

**Clean Energy Alliance - Board of Directors
Regular Meeting Minutes
December 30, 2021, 2:00 p.m.
Virtual Meeting
Teleconference Locations Per Government Code Section 54953(3) (Assembly Bill 361)**

CALL TO ORDER: Chair Becker called to order the regular meeting of the Clean Energy Alliance at 2:00 p.m.

ROLL CALL: Board Members: Druker, Inscoe, Musgrove, Vice-Chair Bhat-Patel, Chair Becker

FLAG SALUTE: Chair Becker led the flag salute.

OATH OF OFFICE – CITY OF SAN MARCOS, BOARD MEMBER & ALTERNATE BOARD MEMBER

BOARD COMMENTS & ANNOUNCEMENTS - None

PRESENTATIONS - None

PUBLIC COMMENT - None

Consent Calendar

Item 1: Reconsideration of the Circumstances of the COVID-19 State of Emergency to Determine Whether the Legislative Bodies of Clean Energy Alliance will Continue to Hold Meetings Via Teleconferencing and Making Findings Pursuant to Government Code Section 54943(e)

RECOMMENDATION

To continue meetings by teleconferencing pursuant to Government Code Section 54943(e), finding that: (1) the Board has reconsidered the circumstances of the state of emergency created by the COVID-19 pandemic; and (2) the state of emergency continues to directly impact the ability of the members to meet safely in person.

Item 2: Clean Energy Alliance Chief Executive Officer Operational, Administrative and Regulatory Affairs Update

RECOMMENDATION

1) Receive and file Community Choice Aggregation Update Report from Chief Executive Officer.
2) Receive and file Community Choice Aggregation Regulatory Affairs Report from Special Counsel.

Item 3: Consider Adoption of Resolution No. 2021-016 Amending Clean Energy Alliance Policy #014 Debt Policy

RECOMMENDATION

Adopt Resolution 2 No. 021-016 Amending Clean Energy Alliance Policy #014 Debt Policy.

Motion by Member Druker, second by Member Inscoe, to approve the Consent Calendar. Approved unanimously with Member Musgrove abstaining, 4/abstain.

New Business

Item 4: Consider Adoption of Resolution No. 2021-017, Amending Resolution No. 2021-007, Setting Rates for Clean Energy Alliance

RECOMMENDATION

Adopt Resolution No. 2021-017, amending Resolution No. 2021-007, setting rates for Clean Energy Alliance and direct staff to adjust the rate schedule as appropriate to ensure all rates are treated equitably regarding achieving savings compared to the San Diego Gas & Electric 2022 rate schedules

CEO Barbara Boswell presented the item commenting that the SDG&E rate schedules were just received so the rate application was used which discusses SDG&E rate change using system average change. CEA rates were developed using the system average change. Given that, the rates will be recalculated and compared. Ms. Boswell commented that SDG&E does not apply rate change consistently amongst different use periods using varied factors for different Time of Use (TOU) periods, and that CEA would like to ensure that its customers receive the same rate discount of 2% in all of the rate schedules. Ms. Boswell introduced John Dalesi from Pacific Energy Advisors (PEA) stating that his team analyses SDG&E rates and developing CEA rate schedules and that he is available for questions of the Board. She then explained the CEA rate setting process indicating that it mirrors SDG&E schedules for ease in customer understanding and comparison and gave an overview of considerations taken into account in rate setting including the goals of CEA JPA of a minimum 50% renewable energy that will increase incrementally to 100% by 2035, and that a 2% generation is achieved on generation costs compared to SDG&E. The new rates become effective January 1, 2022, for a partial year and CEA will require a line of credit increase from JPMorgan to be considered at an adjourned meeting. Due to the timeline of SDG&E ERRR process a small window of visibility is available prior to effective date so CEA can use November update to develop a rate schedule and review and adjust for variances in final individual rate schedules.

Board Member Druker inquired regarding exit fees and commented that he will not be voting on JPMorgan line of credit due to a conflict of interest and was cautioned by General Counsel Thorson to refrain from discussion. CEO Boswell commented that exit fees are assessed by SDG&E in order to make up any losses that may be incurred on liquidating contracts and that the exit fees are in existence as long as contracts are in their portfolio and that some contracts are up to 20 years. John Dalesi commented that long-term trend will be down. Board Member Druker inquired regarding the

distribution fee and when that might be finalized. CEO Boswell indicated that CEA rates are not linked to distribution fees but by system averages and commented that recalculation process will take place now that final SDG&E rates have been received.

Chair Becker inquired regarding the SDG&E contracts and purchase viability. CEO Boswell commented that CPUC proceeding Voluntary Allocation and Market Offering is being implemented whereby SDG&E will be offering CEA contracts out of their portfolio.

Vice Chair Bhat-Patel inquired regarding if there is a surplus from exit fees does CEA receive the allocation. CEO Boswell indicated that the surplus goes back to the customer at the time of the true up.

Board Member Musgrove inquired regarding the tracking of SDG&E contracts and the selling of them to ensure CEA is not paying for SDG&E cost of doing business when those contracts are liquidated. CEO Boswell commented that CEA's use of technical analysts and legal experts to delve into SDG&E rate application and data requests that have resulted in the findings of calculation errors that SDG&E was directed to correct resulting in lower rates for CEA customers.

**Motion by Chair Becker, second by Member Musgrove, to approve recommended action.
Approved unanimously, 5/0**

Item 5: Consider Adoption of Resolution No. 2021-019 Approving Implementation Plan Addendum No. 1 Addressing Service Expansion to the Cities of Escondido and San Marcos

RECOMMENDATION

Adopt Resolution No. 2021-019 Approving Implementation Plan Addendum No. 1 for Service Expansion to the cities of Escondido and San Marcos.

CEO Boswell presented the item giving an overview of the CEA service expansion and the Implementation Plan Amendment required to implement the expansion. CEA is required to file the Implementation Plan Amendment with CPUC by January 1, 2022, for service in 2023 and CPUC has 90 days to review and certify the Amendment.

**Motion by Member Druker, second by Member Bhat-Patel, to approve recommendation.
Approved unanimously, 5/0**

Item 6: Elect Clean Energy Alliance Board Chair and Vice Chair for Calendar Year 2022

RECOMMENDATION

Elect Clean Energy Alliance Board Chair and Vice Chair for Calendar Year 2022.

Board Member Druker requested that term limits be brought before the Board at a future meeting.

Motion by Member Druker, second by Member Musgrove to elect Chair Becker and Vice Chair Bhat-Patel for Calendar Year 2022.

Approved unanimously, 5/0

BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS: Chair Becker requested that in-person meetings be discussed in January.

DISCUSSION OF DATE AND TIME OF ADJOURNED REGULAR MEETING

Motion by Chair Becker, second by Vice Chair Bhat-Patel to adjourn the meeting to January 13, 2022, 2:00 p.m. – Solana Beach, Virtual

Approved unanimously, 5/0. January 13, 2022, 2:00 p.m.

ADJOURN: Chair Becker adjourned the meeting at 2:50 p.m.

DocuSigned by:

Susan Caputo

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Susan Caputo, MMC
Interim Board Clerk