



SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

Board of Directors Meeting

Thursday, January 18, 2024



Board Officer Election Appointment of Officers

CONSENT CALENDAR

A. Minutes of the Board of Directors Meeting

- Regular Meeting Minutes: December 21, 2023

B. Receive and File:

1. FY 23-24 Q1 Budget-to-Actual Variance Report
2. Finance Committee Meeting Minutes: December 8, 2023
3. Monthly Investment Report: November 2023
4. FY 23-24 First Quarter Financial Report
5. SPPA A&G Budget Comparison Report: November 2023
6. Memorandum Documenting Destruction of Records per SPPA Records Retention and Destruction Policy and Resolution No. 2023-102
7. Magnolia Power Project Operations Report: December 2023
8. Federal Legislative Report: December 2023



Closed Session in progress regular session will resume shortly.



EXECUTIVE DIRECTOR REPORT

Working Group Update

Strategic Goals and Objectives Report

Resolution 2024-001

Michael S. Webster | *Executive Director*

Recommendation:

Approve Resolution 2024-001

Amendment to the SCPPA Employee Benefits Policy
to add Juneteenth as a paid holiday



FINANCE REPORT

Aileen Ma | *Chief Financial &
Administrative Officer*

LINDEN WIND ENERGY PROJECT BOND REFUNDING UPDATE

LINDEN WIND ENERGY PROJECT

► Project bond refinancing

Bonds to be refunded	2010 Series B (BABs)	2020 Series A
Outstanding par	\$41,550,000	\$40,320,000

Bonds to be issued	2024 Series A (Green Bonds) Variable Rate Demand Bonds
Pricing date	1/16/2024
Closing date	1/19/2024
Par amount	\$74,765,000
Interest	Daily interest rate
Initial rate on 1/19/2024	0.60%
Maturity date	7/1/2035

THANK YOU



ASSET MANAGEMENT

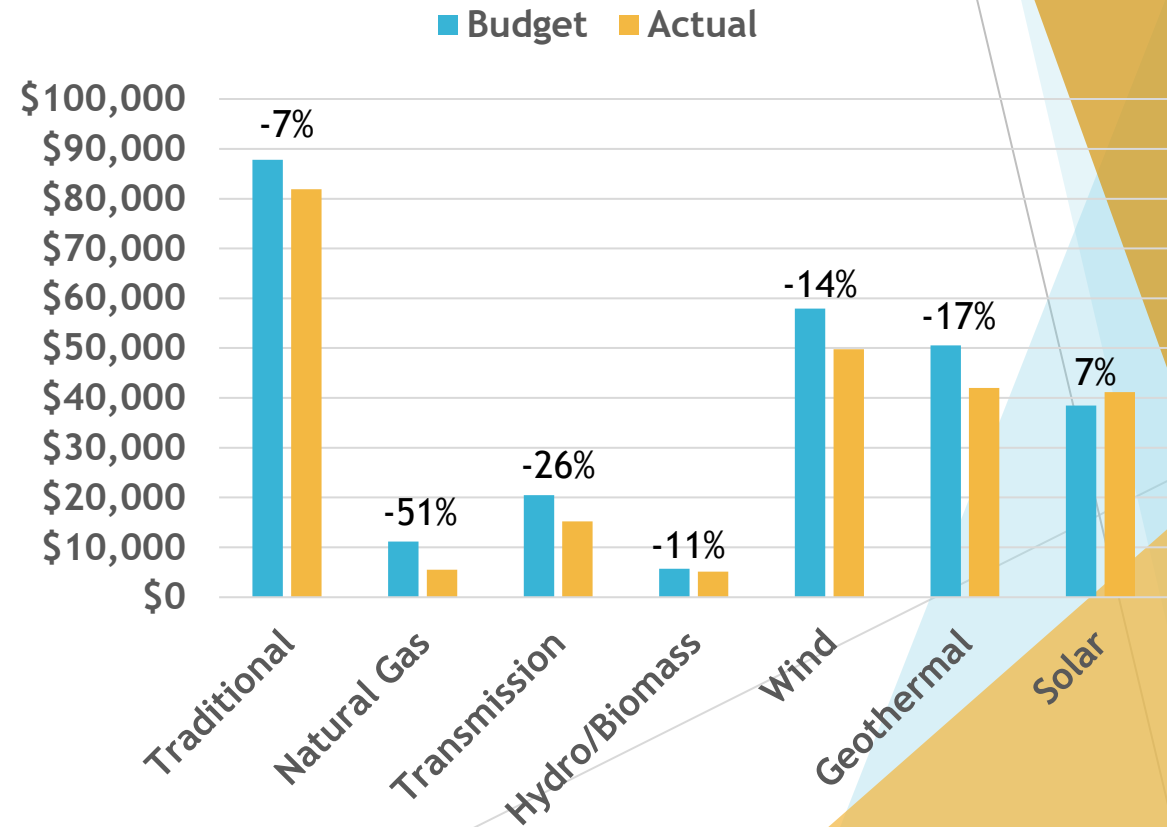
CHARLES GUSS | *Senior Asset Manager*

NICOLE SOLANO | *Senior Utility Analyst*

SCPPA FY 2023-2024 Q1

Project Budget-to-Actual Variance Report

Project Type	Budget	Actual	Difference	%
Traditional	\$ 87,818	\$ 81,895	\$ (5,923)	-7%
Natural Gas	\$ 11,183	\$ 5,524	\$ (5,659)	-51%
Transmission	\$ 20,466	\$ 15,230	\$ (5,236)	-26%
Hydro/Biomass	\$ 5,697	\$ 5,085	\$ (612)	-11%
Wind	\$ 57,906	\$ 49,802	\$ (8,104)	-14%
Geothermal	\$ 50,565	\$ 41,977	\$ (8,588)	-17%
Solar	\$ 38,434	\$ 41,132	\$ 2,698	7%
Total	\$ 272,069	\$ 240,646	\$ (31,424)	-12%





Thank You



Project Development

RANDY KRAGER | *Sr. Project Development Manager*

NICOLE SOLANO | *Senior Utility Analyst*



EDF Renewables (*“Developer”*)

- ▶ 35+ years of developing and constructing grid and distribution-scale renewable projects.
- ▶ Present in 22 countries
- ▶ 16 GW of renewable projects developed in North America alone
 - ▶ Bonanza Solar, LLC

Bonanza Solar & Storage Project: 2024-002



Selected out of over 15 proposals as part of SCPPA rolling Renewable Portfolio Standard (RPS) Request For Proposal (RFP)



Chosen for competitive price and storage capacity



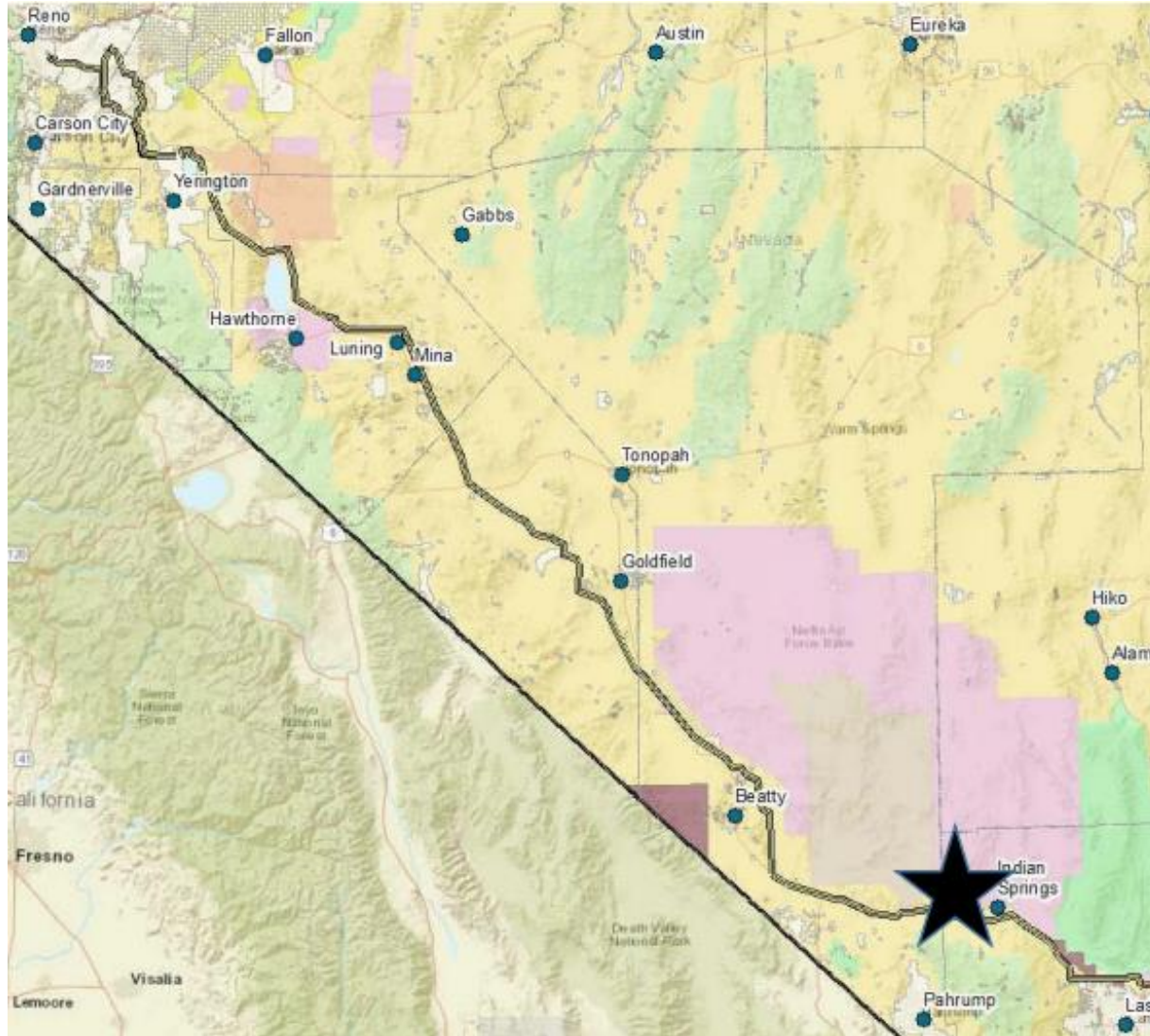
Will advance Member RPS goals/needs



Exempt from CEQA



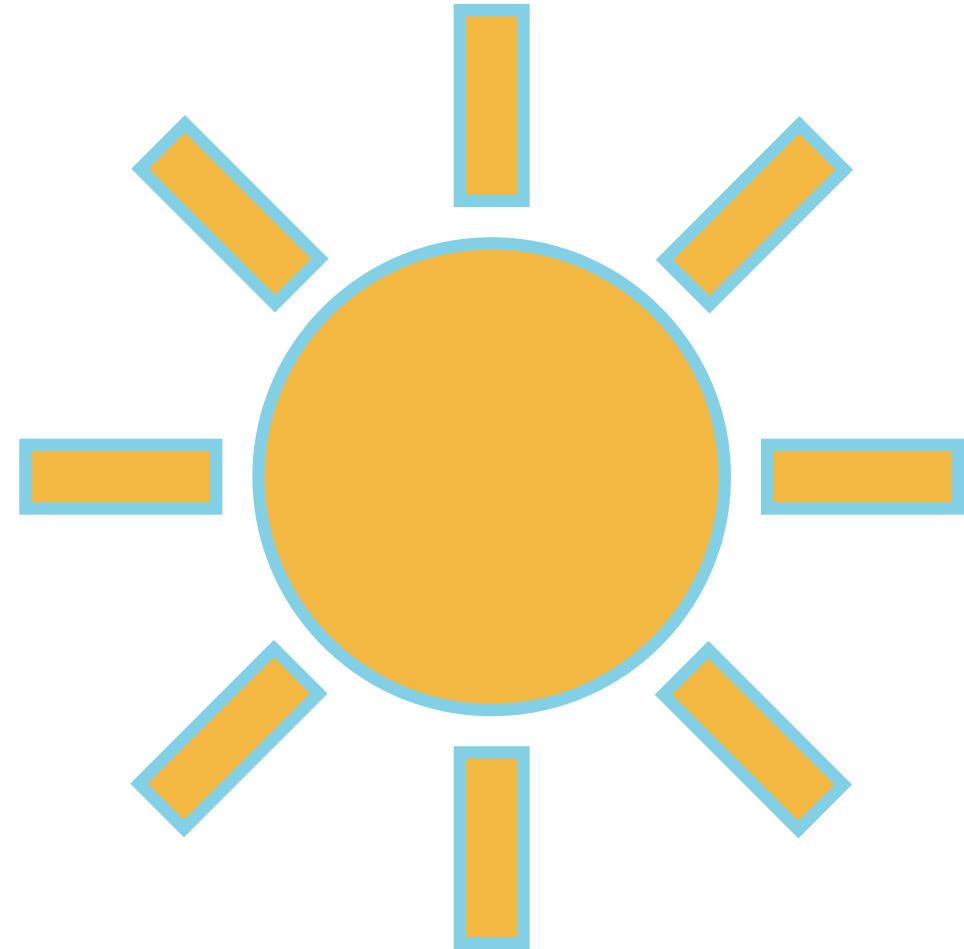
Provides efficient use of renewable resources



Bonanza Solar & Storage Site Map
Clark County, Nevada

Bonanza Solar & Storage

- ▶ **Participating Members:** Azusa and Pasadena
- ▶ **Contract Capacity:**
 - ▶ 125 MW (PV)
 - ▶ 65 MW (AC) of **Contract Term:** 20 Years
 - ▶ BESS
- ▶ **Contract Price:**
 - ▶ \$47.76/MWh (PV Delivered Energy)
 - ▶ \$16.84/kW-month (BESS)
 - ▶ 70% (per MWh) for Startup and Test Energy
 - ▶ Excess Energy is 25% (per MWh) of the applicable price for Delivered Energy
 - ▶ Excess Energy is >115% ACQ
 - ▶ **Point of Delivery:** Innovation Substation
- ▶ **GCOD:** December 31, 2028



Recommendation:

Approval of Resolution 2024-002

- ▶ Authorize the negotiation, execution, and delivery of the project Power Purchase Agreement (“PPA”) for the Bonanza Solar, LLC Solar & Storage Project and finding such action exempt from the California Environmental Quality Act.



GOVERNMENT AFFAIRS

MARIO De BERNARDO | *Director, Government Affairs*

ELISABETH de JONG | *Manager, Government Affairs*

NATALIE SEITZMAN | *Energy Policy Advocate, Government Affairs*

CEC Vice Chair Visit

- ▶ January 10, 2024
- ▶ CEC Vice Chair Gunda, Dr. Liz Gill
- ▶ Tours: Magnolia Power Plant, Grayson Power Plant
- ▶ Discussion:
 - ▶ Transmission constraints, resource adequacy and reserves
 - ▶ Community engagement (including IRP updates/process)
 - ▶ Planning issues, SB 100, RPS affordability, funding support
- ▶ Takeaways:
 - ▶ Vice Chair would like monthly POU meetings
 - ▶ Focus on how CEC resources can help
 - ▶ CEC needs POUs to be more vocal
 - ▶ Potential to work together on
 - Regulatory support
 - 2025 legislative solutions
 - Issues incorporated in SB 100 Report



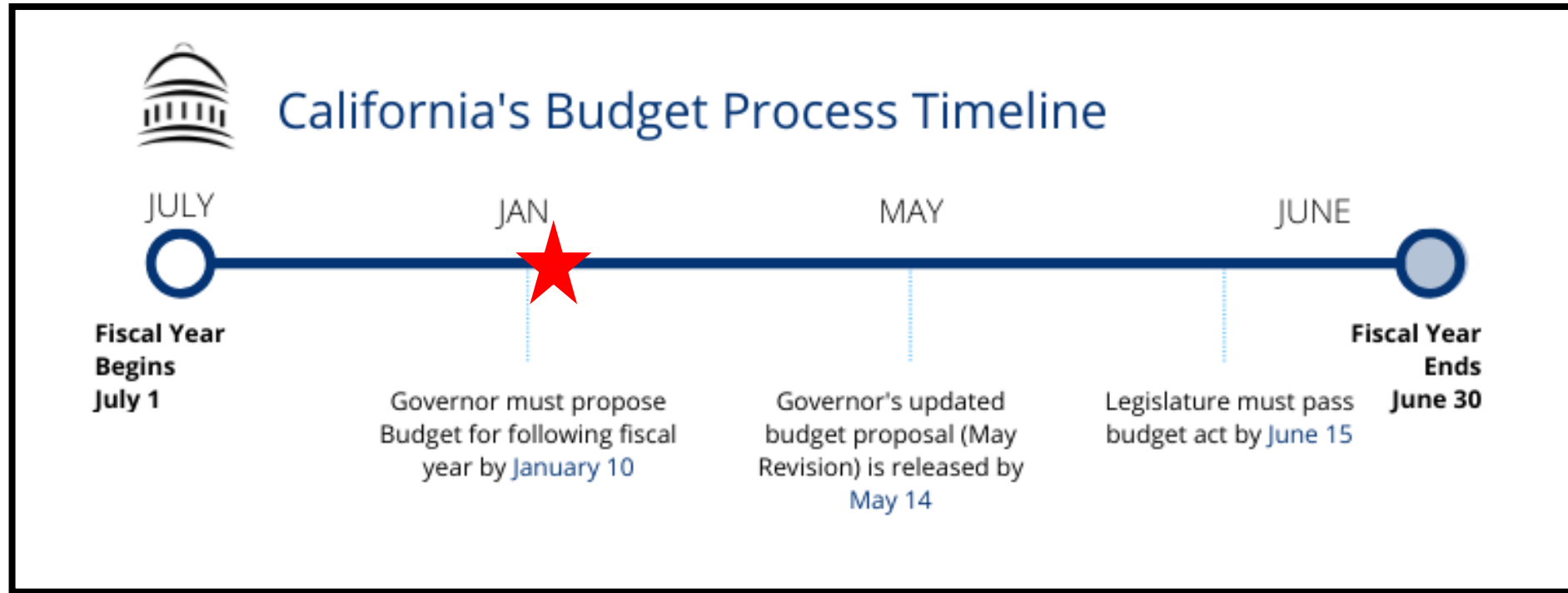
CEC Vice Chair Visit

Next Steps: Continue Momentum

- SCPPA Will Bring in CMUA and NCPA
- Monthly POU meetings
- Quarterly in-person meetings
- SCPPA Trip for Com. Gallardo



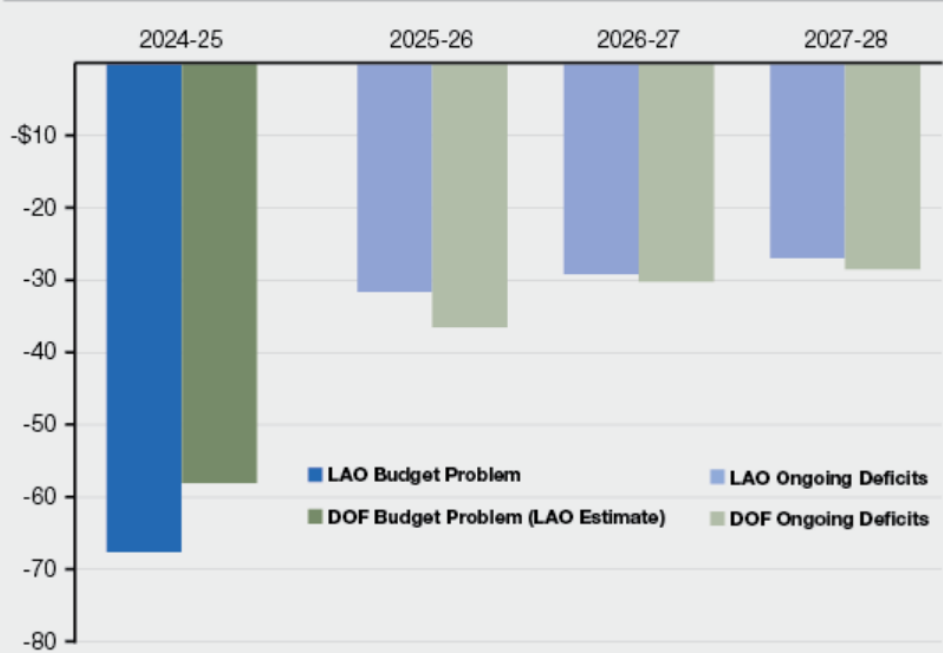
State Budget Timeline



State Update: Governor's Proposed State Budget

Figure 4

State Faces Significant Operating Deficits (In Billions)

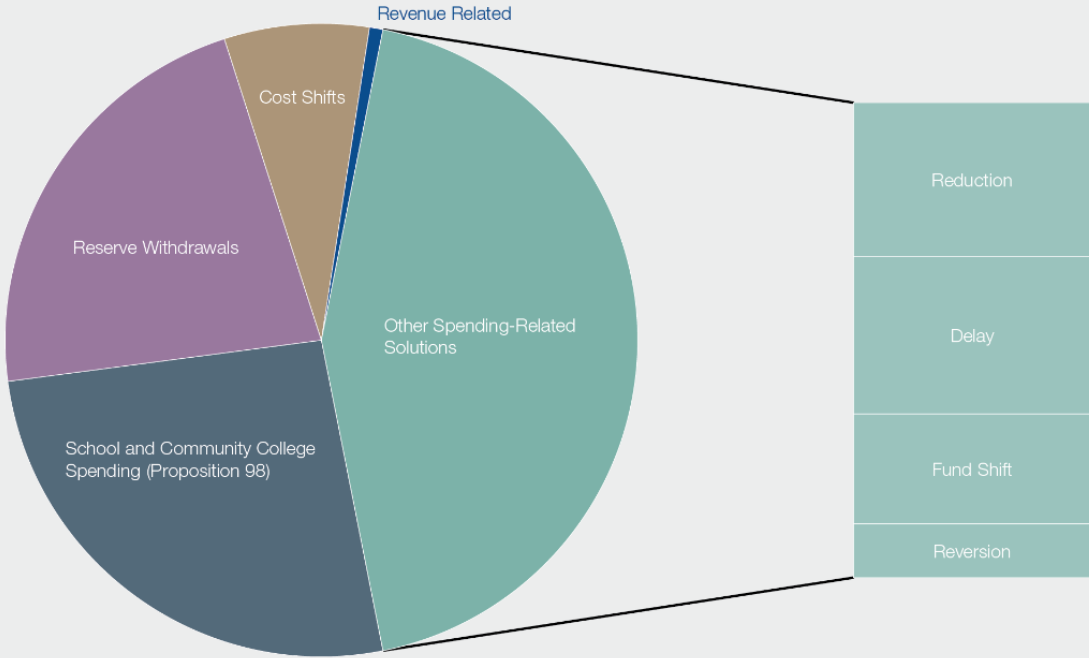


DOF = Department of Finance.

LAOA

Figure 2

How the Governor Addresses a \$58 Billion Budget Problem



LAOA

State Update: Governor's Proposed State Budget

Distributed Electricity Backup Assets (DEBA) Program

Incentivizes for construction of cleaner and more efficient distributed energy assets that would serve as on-call emergency supply or load reduction for the state's electrical grid during extreme events.

Gov's Jan Budget

- 2023-24: \$495 Million
- 2024-25: \$25 Million
- 2025-26: \$50 Million
- 2026-27: \$25 Million

Total: \$595 Million



CALIFORNIA
ENERGY
COMMISSION

State Update: Governor's Proposed State Budget

Self-Generation Incentive Program (SGIP)

Incentives to low-income residential customers, including to POU customers, who install behind-the-meter energy storage systems or solar photovoltaic systems paired with energy storage systems.

Gov's Jan Budget

- 2023-24: \$280 Million
- 2024-25: \$50 Million
- 2025-26: \$100 Million
- 2026-27: \$100 Million
- 2027-28: \$100 Million

Total: \$630 Million



CALIFORNIA

Public Utilities Commission

State Update: Governor's Proposed State Budget

Clean Energy Reliability Investment Plan (CERIP)

Clean energy investments that accelerate the deployment of clean energy resources, support demand response, assist ratepayers, and increase energy reliability.

Gov's Jan Budget

- 2023-24: \$100 Million
- 2025-26: \$100 Million
- 2026-27: \$300 Million
- 2027-28: \$500 Million

Total: \$1 Billion



State Update: Governor's Proposed State Budget

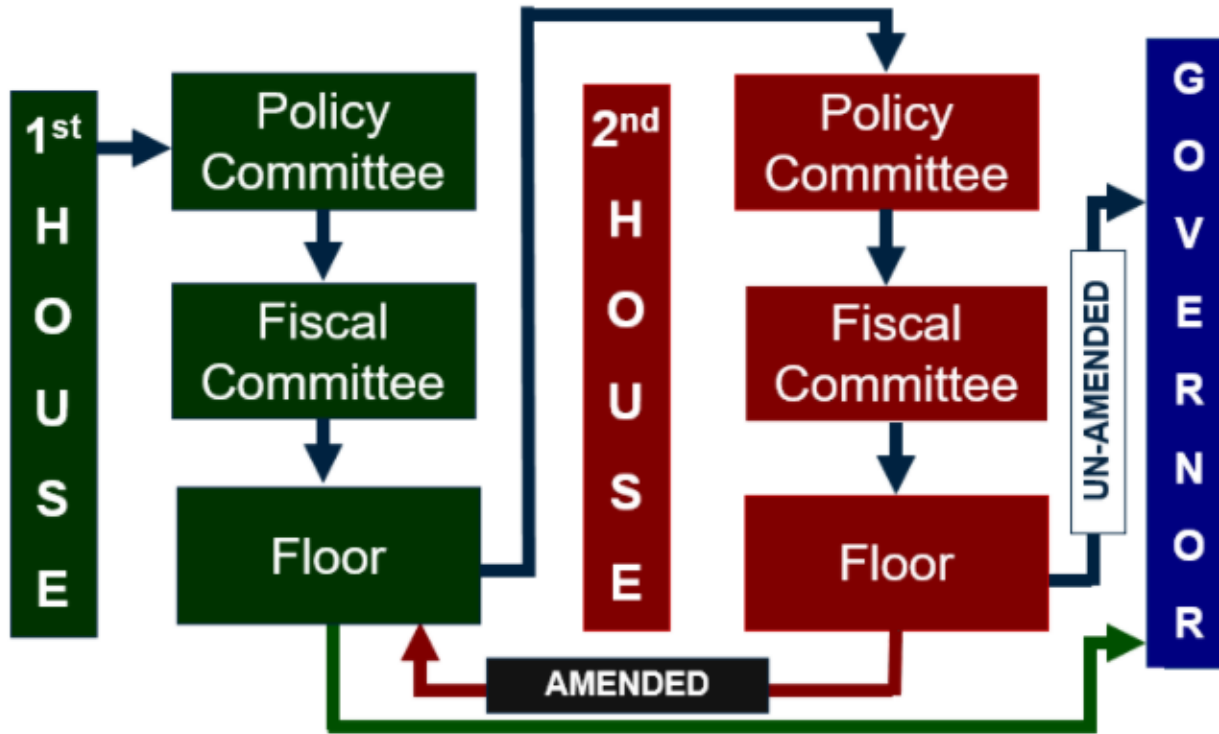
- **Strategic Reliability Reserve:** Maintains \$2.37 Billion to DWR
- **Long Duration Energy Storage Incentives:** Maintains \$330 Million
- **Hydrogen Grants:** Maintains \$65 Million



State Legislative Calendar

Legislative Process

“How a Bill Becomes a Law”



Notable Dates:

- Jan 31st
 - Deadline for 2-year bills to pass house of origin
- Feb 16th
 - Last day for bills to be introduced

*In general, bills introduced must be in print for 30 days before first committee hearing

State Update: Potential Transformer Resolution

- **Whereas Clauses**
 - Discuss the Problem
 - Connection to Housing & Electrification
- **Therefore Be It Resolved Clause**
 - Support Federal Funding to Support Domestic Manufacturing
- **Strategy**
 - Seek Support from Housing, TE, Environmental, and Labor Stakeholders
 - Raise Awareness in State Capitol
 - Urge California's Federal Lawmakers to Act



Federal Update

- Congress Works to Avoid Government Shutdown
- Inflation Reduction Act Update
- FERC Update

Current Status of U.S. Interconnection Queues



Included in FERC Order 2023

- *Cluster studies; first ready, first served*; higher *deposits & readiness* criteria for developers
- *Timeline, process, and reporting* requirements for transmission providers; *Financial penalties* for delays
- Visual representation (*heatmaps*) of *available transmission capacity*
- Improved and standardized process for *affected system studies*
- Framework for *shared network upgrade costs*
- Improved procedures and *flexibility for storage and hybrid resources*
- Consideration of *alternative transmission technologies (GETs)*

FERC Order 2023

Increased Financial Commitments and Readiness Requirements

Order No. 2023 increases the requirements for interconnection customers to enter and remain in the interconnection queue.

- **Study Deposit**
 - Interconnection customers will pay a one-time deposit based on the size of their facility
- **Site Control**
 - 90% site control exclusive to interconnection customer to enter the queue; 100% site control by facilities study
 - Acreage requirements based on generating technology
 - Deposit in lieu of site control only for regulatory limitations

Facility Size (MW)	Deposit Amount (\$)
> 20 MW < 80 MW	\$35,000 + \$1,000/MW
≥ 80 MW < 200 MW	\$150,000
≥ 200 MW	\$250,000

Upcoming Events

- **Public Power Capitol Day**
 - Feb 5th (Sacramento)
- **APPA Legislative Rally/SCPPA Fly-In**
 - Feb 26-28 (Washington, D.C.)

