issues in partnership with educational institutions, youth groups, and organizations. CPA staff will organize a working group

with a subset of the CAC members and identified partners that work in education by the 3rd quarter in 2022.

- Addressing community resilience needs and opportunities around demand response

CAC co-chairs and CPA staff will work with CAC members to convene working group(s) as needed starting in Q4 2020 to develop specific objectives and workplans for each of the priority areas identified above and bring recommendations back to the full CAC for review. Potential activities to be detailed in the workplans may include:

- Pursue deeper and/or more frequent engagement with the Board on key topics:
  - Provide regular (quarterly, semi-annual, or annual) reports to Board members in their region
  - Help organize meetings with community stakeholders and/or elected officials in their region to solicit input on specific topics or issues
  - Research and develop recommendations to the Board on key items of interest (e.g., metrics on workforce development or program impact, legislation, California Public Utilities Commission hearings)
- Pursue deeper and/or broader community engagement
  - Recruit and partner with educational institutions, community organizations, interns or volunteers on specific projects or campaigns (e.g., an “opt up” social media campaign, a series of local program enrollment events)
  - Actively post about CPA on social media and write op-eds or letters to the editors
  - Work with CPA staff to develop and communicate key metrics on CPA programs and impacts
  - Represent the CAC and CPA at local and ethnic chambers of commerce, resident councils, business associations, and councils of government
  - Host workshop (s) to raise awareness in the community on relevant programs, renewable energy, and other impactful CPA initiatives
  - Identify and connect with three (3) key Community Based Organizations within each region to partner with, with the intent of developing a strong relationship with those that have strong energy goals

### **3B. Opportunities for Expanded CAC Engagement – Diversity, Equity, and Inclusion**

CAC members conveyed their support for CPA’s ongoing DEI efforts, for the continuation and extension of CPA’s internal cross-functional DEI team, and for the engagement of external DEI expertise. The CAC expressed strong interest in playing an active role in CPA’s DEI initiatives, particularly in the areas of community and stakeholder engagement. Based on CAC input, staff have identified the following recommended priorities for CAC engagement and support on DEI initiatives:

- Identify, meet, and build relationships with specific community organizations around DEI goals in collaboration with CPA staff, e.g.,
  - Local and ethnic chambers of commerce, resident councils, business associations, and councils of government
  - Environmental justice organizations
  - Neighborhood councils in low-income and underserved neighborhoods.
- Participate in stakeholder surveys and interviews as part of CPA’s DEI assessment and plan implementation process.
- Review and provide input to staff and Board on DEI plan, goals, metrics, and outcomes.
- Identify and support the implementation of one or more annual community DEI projects/initiatives in collaboration with community organizations and CPA staff.
- Provide input on the design of future community grant programs and participate in grant review panels.

- Work with CPA staff to ensure that the DEI plan includes components that create and foster a culture of inclusivity within the agency.

The CAC will review and modify this workplan as needed based on evolving CPA needs, community priorities, and Board recommendations and requests.





## Staff Report – Agenda Item 12

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**To:** Clean Power Alliance (CPA) Board of Directors  
**From:** Matt Langer, Chief Operating Officer  
**Approved by:** Ted Bardacke, Chief Executive Officer  
**Subject:** Fiscal Year 2022/2023 Rates Outlook  
**Date:** March 3, 2022

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### **ATTACHMENT**

1. Fiscal Year 2022/2023 Rates Outlook Presentation



# FY 2022/23 Rates Outlook

March 3, 2022



# Introduction

- ⚡ On January 13, the CPUC approved SCE's 2022 ERRRA Forecast Application for implementation on March 1, 2022
- ⚡ The ERRRA Forecast sets SCE's generation rate and the PCIA for CPA's customers
- ⚡ The final PCIA and SCE rates are slightly lower than what appeared in SCE's initial ERRRA filing in November
- ⚡ Now that the PCIA is finalized CPA can begin planning for its 2022/23 rates, which will go into effect on July 1
- ⚡ Final SCE generation rates helps CPA assess its competitive position for the coming year
- ⚡ Financial impacts shown are undergoing refinement but are directionally accurate



# Recap: PCIA Impacts

- ⚡ The PCIA is dropping approximately 85% in 2022
- ⚡ CPA customers will see bill reductions of 6-7% beginning March 2022 with no action required by CPA
- ⚡ The primary driver for the decrease in the PCIA is historically high energy market forward prices in 2022 which reduce the above market cost of SCE's PCIA portfolio
  - The 2021 on-peak benchmark for energy was \$44.43; the 2022 on-peak benchmark for energy is \$71.72

Average CPA Customer Bill (Residential)	Current	As of 3/1/22	% Change
Lean	\$170.81	\$158.54	-7.2%
Clean	\$172.08	\$159.82	-7.1%
100% Green	\$176.33	\$164.06	-7.0%

Average CPA Customer Bill (Small Business)	Current	As of 3/1/22	% Change
Lean	\$249.22	\$233.65	-6.2%
Clean	\$251.37	\$235.80	-6.2%
100% Green	\$256.58	\$241.01	-6.1%



# Recap: Competitive Impacts

- ⚡ SCE's generation rates are increasing by ~18% beginning March 2022
- ⚡ The increased SCE generation rate combined with the decreased PCIA will improve CPA's competitive position versus SCE
- ⚡ Several factors are leading to increased SCE generation rates
  - A \$700+ million undercollection from 2021 resulting from SCE generation rates that were lower than needed to recover costs
  - Elevated forward prices for energy in 2022
  - Lower PCIA increases bundled customer costs

Typical Bill (Residential)	Jan 2021 Typical Bill	Comparison to SCE	March 2022 Typical Bill	Comparison to SCE
SCE base rate	\$160.72		\$173.03	
Lean	\$170.81	6.3%	\$158.54	-8.4%
Clean	\$172.08	7.1%	\$159.82	-7.6%
100% Green	\$176.33	9.7%	\$164.06	-5.2%

Typical Bill Small Business	Jan 2021 Typical Bill	Comparison to SCE	March 2022 Typical Bill	Comparison to SCE
SCE base rate	\$233.17		\$252.91	
Lean	\$249.22	6.9%	\$233.65	-7.6%
Clean	\$251.37	7.8%	\$235.80	-6.8%
100% Green	\$256.58	10.0%	\$241.01	-4.7%



# Considerations for FY 22/23 Rates

- ⚡ CPA is presented with a rare opportunity to accelerate its progress towards achieving mid- and long-term financial goals while balancing other factors:
  - Progress toward board-approved reserve targets
  - Preparation for a less favorable competitive environment in 2023
  - Prepare to achieve an investment grade credit rating
  - Maintain CPA's competitive position and overall value proposition
  - Prepare for upcoming default changes



# Credit Rating

- ⚡ An important milestone in CPA's progress is achieving an investment-grade (IG) credit rating
- ⚡ What is an investment-grade credit rating?
  - A credit rating is an opinion published by an independent rating agency (S&P, Moody's, or Fitch) that assesses the likelihood an entity will repay its debts
  - Entities with an investment-grade rating are considered the best credit risks and are able to attract financing at the lowest cost and from the greatest number of lenders and investors
- ⚡ How does CPA obtain a credit rating?
  - CPA engages with a credit rating agency which will evaluate CPA and assign a credit rating
  - Staff will provide more detailed information on the credit rating process at a future Board meeting

	Moody's	S&P	Fitch	Meaning
Investment Grade	Aaa	AAA	AAA	Prime
	Aa1	AA+	AA+	High Grade
	Aa2	AA	AA	
	Aa3	AA-	AA-	
	A1	A+	A+	Upper Medium Grade
	A2	A	A	
	A3	A-	A-	
	Baa1	BBB+	BBB+	Lower Medium Grade
	Baa2	BBB	BBB	
Baa3	BBB-	BBB-		
Junk	Ba1	BB+	BB+	Non Investment Grade Speculative
	Ba2	BB	BB	
	Ba3	BB-	BB-	
	B1	B+	B+	Highly Speculative
	B2	B	B	
	B3	B-	B-	
	Caa1	CCC+	CCC+	Substantial Risks
	Caa2	CCC	CCC	Extremely Speculative
	Caa3	CCC-	CCC-	In Default w/ Little Prospect for Recovery
	Ca	CC	CC+	
		C	CC	
		CC-	In Default	
D	D	DDD		



# Credit Rating (cont.)

- ⚡ Receiving an IG credit rating will yield many benefits to CPA
  - Increases the number and quality of financial institutions willing to finance CPA's long-term renewable and energy storage projects, thus reducing costs for developers and allowing them to provide CPA with a wider variety of lower-cost projects to choose from
  - Increases energy supplier participation in CPA's short-term solicitations for renewable and conventional energy and Resource Adequacy, thus increasing competition and potentially reducing costs
  - Reduces or eliminates certain collateral posting obligations, thus freeing up cash
  - May lower costs associated with CPA's bank line of credit
  - Enhances CPA's reputation as a stable, financially sound leader in the energy industry, leading to greater trust and influence in the state legislative and regulatory arenas
- ⚡ A major component of receiving an IG credit rating is an entity's liquidity and reserves
- ⚡ If CPA makes a larger contribution to reserves this year, it will accelerate our progress toward an IG credit rating





# 2023/24 Outlook

- ⚡ The competitive environment for rates remains volatile, primarily driven by PCIA and SCE generation rate fluctuations outside of CPA's control
  - In 2021 the PCIA increased compared to 2020, while SCE generation rates remained nearly flat, squeezing CPA's competitive position
  - In 2022, the PCIA is dramatically decreasing while SCE generation rates are significantly increasing, leaving CPA in a much more favorable competitive position
  - Early forecasts of 2023 rates project a “snap-back” to a higher PCIA and lower SCE generation rates, likely putting CPA in a similar position to 2021
- ⚡ CPA will have less flexibility in rate setting in 2023 because it will likely be a challenging year competitively
  - This highlights the opportunity to accumulate more reserves this year while balancing CPA's competitive positioning



# 2022/23 Rate Possibilities

- ⚡ To capture the wide range of possibilities, staff prepared two **bookend** cases for how CPA might set rates for FY2022/23
  - Final rates will be informed by many factors, including CPA's target net position, but likely to fall somewhere within these ranges
- ⚡ Lower revenue case:
  - Most customer rates stay the same; maintain narrow differential between the three rate products; end the 2021 CARE rate freeze; update subset rates
  - Impact on contribution to net position (FY22/23): Current + \$17 million (increase is due to ending CARE rate freeze)
- ⚡ Higher revenue case
  - Clean Power is priced the same as SCE's base rate; maintain narrow differential between rate products; end the 2021 CARE rate freeze; update subset rates
  - Rates place customers within CPA's historic rate comparison targets
  - Estimated contribution to net position (FY22/23): Current + \$185 million



# Rate Comparison Ranges

## ⚡ Lower revenue case

Residential Bills	Jan 2021 Typical Bill	Comparison to SCE	March 2022 Typical Bill	Comparison to SCE	July 2022 Typical Bill	Comparison to SCE
SCE base rate	\$160.72		\$173.03		\$173.03	
Lean	\$170.81	6.3%	\$158.54	-8.4%	\$158.54	-8.4%
Clean	\$172.08	7.1%	\$159.82	-7.6%	\$159.82	-7.6%
100% Green	\$176.33	9.7%	\$164.06	-5.2%	\$164.06	-5.2%

Small Business Bills	Jan 2021 Typical Bill	Comparison to SCE	March 2022 Typical Bill	Comparison to SCE	July 2022 Typical Bill	Comparison to SCE
SCE base rate	\$233.17		\$252.91		\$252.91	
Lean	\$249.22	6.9%	\$233.65	-7.6%	\$233.65	-7.6%
Clean	\$251.37	7.8%	\$235.80	-6.8%	\$235.80	-6.8%
100% Green	\$256.58	10.0%	\$241.01	-4.7%	\$241.01	-4.7%

## ⚡ Higher revenue case

Residential Bills	Jan 2021 Typical Bill	Comparison to SCE	March 2022 Typical Bill	Comparison to SCE	July 2022 Typical Bill	Comparison to SCE
SCE base rate	\$160.72		\$173.03		\$173.03	
Lean	\$170.81	6.3%	\$158.54	-8.4%	\$171.30	-1.0%
Clean	\$172.08	7.1%	\$159.82	-7.6%	\$173.03	0.0%
100% Green	\$176.33	9.7%	\$164.06	-5.2%	\$178.22	3.0%

Small Business Bills	Jan 2021 Typical Bill	Comparison to SCE	March 2022 Typical Bill	Comparison to SCE	July 2022 Typical Bill	Comparison to SCE
SCE base rate	\$233.17		\$252.91		\$252.91	
Lean	\$249.22	6.9%	\$233.65	-7.6%	\$250.38	-1.0%
Clean	\$251.37	7.8%	\$235.80	-6.8%	\$252.91	0.0%
100% Green	\$256.58	10.0%	\$241.01	-4.7%	\$260.50	3.0%



# Impact of Ending CARE Rate Freeze

## Low revenue case

CARE Bills	Jan 2021 Typical Bill	Comparison to SCE	March 2022 Typical Bill	Comparison to SCE	July 2022 Typical Bill	Comparison to SCE
SCE base rate	\$108.72		\$116.98		\$116.98	
Lean	\$111.82	2.9%	\$95.50	-18.4%	\$107.18	-8.4%
Clean	\$112.90	3.8%	\$96.58	-17.4%	\$108.05	-7.6%
100% Green	\$112.90	3.8%	\$105.79	-9.6%	\$110.92	-5.2%

## High revenue case

CARE Bills	Jan 2021 Typical Bill	Comparison to SCE	March 2022 Typical Bill	Comparison to SCE	July 2022 Typical Bill	Comparison to SCE
SCE base rate	\$108.72		\$116.98		\$116.98	
Lean	\$111.82	2.9%	\$95.50	-18.4%	\$115.81	-1.0%
Clean	\$112.90	3.8%	\$96.58	-17.4%	\$116.98	0.0%
100% Green	\$112.90	3.8%	\$105.79	-9.6%	\$116.98	0.0%

- ⚡ CPA froze CARE rates at 2020 levels in 2021 to mitigate the impact of significant rate increases on our most vulnerable customers
- ⚡ Given the 2022 competitive landscape, all the options assume the rate freeze will end this year
- ⚡ CARE customers will see a large bill discount from March through June and then would revert to rates similar to current levels when CPA sets rates in July
- ⚡ All cases set CPA CARE rates at or below SCE CARE rates



# Next Steps

- ⚡ Analysis will be refined based on new information
  - CPA's load forecast and financial projections will be updated in March
  - The finance team is analyzing possible reserve and liquidity targets for achieving an investment grade credit rating
- ⚡ Staff will return to Executive Committee and the Board in April/May with a recommended approach
  - Budget priorities for the next fiscal year will be discussed at the same time
- ⚡ Final rate setting will take place at the June Board meeting along with adoption of the FY22/23 budget



# Questions





## Management Report

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**To:** Clean Power Alliance Board of Directors  
**From:** Ted Bardacke, Chief Executive Officer  
**Subject:** Management Report  
**Date:** March 3, 2022

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### **December/January Billing Issues**

As reported to the Board last month, on February 1 CPA was informed by its billing manager, Calpine, that approximately 145,000 customer bills had gone out during the week between Christmas and New Years without CPA charges on them. The result is that approximately 15% of CPA customers got their bills on time in late December but they were incomplete, with only the SCE delivery charges on them and without the CPA generation charges. Then in late January and early February, these customers received a bill with CPA charges for both the current month, January, and the prior month, December.

Neither SCE nor Calpine informed CPA of the issue despite both parties knowing of its existence since early January. CPA only became aware of the issue after our staff started making inquiries due to a high volume of calls to our call center from customers questioning why they had been “double billed” for the month of January.

CPA immediately informed member agencies, responded to local media requests, and put a notification banner on the homepage of the CPA website, which led to visitors to an explanation of the error, why they would be seeing higher than normal charges, and options for payment assistance. Additional call center agents were also put on standby to handle high call volume and the call center prepared to extend hours as necessary. Internal CPA staff also responded to numerous escalations, either from our member agencies or the call center. SCE also sent an email to impacted customers apologizing for the error.

From January 31 to February 4 CPA call center volume and wait times were several times the usual average; they have now returned to normal levels. Over 3,250 visitors clicked on the homepage banner. Through February, approximately 100 customers opted-out of CPA because of this issue, about 10% of total opt-outs for the month. In current steady-state operations, most opt-outs are from new service customers, not existing customers.

The origin of the error resided in a calendar change in SCE's new billing system, which went live March 2021. Under the new billing system, Christmas Eve is treated as a business day rather than as a holiday, which is a change from the old billing system. SCE and Calpine have assured CPA that the issue has been fixed and has been successfully tested with the next two holidays that have recently occurred, MLK Birthday and Presidents' Day. CPA is also working with SCE and Calpine to establish more robust communications protocols should issues of a similar sort occur in the future.

#### **Power Share Program Update**

Enrollment in CPA's Power Share Program, which provides 100% renewable energy at a 20% bill discount to low-income customers in state-designated Disadvantaged Communities, surpassed one-third of its 6,300 customer program enrollment goal in February. Customer sign-ups for this program picked up significantly as CPA evolved its marketing strategy to be highly targeted via social media and email, and increased reliance on local and trusted validators to conduct outreach about the program.

The next marketing phase is continuing this "validator" strategy, using actual customer testimonials from participants in the program. Samples of these customer testimonials are shown below.





**Cientes reales, ahorros reales.**

Este programa proporciona a los clientes reales como usted que viven en comunidades de bajo recursos con 20% de ahorros en su factura de electricidad mensual y 100% energía limpia. Para inscribirse, no hace falta comprar ni.

**Llame para más información:  
1-888-585-3788**

Verifica Elegibilidad



**Clean Power Alliance's POWER SHARE program**

**Real customers, real savings.**

Power Share provides customers like you living in underserved communities with 20% savings on their monthly electric bill and 100% clean energy. Enrolling does not require purchasing or installing any equipment. This program may be for you.

**Call 1-888-585-3788  
for more information**

Check Your Eligibility

**Claremont and South Pasadena Default Changes**

In February the Claremont City Council voted unanimously to change its default rate to 100% Green beginning October 2022. The South Pasadena City Council voted 4-0-1 to change its commercial customer default rate to 100% Green, aligning its commercial default rate with its residential default rate, which has been at 100% Green since CPA launched residential service in 2019. CPA remains on track to have over half its customers on the 100% Green rate by the end of 2022.

**Monthly Financial Performance**

CPA closed the month of December with net operating income of \$5.3 million, \$2.1 million ahead of budget for the month. CPA repaid \$10 million of its outstanding \$30 million loan from LA County in February and is on track to repay the remaining balance on time by June 2022. The most recent financial dashboard is provided in Attachment 1 and full

financial results for the first half of the FY results are provided in Item 8 of this month's Board packet.

### **Customer Participation Rate and Opt Actions**

As of February 21, 2022, CPA's overall participation rate was 95.6%, unchanged from the previous month. CPA had a total of 998,236 active customers, down 709 customers from the previous month. Opt-out levels – 1,022 accounts in February – are in line with steady state levels. New accounts ("move-ins") were lower than closed accounts ("move-outs") by 1,574 customers in January. Attachment 2 provides participation rate and active accounts by jurisdiction.

### **Customer Service Center Performance**

Incoming calls to CPA's Customer Service Center were significantly higher than normal at 3,662 through February 21 due to the missing charges billing issue. In February, 91% of calls were answered within 45 seconds, below typical levels of over 95%, and average wait time was 22 seconds, about double of the normal performance of 10 seconds or less.

### **Contracts Executed Under Chief Executive Officer's Authority**

A list of non-energy contracts executed under the CEO's signing authority is provided in Attachment 3. The list includes all open contracts as well as all contracts, open or completed, executed in the past 12 months.

### **ATTACHMENTS**

- 1) December Financial Dashboard
- 2) Overall Participation Rates by Jurisdiction
- 3) Non-Energy Contracts Executed under CEO's Authority

# Financial Dashboard

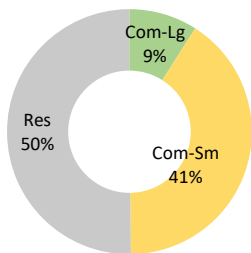
YTD  
Dec  
2021

Active Accounts  
**999,713**

Participation Rate  
**95.65%**

YTD Sales Volume  
6,064 GWh

Dec Sales Volume  
968 GWh



## Summary of Financial Results

in \$000,000's	December				Year-to-Date			
	Actual	Budget	Var	%	Actual	Budget	Var	%
Energy Revenues	69.5	67.4	2.1	3%	484.1	499.9	-15.8	-3%
Cost of Energy	62.0	61.6	0.4	1%	443.4	511.2	-67.8	-13%
Net Energy Revenue	7.5	5.8	1.7	29%	40.7	-11.3	52.1	460%
Operating Expenses	2.2	2.6	-0.4	-14%	13.5	16.4	-2.9	-18%
Net Operating Income	5.3	3.2	2.1	64%	27.2	-27.7	55.0	198%

**Note:** Numbers may not sum up due to rounding.

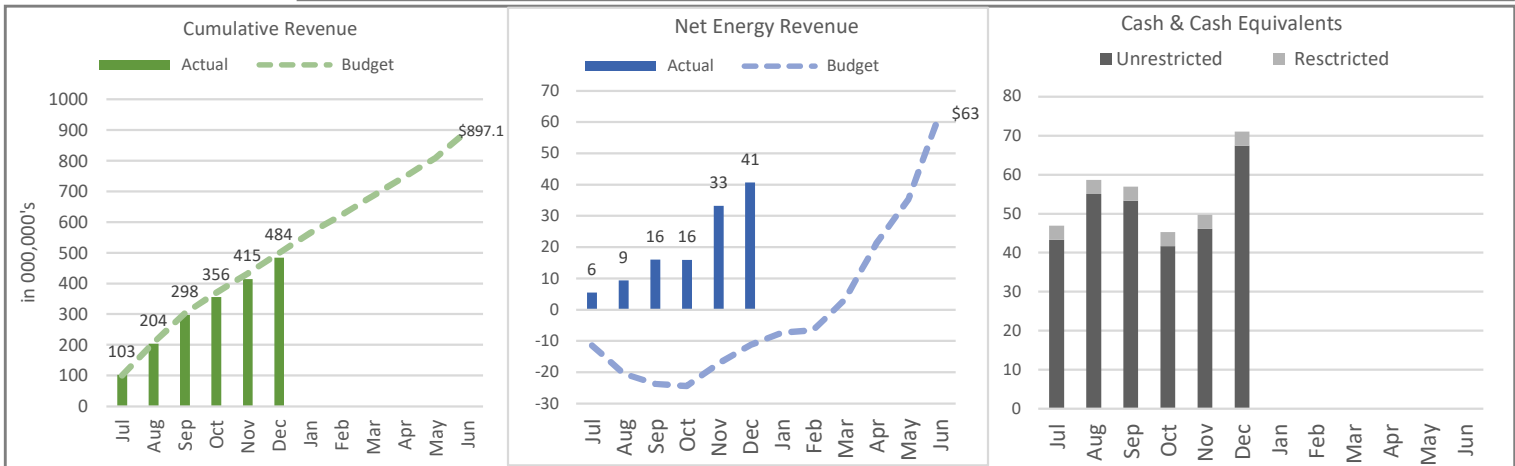
CPA recorded operating income of \$5.3 million in December 2021, which was \$2.1 million more than the budgeted operating income of \$3.2 million. For the year to date, CPA recorded operating income of \$27.2 million, \$55 million more than the budgeted, year to date operating loss of \$27.7 million.

Year to date results were impacted by the following factors:

- Revenue was \$484.1 million or \$15.8 million (3%) lower than budgeted primarily due to cooler temperatures in CPA's service area resulting in lower electricity use by CPA customers.
- Cost of energy was \$67.8 million or 13% lower than budgeted primarily as result of the following: i) net sales of CRRs in the annual auction were \$7.2 million higher than budget as described in the November 2021 Dashboard ii) lower energy use and wholesale energy prices and costs than budgeted, and iii) higher bilateral sales of energy to wholesale purchasers than budgeted.
- Operating costs were lower than budget primarily because of lower staffing costs resulting from delayed hiring and staff turnover, the performance of services later in the year than budgeted, and the non-utilization of contingencies.

As of December 31, 2021, CPA had \$67 million in unrestricted cash and cash equivalents, and \$79.853 million available on its bank line of credit. CPA has a \$30 million loan outstanding from LA County.

CPA is in sound financial health and in compliance with its bank and other credit covenants.



### Definitions:

Accounts: Active Accounts represent customer accounts of active customers served by CPA per Calpine Invoice.

Participation Rate %: Participation Rate represent active accounts 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 expenses: Operating expenditures include general, administrative, consulting, payroll and other costs required to fund operations

Net operating income, also known as earnings before interest, depreciation and amortization (EBIDA), represents the difference between revenues and expenditures before depreciation expense, interest income and expense, and capital expenditures

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

Year to date (YTD): Represents the fiscal period beginning July 1, 2021

**CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA**  
**STATEMENT OF NET POSITION**  
**As of December 31**

	2021	2020
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 67,450,194	\$ 63,431,862
Accounts receivable, net of allowance	103,408,024	66,678,499
Accrued revenue	44,419,776	37,095,112
Other receivables	7,578,663	376,390
Prepaid expenses	2,193,981	1,598,689
Deposits	13,903,151	10,411,925
Restricted cash	3,614,700	4,861,700
Total current assets	242,568,489	184,454,178
Noncurrent assets		
Capital assets, net of depreciation	628,115	517,544
Deposits	88,875	188,875
Total noncurrent assets	716,991	706,420
Total assets	243,285,480	185,160,597
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	3,329,969	2,236,719
Accrued cost of electricity	84,695,457	87,073,852
Other accrued liabilities	2,917,480	4,244,748
User taxes and energy surcharges due to	6,460,038	5,706,224
Loans payable to County of Los Angeles	30,000,000	-
Supplier security deposits	5,522,400	5,927,000
Unearned program funds	1,750,941	-
Total current liabilities	134,676,285	105,188,542
Noncurrent liabilities		
Supplier security deposits	7,142,000	6,724,000
Deferred rent	291,167	-
Total noncurrent liabilities	7,433,167	6,724,000
Total liabilities	142,109,452	111,912,542
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Fiscal Stabilization Fund	-	17,392,965
<b>NET POSITION</b>		
Investment in capital assets	628,115	517,544
Restricted for collateral	3,614,700	4,861,700
Unrestricted	96,933,212	50,475,846
Total net position	\$ 101,176,027	\$ 55,855,090

**CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**As of December 31**

	<b>2021</b>	<b>2020</b>
<b>OPERATING REVENUES</b>		
Electricity sales, net	\$ 483,626,589	\$ 392,511,979
Revenue transferred from/(to) Fiscal Stabilization Fund	-	6,407,035
Other revenue	480,116	-
Total operating revenues	484,106,706	398,919,014
 <b>OPERATING EXPENSES</b>		
Cost of electricity	443,361,578	385,876,353
Contract services	8,844,581	7,308,945
Staff compensation	3,843,067	2,448,678
General and administration	835,379	398,214
Total operating expenses	456,884,606	396,032,190
Operating income (loss)	27,222,100	2,886,824
 <b>NONOPERATING REVENUES (EXPENSES)</b>		
Interest income	17,963	139,563
Interest and related expenses	(293,335)	(61,376)
Total nonoperating revenues (expenses)	(275,372)	78,187
 <b>CHANGE IN NET POSITION</b>		
Net position at beginning of period	74,229,299	46,585,635
Net position at end of period	\$ 101,176,027	\$ 49,550,646

**CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA**  
**STATEMENT OF CASH FLOWS**  
**As of December 31**

	<u>2021</u>	<u>2020</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>		
Net operating income (loss)	\$ 27,222,100	\$ 735,631
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation expense	63,220	14,059
Revenue adjusted for allowance for uncollectible accounts	10,431,641	4,960,138
Expenses paid directly from loan proceeds		
(Increase) decrease in:		
Accounts receivable	(25,615,765)	(27,487,743)
Energy market settlements receivable	-	147,873
Other receivables	(5,165,610)	206,982
Accrued revenue	11,479,288	12,895,305
Prepaid expenses	1,994,223	5,221,193
Deposits	(576,309)	(846,728)
Increase (decrease) in:		
Accounts payable	(1,454,179)	595,073
Energy market settlements payable	1,116,385	13,273,665
Accrued cost of electricity	(4,579,261)	20,172,832
Other accrued liabilities	1,150,128	557,964
User taxes due to other governments	1,130,939	1,811,471
Loans payable	-	-
Fiscal stabilization fund	-	(6,407,035)
Supplier security deposits	(37,798,000)	9,164,580
Unearned program funds	152,955	-
Net cash provided (used) by operating activities	<u>\$ (20,448,245)</u>	<u>\$ 35,015,259</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
Loan proceeds	30,000,000	-
Principal payments on loan	-	(9,945,750)
Interest and related expense payments	(110,370)	(30,865)
Net cash provided (used) by non-capital financing activities	<u>29,889,630</u>	<u>(9,976,615)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Payments to acquire capital assets	(201,423)	(465,967)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income received	17,963	124,443
Net cash provided (used) by investing activities	<u>17,963</u>	<u>124,443</u>
Net change in cash and cash equivalents	9,257,925	24,697,120
Cash and cash equivalents at beginning of period	61,806,968	61,055,767
Cash and cash equivalents at end of period	<u>\$ 71,064,894</u>	<u>\$ 85,752,887</u>
<b>Reconciliation to the Statement of Net Position</b>		
Cash and cash equivalents (unrestricted)	67,450,194	80,855,887
Restricted cash	3,614,700	4,897,000
Cash and cash equivalents	<u>\$ 71,064,894</u>	<u>\$ 85,752,887</u>

**CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA**  
**BUDGETARY COMPARISON SCHEDULE**  
**July 1, 2021 through December 31, 2021**

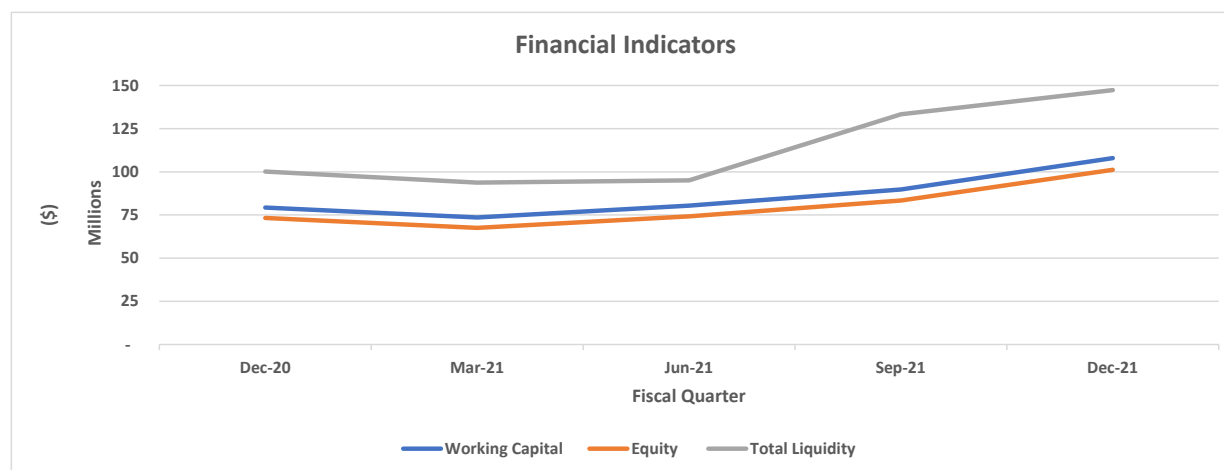
	2021/22 YTD Budget	2021/22 YTD Actual	2021/22 YTD Budget Variance (Under) Over	2021/22 YTD Actual / Budget %	2021/22 Budget	2021/22 Remaining Budget	2021/22 Remaining Budget %
<b>Operating revenues</b>							
Revenue - electricity, net	\$ 498,932,133	\$ 483,626,590	\$ (15,305,543)	97%	\$ 895,246,680	\$ 411,620,090	46%
Revenue transferred from/(to) Fiscal Stabilization Fund	-	-	-		-	-	
Other revenues	937,000	480,116	(456,884)	51%	1,868,000	1,387,884	74%
Total operating revenues	499,869,133	484,106,706	(15,762,427)	97%	897,114,680	413,007,974	46%
<b>Energy costs</b>							
Energy procurement	511,177,604	443,361,578	(67,816,026)	87%	834,281,512	390,919,934	47%
Total energy costs	511,177,604	443,361,578	(67,816,026)	87%	834,281,512	390,919,934	47%
<b>Operating revenues less energy costs</b>	(11,308,471)	40,745,128	52,053,599	-360%	62,833,168	22,088,040	35%
<b>Operating Expenses</b>							
Staffing	4,946,400	3,843,067	(1,103,333)	78%	9,893,000	6,049,933	61%
Technical services	619,000	584,839	(34,161)	94%	1,184,000	599,161	51%
Legal services	700,800	283,758	(417,042)	40%	1,237,000	953,242	77%
Other professional services	1,010,500	511,307	(499,193)	51%	1,612,000	1,100,693	68%
Communications and outreach	779,148	524,561	(254,587)	67%	1,505,000	980,439	65%
Mailers	553,000	429,205	(123,795)	78%	797,000	367,795	46%
Billing data manager	5,208,400	5,126,486	(81,914)	98%	10,417,000	5,290,514	51%
SCE services	1,008,000	960,000	(48,000)	95%	2,016,000	1,056,000	52%
Customer programs	536,000	424,425	(111,575)	79%	1,872,000	1,447,575	77%
General and administrations	773,840	555,647	(218,194)	72%	1,584,000	1,028,354	65%
Occupancy	273,970	216,513	(57,457)	79%	548,000	331,487	60%
Total operating expenses	16,409,058	13,459,808	(2,949,250)	82%	32,665,000	19,205,192	59%
<b>Operating income</b>	(27,717,529)	27,285,320	55,002,849		30,168,168	2,882,848	10%
<b>Non-operating revenues (expenditures)</b>							
Interest income	72,000	17,963	(54,037)	25%	144,000	126,037	88%
Finance and interest expense	(224,978)	(293,335)	(68,357)	130%	(287,000)	6,335	-2%
Depreciation	(78,000)	(63,220)	14,780	81%	(156,000)	(92,780)	59%
Total non-operating revenues (expenditures)	(230,978)	(338,592)	(107,614)	147%	(299,000)	39,592	
<b>Change in net position</b>	(27,948,507)	26,946,729	54,895,236		29,869,168	2,922,440	10%
<b>Other uses</b>							
Capital outlay	231,000	201,423	(29,577)	87%	297,000	95,577	32%
Depreciation	(78,000)	(63,220)	14,780	81%	(156,000)	(92,780)	59%
Total other uses	153,000	138,203	(14,797)	90%	141,000	2,797	2%
<b>Change in fund balance</b>	\$ (28,101,507)	\$ 26,808,525	\$ 54,910,032	-95%	\$ 29,728,168	\$ 2,919,643	

### Select Financial Indicators

Note		Dec-20	Mar-21	Jun-21	Sep-21	Dec-21
1	Working Capital	79,265,635	73,552,500	80,451,054	89,731,305	107,892,204
2	Current Ratio	1.76	1.76	1.55	1.50	1.80
3	Days Sales Outstanding	27	29	40	40	39
4	Equity	73,248,055	67,513,318	74,229,299	83,341,183	101,176,027.15
5	Equity to Assets %	40%	40%	32.78%	31%	42%
6	Available Cash	63,431,862	56,883,382	58,192,268	53,357,388	67,450,193.67
7	Available Line of Credit	36,733,000	36,853,000	36,853,000	80,000,000	79,853,000.00
8	Total Liquidity	100,164,862	93,736,382	95,045,268	133,357,388	147,303,194
9	Days Liquidity on Hand (TTM)	49	45	44	60	67
10	Gross Margin	5%	4%	6.4%	5.4%	8.4%
11	Net Margin	-2%	-4%	3.4%	3.1%	5.6%

#### Percentage Change from Prior Quarter

Working Capital	-7%	9%	12%	20%
Current Ratio	0%	-12%	-4%	20%
Days Sales Outstanding	9%	37%	0%	-4%
Equity	-8%	10%	12%	21%
Equity to Assets %	0%	-17%	-6%	35%
Available Cash	-10%	2%	-8%	26%
Available Line of Credit	0%	0%	117%	0%
Total Liquidity	-6%	1%	40%	10%
Days Liquidity on Hand (TTM)	-9%	-3%	37%	12%



Note	Description	Note	Description
1	Current Assets less Current Liabilities	7	Total Line of Credit less Borrowing and Letters of Credit
2	Current Assets divided by Current Liabilities	8	Sum of Available Cash and Line of Credit
3	Accounts receivable divided by Sales divided by 365	9	Total Liquidity divided by trailing 12 month expenses divided by 365
4	Net Position plus Fiscal Stabilization Fund	10	Operating revenue less energy cost divided by operating revenue
5	Equity (Net Position + FSF) divided by Total Assets	11	Change in net position divided by operating revenue
6	Unrestricted cash and cash equivalents		



## Participation by City and County

Jurisdiction	Default Option	Active Accounts	Participation Rate	Lean %	Clean %	100% Green %
Agoura Hills	100% Green	8,177	94.4%	1.85%	0.37%	97.79%
Alhambra	Clean	33,840	97.8%	1.48%	98.15%	0.37%
Arcadia	Lean	22,405	97.6%	99.77%	0.11%	0.13%
Beverly Hills	Clean	18,611	99.2%	1.64%	98.21%	0.15%
Calabasas	100% Green	9,713	96.9%	1.30%	0.30%	98.40%
Camarillo	Lean	28,294	95.4%	99.12%	0.27%	0.60%
Carson	Clean	29,171	97.1%	1.29%	97.74%	0.97%
Claremont	Clean	12,612	94.9%	2.36%	96.96%	0.67%
Culver City	100% Green	19,174	97.6%	4.11%	1.16%	94.73%
Downey	Clean	36,681	97.2%	1.49%	98.10%	0.41%
Hawaiian Gardens	Clean	3,625	96.9%	1.21%	98.01%	0.77%
Hawthorne	Lean	28,408	98.8%	99.01%	0.12%	0.87%
Los Angeles County	Clean	296,846	95.6%	1.77%	97.64%	0.59%
Malibu	100% Green	6,896	96.7%	3.06%	0.52%	96.42%
Manhattan Beach	100% Green	15,397	98.1%	2.64%	0.44%	96.93%
Moorpark	Clean	11,410	89.5%	3.09%	96.35%	0.56%
Ojai	100% Green	3,490	93.1%	5.99%	1.32%	92.69%
Oxnard	100% Green	54,872	95.5%	4.09%	0.47%	95.44%
Paramount	Lean	15,592	98.5%	98.91%	0.06%	1.03%
Redondo Beach	Clean	33,246	99.0%	1.92%	97.69%	0.39%
Rolling Hills Estates	100% Green	3,402	95.1%	7.20%	15.29%	77.51%
Santa Monica	100% Green	53,622	98.4%	3.59%	0.73%	95.69%
Sierra Madre	100% Green	4,975	94.5%	5.53%	1.63%	92.84%
Simi Valley	Lean	43,052	93.0%	99.66%	0.13%	0.21%
South Pasadena	100% Green	11,641	97.7%	3.69%	10.98%	85.33%
Temple City	Lean	12,560	97.3%	99.81%	0.06%	0.14%
Thousand Oaks	100% Green	44,114	88.9%	8.35%	1.71%	89.94%
Ventura	100% Green	43,528	93.8%	4.99%	1.29%	93.73%
Ventura County	100% Green	32,298	86.2%	6.45%	1.24%	92.31%
West Hollywood	100% Green	26,233	99.6%	2.42%	0.37%	97.21%
Westlake Village	Lean	3,705	87.7%	99.60%	0.08%	0.32%
Whittier	Clean	30,644	95.8%	1.89%	97.69%	0.42%
<b>Total</b>		<b>998,234</b>	<b>95.6%</b>			

## Overall Participation by Default Option

Default Option	Participation Rate	Default Option	Active Accounts	% of Active
100% Green	95.1%	100% Green	337,532	33.81%
Clean	96.3%	Clean	506,686	50.76%
Lean	95.5%	Lean	154,016	15.43%
<b>Total</b>	<b>95.6%</b>	<b>Total</b>	<b>998,234</b>	<b>100.00%</b>

<b>Clean Power Alliance</b>					
<b>Non-energy contracts executed under Executive Director authority</b>					
<b>Rolling 12 months -- Open contracts shown in Bold</b>					
<b>Vendor</b>	<b>Purpose</b>	<b>Month</b>	<b>NTE Amount</b>	<b>Status</b>	<b>Notes</b>
Gridwell	Resource adequacy training	February 2022	\$2,000	Active	
Abbot, Stringham and Lynch	IT compliance reporting for CPUC	February 2022	\$8,500	Active	
California Science Center	Event space rental for Staff Retreat	February 2022	\$6,440	Active	
Orange Grove Consulting	DEI implementation planning services	February 2022	\$105,750	Active	
Zoe Misque	Filing lobbying compliance forms	January 2022	\$500	Active	
Critical Mention, Inc.	Media monitoring service	January 2022	\$6,000	Active	
Clear Language Company	Minute transcription for board meetings	January 2022	\$0		Original Contract Date: November 2021 NTE \$20,000 Amendment 1 - \$0, to clarify fee structure
PR Web/Cision	Media/PR wire distribution services	January 2022	\$3,060	Active	
Ironclad	Contract lifecycle management platform	January 2022	\$22,000	Active	
Langan	GIS services/web browser tool	December 2021	\$8,000	Active	Original Contract Date: October 2020 NTE \$120,000 Amendment 1 - NTE increased to \$128,000 First Renewal Term extends through 10/20/2022
Maria Shafer	Minute transcription for board meetings	November 2021	\$20,000	Active	
Informal Development	Website repair, development, & as-needed maintenance	November 2021	\$20,500	Active	Original Contract Date: November 2020 NTE \$12,000 Amendment 1 - NTE increased to \$32,500 Extends through 5/29/2022
Clear Language Company	Minute transcription for board meetings	November 2021	\$20,000	Active	
NewGen Strategies and Solutions, LLC	Regulatory Support for 2021 ERRA forecast proceedings	November 2021	\$5,500	Active	Original Contract Date: May 2020 NTE \$71,240 Amendment 1: authorized first renewal term and increased NTE to \$102,560 Amendment 2: increased NTE to \$108,060
Omni Government Relations & Pinnacle Advocacy, LLC	Lobbying Services	November 2021	\$125,000	Active	Original Contract Date: December 2019 NTE \$108,000 Amendment #1 - first renewal term authorized November 2020, NTE \$108,000 Amendment #2 - second (final) renewal authorized, extends through December 5, 2022, new NTE \$125,000

<b>Clean Power Alliance</b>					
<b>Non-energy contracts executed under Executive Director authority</b>					
<b>Rolling 12 months -- Open contracts shown in Bold</b>					
Vendor	Purpose	Month	NTE Amount	Status	Notes
<b>MK Partners</b>	<b>Integration services for Salesforce SW</b>	<b>October 2021</b>	<b>\$7,995</b>	<b>Active</b>	
<b>LinkedIn</b>	<b>Subscription for recruiting tools</b>	<b>October 2021</b>	<b>\$14,619</b>	<b>Active</b>	
<b>Sigma Computing, Inc.</b>	<b>Business intelligence &amp; analytics software tool</b>	<b>October 2021</b>	<b>\$10,000</b>	<b>Active</b>	
<b>MRW &amp; Associates</b>	<b>Extension of ratemaking services contract</b>	<b>October 2021</b>	<b>\$35,000</b>	<b>Active</b>	<b>Original Contract Date: December 2020 NTE \$90,000 Amendment #1 - NTE increased to \$125,000 Extends through 12/2/2022 (renewals authorized)</b>
<b>Ross Associates</b>	<b>Consulting services for leadership training</b>	<b>October 2021</b>	<b>\$50,000</b>	<b>Active</b>	
<b>LLM Consulting</b>	<b>Consulting Services for Executive Coaching</b>	<b>September 2021</b>	<b>\$10,000</b>	<b>Active</b>	
<b>Salesforce</b>	<b>Stakeholder Relationship Management application subscription</b>	<b>September 2021</b>	<b>\$15,300</b>	<b>Active</b>	
<b>Clean Energy Counsel LLP</b>	<b>Extension of legal services agreement</b>	<b>September 2021</b>	<b>\$30,000</b>	<b>Active</b>	<b>Original Contract Date: November 2020 NTE \$355,000 Amendment #1 - NTE increased to \$385,000 in July 2021 Extends through 11/6/2021 (renewals authorized)</b>
<b>Elite Edge Consulting</b>	<b>Extension of consulting agreement for accounting services</b>	<b>September 2021</b>	<b>\$120,000</b>	<b>Active</b>	<b>Original Contract Date: September 2020 NTE \$112,000 Amendment #1 - NTE for renewals increased to \$120,000 in September 2020 Amendment #2 - First renewal authorized July 2021 - Extends through 6/30/2022</b>
<b>CV Resources</b>	<b>Recruiting Services</b>	<b>September 2021</b>	<b>N/A</b>	<b>Active</b>	<b>20% of starting salary upon hiring an exclusively referred candidate</b>
<b>Oscar Associates LLC</b>	<b>Recruiting Services</b>	<b>September 2021</b>	<b>N/A</b>	<b>Active</b>	<b>30% of starting salary upon hiring an exclusively referred candidate</b>

<b>Clean Power Alliance</b>					
<b>Non-energy contracts executed under Executive Director authority</b>					
<b>Rolling 12 months -- Open contracts shown in Bold</b>					
<b>Vendor</b>	<b>Purpose</b>	<b>Month</b>	<b>NTE Amount</b>	<b>Status</b>	<b>Notes</b>
Abbot, Stringham and Lynch	2020 CEC Power Source Disclosure Audit	August 2021	\$16,700	Active	Includes two optional renewals for years 2021 and 2022
Bradsby Group	Recruiting Services	August 2021	N/A	Active	25% of starting salary upon hiring an exclusively referred candidate
Pickit	Digital Asset Management	August 2021	\$2,400	Active	Annual Subscription
Chapman & Cutler, LLP	2021 Legal Services (CPA's Credit Agreement)	August 2021	\$35,000	Active	Original Contract Date: 3/1/21 NTE \$20,000 Amendment #1 - NTE increased to \$55,000 Extends through 4/30/22, auto-renew
Knowledge City	Employee Training	July 2021	\$7,251	Active	Licenses for employee training Extends through 6/30/2022
Clever Creative Inc.	CPA Brand Audit and Design Refresh	May 2021	\$5,000	Completed	Original Contract Date: January 2021 NTE \$50,000 Amendment #1 - NTE increased to \$55,000 in May 2021 - Extends through 6/30/21
(W)right On Communications, Inc.	On-call External Affairs support services	May 2021	\$8,000	Completed	Original Contract Date: January 2021 NTE \$50,000 Amendment #1 - NTE increased to \$58,000 in May 2021 - Extends through 6/15/21
Polsinelli, LLP	Legal Service Agreement (Employment, Compliance, General Legal Support related to Commercial Liability, Risk, and Mitigation issues)	April 2021	\$75,000	Active	Amendment #2 to original Agreement executed on March 8, 2019
AccuWeather Enterprise Solutions	Professional Forecasting Weather Services	April 2021	\$4,800	Active	Addendum to April 2020 Agreement. Extended through March 2023 at \$400/mo
Shute, Mihaly & Weinberger, LLP	Legal Service Agreement (Regulatory, Administrative, Environmental, Energy Procurement, Public Contracting, Public Entity Governance Laws, Issues and/or Proceedings)	April 2021	\$65,000	Active	
SCS Engineers	Professional Services for CARB AB32 GHG Verification	April 2021	\$17,000	Active	

**Clean Power Alliance**

**Non-energy contracts executed under Executive Director authority  
Rolling 12 months -- Open contracts shown in Bold**

<b>Vendor</b>	<b>Purpose</b>	<b>Month</b>	<b>NTE Amount</b>	<b>Status</b>	<b>Notes</b>
OpenPath	New Office Keycard Access Control System	January 2021	\$1,500	Active	
Prime Government Solutions, Inc.	Board and committee meeting agenda management software	December 2020	\$16,000	Active	
ProComply, Inc.	Energy regulation compliance training	October 2020	\$5,000	Active	
Cameron-Cole, LLC	Independent audit of Greenhouse Gas Emissions	September 2020	\$7,080	Active	
Crown Castle Fiber LLC	New Office Dedicated Internet Access Service	September 2020	\$ 18,600	Active	
NextLevel Internet, Inc.	New Office High Speed Internet Service	September 2020	\$ 6,936	Active	
Windstream Services, LLC	New Office Telephone Service	September 2020	\$ 14,095	Active	
Zero Outages	New Office Security, Firewall, & Wi-Fi Service	September 2020	\$ 7,608	Active	
Burke, Williams, Sorenson, LLP	Legal Services Agreement (Brown Act, public entity governance issues and other legal services)	July 2020	\$ 100,000	Active	
Hall Energy Law PC	Energy Procurement Counsel	July 2020	\$ 125,000	Active	
Snowflake Inc.	Engineering Support Services for Load Forecasting Analysis	July 2020	\$ 15,000	Active	
Adobe Inc.	AdobeSign Secure Electronic Signature Service	June 2020	\$ 3,200	Active	
EZ Texting	Peak Management Pricing customer text messaging alerts	May 2020	\$ 1,000	Active	
Davis Wright Tremaine, LLP	Legal Services Agreement (Regulatory Assistance)	April 2020	\$ 90,000	Active	1st Amendment in October 2020 to increase the NTE from \$4,000 to \$35,000. 2nd Amendment in March 2021 to increase the NTE from \$35,000 to \$125,000.
Snowflake Inc.	Cloud-Native Elastic Data Warehouse Service	April 2020	\$ 36,000	Active	
Amazon Web Services	Cloud-based Database Hosting	April 2020	\$ 36,000	Active	
ICE Options Analytics LLC	Trading Platform Subscription Service	March 2020	\$ 19,000	Active	
Inventure Recruitment	Ongoing Recruitment Services	October 2019	\$ 120,000	Active	Renewed for 2021 at same amount