



**MINUTES
REGULAR MEETING
BOARD OF DIRECTORS
ORANGE COUNTY POWER AUTHORITY**

Wednesday, January 24, 2024

1. CALL TO ORDER

Chair Jung called to order the Regular Meeting of the Orange County Power Authority Board of Directors at 10:25 a.m. on Wednesday, January 24, 2024.

2. PLEDGE OF ALLEGIANCE

Vice Chair Treseder led the Pledge of Allegiance.

3. ROLL CALL

Present:	Director Casey McKeon	City of Huntington Beach
	Director Susan Sonne	City of Buena Park
	Director Tammy Kim	City of Irvine
	Vice Chair Kathleen Treseder	City of Irvine
	Chair Fred Jung	City of Fullerton

4. PUBLIC COMMENTS ON AGENDA ITEMS - None.

5. PUBLIC COMMENTS ON NON-AGENDA ITEMS - None

6. ELECTION OF CHAIR AND VICE CHAIR

Action:

Director Sonne made the motion to nominate Director Jung as Chair. Director Kim made the motion to nominate Director Treseder as Chair.

The motion to make Director Jung the Chair carried by a 3-2 roll call vote as follows:

<u>Director</u>	<u>Voted For</u>
Kim	Treseder
Treseder	Treseder
McKeon	Jung
Sonne	Jung
Jung	Jung

Action:

Director Kim made the motion to nominate Vice Chair Treseder as Vice Chair. Chair Jung made the motion to nominate Director Sonne as Vice Chair.

The motion to make Director Sonne the Vice Chair carried by a 3-2 roll call vote as follows:

<u>Director</u>	<u>Voted For</u>
Kim	Treseder
Treseder	Treseder
McKeon	Sonne
Sonne	Sonne
Jung	Sonne

Chair Jung thanked Director Treseder for her service as Vice Chair and congratulated Director Sonne.

7. DIRECTOR ANNOUNCEMENTS & REPORTS ON CONFERENCES/EVENTS ATTENDED

Director Treseder stated that at a recent board meeting Ms. Fox made a comment/request that we show our images bigger. She can go into her computer's Zoom settings, the gallery icon, and toggle the views for this request. On her phone, she can swipe left or right to see the Board Members on her screen bigger.

8. CLOSED SESSION

Recess to Closed Session

At 10:32 a.m., Chair Jung called on General Counsel Norvell to recess the Board to closed session to discuss Item 8.1 on the agenda. General Counsel Norvell announced the Board was recessing to closed session. The following Board Members were present: Kim, McKeon, Treseder, Sonne, and Jung. Also present was Board Counsel Norvell.

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Initiation of litigation pursuant to Government Code Section § 54956.9(d)(4):

One (1) potential case

Reconvene

At 10:47 a.m., the regular meeting of the Orange County Power Authority Board of Directors reconvened with the following present: Directors Sonne, Kim, McKeon, Treseder, and Jung.

General Counsel Norvell reported out of Closed Session that the Board met in Closed Session discussed Item 8.1 as listed on the agenda and there was no reportable action taken.

CLOSED SESSION ITEMS 8.2 AND 8.3 WERE TAKEN OUT OF ORDER AFTER THE REGULAR SESSION AGENDA.

9. COMMITTEE REPORTS

1. COMMUNITY ADVISORY COMMITTEE UPDATE

Chair Ziemer provided an update on their January meeting. Stated her concerns with the term limits for the at-large members. She further requested direct interaction with the Board; name badges for CAC members for use during community events; and clarity regarding the requirement to complete sexual harassment and ethics training to have the CAC members attend the CalCCA Annual Conference.

Chair Jung agreed with the request to provide CAC members name badges. He further agreed to have Vice Chair Sonne and himself meet with the Chair of the CAC monthly or as their schedule allows. Chair Jung asked General Counsel Norvell for clarification on the ability to reimburse the CAC members for attending the CalCCA Annual Conference.

General Counsel Norvell stated that state law was adopted, about fifteen years ago, it requires AB 1234 ethics training, as well as sexual harassment prevention training when members of a legislative body receive any sort of stipend or reimbursement for expenses. The law is quite explicit that if they are eligible then all members of the legislative body or all agency officials are required to receive it. There is no wiggle room in the reading of the legislation. General Counsel Norvell double checked that before because he knew that was a question that might come up today. He confirmed the language was written very broadly.

CAC Chair Ziemer also brought to their attention their discussion and request for an absence policy for the committee members to adhere to and provide for dismissal as necessary.

2. CHIEF EXECUTIVE OFFICER RECRUITMENT AD HOC COMMITTEE UPDATE

General Counsel Norvell provided a brief update with the CEO recruitment process.

10. CONSENT CALENDAR

ACTION

Vice Chair Sonne made the motion, seconded by Director McKeon to:

Approve consent calendar items 10.1 – 10.3.

The motion carried unanimously by the following 5-0 vote:

Ayes: Chair Jung, Vice Chair Sonne, Director Treseder
Director Kim, Director McKeon
Noes: None
Absent: None

1. MINUTES FOR THE REGULAR BOARD MEETING OF DECEMBER 20, 2023

Recommended Action:
Approved as submitted.

2. REGULATORY AND LEGISLATIVE UPDATE

Recommended Action:
Received and filed.

3. APPROVE FIRST AMENDMENT WITH CLEAN PEAKS ENERGY SERVICES, LLC FOR PROFESSIONAL SERVICES

Recommended Action:
Approved First Amendment with Clean Peaks Energy Services, LLC for Professional Services related to the withdrawal of Huntington Beach, for the term of February 14, 2024, through December 31, 2024, for a revised not-to-exceed total of \$187,500.

11. REGULAR CALENDAR

1. APPOINTMENT OF BOARD DIRECTOR(S) TO LEGISLATIVE AND REGULATORY COMMITTEE AND MARKETING AND COMMUNICATIONS COMMITTEE

Chair Jung made the motion to appoint Chair Jung and Director Treseder to the Legislative and Regulatory Committee and appoint Vice Chair Sonne and Director Kim to the Marketing and Communications Committee.

The motion carried unanimously by the following 5-0 vote:

Ayes: Chair Jung, Vice Chair Sonne, Director Treseder
Director Kim, Director McKeon
Noes: None
Absent: None

2. APPROVAL OF THE 2024 COMMUNITY ADVISORY COMMITTEE WORK PLAN

CAC Chair Shanin Ziemer and Committee Member Ralph Futch presented this item.

Vice Chair Sonne made the motion, seconded by Chair Jung to:

Approve the Community Advisory Committee 2024 Work Plan.

The motion carried unanimously by the following 5-0 vote:

Ayes:	Chair Jung, Vice Chair Sonne, Director Treseder Director Kim, Director McKeon
Noes:	None
Absent:	None

3. APPROVE AMENDED ENERGY RISK MANAGEMENT POLICY

Pacific Energy Advisors Representative, Kirby Dusel, provided a brief summary of this item.

Chair Jung stated that both the Chair and Vice Chair sat on the ROC and have heard this presentation. He assured the Board that these changes were best practices in the industry.

Vice Chair Sonne made the motion, seconded by Director Kim to:

Approve proposed delegated authority revisions to the Energy Risk Management Policy for energy product contract approvals.

The motion carried unanimously by the following 5-0 vote:

Ayes:	Chair Jung, Vice Chair Sonne, Director Treseder Director Kim, Director McKeon
Noes:	None
Absent:	None

4. RATIFY JANUARY RATES EFFECTIVE JANUARY 22, 2024

CFO, Tiffany Law, provided a brief presentation on this item.

Vice Chair Sonne made the motion, seconded by Director Kim to:

Ratify rates effective January 22, 2024.

The motion carried unanimously by the following 5-0 vote:

Ayes: Chair Jung, Vice Chair Sonne, Director Treseder
Director Kim, Director McKeon

Noes: None

Absent: None

5. APPROVAL OF OCPA 2024 RATE DESIGN

CFO, Tiffany Law, provided a brief presentation on this item.

Chair Jung thanked CFO Law and her team and stated the importance of having a credit rating. He further stated his support providing a choice and the rate reduction.

Vice Chair Sonne thanked staff for their work, staying true to the original values of OCPA, maintaining a great financial standing, and for providing the rate reduction.

Director Treseder stated her support for the item. She stated that other municipalities thinking about joining OCPA always ask her about lowering the rates. Therefore, she favors the higher rate reduction of four percent.

Director Kim echoed Director Treseder's comments. She stated that in Irvine there was sensitivity regarding the rates and she communicated to them that OCPA would be lowering the rates.

Chair Jung made the motion, seconded by Director Kim to:

1. Approve the 2024 OCPA rate design, setting OCPA's Basic Choice rates at a 3% discount compared to Southern California Edison's (SCE) equivalent generation rates, effective February 2024. Establish Smart Choice rates at 1.0 cent per kWh over Basic Choice rates, and 100% Renewable Choice rates at 1.5 cents per kWh over Basic Choice rates.
2. Approve an increase in the discount for OCPA's Basic Choice rates from 3% to 4% relative to SCE's equivalent generation rates, effective October 2024, and conditional upon SCE not making adjustments to their 2024 bundled generation and Power Charge Indifference Adjustment (PCIA) rates in June 2024 that result in a net impact greater than -3% or approximately \$5.3 million decrease to OCPA revenues from June 2024 through December 2024.
3. Authorize OCPA staff to promptly adjust OCPA rates following any updates to SCE's rates, as necessary, to maintain the approved OCPA 2024 rate design for all OCPA customers. Staff shall place a report on the agenda of the next regular board meeting following rate updates, detailing the adjustment, and requesting that the board ratify the adjusted OCPA rates.

The motion carried unanimously by the following 5-0 vote:

Ayes: Chair Jung, Vice Chair Sonne, Director Treseder
Director Kim, Director McKeon
Noes: None
Absent: None

6. APPROVE 2024 PRODUCT OFFERINGS

Pacific Energy Advisors Representative, Kirby Dusel, provided a brief summary of this item.

Chair Jung made the motion, seconded by Director Kim to:

Approve the proposed renewable energy content for OCPA's 2024 retail service offerings, which will reflect increased renewable energy delivery under the Basic Choice and Smart Choice service options consistent with the upward trajectory of California's Renewables Portfolio Standard (RPS) procurement mandate.

The motion carried unanimously by the following 5-0 vote:

Ayes: Chair Jung, Vice Chair Sonne, Director Treseder
Director Kim, Director McKeon
Noes: None
Absent: None

12. STAFF REPORT

Interim CEO Mosca welcomed the Board back to the New Year. He reviewed their agenda actions. He and Chair Jung presented anniversary certificates to Steven Halligan and Andrew Di Giovanna for their two years of service. Additional one-year anniversary certificates were provided to Pat Jacquez-Nares and Agustin Lee.

CLOSED SESSION ITEMS 8.2 AND 8.3 WERE TAKEN OUT OF ORDER AT THIS TIME.

Recess to Closed Session

At 11:38 a.m., Chair Jung called on General Counsel Norvell to recess the Board to closed session to discuss Items 8.2 and 8.3 on the agenda. General Counsel Norvell announced the Board was recessing to closed session. The following Board Members were present: Kim, McKeon, Treseder, Sonne, and Jung. Also present was Board Counsel Norvell.

2. PUBLIC EMPLOYEE APPOINTMENT

Pursuant to Government Code Section § 54957(b)(1)
Title: Chief Executive Officer

3. CONFERENCE WITH LABOR NEGOTIATORS

Agency designated representatives: Fred Jung, Board Chair; Nicholaus Norvell,
General Counsel

Unrepresented employee: Chief Executive Officer

Reconvene

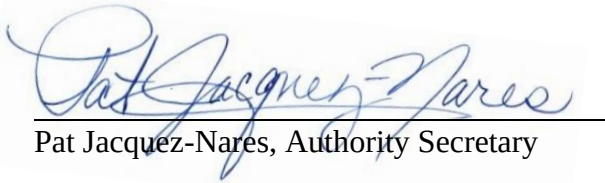
At 1:30 p.m., the regular meeting of the Orange County Power Authority Board of Directors reconvened with the following present: Directors Kim, Treseder, Sonne, and Jung. Director McKeon left the meeting at 12:25 p.m.

General Counsel Norvell reported out of Closed Session that the Board met in Closed Session discussed Items 8.2 and 8.3 as listed on the agenda and there was no reportable action taken.

13. ADJOURNMENT

There being no further business to come before the Board, Chair Jung adjourned the January 24, 2024, Orange County Power Authority Board Regular meeting at 1:30 p.m.

Submitted by:



Pat Jacquez-Nares, Authority Secretary