

**SAN DIEGO REGIONAL COMMUNITY CHOICE ENERGY AUTHORITY
BOARD OF DIRECTORS**

Chula Vista Council Chambers
276 Fourth Avenue, Building A
Chula Vista, CA 91910

MINUTES

November 21, 2019

The Board minutes are prepared and ordered to correspond to the Board Agenda. Agenda Items can be taken out of order during the meeting.

The Agenda Items were considered in the order presented.

1. Welcome

Interim Chair Mosca called the San Diego Regional Community Choice Energy Authority (Authority) Board of Directors meeting to order at 2:12 p.m.

2. Board Roll Call

PRESENT: Interim Chair Mosca (Encinitas), Board Member Baber (La Mesa), Alternate Board Member McCann (Chula Vista), and Board Member Montgomery (San Diego)

ABSENT: Board Member Padilla (Chula Vista), Board Member West (Imperial Beach)

Also Present: Alternate Board Member Campbell (San Diego), Alternate Board Member Humora (La Mesa), Interim Executive Officer Hooven, La Mesa City Clerk Wiegelman

Interim Chair Mosca led the Pledge of Allegiance.

3. Public Comment For Items Not on the Agenda

Matthew Vasilakis, Climate Action Campaign, spoke regarding East Bay Community Energy's Local Development Business Plan and the Authority creating a similar plan in the future.

CONSENT AGENDA

4. Approval of minutes from October 31, 2019 Board Meeting

ACTION: Motioned by Board Member Baber (La Mesa) and seconded by Board Member Montgomery (San Diego) to approve the minutes for the San Diego Regional Community Choice Energy Authority Board of Directors meeting held Thursday, October 31, 2019. The motion carried by the following vote:

Vote: 4-0

Yes: Interim Chair Mosca (Encinitas), Board Member Baber (La Mesa), Alternate Board Member McCann (Chula Vista), and Board Member Montgomery (San Diego)

No: None

Abstained: None

Absent: Board Member West (Imperial Beach)

REGULAR AGENDA

5. Election of Board Chair and Vice Chair and Appointment of Interim Secretary

ACTION: Motioned by Board Member Baber (La Mesa) and seconded by Alternate Board Member McCann (Chula Vista) to approve the appointment of La Mesa City Clerk Megan Wiegelman as the Interim Board Clerk of the San Diego Regional Community Choice Energy Authority Board of Directors. The motion carried by the following vote:

Vote: 4-0

Yes: Interim Chair Mosca (Encinitas), Board Member Baber (La Mesa), Alternate Board Member McCann (Chula Vista), and Board Member Montgomery (San Diego)

No: None

Abstained: None

Absent: Board Member West (Imperial Beach)

ACTION: Motioned by Board Member Baber (La Mesa) and seconded by Alternate Board Member McCann (Chula Vista) to approve the appointment of Interim Chair Mosca (Encinitas) as the Chair of the San Diego Regional Community Choice Energy Authority Board of Directors. The motion carried by the following vote:

Vote: 4-0

Yes: Interim Chair Mosca (Encinitas), Board Member Baber (La Mesa), Alternate Board Member McCann (Chula Vista), and Board Member Montgomery (San Diego)

No: None

Abstained: None

Absent: Board Member West (Imperial Beach)

ACTION: Following discussion, it was the consensus of the Board to direct staff to bring back for Board consideration policy options for the rotation of Chair and Vice Chair.

ACTION: Motioned by Chair Mosca (Encinitas) and seconded by Alternate Board Member McCann (Chula Vista) to approve the appointment of Board Member Padilla (Chula Vista) as the Vice Chair of the San Diego Regional Community Choice Energy Authority Board of Directors. The motion carried by the following vote:

Vote: 4-0

Yes: Chair Mosca (Encinitas), Board Member Baber (La Mesa), Alternate Board Member McCann (Chula Vista), and Board Member Montgomery (San Diego)

No: None
Abstained: None
Absent: Board Member West (Imperial Beach)

6. SDRCCEA Operations and Administration Report

Interim Executive Officer Hooven provided operational and administrative updates to the Board including current and future requests for proposals and future items for Board consideration.

Board questions and comments ensued.

ACTION: Following discussion, it was the consensus of the Board to direct staff to bring back for discussion the formation of necessary and plausible San Diego Regional Community Choice Energy Authority standing committees, a proposed policy on the role of alternate board members, and a summary of the best practices and standing committees of other Community Choice Aggregations.

Shawn Marshall, Executive Director, Lean Energy US, provided advice on how to move forward with the formation of standing committees.

Following Board questions and comments, no action was taken.

7. Approval of Legal Service Engagement for General Counsel

Interim Executive Officer Hooven provided an overview of the proposed agreement between the Authority and Best Best & Krieger (BB&K) for General Counsel legal services.

Board questions and comments ensued.

Ryan Baron, BB&K, Counsel, and Nicholas Norvell, BB&K, Associate, introduced themselves and explained BB&K's process to determine potential conflicts of interest.

Board questions and comments continued.

ACTION: Motioned by Alternate Board Member McCann (Chula Vista) and seconded by Board Member Baber (La Mesa) to approve a 13-month agreement with Best Best & Krieger to provide General Counsel legal services commencing December 1, 2019 through December 31, 2020. The motion carried by the following vote:

Vote: 4-0

Yes: Chair Mosca (Encinitas), Board Member Baber (La Mesa), Alternate Board Member McCann (Chula Vista), and Board Member Montgomery (San Diego)
No: None
Abstained: None
Absent: Board Member West (Imperial Beach)

8. Approval of Legal Service Engagement for Regulatory Support

Interim Executive Officer Hooven provided an overview of the proposed agreement between the Authority and Tosdal, APC to provide regulatory monitoring, engagement and legal services.

Board questions and comments ensued.

ACTION: Motioned by Board Member Montgomery (San Diego) and seconded by Alternate Board Member McCann (Chula Vista) to approve a one-year agreement with Tosdal, APC to provide regulatory monitoring, engagement and legal services commencing January 1, 2020 through December 31, 2020. The motion carried by the following vote:

Vote: 4-0

Yes: Chair Mosca (Encinitas), Board Member Baber (La Mesa), Alternate Board Member McCann (Chula Vista), and Board Member Montgomery (San Diego)

No: None

Abstained: None

Absent: Board Member West (Imperial Beach)

9. SDRCCEA Implementation Plan – First Draft Review and Discussion

Interim Executive Officer Hooven stated the Implementation Plan would be brought back to the Board at the December 9, 2019 meeting for final discussion and possible adoption.

Mark Fulmer, Principal, MRW & Associates, explained that the Implementation Plan: was a statutory requirement for all new CCAs pursuant to California Public Utilities Code Section 366.2(C)(3); was a regulatory compliance document, not a full business plan; would conform with all legal requirements and follow the content standards of other successfully certified Implementation Plans; described certain administrative elements and policy objectives, but did not require confirmation of final rates, power content and other program aspects; had to be adopted by the Authority Board of Directors by year-end; and the California Public Utilities Commission would have 90 days to certify the Implementation Plan.

Mark Fulmer, Principal, MRW & Associates, reviewed the updates made to the draft Implementation Plan in response to the Board's direction at the October 31, 2019 meeting. The updates included: (1) the Authority would offer two production options – the default would be at least 50% and up to 60% renewable and the voluntary option would be 100% renewable; (2) the Implementation Plan would specify 3 phases occurring in March, July, and November 2021; (3) the Authority would offer competitive generation rates targeting between 2%-4% below SDG&E. The Authority rate structure would match SDG&E's at the outset; (4) the Implementation Plan would describe the interim staff support and use of vendors/consultants with a plan to hire a CEO and staff in 2020/2021; and (5) the Implementation Plan would provide start-up costs information and plan for \$40 million in work capital to support the implementation and early operations of the Authority.

Board questions and comments ensued.

Shawn Marshall, Executive Director, Lean Energy US, provided background on the energy

supply options offered by East Bay Community Energy.

Board questions and comments continued

Matthew Vasilakis, Climate Action Campaign, requested clarification on the energy supply products stated in the Implementation Plan.

Mark Fulmer, Principal, MRW & Associates, provided further information on the energy supply products mentioned in the Implementation Plan.

Interim Executive Officer Hooven explained the Implementation Plan sets a baseline and the decision on the energy supply products may be refined when the Authority goes to market.

Shawn Marshall, Executive Director, Lean Energy US, clarified that the Implementation Plan as written would commit the Authority to a baseline voluntary energy supply product of 100% Renewable Portfolio Standard (RPS) qualified renewable energy but would not prevent the Board from adding another energy supply product option or maximizing the greenhouse gas free energy.

Board questions and comments ensued.

Micah Mitrosky, International Brotherhood of Electrical Workers (IBEW) Local Union 569, spoke regarding energy supply product offerings.

Following Board questions and comments, no action was taken.

10. Adoption of New Authority Name

Interim Executive Officer Hooven provided potential new Authority names for Board consideration and mentioned factors to consider when selecting a new name for the Authority.

Matthew Vasilakis, Climate Action Campaign, proposed new names for the Authority and commented on important components to include in the new name.

Jay Powell, City of San Diego resident, spoke in support of San Diego Community Power as the new Authority name and commented on important components to include in the new name.

Alternate Board Member Campbell spoke in support of San Diego Community Power as the new Authority name.

Board questions and comments ensued.

Charles Miles suggested including 'County' in the new Authority name.

Board questions and comments continued.

Larry Emerson, National City resident, named other organizations with the acronym SDCP.

ACTION: Motioned by Alternative Board Member McCann (Chula Vista) and seconded by Chair Mosca (Encinitas) to adopt San Diego Community Power as the new name for the San Diego Regional Community Choice Energy Authority. The motion carried by the following vote:

Vote: 4-0

Yes: Chair Mosca (Encinitas), Board Member Baber (La Mesa), Alternate Board Member McCann (Chula Vista), and Board Member Montgomery (San Diego)

No: None

Abstained: None

Absent: Board Member West (Imperial Beach)

11. Board Member and Staff Announcements

Chair Mosca (Encinitas) announced the next San Diego Community Power Board of Directors meeting would be held on Monday, December 9, 2019 at 10:00 a.m. in the City of Encinitas.

12. Adjournment 3:39pm

Chair Mosca adjourned the meeting at 3:39 p.m.

Megan Wiegelman, CMC
Interim Board Clerk