

California Community Power

Regular Meeting of the Board of Directors of CC Power

1:00 P.M.

Wednesday, September 15, 2021

Telephonic Meeting Only

California Community Power

NOTICE OF REGULAR MEETING AND AGENDA

Notice is hereby given that a regular meeting of the Board of Directors of California Community Power will be held on **September 15, 2021, at 1:00 p.m. The meeting will be telephonic only.**

The following information is being provided as the forum by which members of the public may observe the meeting and offer public comment:

Phone number: 1-213-338-8477 or 1-669-219-2599

Webinar ID: 874 2503 1751

Meeting Link: <https://us06web.zoom.us/j/87425031751>

AGENDA

- 1 Call to Order.**
- 2 Verification of Meeting Quorum.**
- 3 Matters subsequent to posting the Agenda.**
- 4 Public Comment** – any member of the public may address the Board of Directors concerning any matter not on the agenda.
- 5 Consent Agenda.**
 - A. Minutes of the Regular Board Meeting held on August 18, 2021.
- 6 Regular Agenda Items – Discussion and Possible Action.**
 - A. Board Chair and General Manager’s Report and Informational Update on LDS Project Approval Process.
 - B. Consider and Possibly Approve Resolution 21-09-09 *Approval of Competitive Rates, Labor, Environmental, and Environmental Justice Policy.*
 - C. Consider and Possibly Approve Resolution 21-09-10 *Approval of California Community Power 2021 Request for Offers for Firm Clean Energy Resources.*
 - D. Discussion of Any Individual Member Items.
- 7 Adjournment.**

California Community Power

Consent Agenda Items

- A. Minutes of the August 18, 2021 CC Power Board of Directors Regular Meeting.**

MINUTES OF THE REGULAR MEETING OF THE DIRECTORS OF
CALIFORNIA COMMUNITY POWER (CC POWER)

August 18, 2021

On this date, a Regular Meeting of the Directors of CC Power was held telephonically.

Representatives Present:

Member Agency	Director
Central Coast Community Energy (3CE)	Tom Habashi
Clean Power San Francisco	Barbara Hale
East Bay Community Energy (EBCE)	Absent
Marin Clean Energy (MCE)	Dawn Weisz
Peninsula Clean Energy (PCE)	Jan Pepper
Redwood Coast Energy Authority (RCEA)	Matthew Marshall
San José Clean Energy (SJCE)	Lori Mitchell
Silicon Valley Clean Energy (SVCE)	Girish Balachandran, Chair
Sonoma Clean Power Authority (SCP)	Geof Syphers
Valley Clean Energy	Mitch Sears

1. Call to Order: Chair Balachandran called the meeting to order at 1:02 p.m.
2. Verification of Meeting Quorum: Ms. Brittany Iles of Braun Blaising Smith Wynne, P.C. verified that there was a quorum to proceed. Attendance is noted above. All Directors present participated via teleconference.
3. Matters Subsequent to Posting the Agenda: None.
4. Public Comment: Chair Balachandran invited comments from the public on matters not on the agenda. Public comment was received from San Mateo Deputy Mayor Rick Bonilla, who encouraged the Board to move forward with labor policies. Public comment was also received from James Ruigomez, who encouraged a robust conversation on labor policies and offered support of a project labor agreement or community workforce agreement.
5. Consent Agenda: Chair Balachandran invited questions from the Board on the Consent Agenda, and there were none. Director Marshall moved, Director Pepper seconded, a roll call vote was taken, and all directors present approved the Consent Agenda.
6. Regular Agenda Items – Discussion and Possible Action:
 - A. Chair Balachandran announced that the *ad hoc* committees created to assist with the selection of General Manager and General Counsel had been dissolved. He also announced that the Long Duration Storage (LDS) *ad hoc* committee had been expanded to include Directors Mitchell and Sears. This committee will provide support to Interim General Manager Haines and the negotiating team in the final stages of the LDS project.

MINUTES OF THE REGULAR MEETING OF THE DIRECTORS OF
CALIFORNIA COMMUNITY POWER (CC POWER)

Chair Balachandran invited questions from the Board and comment from the public and did not receive any.

- B. Mr. Haines stated that he would convene the *ad hoc* Policy committee and work with them to finalize the Labor, Environmental and Environmental Justice policy. He noted that Director Hale had offered to provide administrative support to schedule those meetings.

Mr. Haines reviewed the upcoming Board calendar and noted that in September the Board would be asked to issue a notice of its intent to adopt LDS projects. Additionally, he expects to seek Board approval to issue a request for offer (RFO) on geothermal and biomass resources along with an associated budget. An October Board meeting was added to discuss the 2022 budget. The LDS contracts and 2022 budget are expected to be brought to the Board in November. A December Board meeting was also added to address any unresolved matters. Chair Balachandran invited questions from the Board, there were none. Public comment was received by Bill Nack, who inquired if an update will be provided on the *ad hoc* policy committee's progress before a recommendation is made. Chair Balachandran confirmed that an update will be provided at the next meeting.

- C. Long Lead Time RFO: Mr. Haines notified the Board of the POC's intent to seek authority to issue an RFO for geothermal and biomass resources in September, which will be accompanied by an associated budget. He noted that the work done on the LDS contracting effort would help to streamline the process and reduce the overall costs. The expectation is that the contracting approach that was developed for the LDS projects would be beneficial in this contracting effort, with additional savings expected from having identified improvements in the bid evaluation, review, and approval processes. Jeanne Solé, San Jose Clean Energy's Deputy Director, Power Resources, is leading this effort on behalf of the membership and has put forth a tentative schedule from the RFO release through the target date. Chair Balachandran noted a typo in the presentation (SCP replaces an incorrect SCE reference).

Director Hale asked for clarification on the upcoming RFO budget and 2022 budget and how those relate to the current budget. Mr. Haines explained that a portion of the budget adopted in February was allocated for day-to-day operations and a portion was allocated to the LDS project. He expects the geothermal and biomass RFO would similarly have a separate and distinct budget. He anticipates the 2022 budget for day-to-day operations would have a similar structure to the budget adopted in February. Director Hale was interested in how the Board will budget for the crossover efficiencies created by the work done on the LDS project. Director Sears inquired if the RFO budget will be structured to be a stair step approach, similar to the LDS budget. Mr. Haines confirmed it would be similar, though the details are still being developed. Chair Balachandran asked Ms. Iles to send the overview of the project phases to the Board and encouraged the Board to reach out to their members on the POC. Public comment was received from Rick Bonilla who inquired about the typo. Chair Balachandran clarified the slide should read SCP not SCE. Chair Balachandran invited further comments from the Board and did not receive any.

- D. Long Duration Storage Update: Mr. Haines noted certain challenges encountered with contracting, as CC Power is a new entity without a prior track record. The POC members have developed a contract structure that provides appropriate limits on participant liability and has led to a project that is financeable; as a result, contract negotiations are being

MINUTES OF THE REGULAR MEETING OF THE DIRECTORS OF CALIFORNIA COMMUNITY POWER (CC POWER)

finalized. This will make it possible to issue notice of CC Power's intent to enter into LDS contract(s), leading to a 60-day review and approval process.

Director Habashi asked for clarification of the 60-day notice and whether it was intended to give members time to bring it before their individual boards for approval. An exchange between Director Habashi, Chair Balachandran, and Ms. Iles followed regarding the 60-day notice timeline required by the JPA, which resulted in a clarification from Chair Balachandran, who outlined the following: in September, CC Power plans to provide a 60-day notice, so November would be the earliest CC Power could enter into agreement(s); after that, the members would seek approval from their individual boards. Director Habashi further inquired as to whether costs would be absorbed by the participating members if a member dropped out of the project after the notice period. Ms. Iles stated that if a member drops out at that point, then an amendment would likely start the 60-day clock again. Directors Pepper and Hale asked what information would be provided with the 60-day notice, and Director Pepper also inquired as to whether the Board vote would obligate members to participate in the project. Ms. Iles stated that the JPA did not specify what the notice will entail, and as this is still being worked out by the POC, an update would be provided at a later date. She also clarified that when the directors voted on the agreement(s), they would be providing approval and committing to bring any agreement(s) to their individual boards. Director Sears suggested that a project flow chart would be helpful. Public comment was received from Rick Bonilla who said he would like to see the 60-day notice process flow chart and asked for additional clarification. No further comments were received from the Board.

- E. Mr. Haines provided an overview of the budget adjustment for the allocation of incremental costs for the LDS project. Directors Weisz and Habashi confirmed that MCE and 3CE were choosing not to move forward with any LDS projects past their existing September obligation. Director Habashi suggested the possibility of reducing the allocation to MCE and 3CE to include only development costs of the Project Participation Agreement and/or other overhead costs. After further discussion regarding this proposal and review of a version of the proposed budget less MCE and 3CE, Director Weisz noted that, she was unsure how she could justify further contribution to the contracting effort past September. Director Pepper noted that she only had authorization for up to \$100,000, so any additional changes resulting in PCE's share exceeding that amount would require her to go back to her board. Public comment was received from Rick Bonilla who requested clarification regarding the final budget numbers and whether those figures would be published. Director Pepper asked whether the vote could be delayed to September or to an email vote the following week, and Ms. Iles responded that an email vote was not possible, and any delay would require a special, properly noticed meeting. Chair Balachandran suggested moving forward with the version of the proposed budget excluding MCE and 3CE. Director Hale asked for clarification regarding what was being committed to, and Chair Balachandran stated that passage of this budget would commit those who were moving forward through December. Ms. Iles also stated that a revised cost sharing agreement would be circulated for signature should the budget resolution pass. Resolution 21-08-01 was amended to read "as amended to exclude Marin Clean Energy and Central Coast Community Energy from further commitment in excess of the budget amount approval at the June 16, 2021, Board Meeting and to reallocate those funds to the remaining members." Directors Mitchell offered support for the resolution and thanked everyone for the work that went into this effort. Director Syphers also supported and stated how valuable he felt this joint procurement process was. Director Mitchell moved, Director Hale seconded, and a roll call vote was taken. All directors

MINUTES OF THE REGULAR MEETING OF THE DIRECTORS OF
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present approved Resolution 21-08-01 *2021 Budget Adjustment to Reflect Long Duration Storage Project Costs and Authorization of Cash Call through December 31, 2021* as amended.

- F. Chair Balachandran invited discussion of any individual member items. Director Syphers shared that he had met with water agencies in his territory who were looking at 5-15 year projects that could consume vast amounts of electricity in order to protect water supplies and encouraged other members reach out to their water districts/supply entities to understand what they may be planning. Director Hale noted that another drought-related impact was that entities were being asked to curtail and conserve their water delivery, which in turn meant they were not generating as much electricity. As a result, the same drought incentive driving a desire for more electricity is also driving a potential reduction in hydro generation in the market; trying to resolve those conflicting directives could mean less electricity available from hydro generation. Chair Balachandran mentioned that SVCE and EBCE were partnering on a clean energy power pre-pay and would be issuing 30-year bonds which are expected to result in a \$3-4/mWh discount.

The Board of Directors adjourned at 2:28 p.m.

Minutes approved on September 15, 2021.

C. Anthony Braun, Secretary

California Community Power

Agenda Item 6B

1. **Resolution 21-09-09 Approval of Competitive Rates, Labor, Environmental, and Environmental Justice Policy.**
2. **Attachment A to Resolution 21-09-09: Competitive Rates, Labor and Environmental Policy.**

**California Community Power
Resolution 21-09-09**

**APPROVAL OF COMPETITIVE RATES, LABOR, ENVIRONMENTAL, AND ENVIRONMENTAL
JUSTICE POLICY**

WHEREAS, California Community Power (“CC Power”) was created by a Joint Powers Agreement (“JPA”) to develop, acquire, construct, own, manage, contract for, engage in, finance and/or provide energy related programs for the use of and by its Members; and

WHEREAS, the Members are engaging in ongoing solicitations for projects to be procured through CC Power; and

WHEREAS, the Board of CC Power is committed to clean energy, environmental, equity, and competitive rate goals as it considers and potentially pursues future projects.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of CC Power hereby recommend that the conditions identified in Attachment A to this Resolution be considered in the solicitation process for all future projects initiated by CC Power.

PASSED AND ADOPTED by the Board of Directors of California Community Power this 15th day of September, 2021, by the following vote:

		Aye	No	Abstain	Absent
Central Coast Community Energy	Tom Habashi				
Clean Power San Francisco	Barbara Hale				
East Bay Community Energy	Nick Chaset				
Marin Clean Energy	Dawn Weisz				
Peninsula Clean Energy	Jan Pepper				
Redwood Coast Energy Authority	Matthew Marshall				
San José Clean Energy	Lori Mitchell				
Silicon Valley Clean Energy	Mitch Sears				
Sonoma Clean Power Authority	Geof Syphers				
Valley Clean Energy	Girish Balachandran				

Chair

Attest by: Secretary

Attachment A to Resolution 21-09-09

Competitive Rates, Labor and Environmental Policy

Policy: CC Power is authorized to acquire and operate wholesale power resources, engage joint consulting and contracting services, and offer other services to the benefit of its Members consistent with its authorities under its Joint Powers Agreement. A goal of CC Power and its Members is to supply low carbon power at competitive rates and pricing. Complimentary goals of CC Power and its Members establish and strengthen the employee and employer relationship; assess and mitigate environmental performance; and foster fair treatment of all people.

To the extent that CC Power enters into contracts for utility-scale projects that provide power supply on behalf of CC Power Members, CC Power will seek to award those contracts consistent with the following principles:

1. Competitive, low carbon power supply
 - a. CC Power Members supply low carbon power supply and services to customers at competitive rates.
 - b. CC Power shall further the low carbon power supply and competitive rates of its Members.
2. Workforce
 - a. For projects located in California, contracting partners shall comply with California prevailing wage provisions applicable to public works projects.
 - b. Irrespective of project location, state a preference, but not a requirement, for a Project Labor Agreement (PLA) which will be incorporated into the bidder evaluation ranking process.
 - i. Adopting a PLA demonstrates meeting the requirements of payment of prevailing wages and use of apprenticeship programs.
 - ii. For projects that do not implement a PLA, an audit will be required to ensure compliance with payment of prevailing wages and to evaluate use of apprenticeship programs
 - c. Encourage the use of local labor.
3. Environmental
 - a. All projects must meet the permitting requirements of the appropriate governing authority/authorities.
 - b. State a preference for projects that avoid sensitive habitat areas.
 - c. Developers of construction projects shall state a preference for suppliers that promote waste diversion.
4. Environmental Justice
 - a. Developers of construction projects shall state opposition to using forced labor in the supply chain.
 - b. Developers of construction projects are to identify project benefits to local communities.

California Community Power

Agenda Item 6C

1. *Resolution 21-09-10 Approval of California Community Power 2021 Request for Offers for Firm Clean Energy Resources.*

California Community Power

70 Garden Court, Suite 300, Monterey, CA 93940 | cacommunitypower.org

DATE: September 10, 2021

TO: Board of Directors

FROM: Tim Haines, Interim General Manager

RE: FIRM CLEAN RESOURCES REQUEST FOR OFFERS

Dear Board Members:

Proposal: This proposal will allow CC Power to release a Request for Offers for Firm Clean Resources (the “FCR RFO”). The FCR RFO is expected to be released within 30 days with contracts entered mid-2022. The project through this initial phase will be managed through member in-kind contribution of resources and within existing CC Power budget parameters. Any budget implications will be addressed as part of the 2022 CC Power Budget.

Background

On June 24, 2021, the California Public Utilities Commission (“CPUC”) issued Decision (“D.”) 21-06-035 requiring load serving entities, including CC Power Members, to procure long lead-time clean resources to address mid-term reliability.

On April 21, 2021, the CC Power Board accepted the Proposed Project Development Process which establishes a roadmap for the development and progress of future CC Power projects and programs (see attached). Pursuant to Phase 0 of the Project Development Process, Member Staff developed a Request for Offers (“RFO”) for Firm Clean Resources (“FCR”). Member Staff also worked to identify individual and aggregate levels of participation and the development of a timeline for the RFO. As part of the RFO development, Staff incorporated lessons learned to improve on the joint contracting efforts used for the Long Duration Storage (“LDS”) Project.

Pursuant to the Project Development Process, Phase 1 of the FCR Project will commence with CC Power Board approval of this RFO.

Request For Offers for Firm Clean Energy Resources

The purpose of the RFO is to solicit offers for the sale of firm clean resources as defined in CPUC D.21-06-035, Opening Paragraph 2(b). This includes new generation with at least an 80 percent capacity factor that (a) has zero on-site emissions, or (b) otherwise qualifies under the

A Joint Powers Agency whose members are:

Central Coast Community Energy | CleanPowerSF | East Bay Community Energy | MCE | Peninsula Clean Energy | Redwood Coast Energy Authority | San José Clean Energy | Silicon Valley Clean Energy | Sonoma Clean Power | Valley Clean Energy

California Renewable Portfolio Standard (“RPS”) program eligibility rules. The principal terms of the RFO include On-line date, Resource type, Potential location, Existing/new, COD/term. The Budget for the FCR Project will be presented to the Board for approval as part of the 2022 budget.

Participation and Roles

All members of CC Power have expressed a willingness to participate in Phase I of the FCR Project. Additionally, the following members have expressed a willingness to provide the following contributions and other members may provide additional assistance:

- San José Clean Energy Co-lead:
 - Prepare RFO document
 - Prepare draft term sheet
 - Issue RFO
 - Coordination of the effort
 - Provide contract negotiator to review Term sheet
- Sonoma Clean Power Authority Co-Lead:
 - Quality control of RFO document
 - Quality control of Term sheet
 - Quality control of RFO bid spreadsheet
 - Assess and undertake economic analysis of RFO responses
- Silicon Valley Clean Energy:
 - Provide contract negotiator review of RFO Spreadsheet and advise group on interconnections
- East Bay Community Energy
 - Undertake economic analysis of RFO responses
 - Prepare RFO bid Spreadsheet

Targeted Capacity

The FCR RFO is intended to meet the aggregate capacity requirement for all CC Power Members which is slightly less than 200 MW.

Timeline and CC Power Project Development Process

The tentative timeline for the RFO, including evaluation and negotiation with respondents is detailed below.

Phase 1:

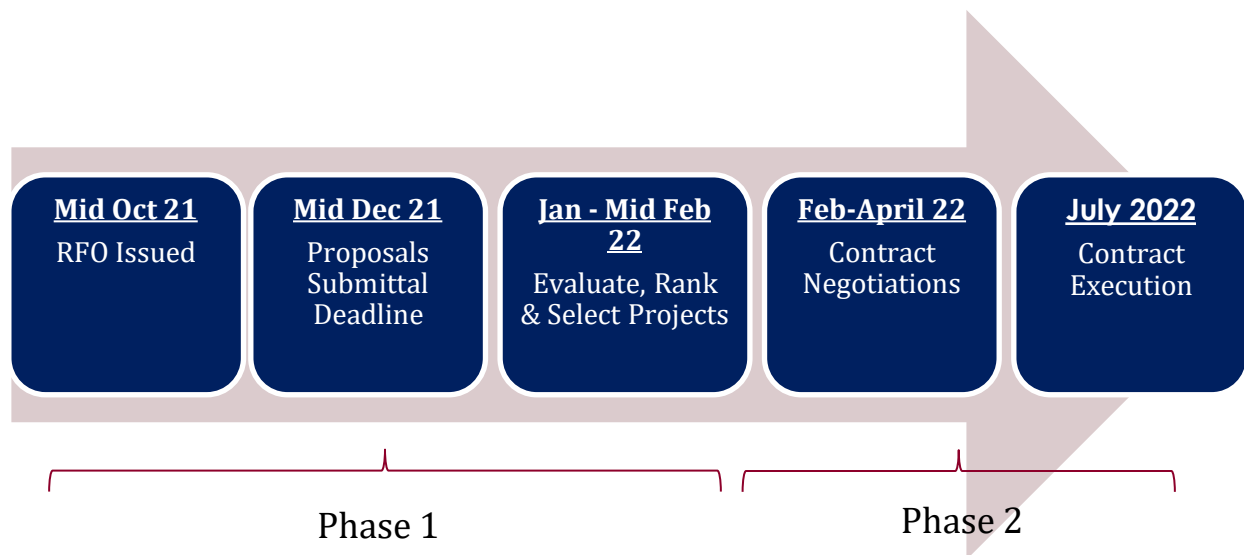
Phase 1 of the Project Development Process is Project Exploration. It includes a detailed description of the project, contracting with consultants, creating a Project Oversight Committee, issuing the RFP, evaluating and shortlisting winning bidders. The authority to enter

consultant contracts will require separate Board action which is expected prior to the end of the year.

Phase 2:

Phase 2 will consist of hiring key negotiators (contemplated to be one technical and one legal, consistent with the LDS Project), negotiating the relevant agreements, agreement approval and execution. The relevant joint contracting agreements are likely to include a power purchase agreement (“PPA”) between CC Power and one or more shortlisted suppliers. The PPA may include a buyer liability pass through agreement developed in the LDS contracting process between participating members and sellers. The package of agreements may also include a project participation agreement and operating agreement between CC Power and participating members.

FIRM CLEAN RESOURCE PROJECT DEVELOPMENT PROCESS



Budget

There is no request for project funding at this time. Phase 1 expenditures for consultants are expected to be incurred beginning in January 2022 to support the Evaluation, Rank & Project Selection activities. The Board will receive a detailed budget proposal prior to 2022.

Lessons Learned from Long Duration Storage Contracting Effort

Lessons learned from LDS contracting will produce time and cost savings. The ongoing LDS contracting effort is expected to cost about \$505,000 and take 14 months. The FCR effort is expected to be four months shorter and have a significantly lower cost.

Overall, the LDS effort went smoothly given it is CC Power's first joint contracting effort with nearly all members participating through the evaluation and contracting activities. However, Member staff has identified specific Phase 1 improvements to the issuance of the RFO through the evaluation of respondents and the introduction of quality control. Further, Phase 2 will benefit from the LDS joint contracting approach and, specifically, the application of the credit and collateral provisions that have been developed.

Attached: CC Power Project Development Process

CC Power White Paper

Proposed Project Development Process

Introduction

One of the main drivers for the formation of California Community Power (CC Power) was to allow its members to leverage economies of scale for the development of large-scale energy related projects and programs. As CC Power is being stood up and we move forward with its initial project (Long Duration Storage – LDS) as well as discussions on other potential joint projects, it is timely to discuss how projects will be managed for the agency, including delegations of authority for project management and implementation. The purpose of this white paper is to outline a concept for future project/program development and to more specifically address how we move forward with the current LDS Project.

Background

In developing this concept, staff drew upon the authority granted to CC Power in the JPA Agreement and practices used by other JPAs, while also understanding that as a new entity there is a need to develop processes that provide the CC Power members a level of confidence that there are adequate controls in place.

In looking at the CC Power JPA Agreement, staff referred to the following sections of the agreement:

- Section 1.04 – definition of Project
- Section 1.05 – definition of Project Agreement
- Section 1.06 – definition of Project Participant
- Section 2.03 – Powers
- Section 3.03(b) – Cost Allocations for project agreements and other program agreements
- Section 4.01 – Board authority and powers
- Section 4.04 – Committees
- Section 4.07 – Management of CC Power
- Section 6.01 – Projects
- Section 6.02 – Right to Participate in Projects
- Section 6.03 – Project Agreement.

Staff also relied on its experience with participation in other JPAs and with input from others who have participated in JPAs.

Proposed Long-term Concept

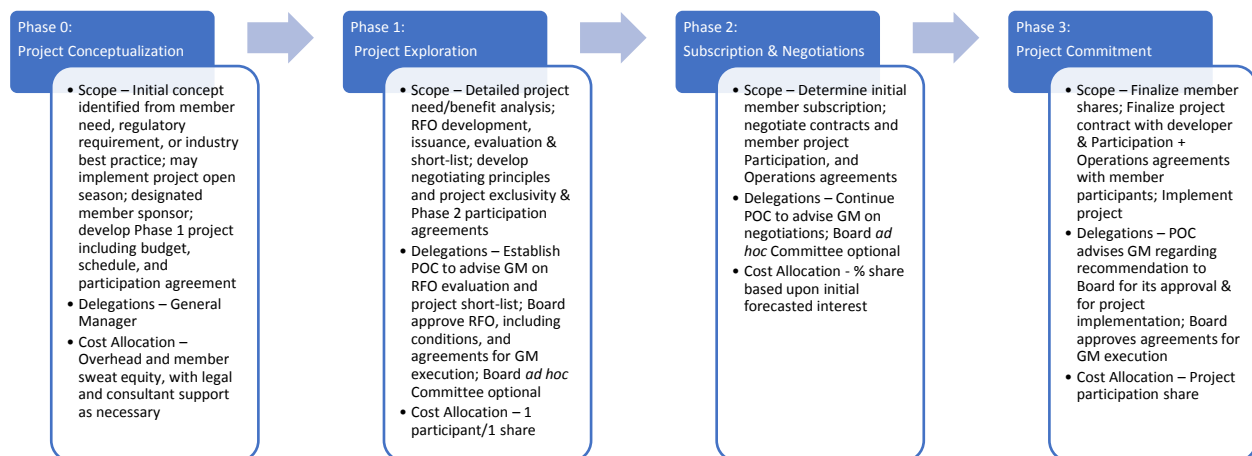
The concept being proposed makes use of a phased approach for project/program development. This phased approach is represented in Figure 1 to this white paper and is summarized as follows:

- Phase 0 – Project Conceptualization: Initial identification of a potential project based upon member identified need, regulatory requirement, industry best practices, etc. This initial effort would be managed by CC Power staff within existing budget and with assistance of member “sweat equity” as appropriate. It is intended that at least one member would serve as a sponsor for each proposed project. The end product would be a determination as to whether a more detailed project benefit analysis is warranted along with an estimate of cost and schedule to conduct Phase 1.
- Phase 1 – Project Exploration: Detailed description of the proposed project along with contracting with appropriate consultant advisory assistance to evaluate the project benefits and risks. This would include establishing a Project Oversight Committee (POC) made up of members with potential interest in participating in the project. The costs for Phase 1 will be brought to the Board for approval as either part of the annual CC Power budget or as a special budget adjustment. Costs for Phase 1 will be allocated on an equal share basis to each participant. This phase will also include development of any requests for information/requests for proposals (RFI/RFO) necessary for moving forward with the project. The project will be managed by CC Power staff and the General Manager will be delegated authority to issue necessary RFI/RFOs, evaluate the responses in consultation with the POC, and short-list the respondents for possible negotiations for moving the project forward, and executing necessary agreements (e.g. – exclusivity with counterparties, participation with interested members, etc.) which have been approved by the Board. Based upon the complexity/significance of the project, the Board may elect to assign an *ad hoc* oversight committee to advise the General Manager. The end product of this phase would be a short list of potential counterparties that could deliver the product, identification of members interested to participate further, and an estimate of cost and schedule to conduct Phase 2.
- Phase 2 – Subscription & Negotiations: Negotiate project agreement(s) with the shortlisted developers, participation agreements with the member participants, and operations agreements as necessary. The General Manager will consult with the POC established from the members that have expressed interest in participating in the identified projects. The costs for Phase 2 will be brought to the Board for approval as either part of the annual CC Power budget or as a special budget adjustment. Costs for Phase 2 will be allocated on a percentage share based upon member initial forecasted interest in participation. Based upon the complexity/significance of the project, the Board may elect to assign an *ad hoc* oversight committee to advise the General Manager. The end product of this phase would be a final list of recommended counterparties that could deliver the product, identification of members committed to participate in the project(s), necessary agreements to implement the project, and an estimate of cost and schedule to conduct Phase 3.

- Phase 3 – Project Commitment: Finalize commitment to the project(s) through Board approval of the final project agreement with the developers, participation/operations agreement with the member participants, and delegate General Manager to execute the agreements. Implementation of the project would proceed through management by staff with consultation from a POC consisting of representatives from each member participant. The costs for Phase 3 will be brought to the Board for approval as either part of the annual CC Power budget or as a special budget adjustment. Costs for Phase 3 will be allocated on a percentage share based upon member final committed level of participation. The end product of this phase would be implementation of the project to fruition.

During the course of the phased project approach, a member participant may elect to withdraw from the project. However, once a participant has executed the project participation agreement in Phase 3, the participant is committed to the project and its ability to withdraw or modify its project share will be dictated by the terms of the project participation agreement.

Figure 1: CC Power Project Development Process Flow Chart



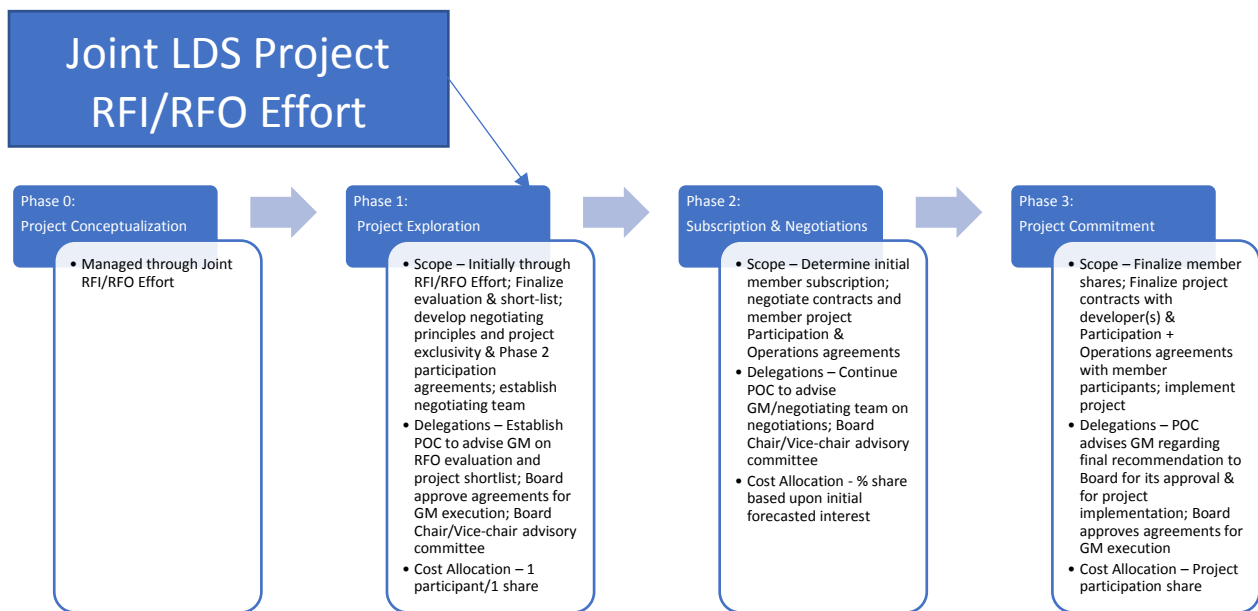
Proposed Approach for Long Duration Storage (LDS) Project

Due to the fact that the LDS Project had been initiated prior to the formation of CC Power and that CC Power is still in its formation stage, a modification to the project development process is suggested. As shown in Figure 2 – CC Power LDS Project Development Process, Phase 0 and most of Phase 1 were implemented as part of the joint LDS project RFI/RFO effort conducted by the participants. CC Power is inheriting the LDS Project at the end of Phase 1 and beginning of Phase 2. In addition, CC Power is going through a transition with the current interim General Manager expected to leave by June and a new interim General Manager expected to be brought on board in late May to early June. With these facts in mind, the following is being recommended for the LDS Project effort:

- Phase 1 – Project Exploration: Finalize LDS Project evaluation and proposed short-list of developers. Develop negotiating principles, project exclusivity agreement, and Phase 2 participation agreement using the established POC and negotiating team to advise the General Manager. Board to approve the agreements and authorize the General Manager to execute the agreements for Phase 2. The costs for Phase 2 have been estimated and included in the 2021 CC Power Budget.
- Phase 2 – Subscription & Negotiations: Negotiate project agreement(s) with the shortlisted developers, participation agreements with the member participants, and operations agreements as necessary. The General Manager will consult with the POC established from the members that have expressed interest in participating in the identified projects. The costs for Phase 2 will be brought to the Board for approval as either part of the annual CC Power budget or as a special budget adjustment. Costs for Phase 2 will be allocated on a percentage share based upon member initial forecasted level of participation. The Board should appoint an *ad hoc* oversight committee made up of the Board Chair and Vice-chair to advise the interim General Managers. The end product of this phase would be a final list of recommended counterparties that could deliver the product, identification of members committed to participate in the project(s), necessary agreements to implement the LDS Project(s), and an estimate of cost and schedule to conduct Phase 3.
- Phase 3 – Project Commitment: Finalize commitment to the project(s) through Board approval of the final project agreement with the developers, participation/operations agreement with the member participants, and delegate to the interim General Manager to execute the agreements. The Board should appoint an *ad hoc* oversight committee made up of the Board Chair and Vice-chair to advise the interim General Manager. Implementation of the project would proceed through management by staff with consultation from a POC consisting of representatives from each member participant. The costs for Phase 3 will be brought to the Board for approval as either part of the annual CC Power budget or as a special budget adjustment. Costs for Phase 3 will be allocated on a percentage share based upon member final committed level of participation. The end product of this phase would be implementation of the project to fruition.

As noted above, during the course of the remaining phases of the LDS Project, a member participant may elect to withdraw from the project. However, once a participant has executed the project participation agreement in Phase 3, the participant is committed to the project and its ability to withdraw or modify its project share will be dictated by the terms of the project participation agreement.

Figure 2: CC Power LDS Project Development Process Flow Chart



Recommendation

Staff recommends that the Board adopt the proposed generic project/program development process and the specific recommendations for the current LDS Project,

**California Community Power
Resolution 21-09-10**

**APPROVAL OF CALIFORNIA COMMUNITY POWER 2021 REQUEST FOR OFFERS FOR
FIRM CLEAN ENERGY RESOURCES**

WHEREAS, California Community Power (“CC Power”) was created by a Joint Powers Agreement (“JPA”) to develop, acquire, construct, own, manage, contract for, engage in, finance and/or provide energy related programs for the use of and by its Members; and

WHEREAS, Members of CC Power have drafted a Request for Offers (“RFO”) for firm clean resources; and

WHEREAS, the California Public Utilities Commission issued Decision 21-06-035 requiring load serving entities, including CC Power Members, to procure long lead-time clean resources to address mid-term reliability

WHEREAS, it is the desire of the Members that CC Power be the direct party to enter into contemplated firm clean resource agreements; and

WHEREAS, the CC Power Board accepted the Project Development Process establishing a roadmap for the development and progress of CC Power projects and programs; and

WHEREAS, JPA Section 4.01 provides that CC Power shall be administered by a Board of Directors, which shall be vested with the power set forth in the JPA, and shall have the authority to provide for the general management and oversight of the affairs, property and business of CC Power; and

WHEREAS, JPA Section 4.07 states that the General Manager may enter into and execute contracts in accordance with the policies established and direction provided by the Board.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of CC Power hereby:

1. Delegates authority to the General Manager to issue a CC Power 2021 Request for Offers for Firm Clean Energy Resources, generally consistent with the supporting materials included and attached to this item.
2. Delegates authority to the General Manager to begin the evaluation of proposals up to the short-listing of RFO respondents for possible negotiations using criteria created by, and in consultation with, the Members and the Firm Clean Energy Project Oversight Committee pursuant to the CC Power Project Development Process.

PASSED AND ADOPTED by the Board of Directors of California Community Power this 15th day of September, 2021, by the following vote:

		Aye	No	Abstain	Absent
Central Coast Community Energy	Tom Habashi				
Clean Power San Francisco	Barbara Hale				
East Bay Community Energy	Nick Chaset				
Marin Clean Energy	Dawn Weisz				
Peninsula Clean Energy	Jan Pepper				
Redwood Coast Energy Authority	Matthew Marshall				

**California Community Power
Resolution 21-09-10**

San José Clean Energy	Lori Mitchell				
Silicon Valley Clean Energy	Mitch Sears				
Sonoma Clean Power Authority	Geof Syphers				
Valley Clean Energy	Girish Balachandran				

Chair

Attest by: Secretary