



**MEETING MINUTES
COMMUNITY ADVISORY COMMITTEE MEETING
THURSDAY, NOVEMBER 21, 2024
1:00 P.M.**

CALL TO ORDER

(1:03 p.m. - Video Time Stamp: 00:02:52)

Chair Morris called the meeting to order.

Committee Members present: Chair Morris, and Members Hollinshead, Soto, Dowd, Wang, Kelly, Hagen, Heffler, and Nicholls. Vice Chair Lipp was absent with prior notice.

Staff present: Geof Syphers, Chief Executive Officer; Michael Koszalka, Chief Operating Officer; Garth Salisbury, Chief Financial Officer; Miles Horton, Legislative Policy & Community Engagement Manager; Chris Golik, Revenue Manager; and Caludia Sisomphou, Public Affairs and Advocacy Manager.

COMMUNITY ADVISORY COMMITTEE CONSENT CALENDAR

(1:04 p.m. - Video Time Stamp: 00:03:38)

1. Approve October 17, 2024, Draft Community Advisory Committee Meeting Minutes
2. Approve Community Advisory Committee Meeting Dates for 2025 Calendar Year
3. Recommend the Board of Directors Approve Revisions to the Net Billing Tariff
4. Receive Geothermal Opportunity Zone Update
5. Recommend the Board of Directors Delegate Authority to the Chief Executive Officer or His Designee to Execute a Legal Services Agreement with Best Best & Krieger LLP in the Amount Not-To-Exceed of \$275,000 through December 31, 2027

Public Comment: None

Michael Heffler requested a correction to Item 1, of the October 17, 2024, Meeting Minutes.

Motion to approve the October 17, 2024, Community Advisory Committee Consent Calendar by Member Dowd

Second: Member Nicholls

Motion passed by roll call vote.

AYES: Morris, Hollinshead, Soto, Dowd, Wang, Kelly, Hagen, Heffler, Nicholls

ABSENT: Lipp

COMMUNITY ADVISORY COMMITTEE REGULAR CALENDAR

6. Receive Internal Operations and Monthly Financial Report and Provide Feedback as Appropriate

(1:06 p.m. - Video Time Stamp: 00:06:12)

Michael Koszalka, COO, discussed the data collected of visitors to the Customer Center (Center) and mentioned that there will be a change to the Center's hours to better reflect documented times of customer traffic. Garth Salisbury, CFO, discussed the 1st Prepayment transaction that will net savings of \$47 million for SCP ratepayers over eight years. Geof Syphers, CEO, thanked Garth for his work on the Prepayment transaction. He mentioned that the Board of Directors (Board) had cancelled their January meeting, and because of this, recommended the Community Advisory Committee (Committee) cancel their December meeting.

Chair Morris, after seeing no opposition to cancelling the December Committee meeting, gave the direction for it to be cancelled.

Member Kelly asked how Prepay transactions affect SCP's balance sheets. And CFO Salisbury explained how prepay transaction works and that the savings are locked in. Member Kelly then asked what SCP's exposure to tariffs is and CEO Syphers explained that the exposure would be related to future contracts, and not related to any existing contracts in the prepay transaction. Member Hollinshead asked what SCP's exposure to a large market change in the economy would be and CEO Syphers said it is too early to tell but staff would discuss more as part of the financial items. Member Hollinshead asked if

geothermal projects could insulate SCP to create financial resiliency and CEO Syphers answered that it is possible.

Public Comment: None

7. Receive Legislative and Regulatory Updates and Provide Feedback as Appropriate

(1:23 p.m. - Video Time Stamp: 00:23:42)

Miles Horton, Legislative Policy & Community Engagement Manager, gave a brief legislative update and announced that a third of the Legislature would be made up of new members including former Director Chris Rogers of Santa Rosa and a large incoming contingent of female legislators.

Chair Morris expressed gratitude for more gender parity in the California State Legislature.

CEO Syphers then gave a regulatory update and discussed the CPUC's limit on resource adequacy and the effect it would have on ratepayers.

Member Nicholls asked what the effect would be on other CCAs, and CEO Syphers said they would be in the same circumstances as SCP. Member Wang asked if anything could change with PG&E and CEO Syphers responded that it is difficult to change a for-profit utility, and the focus needs to be on what we can do to make SCP as strong as we can.

Public Comment: None

8. Recommend the Board Approve Parameters for Customer Rate Reductions Following Changes to Distribution Utility Rates and Fees on or After January 1, 2025, and Amendments to Financial Policy B.2

(1:34 p.m. - Video Time Stamp: 00:34:24)

Chris Golik, Revenue Manager, gave an update to SCP's reserve policy and explained the plan to increase the target reserve. Mr. Golik then told the Committee that SCP would report on reserves at the end of 2025. CEO Syphers added that establishing rates through parameters allows rate settings to be implemented quickly, following PG&E's rate changes, thereby helping protect customers from unnecessary charges.

Member Nicholls asked why the reserve goal was 280 days but now it would be 365 days and CEO Syphers responded that it is due to safety and credit ratings. Member Hollinshead asked what 5% savings were to SCP customers and Mr. Golik responded that it was roughly a savings of \$5.5 million which is about \$184 per customer annually. Member Hollinshead then asked what acquisitions make sense and CEO Syphers answered that SCP's next decade would be about acquiring assets. Member Kelly asked what PG&E's exposure was to a high tariff environment and CEO Syphers answered that this was hard to know. Chair Morris then asked about the Local Investment Fund and CEO Syphers answered that staff recommended that the funds should protect our reserves, work towards goals, and maintain our credit rating.

Public Comment: None

The vote for Item 8 was split into two votes.

Motion to approve the first two items of the proposal: Amendments to Financial Policy B.2 and Rate Setting Parameters by Member Hollinshead

Second: Member Heffler

Motion passed by roll call vote.

AYES: Morris, Hollinshead, Soto, Dowd, Wang, Kelly, Hagen, Heffler, Nicholls

ABSENT: Lipp

Motion to approve the third item in the proposal regarding SCP's Local Investment Fund and recommend an alternative proposal to allocate 4% of Revenues in 2025 to SCP's Local Investment Fund by Member Hollinshead

Second: Member Kelly

Motion passed by roll call vote.

AYES: Morris, Hollinshead, Soto, Dowd, Kelly

ABSENT: Lipp

ABSTAIN: Wang, Hagen, Heffler, Nicholls

9. Review Programs Strategic Action Plan and Provide Feedback as Appropriate
(2:06 p.m. - Video Time Stamp: 01:05:56)

Felicia Smith, Director of Programs, gave a presentation on the Strategic Action Plan.

Member Kelly asked if there was an opportunity to involve the workforce when discussing buildings and CEO Syphers said yes, and SCP staff is open to suggestions from the Committee. Member Nicholls said that he was proud of the growth in GridSavvy and stated he would like to know how many EV drivers used the program. Chair Morris thanked staff for the report and asked what the percentage of Net Green+ customers the 30,000 customers made and stated that she would like to know how much the program has paid out. Member Soto stated that he liked seeing what doesn't work along with what does.

Public Comment: Stephen Pierce encouraged SCP to use different metrics for programs with measurable objectives, the comment is attached.

Vice Chair Lipp commended SCP for the Strategic Action Plan, the comment is attached.

10. Receive Update on Sonoma Clean Power Authority's Tribal Engagement Efforts
(2:26 p.m. - Video Time Stamp: 01:26:03)

Claudia Sisomphou, Public Affairs and Advocacy Manager, introduced Pamela Lopez of K St. Consulting to give a presentation on SCP's Tribal Engagement efforts.

Member Heffler asked how many people are being discussed and Ms. Lopez answered that it depends on the tribe. Member Dowd asked if there are any plans to follow up with other low-income communities and Ms. Sisomphou answered that yes, there is an agency-wide attempt to connect with these communities. Member Kelly asked if there are strategic assets that SCP can utilize that don't include casinos and Ms. Lopez answered yes, because the tribes value diversification of their investments. Member Soto asked if tribal sovereignty creates paths to energy resources and CEO Syphers answered that because tribes permit through the Federal government permit times can be faster. Member Wang asked if the Koi Nation project is going to damage relations with other tribes and Ms. Lopez answered no, but she wanted the Committee to be aware of it. Member Kelly asked if the Federal government had the right to impose tariffs on tribal lands and Ms. Lopez answered that she

wasn't sure, but they are discussing what the incoming administration will do to tribal rights.

Public Comment: None

COMMITTEE MEMBER ANNOUNCEMENTS

(3:00 p.m. - Video Time Stamp: 01:59:43)

Member Dowd would like to see the gravel in front of SCP replaced. Member Hagen said she was having trouble with her smart thermostat and CEO Syphers said that staff would reach out to her.

PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA

(3:01 p.m. - Video Time Stamp: 02:00:36)

Public Comment: None

ADJOURN

(3:02 p.m. - Video Time Stamp: 02:01:34)

The meeting was adjourned by unanimous consent.

Respectfully Submitted,



Darin A. Bartow, JD
Clerk of the Board

It is encouraging to see that SCP is planning to complete various program metric as part of the Program Strategic Action Plan. To date, this has not been a strong suite of SCP. I encourage SCP to start this process with measurable objectives, so the metrics can help us determine program effectiveness. The metrics should also include dollars spent on a particular program including staff time and incentives. We need to know how much of bang we are getting for the buck.

Looking at building electrification, the biggest thing that will be moving the needle and bringing in more revenue to SCP is the upcoming 2027 Air Resource Board requirement that replacement gas storage water heaters be electric and then the same for gas furnace replacement in 2029 needing to be electric. Our region is not adequately preparing for this major change. We do not have the trained workforce or interest from our local contractors. I encourage SCP to examine Silicon Valley Clean Energy's approach to incentivizing contractor electrification training and installation incentives.

Thank You

Steve Pierce

SCP Clerk,

SCP Staff should be commended for the Strategic Action Plan outlining the Customer Offers and Incentives. Energy programs and offers are very confusing to customers. Like past Strategic Action Plans, this document does an excellent job of outlining all the potential offerings to customers in one easy to read document. It provides the right level of detail in non-energy program expert language so that the public can understand the programs offered and how they may be applicable to their energy goals.

It might be helpful to include website links on the current program offerings in case members of the public would like to access more detailed information on a program.

Thank you,

Spencer Lipp