

CC Power Board Meeting – General Manager Update

4/21/21

Overview

- **Approval of CPSF and VCE to Become Members of CC Power**
- **Approval of Revised 2021 CC Power Budget**
- **Long Duration Storage Project Update**
- **Acceptance of Proposed CC Power Project Development Process and Delegations for LDS Project**
- **Approval of CC Power NDA and Exclusivity Agreement for LDS Project**
- **Items for Future Board Meetings**

Approval of New Members

- CPSF and VCE have both submitted necessary documentation for consideration as new members of CC Power in accordance with Sections 3.01, 3.02, and 3.03 of the JPA Agreement, including:
 - Governing body approval of request to join CC Power
 - Agreeing to pay for CC Power startup costs (CPSF paid as part of original cost sharing agreement and VCE has agreed to pay its share, estimated at \$10,000)
 - Agreeing to pay their share of general/administrative costs and project participation costs as appropriate
- Per JPA Agreement, approval of new members requires a 2/3 affirmative vote of the Board
- **Requested Action: Staff recommends that the Board approve the request by CPSF and VCE to become new members**

Approval of Revised 2021 CC Power Budget

- **Budget revision necessitated by:**
 - Board concurrence to revise the General Manager budgeted hours to 15 hours/month for G&A and 45 hours/month for LDS Project support
 - Anticipated approval of CPSF and VCE as new members

CATEGORY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
~ General JPA Support											
~ General Manager	\$ 10,000.00	\$ 1,100.00	\$ 1,100.00	\$ 500.00	\$ 500.00	\$ 1,100.00	\$ 1,100.00	\$ 500.00	\$ 1,100.00	\$ 500.00	\$ 17,500.00
~ General Counsel	\$ 10,000.00	\$ 4,000.00	\$ 5,000.00	\$ 3,000.00	\$ 1,500.00	\$ 5,000.00	\$ 15,000.00	\$ 1,500.00	\$ 5,000.00	\$ 1,000.00	\$ 51,000.00
~ Support Functions	\$ 23,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 33,000.00
~ Total	\$ 43,100.00	\$ 6,200.00	\$ 7,200.00	\$ 4,600.00	\$ 3,100.00	\$ 7,200.00	\$ 17,200.00	\$ 3,100.00	\$ 7,200.00	\$ 2,600.00	\$ 101,500.00
~ LDS Project Support											
~ General Manager	\$ 2,000.00	\$ 9,750.00	\$ 9,750.00	\$ 9,750.00	\$ 9,750.00	\$ 9,750.00	\$ 10,000.00				\$ 60,750.00
~ General Counsel	\$ 4,680.00	\$ 20,000.00	\$ 15,600.00	\$ 5,000.00	\$ 5,000.00	\$ 15,600.00	\$ 25,000.00				\$ 90,880.00
~ Negotiating Team		\$ 32,000.00	\$ 32,000.00	\$ 32,000.00	\$ 32,000.00	\$ 32,000.00	\$ 32,000.00				\$ 192,000.00
~ Project Support	\$ 2,640.00	\$ 2,640.00	\$ 2,640.00	\$ 2,640.00	\$ 2,640.00	\$ 2,640.00	\$ 2,640.00				\$ 18,480.00
~ Total	\$ 9,320.00	\$ 64,390.00	\$ 59,990.00	\$ 49,390.00	\$ 49,390.00	\$ 59,990.00	\$ 69,640.00	\$ -	\$ -	\$ -	\$ 362,110.00
~ Grand Total	\$ 52,420.00	\$ 70,590.00	\$ 67,190.00	\$ 53,990.00	\$ 52,490.00	\$ 67,190.00	\$ 86,840.00	\$ 3,100.00	\$ 7,200.00	\$ 2,600.00	\$ 463,610.00

Current Approved 2021 Budget

PARTICIPANT	TARGET CAP.	ALLOCATION	LDS 6 MO.	GENL 6 MO	6 MO	LDS	GENERAL	2021
	(MW)	(%)	CASH CALL	CASH CALL	CASH CALL	TOTAL	TOTAL	TOTAL
EBCE	0	0	\$ -	\$ 8,925.00	\$ 8,925.00	\$ -	\$ 12,687.50	\$ 12,687.50
3CE	50	16.1	\$ 47,172.58	\$ 8,925.00	\$ 56,097.58	\$ 58,404.84	\$ 12,687.50	\$ 71,092.34
CPSF		0	\$ -		\$ -	\$ -		\$ -
MCE	50	16.1	\$ 47,172.58	\$ 8,925.00	\$ 56,097.58	\$ 58,404.84	\$ 12,687.50	\$ 71,092.34
PCE	50	16.1	\$ 47,172.58	\$ 8,925.00	\$ 56,097.58	\$ 58,404.84	\$ 12,687.50	\$ 71,092.34
RCEA	10	3.2	\$ 9,434.52	\$ 8,925.00	\$ 18,359.52	\$ 11,680.97	\$ 12,687.50	\$ 24,368.47
SJCE	50	16.1	\$ 47,172.58	\$ 8,925.00	\$ 56,097.58	\$ 58,404.84	\$ 12,687.50	\$ 71,092.34
SVCE	50	16.1	\$ 47,172.58	\$ 8,925.00	\$ 56,097.58	\$ 58,404.84	\$ 12,687.50	\$ 71,092.34
SCPA	50	16.1	\$ 47,172.58	\$ 8,925.00	\$ 56,097.58	\$ 58,404.84	\$ 12,687.50	\$ 71,092.34
TOTAL	310	100	\$ 292,470.00	\$ 71,400.00	\$ 363,870.00	\$ 362,110.00	\$ 101,500.00	\$ 463,610.00

Current Approved Allocations & Cash Calls

CATEGORY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
~ General JPA Support											
~ General Manager	\$ 3,750.00	\$ 3,750.00	\$ 3,750.00	\$ 3,750.00	\$ 3,750.00	\$ 3,750.00	\$ 3,750.00	\$ 3,750.00	\$ 3,750.00	\$ 3,750.00	\$ 37,500.00
~ General Counsel	\$ 10,000.00	\$ 4,000.00	\$ 5,000.00	\$ 3,000.00	\$ 1,500.00	\$ 5,000.00	\$ 15,000.00	\$ 1,500.00	\$ 5,000.00	\$ 1,000.00	\$ 51,000.00
~ Support Functions	\$ 23,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 33,000.00
~ Total	\$ 36,850.00	\$ 8,850.00	\$ 9,850.00	\$ 7,850.00	\$ 6,350.00	\$ 9,850.00	\$ 19,850.00	\$ 6,350.00	\$ 9,850.00	\$ 5,850.00	\$ 121,500.00
~ LDS Project Support											
~ General Manager	\$ 11,250.00	\$ 11,250.00	\$ 11,250.00	\$ 11,250.00	\$ 11,250.00	\$ 11,250.00	\$ 11,250.00				\$ 78,750.00
~ General Counsel	\$ 4,680.00	\$ 20,000.00	\$ 15,600.00	\$ 5,000.00	\$ 5,000.00	\$ 15,600.00	\$ 25,000.00				\$ 90,880.00
~ Negotiating Team		\$ 32,000.00	\$ 32,000.00	\$ 32,000.00	\$ 32,000.00	\$ 32,000.00	\$ 32,000.00				\$ 192,000.00
~ Project Support	\$ 2,640.00	\$ 2,640.00	\$ 2,640.00	\$ 2,640.00	\$ 2,640.00	\$ 2,640.00	\$ 2,640.00				\$ 18,480.00
~ Total	\$ 18,570.00	\$ 65,890.00	\$ 61,490.00	\$ 50,890.00	\$ 50,890.00	\$ 61,490.00	\$ 70,890.00	\$ -	\$ -	\$ -	\$ 380,110.00
~ Grand Total	\$ 55,420.00	\$ 74,740.00	\$ 71,340.00	\$ 58,740.00	\$ 57,240.00	\$ 71,340.00	\$ 90,740.00	\$ 6,350.00	\$ 9,850.00	\$ 5,850.00	\$ 501,610.00

Revised 2021 CC Power Budget

PARTICIPANT	TARGET CAP.	ALLOCATION	LDS 6 MO.	GENL 6 MO	6 MO	LDS	GENERAL	2021
	(MW)	(%)	CASH CALL	CASH CALL	CASH CALL	TOTAL	TOTAL	TOTAL
EBCE	0	0	\$ -	\$ 7,960.00	\$ 7,960.00	\$ -	\$ 12,150.00	\$ 12,150.00
3CE	50	14.9	\$ 46,152.24	\$ 7,960.00	\$ 54,112.24	\$ 56,732.84	\$ 12,150.00	\$ 68,882.84
CPSF	25	7.5	\$ 23,076.12	\$ 7,960.00	\$ 31,036.12	\$ 28,366.42	\$ 12,150.00	\$ 40,516.42
MCE	50	14.9	\$ 46,152.24	\$ 7,960.00	\$ 54,112.24	\$ 56,732.84	\$ 12,150.00	\$ 68,882.84
PCE	50	14.9	\$ 46,152.24	\$ 7,960.00	\$ 54,112.24	\$ 56,732.84	\$ 12,150.00	\$ 68,882.84
RCEA	10	3.0	\$ 9,230.45	\$ 7,960.00	\$ 17,190.45	\$ 11,346.57	\$ 12,150.00	\$ 23,496.57
SJCE	50	14.9	\$ 46,152.24	\$ 7,960.00	\$ 54,112.24	\$ 56,732.84	\$ 12,150.00	\$ 68,882.84
SVCE	50	14.9	\$ 46,152.24	\$ 7,960.00	\$ 54,112.24	\$ 56,732.84	\$ 12,150.00	\$ 68,882.84
SCPA	50	14.9	\$ 46,152.24	\$ 7,960.00	\$ 54,112.24	\$ 56,732.84	\$ 12,150.00	\$ 68,882.84
VCE	0	0	\$ -	\$ 7,960.00	\$ 7,960.00	\$ -	\$ 12,150.00	\$ 12,150.00
TOTAL	335	100	\$ 309,220.00	\$ 79,600.00	\$ 388,820.00	\$ 380,110.00	\$ 121,500.00	\$ 501,610.00

Revised Allocations & Cash Calls

Approval of
Revised 2021 CC
Power Budget

- **Requested Action: Approve the revised 2021 CC Power Budget and Allocations**

LDS Project Update

- ***ad hoc* Project Oversight Committee (POC)**
 - Continues to meet weekly
 - Focus
 - Finalizing Round 2 Evaluation Process – April
 - Finalize short list recommendations – end of April
 - Work with Negotiating Team on negotiation principles and draft agreements
 - Longer-term – advise negotiating team on issues and recommendations

Proposed CC Power Project Development Process

- Staff has been discussing a process for managing development of projects/programs for CC Power
- A modified version of this process is being proposed for the LDS Project

CC Power Project Development Process

Phase 0: Project Conceptualization

- Scope – Initial concept identified from member need, regulatory requirement, or industry best practice; may implement project open season; designated member sponsor; develop Phase 1 project including budget, schedule, and participation agreement
- Delegations – General Manager
- Cost Allocation – Overhead and member sweat equity, with legal and consultant support as necessary

Phase 1: Project Exploration

- Scope – Detailed project need/benefit analysis; RFO development, issuance, evaluation & short-list; develop negotiating principles and project exclusivity & Phase 2 participation agreements
- Delegations – Establish POC to advise GM on RFO evaluation and project short-list; Board approve RFO, including conditions, and agreements for GM execution; Board *ad hoc* Committee optional
- Cost Allocation – 1 participant/1 share

Phase 2: Subscription & Negotiations

- Scope – Determine initial member subscription; negotiate contracts and member project Participation, and Operations agreements
- Delegations – Continue POC to advise GM on negotiations; Board *ad hoc* Committee optional
- Cost Allocation - % share based upon initial forecasted interest

Phase 3: Project Commitment

- Scope – Finalize member shares; Finalize project contract with developer & Participation + Operations agreements with member participants; Implement project
- Delegations – POC advises GM regarding recommendation to Board for its approval & for project implementation; Board approves agreements for GM execution
- Cost Allocation – Project participation share

CC Power LDS Project Development Process

Joint LDS Project RFI/RFO Effort

Phase 0:
Project Conceptualization

- Managed through Joint RFI/RFO Effort

Phase 1:
Project Exploration

- Scope – Initially through RFI/RFO Effort; Finalize evaluation & shortlist; develop negotiating principles and project exclusivity & Phase 2 participation agreements; establish negotiating team
- Delegations – Establish POC to advise GM on RFO evaluation and project shortlist; Board approve agreements for GM execution; Board Chair/Vice-chair advisory committee
- Cost Allocation – 1 participant/1 share

Phase 2:
Subscription & Negotiations

- Scope – Determine initial member subscription; negotiate contracts and member project Participation & Operations agreements
- Delegations – Continue POC to advise GM/negotiating team on negotiations; Board Chair/Vice-chair advisory committee
- Cost Allocation - % share based upon initial forecasted interest

Phase 3:
Project Commitment

- Scope – Finalize member shares; Finalize project contracts with developer(s) & Participation + Operations agreements with member participants; implement project
- Delegations – POC advises GM regarding final recommendation to Board for its approval & for project implementation; Board approves agreements for GM execution
- Cost Allocation – Project participation share

Proposed CC
Power Project
Development
Process

- **Requested Action: Accept the general process and approve the approach for the LDS Project**

Approval of LDS Project NDA and Exclusivity Agreement

- Negotiating Team, in collaboration with Project Oversight Committee, has developed the NDA and Exclusivity Agreement that will be executed between CC Power and shortlisted LDS Project developer(s)
- Agreements have been reviewed with and concurred by the Project Oversight Committee
- **Requested Action: Approve the agreements and delegate authority to Interim General Manager to execute the agreements with the selected LDS Project developers**

Items for Future Board Meetings

- **May Board Meeting (5/19/21)**
 - Recommendation on General Counsel selection
 - Conflict of Interest Code Approval
 - LDS Project Update
 - Approval of LDS Project Phase 2 Cost Sharing Agreement
 - LDS Project budget adjustment and allocation based upon short list participation
- **June Board Meeting (Not yet scheduled – 6/16/21)**
 - Recommendation on General Manager selection
 - LDS Project Update



QUESTIONS