



SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

Board of Directors Meeting

Thursday, November 16, 2023

CONSENT CALENDAR

A. Minutes of the Board of Directors Meeting

- Special Meeting Minutes: October 19, 2023
- Special Meeting Minutes: October 26, 2023

B. Receive and File:

1. Finance Committee Meeting Minutes: October 2, 2023
2. Monthly Investment Report: September 2023
3. Quarterly Investment Report: September 2023
4. SCPPA A&G Budget Comparison Report: September 2023
5. SCPPA Fiscal Year 2022-23 Audited Financial Statements
6. Moss Adams Report on Communications with Those Charged with Governance for the fiscal year ended June 30, 2023
7. Final Q4 FY 22-23 Budget-to-Actual Variance Reports
8. Palo Verde Report: October 2023
9. Magnolia Power Project Operations Report: October 2023
10. Federal Legislative Report: October 2023



Closed Session in progress regular session will resume shortly.



EXECUTIVE DIRECTOR REPORT

Working Group Update

Michael S. Webster



SCPPA LEGAL DEPARTMENT

CHRISTINE GODINEZ | *General Counsel*

Background

1992	SCPPA Procurement Code adopted
2013	SCPPA Board creates Canyon Project Management Committee and authorizes adoption of Supplemental Rules for Procurement of Services and Materials for CPP
2018	SCPPA Procurement Code amended
2023	SCPPA Procurement Code further amended

2013 Supplemental Rules

“The Procurement Code of the Authority, dated May 22, 1992, as the same may be amended from time to time (“Procurement Code”), shall govern the procurement by the Project Manager and Operating Agent on behalf of the Authority of services and materials for the design, construction, maintenance, or operation of the Canyon Power Project, except as otherwise provided in these Supplemental Rules.”

2023 Supplemental Rules - Key Provisions

- ▶ Aligns definitions and process with 2023 SCPPA Procurement Code
- ▶ Maintains framework of allowing CPP Purchasing Manager to award smaller contracts, with larger contracts awarded by the Canyon Project Management Committee
- ▶ Adds procedures for Contracts of Urgent Necessity, Sole Source, and Cooperative Purchases
- ▶ Allows CPP Purchasing Manager to utilize City of Anaheim procurement procedures
- ▶ Maintains streamlined process while retaining clear requirements and guidelines for CPP Procurements

Recommendation

- ▶ Approve Resolution 2023-129



SCPPA

FINANCE REPORT

Aileen Ma | *Chief Financial &
Administrative Officer*

WINDY POINT/WINDY FLATS PROJECT BOND REFUNDING UPDATE

WINDY POINT/WINDY FLATS

- ▶ Refinancing \$237.59M Windy Point/Windy Flats Project, Refunding Revenue Bonds, 2020-1 (Green Bonds)

Bonds Issued	2023-1 (Green Bonds)
Pricing Date	10/31/2023
Closing Date	11/14/2023
Par Amount	\$161.845 M
Premium	\$9.29 M
Last Maturity	07/01/2030
All-In True Interest Cost	3.56%
Net Present Value Savings	\$11.7 M

LINDEN WIND ENERGY PROJECT BOND REFUNDING

LINDEN BOND REFUNDING

- ▶ Project Participants

- ▶ LADWP (90%) and Glendale (10%)

- ▶ Glendale sold 100% of its entitlement to LADWP through a separate layoff agreement

- ▶ Outstanding project bonds

Series	Structure	Outstanding	Call Date
2010 Series B	Fixed Rate Build America Bonds	\$ 41,550,000	Make-Whole
2020 Series A	Fixed Rate	\$ 40,320,000	1/1/2024
		\$ 81,870,000	

LINDEN BOND REFUNDING

- ▶ Plan of finance
 - ▶ Issue variable rate demand bonds (Green Bonds)
 - ▶ Bonds can be called at any date
 - ▶ Provides maximum flexibility for future bond refinancing
 - ▶ Letter of credit
 - ▶ Recommend PNC Bank
 - ▶ Selected by Finance Committee from a Request for Proposal
 - ▶ Underwriter and remarketing agent
 - ▶ Recommend PNC Capital Markets

LINDEN BOND REFUNDING

Firm	Role	Estimated Fees & Expenses
Norton Rose Fulbright	Bond/Disclosure Counsel	\$ 190,000
Chapman & Cutler	Bank Counsel	50,000
PFM Financial Advisors	Financial Advisor	105,000
U.S. Bank	Trustee	12,000
Moody's Investors Services	Rating Agency	37,000
Fitch Ratings	Rating Agency	40,000
TBD	Verification Agent	3,000
TBD	Printer	2,500
Contingency		5,500
Estimated Cost of Issuance		\$ 445,000

LINDEN BOND REFUNDING

- ▶ Anticipated financing schedule
 - ▶ Pricing - January 16th
 - ▶ Closing - January 17th
- ▶ November 6th - Finance Committee recommended approval of Resolutions

Recommendation:

- ▶ Adopt Resolution No. 2023-130 authorizing the issuance of refunding bonds and the execution and delivery of various agreements relating to the issuance of refunding bonds; and
- ▶ Adopt Resolution No. 2023-131 authorizing the provision of certain Continuing Disclosure information with respect to the refunding bonds.

THANK YOU



SCPPA

PROGRAM DEVELOPMENT

STEVEN STARKS | *Program Development Manager*

BRANDON CZWORNIAK | *Program Development Utility Analyst*

RESOLUTION 2023-132

REQUEST:

- ▶ One-year extension of the “participation agreement” between SCPPA and LADWP

REASON FOR REQUEST:

- ▶ LADWP plans to do their own procurement for energy efficiency programs.
- ▶ However, they need more time to complete the transition.
- ▶ The purpose is to continue their critical building *Energy Efficiency* and *Codes and Standards* upgrade projects.
- ▶ The participation agreement allowed for LADWP to seek approval from their Board for a multi-year energy efficiency program up \$500 million and delegate specific Task Orders under the participation agreement to staff to approve.

RESOLUTION 2023-132

BACKGROUND:

- ▶ Participation Agreement for Energy Efficiency Products and services Executed on December 11, 2018
- ▶ Five-Year Term with a not-to-exceed limit of \$500 million.
- ▶ Competitive Solicitation was issued.
- ▶ Current Participation Agreement Expiration date: December 11, 2023
- ▶ Extended Participation Agreement Expiration date: December 11, 2024
- ▶ They would also need three Agreements extended to co-terminate with the Participation Agreement; AESC, TRC, and Willdan

Recommendation: Approval of Resolution 2023-132

- ▶ Authorize the approval of a one-year extension of the “Participation Agreement” between SCPPA and the LADWP
- ▶ The termination date of the extended agreement would be December 11, 2024

RESOLUTION: 2023-133, 2023-134, 2023-135

REQUEST:

- ▶ Extension of three vendor agreements at the request of the LADWP

REASON FOR REQUEST:

- ▶ To enable the completion critical building *Energy Efficiency* and *Codes and Standards* projects throughout the LADWP service territory, by aligning the vendor contract termination dates with the proposed Participation Agreement extension termination date.

RESOLUTION: 2023-133, 2023-134, 2023-135

VENDORS:

▶ AESC

- ▶ Current expiration date: **December 4, 2024**
- ▶ Requested expiration date: **December 11, 2024**

▶ TRC

- ▶ Current expiration date: **April 20, 2024**
- ▶ Requested expiration date: **December 11, 2024**

▶ Willdan

- ▶ Current expiration date: **December 11, 2023**
- ▶ Requested expiration date: **December 11, 2024**

Recommendation:

Approval of Resolution 2023-133, 2023-134, 2023-135

- ▶ Authorize the approval of contract term extensions for the following SCPPA vendors (AESC, TRC, & Willdan)
- ▶ The termination date of the extended agreements for the SCPPA vendors listed above will be **December 11, 2024**

The logo for SCP PA features the letters 'S', 'C', 'P', 'P', and 'A' in a bold, dark grey sans-serif font. Behind the letters is a light blue silhouette of the state of Louisiana. A horizontal orange brushstroke with a soft gradient passes behind the letters, starting from the left and ending in a pointed tail on the right.

SCP PA

ASSET MANAGEMENT

CHARLES GUSS | *Senior Asset Manager*

NICOLE SOLANO | *Senior Utility Analyst*

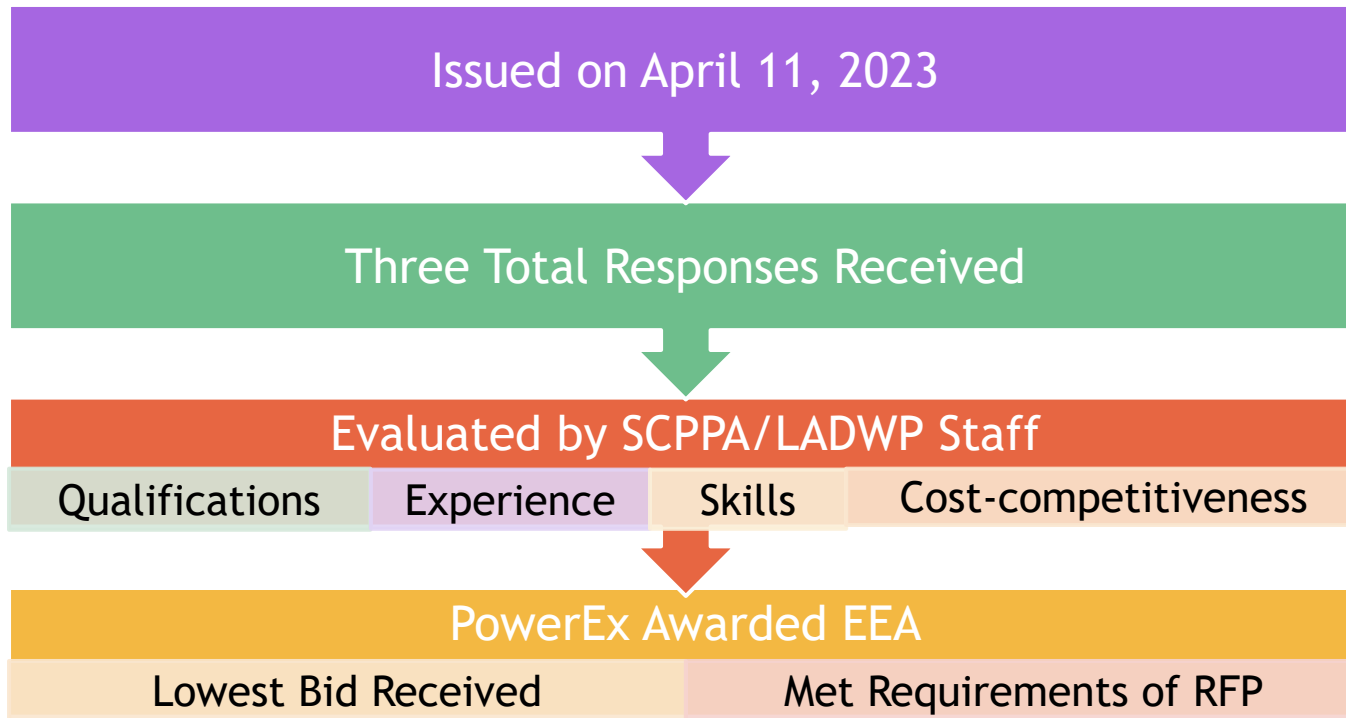


SCPPA

**Energy Exchange Agreement -
Pebble Springs Wind**

Resolution 2023-136

Pacific Northwest Wind Energy Exchange Services RFP



Pebble Springs: Resolution 2023-136

- ▶ Participating Members:
 - ▶ LADWP, GWP, BWP
- ▶ Effective Date:
 - ▶ January 1, 2024
- ▶ Initial Expiration Date:
 - ▶ December 31, 2026
 - ▶ Option to Extend
- ▶ Delivery:
 - ▶ Nevada-Oregon Border (NOB)
 - ▶ HE 0100-0600 and HE 2300-2400 Jan-Dec (LADWP/GWP)
 - ▶ HE 0100-0600 and HE 2300-2400 Mar-Oct (BWP)

	Share	MWh Share	Price	\$ per Year
LADWP	69.6%	144,378	\$35.01	\$5,054,673
GWP	20.3%	42,110	\$35.01	\$1,474,271
BWP	10.1%	20,951	\$24.10	\$504,919

▶ QUESTIONS?

Recommendation:

- ▶ Approve Resolution 2023-136 for an Energy Exchange Agreement at the Pebble Springs wind project.

The logo for SCP PA features the letters 'S', 'C', 'P', 'P', and 'A' in a bold, dark blue font. Behind the letters is a light blue silhouette of the state of Louisiana. A horizontal orange and yellow gradient bar passes behind the letters, partially overlapping the map.

SCP PA

GOVERNMENT AFFAIRS

MARIO De BERNARDO | *Director, Government Affairs*

ELISABETH de JONG | *Manager, Government Affairs*

NATALIE SEITZMAN | *Energy Policy Advocate, Government Affairs*

CARB: Cap-and-Trade Rulemaking

- ▶ Status:
 - ▶ Informal rulemaking stage
 - ▶ SCPPA comments submitted: October 26
 - ▶ Relevant comments: CMUA, JUG, LADWP, Vernon, NCPA
- ▶ Next Steps:
 - ▶ CARB workshop: November 16
 - ▶ SCPPA engaged in JUG meetings



Federal Update

House passes two-tiered stopgap bill to avert shutdown

Continuing resolution now heads to the Senate where it's expected to receive broad support



Schumer signals openness to Speaker Johnson's 'far from perfect' spending bill

Federal Update

- **Transformer Letter to Sen. Padilla**
 - **Urge Support of Senate's Energy and Water Approps bill**
 - ❑ \$1.2 Billion to Boost Domestic Manufacturing
 - ❑ Directs DOE to Address Concerns w/ Transformer Regs



Federal Update

GRID RESILIENCE AND INNOVATION PARTNERSHIPS (GRIP) PROGRAM

- Nov 14: Second Funding Opportunity Announced
- Up to \$3.9 Billion Available
- Concept Papers Due January 12th
- DOE Webinar: November 20th, 12pm PST (**Registration is Required.**)
- Reminder: SCPPA's Grant Writing Contract with TFG



SCPPA CEC Roundtable

- **December 7th (Sacramento)**
 - **10 am: Com. Gallardo**
 - RPS Issues
 - **11 am: Vice Chair Gunda**
 - Key Takeaways from SCPPA Members' IRPs
 - Resource Adequacy
 - **TBD: Grants and Incentives**
 - **3pm: Clean Energy Hall of Fame Awards Ceremony**



Noemí Otilia Osuna
Gallardo
COMMISSIONER



Siva Gunda
VICE CHAIR

SCPPA CEC Roundtable

Current Attendees

Anaheim	
Azusa	Richard Torres, Assistant General Manager of Resource Management
Banning	Not Able to Attend
Burbank	Mandip Samra, Assistant General Manager of Power Supply; Anthony D'Aquila, Power Resources Manager
Cerritos	
Colton	Ren Zhang, Acting Assistant Director of Utility Operations
Glendale	
IID	
LADWP	TBD
Pasadena	Kelly Nguyen, Assistant General Manager; Christina Schieber (?)
Riverside	Daniel Garcia, Deputy General Manager
Vernon	Margie Otto, Assistant General Manager of Utilities
SCPPA	Mike Webster; Mario De Bernardo; Elisabeth de Jong; Randy Krager

Upcoming Events

- **T&D Working Group Supply Chain Meeting**
 - Dec 5th Discussion with SMEs and State Legislative Energy Staffers
- **SCPPA Government Affairs Strategic Planning Meetings**
 - Dec 13th (Possible NCPA LEC Hydrogen Tour on Dec 12th)
- **SoCalGas Hydrogen Tour**
 - Likely December 8th
- **Public Power Capitol Day**
 - Feb 5th (Sacramento)
- **APPA Legislative Rally/SCPPA Fly-In**
 - Feb 26-28 (Washington, D.C.)

**save the
date!**