

# CC Power Board Meeting – General Manager Update

2/17/21

# Overview

- **Kickoff Meeting for CC Power**
- **Focus:**
  - **Administrative Startup Issues**
  - **Board Discussion on Policy Development**
- **Website Operational**
  - <https://cacommunitypower.org/>
- **Long Duration Storage Project Update**

## LDS Project Update - Approach

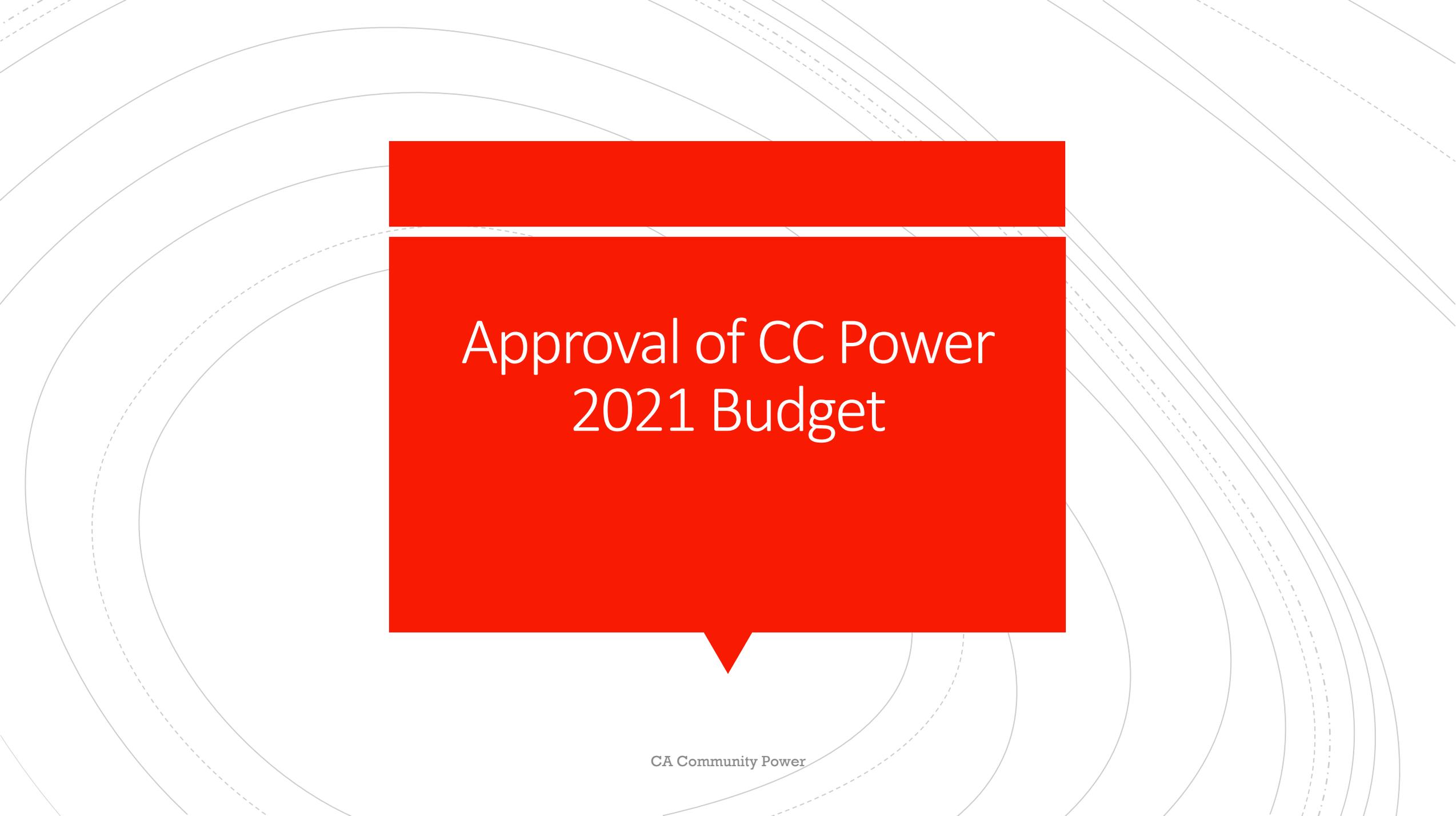
- **Project will be driven through ad hoc Project Oversight Committee (POC)**
  - Each LDS participant has representative on POC
    - Requests out for selection and initiating formation
  - POC is advisory to CC Power
  - POC representatives provide communications channel back to participants
  - Initial efforts
    - Finalize short list recommendations
    - Work with Negotiating Team on negotiation principles
  - Longer-term – advise negotiating team on issues and recommendations
- Major project approvals will be brought back to the Board
- Outreach planned to CAISO CEO and Board President to provide update on LDS project – 2/26/21

# LDS Project Update – RFO Evaluation

- **RFO Evaluation Update**
  - 51 Entities submitted offers (over 9,000 MW)
  - Total of 314 unique pricing offers
    - 160 full toll offers
    - 57 Resource Adequacy offers
    - 98 primary offers
  - Various technologies (Li-ion, pumped hydro storage, flow batteries, gravity, liquid air, compressed air)
  - Evaluation process under way for last 2 months and based on agreed upon criteria
    - Expected Value 55
    - Project Risk 10
    - Technology/Viability 10
    - Offeror Experience 10
    - Environmental 5
    - Delivery Term 10
  - First round of evaluations complete and identifying up to 15 projects to advance to second round of evaluation
  - Goal is to have short list of recommended projects by mid-March for participant consideration and selection of final projects by April to allow initiation of negotiations
- Sub-team working with Negotiating Team on list of negotiating principles



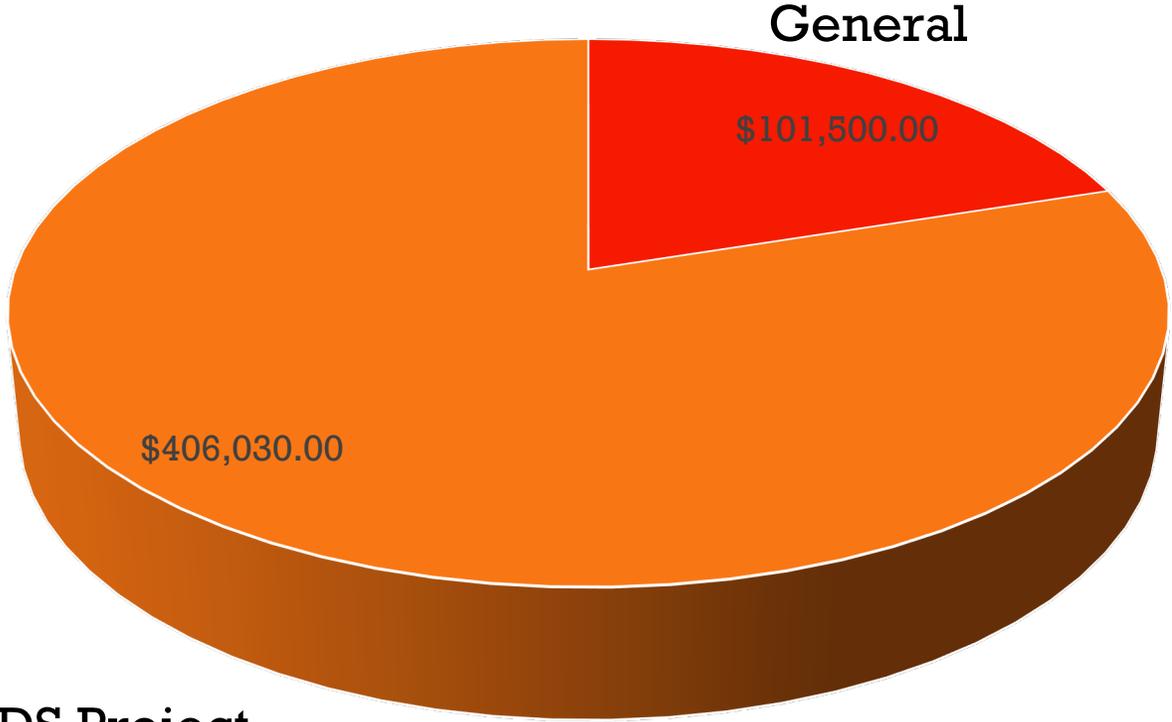
QUESTIONS

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# Approval of CC Power 2021 Budget

2021 Budget

CC Power 2021  
Budget -  
\$507,530



LDS Project

# CC Power 2021 Budget - Assumptions

- Detailed assumptions contained in draft budget provided in packet
- LDS Project negotiations budget based upon pursuing three projects
- Estimates include a 10% contingency
- Cost Allocations
  - General Budget allocated on an equal member share basis
  - LDS Project Budget initially allocated on percentage share of participants estimated target capacity needs. This will be revised once participants select desired project participation levels

2021 Budget Categories & Cash Flow

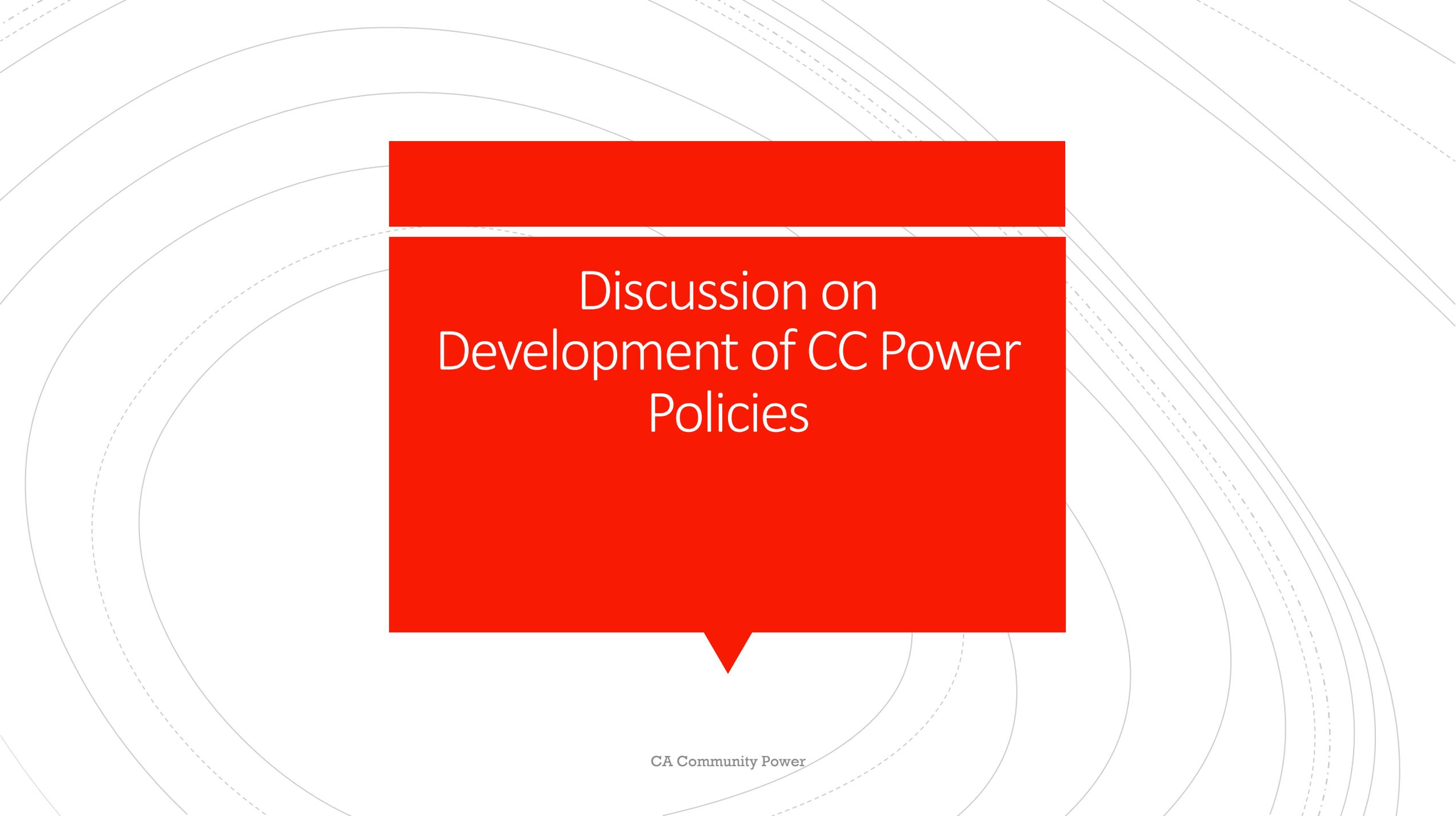
CATGORY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	TOTAL
<b>GENERAL</b>											
- GM	\$10,000	\$1,100	\$1,100	\$500	\$500	\$1,100	\$1,100	\$500	\$1,100	\$500	\$17,500
- GC	\$10,000	\$4,000	\$5,000	\$3,000	\$1,500	\$5,000	\$15,000	\$1,500	\$5,000	\$1,000	\$51,000
- SUPT	\$23,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$33,000
- TOTAL	\$43,100	\$5,600	\$7,200	\$4,600	\$3,100	\$7,200	\$16,600	\$5,600	\$9,700	\$2,600	\$101,500
<b>LDS PROJ</b>											
- GM	\$2,000	\$9,750	\$9,750	\$9,750	\$9,750	\$9,750	\$10,000	\$2,000	\$2,000	\$2,000	\$66,750
- GC	\$4,680	\$20,000	\$15,600	\$5,000	\$5,000	\$15,600	\$25,000	\$5,000	\$5,000	\$5,000	\$105,880
- SUPT	\$2,640	\$2,640	\$2,640	\$2,640	\$2,640	\$2,640	\$2,640	\$2,640	\$2,640	\$2,640	\$26,400
- NEG TM		\$32,000	\$32,000	\$32,000	\$32,000	\$32,000	\$32,000	\$6,000	\$4,500	\$4,500	\$207,000
- TOTAL	\$9,320	\$64,390	\$59,990	\$49,390	\$49,390	\$59,990	\$69,640	\$15,640	\$14,140	\$14,140	\$406,030
<b>GRN TOT</b>	<b>\$52,420</b>	<b>\$69,990</b>	<b>\$67,190</b>	<b>\$53,990</b>	<b>\$52,490</b>	<b>\$67,190</b>	<b>\$86,240</b>	<b>\$21,240</b>	<b>\$23,840</b>	<b>\$16,740</b>	<b>\$507,530</b>

Initial Budget Allocations and Expected Cash Call

<b>PARTICIPANT</b>	<b>ALLOCATION (%)</b>	<b>LDS 6 MO CASH CALL</b>	<b>GEN'L 6 MO CASH CALL</b>	<b>TOTAL 6 MO CASH CALL</b>	<b>LDS TOTAL</b>	<b>GENERAL TOTAL</b>	<b>2021 TOTAL</b>
EBCE	0	\$0	\$8,925.00	\$8,925.00	\$0	\$12,687.50	\$12,687.50
3CE	16	\$47,172.58	\$8,925.00	\$56,097.58	\$65,488.71	\$12,687.50	\$78,176.21
MCE	16	\$47,172.58	\$8,925.00	\$56,097.58	\$65,488.71	\$12,687.50	\$78,176.21
PCE	16	\$47,172.58	\$8,925.00	\$56,097.58	\$65,488.71	\$12,687.50	\$78,176.21
RCEA	3	\$9,434.52	\$8,925.00	\$18,359.52	\$13,097.74	\$12,687.50	\$25,785.24
SJCE	16	\$47,172.58	\$8,925.00	\$56,097.58	\$65,488.71	\$12,687.50	\$78,176.21
SVCE	16	\$47,172.58	\$8,925.00	\$56,097.58	\$65,488.71	\$12,687.50	\$78,176.21
SCPA	16	\$47,172.58	\$8,925.00	\$56,097.58	\$65,488.71	\$12,687.50	\$78,176.21
CPSF	N/A	N/A	N/A	N/A	N/A	N/A	N/A
VCE	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>TOTAL</b>	100	\$292,470.00	\$71,400.00	\$363,870.00	\$406,030.00	\$101,500.00	\$507,530.00

**CC Power 2021  
Budget –  
Requested Board  
Action**

- **Proposed resolution includes several actions:**
  - **Designation of Fiscal Year: January-December**
  - **Approval of proposed 2021 Budget**
  - **Approval of Initial Cost Allocation Methodologies**
  - **Authorize Treasurer to Make Initial Cash Calls**

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# Discussion on Development of CC Power Policies

## Policy Development - Options for Consideration

- **Option 1: Development of High-level Policy Principles**
- **Option 2: Adopt a Formal Policy Statement**
- **Option 3: Hybrid**

# Policy Development - Option 1

- **Option 1: Development of High-level Policy Principles**
  - Use policy principles to guide CC Power during formation
  - Develop detailed policy statements as necessary, mainly to support LDS project implementation
    - Based upon type of project and participants

## Policy Development - Option 2

- **Option 2: Adopt a Formal Policy Statement, such as:**
  - CC Power will seek to award contracts and negotiate contract terms consistent with our values and goals regarding environmental sustainability; local hire; support of local business; support for union craft labor and apprenticeship programs for new construction projects that create employment opportunities; support for maintaining area construction wage standards; support for the use of a skilled and trained workforce; and support for inclusive business practices
- Policy statements would be developed in a timely manner with focus on those necessary for CC Power operations and LDS project(s) execution

# Policy Development - Option 3

- **Option 3: Hybrid**
  - Adopt a hybrid of the two options above, including adopting specific policy statement on key issues now (i.e. - labor, environmental and diversity) and endorsing the high-level policy principles on a broader range of issues to help guide the organization over the first year or two of operation

# Policy Development – Next Steps

- **Ad hoc committee to work with Interim General manager to bring back recommendation to Board on how to proceed**
  - **Use Board discussions as framework for moving forward**

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# Future Board Items

# Items for Future Board Meetings

- **Approval of New Members (CPSF, VCE)**
- **Recommendations on CC Power Policy development**
- **Discussion on LDS Project**
  - Overview of project location considerations
  - Update on short-list effort