

California Brown Act: State of Emergency and Legislative Update

November 16, 2022



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COVID-19 State of Emergency Protocols

- ▶ Under Assembly Bill 361 (Government Code § 54953(e)), the State of Emergency allowed public agencies to participate in remote public meetings without the typical Brown Act noticing requirements.
 - ▶ Governor Newsom announced that the COVID-19 State of Emergency will end on February 28, 2023.
- ▶ Once the State of Emergency ends, public agencies will be required to return to in-person meetings or comply with the full noticing requirements under the Brown Act, with limited exceptions.

Teleconference Noticing Requirements

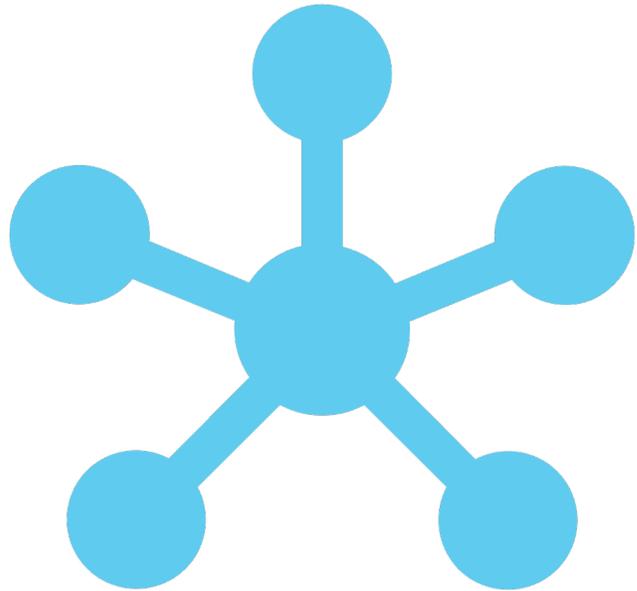
- ▶ A teleconference meeting exists when one or more members of a legislative body participate in a meeting at a remote location through electronic means.
- ▶ Each teleconference meeting must meet the following requirements:
 1. Agendas shall be posted at all teleconference locations;
 2. Each teleconference location shall be identified in the notice and agenda for the meeting;
 3. Each teleconference location shall be accessible to the public; and
 4. At least a quorum of the members of the legislative body shall participate from locations within the jurisdiction of the public agency.



AB 2449 Teleconference Requirements

- ▶ On September 13, 2022, the Governor approved Assembly Bill 2449 updating the Teleconference rules under limited circumstances.
- ▶ A public agency may use teleconferencing without fulfilling with the usual noticing requirements if:
 1. At least a quorum of the members of the legislative body participate in person from a singular location;
 2. The public is provided a means to remotely participate in the meeting;
 3. Any member participating remotely has just cause and provides notice to the legislative body (limited to two meetings per calendar year) OR the member requests to participate remotely due to emergency circumstances and the legislative body takes action to approve the request;
 4. Any member participating remotely shall publicly disclose whether any other individuals 18 years or older are present at the remote location and the member's relationship with that individual; and
 5. Any member participating remotely shall use both audio and visual technology.





Strategic Business Plan

(Draft)

Presentation to CC Power Board of Directors

November 16, 2022

Vision and Mission

Vision: To leverage the buying power of our members to deliver more cost-effective, clean and reliable energy solutions for our customers (CC Power website)

Mission: To develop, acquire, construct, own, manage, contract for, engage in, finance and/or provide energy related programs and services for the use of and by its Members. CC Power is not intended to be a policy-or advocate, though it may, from time to time, advance or support public policies in support of its purpose that do not conflict with interest or policies advanced by any Member (JPA Agreement Section 2.02 Purpose)

Key Messages Based on Interviews

20 interviews: Board – 9 Others – 11

Value of CC Power: Acting together through CC Power will provide benefits greater than acting alone.

CC Power can be an enabler for:

- Meeting current and future regulatory and resource requirements and projects.
- Identifying opportunities for efficiencies in providing programs and services serving the goals of your respective agencies.
- Realizing opportunities provided with the Inflation Reduction Act.

Strategic Priorities

Build organizational capacity to provide value to members including hiring a full-time general manager and clarifying or adding operating policies and procedures.

Successfully implement agreements for long duration storage and firm capacity resources [geothermal]

Pursue opportunities enabled by the Inflation Reduction Act, including innovative technologies.

Achieve savings through joint procurement of programs and services

Business Plan Framework

Year 1

CC Power successfully implements four committed projects and builds its organizational capacity to support further joint investments on behalf of its members.

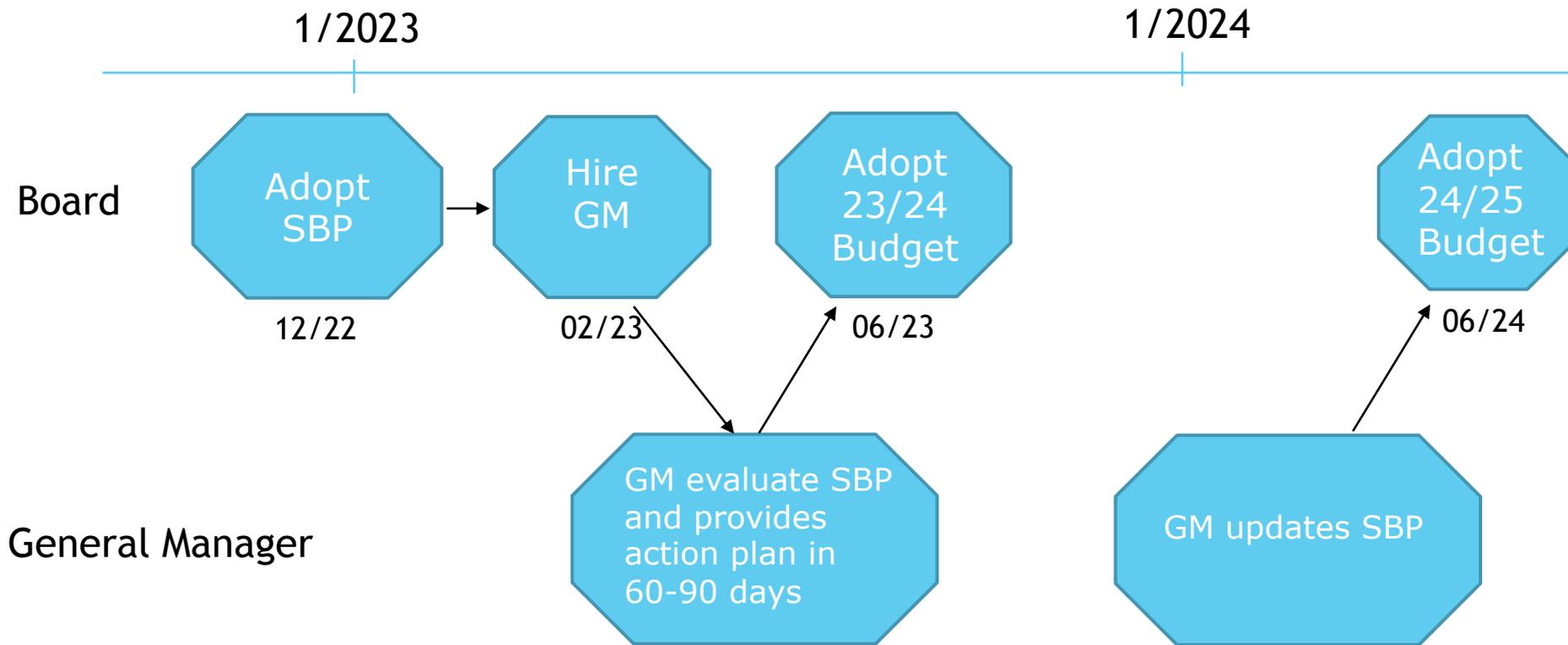
Year 2

CC Power Adds to its Portfolio of Projects, Programs and Services

Year 3

Dream Big
Build, own, operate projects
Explore innovation

Suggested Timeline (Strategic Business Plan, GM & Budget)



General Manager assesses strategic business plan and develops an action plan for Board approval

Year 1 Focus

Implement	Implement the four committed projects
Launch	Launch at least two joint programs or services
Review	Review governance framework
Refine and Augment	Refine and augment policies and procedures
Undertake	Undertake activities to maximize IRA benefits

Year 1 - Successfully Implement four committed projects - \$2.2 billion

- ▶ Consistent theme from member interviews.
 - ▶ Viewed as reinforcing credibility
- ▶ Complete Coordinated Operations Agreement and Scheduling Coordinator Agreement
 - ▶ Manage all pre-COD contractual obligations
- ▶ Review and standardize project oversight processes (GM's 1st 90 days)
 - ▶ Transfer responsibility for project committee functions to General Manager
 - ▶ GM assigns tasks and coordinates work of consultants.
 - ▶ GM works collaboratively with project participants
 - ▶ Continues to draw on expertise of member staff while freeing them to pursue responsibilities of their 'day jobs'.
 - ▶ Coordinates work to identify future projects and engage in work needed to bring proposals to Board.
 - ▶ Create process for addressing technical, financial and legal concerns of participating members or those considering participation.

Year 1 - Launch at least 2 joint programs or services

- ▶ Develop processes to assess member needs and interests.
- ▶ Consider flexible models for participation; partnerships; expanding or replicating successful work underway by CC Power members
- ▶ Examples
 - ▶ Customer billing interface with PG&E
 - ▶ Scheduling coordination
 - ▶ Data management
 - ▶ Direct installation of energy efficiency
 - ▶ Energy rebate processing
 - ▶ Joint procurement: EV charging equipment; solar hot water heaters
 - ▶ Consulting services for IRPs
 - ▶ Emergency Technology

Year 1 - Governance Framework **(GM's 1st 90 days)**

- ▶ Review Governance Framework
 - ▶ Refine role of board and general manager
 - ▶ Board-set policies, approve agreements and budgets, give direction to GM
 - ▶ GM-Operating responsibility; proposes policies, budgets, coordinates proposals, and vendor selection, responsible for contract negotiation and agreements – approved by board.
 - ▶ Working Groups/committee – Redefine role
 - ▶ Composed of members staff; meet as needed
 - ▶ Informal meetings without decision making authority (not Brown Act)
 - ▶ Provide input and support to GM; share interests and ideas
 - ▶ Ensure member concerns are addressed
 - ▶ GM reports to Board on group activities
 - ▶ Consultant resources
 - ▶ Engaged as needed
 - ▶ Board authorizes; may delegate to GM authority to manage resources

- ▶ This framework ensures the GM is responsible and member staff expertise is integrated into decisions.

Year 1 - Functional Areas for board actions, policies and procedures

- ▶ Financial – What’s required to support CC Power current and future obligations?
 - ▶ New 1-year budget for FY 23-24 (new fiscal year starts July 2023 per Board action in October 2022) (GM’s 1st 90 days)
 - ▶ Payments, Cash requirements and Reserve requirements
 - ▶ Options for financing future projects
 - ▶ Credit rating?
 - ▶ Evaluate collaboration with California Community Choice Financing Authority?
- ▶ Communications—Who is CC Power?
 - ▶ Create greater awareness of CC Power as an entity
 - ▶ Attracts prospective market participants, prospective vendors and partners
 - ▶ Increase awareness of benefits from CC Power investments

Year 1 - Undertake activities in preparation for maximizing benefits of IRA

- ▶ Monitor Internal Revenue Service implementation process and public comments submitted
 - ▶ Decisions on rules and process expected in 2023
 - ▶ Rules around direct pay of tax credits of particular importance
 - ▶ Other provisions address bonus credit or deduction amounts with respect to prevailing wage, apprenticeship, domestic content and energy community requirements
- ▶ Organize one or more workshops on the IRA; separately or with CalCCA
- ▶ Engage financial and legal consultants to explore ways to optimize the IRA provisions

Year 2 - Add Projects that use the benefits of the IRA; Expand Portfolio of Programs and Services

- ▶ Continue capacity building
- ▶ Assess implications of direct or indirect ownership of resources
 - ▶ Resource and budget requirements to manage development, construction and operating risks of generation ownership
 - ▶ Managing exposure to CA liability and inverse condemnation rules
- ▶ Continue to assess issues around financing and credit
- ▶ Assess opportunities to partner –SMUD, NCPA, SCPPA, other CCAs
- ▶ Investigate existing programs of members that might be expanded or replicated.

Year 2 - Potential Projects

- ▶ EV charging installations-turn-key services
- ▶ Joint subscription services (e.g., S&P Global)
- ▶ Joint energy efficiency programs
- ▶ Joint rebate processing services
- ▶ Data management services
- ▶ Risk assessment and risk management services
- ▶ Creation of pooled services for administrative functions, human resources and employee benefit programs

Year 3 - Explore emerging technologies- share risks

▶ Projects to consider

- ▶ Large scale on-shore wind, off-shore wind and geothermal projects
 - ▶ Ownership as well as PPAs
- ▶ Solar and solar with storage
- ▶ Energy storage
 - ▶ Stand-alone and long-duration
 - ▶ Energy storage with renewable projects
 - ▶ Demonstration energy storage projects -new technologies
- ▶ Central management of demand response

Questions?