AGENDA

ORANGE COUNTY POWER AUTHORITY
REGULAR MEETING OF THE BOARD OF DIRECTORS

Wednesday, January 22, 2025
10:00 a.m.

This meeting will proceed as an in-person meeting at 15310 Barranca Parkway, Suite 250, Irvine, CA 92618. In addition, as a convenience to the public, the Orange County Power Authority is also providing an option for members of the public to remotely view and participate in the meeting. Further details are below. Please note that, in the event of a technical issue causing a disruption in the remote participation option, the meeting may continue unless otherwise required by law.

Public Comments: Any member of the public may provide comments to the Orange County Power Authority Board of Directors on any agenda items by requesting to speak during Item 4, or on any matter not appearing on the agenda but within the jurisdiction of the Board by requesting to speak during Item 5. When providing comments to the Board, it is requested that you provide your name and city of residence for the record. Commenters are requested to address their comments to the Board as a whole through the Chair. Comments may be provided in the following manner:

To provide comments during the meeting, in-person attendees, please fill out the public speaker slip and provide it to the clerk at the beginning of the meeting. Before Items 4 and 5, the Chair or Clerk will ask members of the public to join the queue to provide public comment. The queue will remain open for a reasonable amount of time to allow members of the public sufficient time to request to speak and inform the Board of the number of speakers. After such time, the queue will be closed and the members of the public who have joined the queue to speak will be recognized at the appropriate time may speak. To join the queue on Zoom video conference by computer or mobile phone, use the "Raise Hand" feature. If joining the meeting using the Zoom dial-in number, you can raise your hand and join the queue by pressing *9. Members of the public will not be shown on video but will be able to speak when called upon.

Comments shall generally be limited to three minutes when speaking, provided that the Chair may equally reduce each speaker's time to accommodate a large number of speakers or a large number of agenda items.

Written Communications: If you have a written communication that you wish to be distributed to the Board, please provide it via e-mail to comments@ocpower.org. Written communications are public records and, if received by 5:00 p.m. on the day prior to the meeting, will be distributed to the Board prior to the meeting by either e-mail or hard-copy, posted on the Authority's website and noted, but not read, at the meeting. Communications received after the 5:00 p.m. deadline will be retained in the Authority's records.

The public may participate using the following remote options:

ZOOM WEBINAR
Please click the link below to join the webinar:
Launch Meeting - Zoom

Dial-in: 1-669-900-6833
Webinar ID: 835 9114 3408

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. PUBLIC COMMENTS ON AGENDA ITEMS
Opportunity for members of the public to address the Board on any items on the agenda.

5. PUBLIC COMMENTS ON NON-AGENDA ITEMS
Opportunity for members of the public to address the Board on any items not on the agenda but within the jurisdiction of the Board.

6. OATH OF OFFICE
Newly appointed Board Members shall take their Oath of Office.

7. DIRECTOR ANNOUNCEMENTS & REPORTS ON CONFERENCES/EVENTS ATTENDED
Board Members may briefly provide information to other members of the Board and the public, ask questions of staff, or report on conferences, events, or activities related to Authority business. There is to be no discussion or action taken on comments made by Board Members unless authorized by law.

8. CONSENT CALENDAR
All items listed under the Consent Calendar are considered to be routine and may be enacted by one motion. Prior to the motion to consider any action by the Board of Directors, any public comments on any of the Consent Items will be heard. There will be no separate action unless members of the Board of Directors request specific items be removed from the Consent Calendar.

1. MINUTES FOR THE SPECIAL BOARD MEETING OF DECEMBER 6, 2024

Recommended Action:
Approve as submitted.

2. MINUTES FOR THE REGULAR BOARD MEETING OF DECEMBER 17, 2024

Recommended Action:
Approve as submitted.

3. LEGISLATIVE AND REGULATORY UPDATE

Recommended Action:
Receive and file.

4. COMMUNITY ADVISORY COMMITTEE (CAC) REPORT

Recommended Action
Receive and file.

5. APPROVE THE UPDATE TO COMMUNITY ADVISORY COMMITTEE MEMBERSHIP CRITERIA

Recommended Action:

Approve update to the Community Advisory Committee Membership Criteria to clarify member terms.

6. APPROVE THE COMMUNITY ADVISORY COMMITTEE 2025 WORK PLAN

Recommended Action:

Approve the Community Advisory Committee 2025 Workplan.

7. PUBLIC OUTREACH UPDATE FOR NOVEMBER – DECEMBER 2024

Recommended Action:

Receive and file the Public Outreach update for November - December 2024.

8. TICKET AND PASS DISTRIBUTION POLICY PURSUANT TO REGULATIONS OF THE FAIR POLITICAL PRACTICES COMMISSION

Recommended Action:

Adopt Resolution No. 2025-XX of the Board of Directors of the Orange County Power Authority approving Policy No. 26, Ticket and Pass Distribution Policy pursuant to Regulation 18944.1 and other Fair Political Practices Commission regulations as amended.

9. APPROVE SECOND AMENDMENT WITH R.R. DONNELLEY & SONS COMPANY

Recommended Action:

1. Based on the information in the staff report, waive the formal bidding process under Policy No. 1 – Procurement Policy, for agreements in excess of $100,000 and approve the Second Amendment with R.R. Donnelley & Sons Company, dba Orange County Printing Company, increasing the total not-to-exceed amount by $60,000, bringing the new total not-to-exceed amount to $159,750.
2. Authorize the Chief Executive Officer to exercise a cost contingency increase of up to 10%,if additional services are warranted under this Agreement.

9. REGULAR CALENDAR

The following items call for discussion or action by the Board of Directors. The Board may discuss and/or take action on any item listed below if the Board is so inclined.

1. ADOPT THE 2025 MEETING SCHEDULE

Recommended Action:

Adopt Resolution No. 2025-XX A Resolution of the Board of Directors of Orange County Power Authority Establishing Regular Meetings of the Board of Directors for 2025.

2. APPROVAL OF 2025 OCPA RATE DESIGN

Recommended Action:

1. Approve the 2025 OCPA rate design, maintaining OCPA's Basic Choice rates at a 3% discount compared to Southern California Edison's (SCE) equivalent generation rates, effective February 2025. Smart Choice rates will remain at 1.0 cent per kWh above Basic Choice rates, and 100% Renewable Choice rates will remain at 1.5 cents per kWh above Basic Choice rates, consistent with the 2024 rate design.

2. Authorize OCPA staff to promptly adjust OCPA rates as necessary following any updates to SCE's rates, ensuring the approved 2025 rate design is maintained for all customers. Staff will submit a report at the next regular board meeting after any rate adjustments, detailing the changes and requesting board ratification of the adjusted rates.

3. APPROVE 2025 PRODUCT OFFERING OPTIONS

Recommended Action:
Approve the proposed renewable energy content for OCPA's 2025 retail service offering options, in conjunction with the proposed 2025 OCPA Rate Design (Item 9.2 on the Board of Directors Meeting Agenda for January 22, 2025). This will reflect the increased carbon-free or Greenhouse Gas (GHG)-free resources allocated to OCPA customers, as per the California Public Utilities Commission's (Commission) decisions. It will also align OCPA's renewable energy resource mix with the service offering selections of OCPA members (Members) and meet the compliance requirements of California's upward trajectory in the Renewables Portfolio Standard (RPS) procurement mandate.

4. WEST-WIDE GOVERNANCE PATHWAYS INITIATIVE UPDATE

Recommendation Action:
Receive and file.

5. 2025 OCPA LEGISLATIVE AND REGULATORY POLICY PLATFORM

Recommended Action:
Approve 2025 OCPA Legislative and Regulatory Policy Platform.

10. ELECTION OF CHAIR AND VICE CHAIR

Board Members shall select from among themselves a Chair and a Vice-Chair in accordance with the Joint Powers Agreement.

11. STAFF REPORT

Staff may briefly provide information to the Board and the public. The Board may engage in discussion if the specific subject matter of the report is identified, but the Board may not take any action. There is to be no other discussion or action taken unless authorized by law.

12. ADJOURNMENT

Compliance with the Americans with Disabilities Act

Board of Directors meetings comply with the protections and prohibitions of the Americans with Disabilities Act. Individuals with a disability who require a modification or accommodation, including auxiliary aids or services, in order to participate in the public meeting may contact 949-263-2612. Requests for disability-related modifications or accommodations require different lead times and should be provided at least 72-hours in advance of the public meeting.

Availability of Board Documents

Copies of the agenda and agenda packet are available at www.ocpower.org. Late-arriving documents related to a Board meeting item which are distributed to a majority of the Board prior to or during the Board meeting are available for public review as required by law. Public records, including agenda-related documents, can be requested electronically at clerk@ocpower.org or by mail to 15642 Sand Canyon Avenue, P.O. Box 54283, Irvine, CA 92619-4283. The documents may also be posted at the above website. Such public records are also available for inspection, by appointment, at 15310 Barranca Parkway, Suite 250, Irvine, CA 92618. Please contact clerk@ocpower.org to arrange an appointment.

MINUTES
SPECIAL MEETING
BOARD OF DIRECTORS
ORANGE COUNTY POWER AUTHORITY

Friday, December 6, 2024

1. CALL TO ORDER

Chair Jung called to order the Special Meeting of the Orange County Power Authority Board of Directors at 9:00 a.m. on Friday, December 6, 2024.

2. ROLL CALL

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

Chair Jung stated that everyone should check their truths and addressed the personal attacks of OCPA staff and the agency.

Chair Jung announced that agenda item 4.2 was removed from the agenda and continued to a date uncertain.

3. PUBLIC COMMENTS ON AGENDA ITEMS

Mike Rogers
Vicki Johnson
Charles Johnson
Michelle Johnson
Harvey Liss
Walter Nobrega

4. REGULAR CALENDAR

1. EARLY REPAYMENT OF INITIAL FUNDING CAPITAL LOAN FROM CITY OF IRVINE

CEO Joe Mosca provided a brief summary of this item.

MOTION
Chair Jung made the motion, seconded by Director Kim to pay the loan back with interest in accordance with the JPA. That we inform our credit agency and the member agencies in a fairly deliberate manner in quarter three of 2025.

SUBSTITUTE MOTION:
Director Kim made a substitute motion, seconded by Director Treseder, to direct OCPA staff to take a look at all the preliminary steps necessary to provide early repayment, present the options and the impact on OCPA, and bring back to the Board in 90 days.

DRAFT

The motion carried by the following 3-1 vote:

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

ITEM 4.2 WAS REMOVED FROM THE AGENDA AND CONTINUED TO DATE UNCERTAIN.

2. UPDATES TO POLICY NO. 23, CHANGES TO DEFAULT RATE PRODUCT POLICY, AND APPROVAL OF CHANGES TO POWER SUPPLY OPTIONS/DEFAULT RATE PRODUCTS RELATING TO OCPA ENERGY PROCUREMENT STRATEGY CHANGES

Recommended Action:

1. Approve the reduction of renewable energy content in Smart Choice from 72% to 55% for 2025 and increase it to 60% for 2026, plus 40% carbon-free energy content.
2. Approve revisions to Policy No. 23, Changes to Default Rate Product Policy, relating to power supply options and default rate products; and
3. Pursuant to updated Policy No. 23, authorize the Chief Executive Officer to implement a temporary opt-down for City of Buena Park default rate product customers to Smart Choice for 2025 and 2026.

3. POTENTIAL CHANGES TO OCPA RATE DESIGN RELATING TO UPDATED ENERGY MARKET INFORMATION AND VARIOUS DEFAULT RATE PRODUCT SCENARIOS

CFO Law provided a brief summary of the presentation for this item.

Director of Communications and External Affairs Henderson also provided additional information on this item.

Action Taken:
Received staff presentation and provided direction relating to potential changes in OCPA Rate Design in relation to the updated energy market information and the default rate product scenarios.

4. BUDGET, GUIDELINES, AND EXPENDITURES FOR PROFESSIONAL DEVELOPMENT, SPONSORSHIPS AND MEMBERSHIPS

CFO Law provided a brief summary of the presentation for this item.

Action Taken:
Received and filed the presentation on budget, guidelines, and expenditures for professional development, sponsorships and memberships.

DRAFT

5. ADJOURNMENT

There being no further business to come before the Board, Chair Jung adjourned the December 6, 2024, Orange County Power Authority Board Special meeting at 11:19 a.m.

Submitted by:

_____

Pat Jacquez-Nares, Authority Secretary

DRAFT

MINUTES
REGULAR MEETING
BOARD OF DIRECTORS
ORANGE COUNTY POWER AUTHORITY

Tuesday, December 17, 2024

1. CALL TO ORDER

Chair Jung called to order the Regular Meeting of the Orange County Power Authority Board of Directors at 10:05 a.m. on Tuesday, December 17, 2024.

2. PLEDGE OF ALLEGIANCE

Chair Jung led the Pledge of Allegiance.

3. ROLL CALL

Present:	Director Kathleen Treseder	City of Irvine
	Vice Chair Susan Sonne	City of Buena Park
	Chair Fred Jung	City of Fullerton

4. PUBLIC COMMENTS ON AGENDA ITEMS

None.

5. PUBLIC COMMENTS ON NON-AGENDA ITEMS

Vicki Johnson
Mike Raugh
Charlie Johnson
Glenn Grandis

6. DIRECTOR ANNOUNCEMENTS & REPORTS ON CONFERENCES/EVENTS ATTENDED

Director Treseder reported on the outcome of the Irvine Special Meeting, which included their intention to withdraw. She further stated her concerns and those of the Irvine Council on the lack of communication or timely communication from OCPA on issues that impact the City and its residents.

Chair Jung read his statement into the record on the actions of the Irvine City Council. He further confirmed that OCPA would work with the City of Irvine with this and any other items.

DRAFT

7. CONSENT CALENDAR

ACTION

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

Approve consent calendar items 7.1 – 7.7.

The motion carried unanimously by the following 3-0 vote:
Ayes: Chair Jung, Vice Chair Sonne, Director Treseder
Noes: None
Absent: None

1. MINUTES FOR THE REGULAR BOARD MEETING OF NOVEMBER 25, 2024

Action Taken:
Approved as submitted.

2. MINUTES FOR THE SPECIAL BOARD MEETING OF NOVEMBER 25, 2024

Action Taken:
Approved as submitted.

3. COMMUNITY ADVISORY COMMITTEE (CAC) REPORT

Action Taken:
Received and filed.

4. REGULATORY AND LEGISLATIVE UPDATE

Action Taken:
Received and filed.

5. RISK OVERSIGHT COMMITTEE UPDATE

Action Taken:
Received and filed.

6. PUBLIC RECORDS ACT REPORT

Action Taken:
Received and filed.

DRAFT

7. TREASURER'S REPORT – QUARTERLY TREASURER REPORT AND CHECK REGISTER AS OF SEPTEMBER 30, 2024

Action Taken:
Received and filed.

8. REGULAR CALENDAR

1. ADOPT THE 2025 MEETING SCHEDULE

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

Adopt Resolution No. 2024-10 A Resolution of the Board of Directors of Orange County Power Authority Establishing A Regular Meeting on January 22, 2025 at 10:00 a.m. and to agendize the meetings for the remainder of the Board of Directors for 2025 on Wednesday, January 22, 2025.

The motion carried unanimously by the following 3-0 vote:

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

9. STAFF REPORT

CEO Mosca provided his full report in the agenda packet and wished everyone a happy holiday season. After the meeting, Chair Jung and CEO Mosca presented the staff anniversary certificates.

Chair Jung stated it was his final meeting chairing the Board and thanked everyone.

10. ADJOURNMENT

There being no further business to come before the Board, Chair Jung adjourned the December 17, 2024, Orange County Power Authority Board Regular meeting at 10:36 a.m.

Submitted by:

_____

Pat Jacquez-Nares, Authority Secretary

DRAFT

ORANGE COUNTY POWER AUTHORITY
Staff Report – Item 8.3

To: Orange County Power Authority Board of Directors

From: Steven Halligan, Regulatory and Legislative Manager

Approved By: Joe Mosca, Chief Executive Officer

Subject: LEGISLATIVE AND REGULATORY UPDATE

Date: January 22, 2025

RECOMMENDED ACTION

Receive and file.

LEGISLATIVE UPDATE

2025 Legislative Session

The California State Legislator reconvened on Monday January 6, 2025, to begin the first year in the biennial session. The Budget bill was submitted to the Governor on January 10, 2025. The deadline for bill introduction is February 21, 2025. Staff will be monitoring and analyzing introduced legislation for impacts on OCPA. As of January 13, staff are monitoring nine pieces of legislation. Details are included in the attached OCPA 2025 California Bill Tracker.

Advocacy Day

Orange County Power Authority staff have scheduled meetings with Orange County State Legislators for the 2025 Sacramento Advocacy Day. The advocacy day will be held jointly with California Community Choice Association (CalCCA) on Wednesday January 29, 2025.

REGULATORY UPDATE

Orange County Power Authority staff actively participate in several regulatory proceedings at the California Public Utilities Commission (CPUC), California Independent System Operator (CAISO), and the California Energy Commission (CEC). A summary and status update of active proceedings since the previous update is included below.

Affordability – R.18-07-006

Background: This Order Instituting Rulemaking (OIR) was opened in 2018 to establish processes for assessing and increasing the affordability of utility services. The CPUC has addressed metrics and methodologies for assessing affordability. The proceeding is currently in Phase 3, considering strategies to limit/mitigate future energy rate increases.

Update: At its final voting meeting of 2024, the CPUC voted to extend the Affordability proceeding's statutory deadline from December 31, 2024, to June 30, 2025.

Disconnections – R.18-07-005

Background: This OIR was opened in 2018 and addresses rising disconnection rates from customer nonpayment of electric bills. After issuing several decisions instituting various rules and programs, Phase 2 is now addressing issues to further prevent disconnections.

Update: The CPUC hosted a hybrid workshop on December 12, 2024, to discuss the three topics addressed in the Amended Phase 2 Scoping Ruling: (1) disconnection rate caps; (2) implementation of SB 1142; and (3) protections for customers during extreme weather events.

Provider of Last Resort - R.21-03-011

Background: The CPUC issued a September 1, 2021, Scoping Ruling to set forth the scope in the Provider of Last Resort (POLR) proceeding. This proceeding implements the POLR requirements and framework directed by Senate Bill 520. The POLR proceeding will be considered in three phases. Phase 1 focuses on issues necessary to establish a comprehensive framework for existing POLRs. Phase 2 will set rules that allow a different entity to be designated as the POLR. Phase 3 may be opened to consider any additional issues not covered in Phase 1 or Phase 2.

Update: The Phase 2 Scoping Ruling requires parties to respond by January 10, 2025, to "threshold questions," including:

- Whether any investor-owned utility (IOU) wishes to transfer its POLR responsibilities to a non-IOU load-serving entity (LSE);
- Whether any non-IOU LSE wishes to serve as the POLR;
- The scope of the CPUC's authority under Public Utilities Code section 387;
- Whether the CPUC's regulation of the non-IOU LSE POLR as a public utility extends to non-POLR activities;
- The technical, financial, and legal capacity threshold for a non-IOU LSE to serve as the POLR;
- Cost recovery for the non-IOU LSE POLR; and
- Whether the CPUC should address the other primary topic areas set forth in the Scoping Ruling if no IOU or non-IOU LSE is interested in moving forward.

Staff are working with CalCCA to submit comments by the January 10 deadline. Reply comments are due January 24, 2025.

Resource Adequacy – R.21-10-002 and R.23-10-011

Overview: The OIR for R.21-10-002 set forth the following objectives: to continue the CPUC's oversight of the Resource Adequacy (RA) program, to consider broader structural reforms to the program, and to establish RA procurement obligations for LSEs beginning with the 2023 RA year. This proceeding is split into two tracks. The implementation track has considered near term reforms, including the adoption of the local and flexible capacity requirements, reforms to the CPE

structure, modifications to the planning reserve margin (PRM), and revisions to RA counting. The reform track considers broader structural changes to effectuate a 24-hour slice of day (SOD) framework.

The OIR for R.23-10-011 continues the CPUC's oversight of the RA program, establishes forward RA procurement obligations applicable to LSEs beginning with the 2025 compliance year, and considers structural reforms to the program. This proceeding is the successor to proceeding R.21-10-002 and includes the following issues in scope: (1) adoption of local and flexible RA requirements; (2) loss of load expectation (LOLE) study and PRM; (3) 24-hour SOD framework; (4) unforced capacity (UCAP); (5) QC counting conventions; (6) RA compliance and penalties; and (7) other refinements to the RA program.

Update: The CPUC adopted the Track 2 Decision, D.24-12-003, at its December 5, 2024, meeting. It declines to adopt the proposed PRM for 2026 within Track 2, and instead: (1) authorizes Energy Division to undertake further revision of the analysis; and (2) establishes a regular cadence for updating LOLE modeling. It also adopted changes to the local RA Central Procurement Entity (CPE) timeline. On December 23, 2024, the CPUC issued a Ruling with a revised LOLE study. The revised study includes positive changes, including recommending PRMs of: (1) 22.5 percent for the summer months (June through September); and (2) 21 percent for the other months (October through May). The revised study also considers the following alternatives to balance reliability and affordability: (1) a 17 percent PRM RA Requirement paired with an effective PRM (i.e., extending the 2025 status quo); and (2) a 22.5 percent PRM RA Requirement and System Waiver for LSEs who meet certain requirements, including inability to procure below a certain price threshold. These recommendations and alternatives will be further developed within Track 3 of the RA proceeding. The CPUC will host a workshop to review the revised LOLE study on January 23, 2025.

FISCAL IMPACT

None

ATTACHMENTS

OCPA 2025 California Bill Tracker

Orange County Power Authority 2025 California Bill Tracker

Updated 1/13/2025

Bill #	Author	Title	Category	Summary
AB 13	Ransom	Public Utilities Commission: reports.	CPUC Reporting	Existing law requires the commission to annually prepare a written report on the costs of programs and activities conducted by certain electrical corporations and gas corporations. Existing law requires the report to identify specified information, including, among other information, each program mandated by statute or by the commission and its annual cost to ratepayers. Existing law requires the commission to complete the report on an annual basis before April 1 of each year, and to submit the report to the Governor and the Legislature on an annual basis no later than April 1 of each year. This bill would require the commission to instead complete and submit the above-described report on a biannual basis.
AB 23	DeMaio	The Cost of Living Reduction Act of 2025.	Affordability	This bill, the Cost of Living Reduction Act of 2025, would declare the intent of the Legislature to enact subsequent legislation to reduce the cost of living in California by undertaking specified activities, including, among other things, by suspending all state taxes and fees on gasoline and electric and gas utilities and by requiring the Little Hoover Commission to provide a report on methods to reduce the cost of living in other areas, as provided.
AB 39	Zbur	General plans: Local Electrification Planning Act.	Local Programs	This bill, the Local Electrification Planning Act, would require a city, county, or city and county, on or after January 1, 2027, but no later than January 1, 2030, to prepare and adopt a specified plan, or integrate a plan in the next adoption or revision of the general plan, that includes locally based goals, objectives, policies, and feasible implementation measures that include, among other things, the identification of opportunities to expand electric vehicle charging, as specified, and includes policies and implementation measures that address the needs of disadvantaged communities, low-income households, and small businesses for equitable and prioritized investments in zero-emission technologies that directly benefit these groups. For these purposes, the bill would authorize a city, county, or city and county to incorporate by reference into the general plan a previously adopted similar plan that meets the above-described requirements, as specified. By increasing the duties of local public officials, the bill would establish a state-mandated local program.
AB 44	Schultz	Energy: electrical demand forecasts.	Demand Forecasts	Existing law requires the State Energy Resources Conservation and Development Commission, at least every 2 years, to conduct assessments and forecasts of all aspects of energy industry supply, production, transportation, delivery and distribution, demand, and prices. Existing law authorizes the commission to require the submission of demand forecasts from electrical utilities, among other entities, to perform its assessments and forecasts.This bill would state the intent of the Legislature to enact subsequent legislation that would require the commission to develop a set of technical guidance and load modification protocols to enable the state to reduce or modify its electrical demand forecast to improve grid reliability, as provided.

Orange County Power Authority 2025 California Bill Tracker

Updated 1/13/2025

AB 61	Pacheco	Electricity and natural gas: legislation imposing mandated program and requirements: third-party review.	Programs	This bill would request the office to establish, by January 1, 2027, a program to, upon request of the Legislature, analyze legislation that would establish a mandated requirement or program or otherwise affect electrical or gas ratepayers, as specified. The bill would request the office to develop and implement conflict-of-interest provisions that would prohibit a person from participating in an analysis for which the person knows or has reasons to know that the person has a financial interest. The bill would establish the Energy Programs Benefit Fund in the State Treasury and continuously appropriate the moneys in the fund to the office to support the work of the office in providing analyses under the bill. The bill would repeal these provisions on January 1, 2031.
AB 99	Ta	Electrical corporations: rates.	Affordability	This bill would prohibit an electrical corporation from proposing, and the commission from approving, a rate increase above the rate of inflation, unless the rate increase is approved by a majority of the electrical corporation's customers voting in an election conducted according to specified requirements, and except when the commission determines that the costs underlying the rate increase are directly related to safety enhancements and modernization or to higher commodity or fuel costs.
AB 222	Bauer-Kahan	Data centers: energy usage reporting and modeling.	Data Centers	This bill would require the Energy Commission to require operators of data centers to annually report energy consumption and performance data, as specified. The bill would require the Energy Commission to include energy consumption trends for data centers in its integrated energy policy reports. The bill would require the Energy Commission to adopt energy efficiency performance standards, as described, for data centers. The bill would require the Energy Commission to adopt regulations to implement these requirements on or before January 1, 2027.
SB 24	McNerney	Electrical and gas corporations.	Spot	Spot Bill
SB 57	Padilla	Data centers: rates.	Data Centers	This bill, the Ratepayer and Technological Innovation Protection Act, would require the commission, on or before July 1, 2026, to establish a special rate structure for data centers, as defined, that, among other things, protects residential ratepayers and small businesses and prevents cost shifts to those existing ratepayers and ensures electrical grid investments to serve data centers are fully recovered, as specified.

ORANGE COUNTY POWER AUTHORITY
Staff Report – Item No. 8.4

To: Orange County Power Authority Board of Directors

From: Andrew Di Giovanna, External Affairs Manager
Linda Kraemer, Community Engagement Manager
Jacquie Henderson, Director of Communications and External Affairs

Approved By: Joe Mosca, Chief Executive Officer

Subject: COMMUNITY ADVISORY COMMITTEE (CAC) REPORT

Date: January 22, 2025

RECOMMENDED ACTION

Receive and file.

MEETING REPORT

On Monday, January 13, 2025, at 6:00 p.m., the Community Advisory Committee (CAC) held its monthly meeting. The meeting featured updates on new transparency efforts, a discussion about the 2025 Work Plan, the status of energy transition initiatives, and upcoming community events. Active discussions and input from committee members enriched the meeting, reinforcing their advisory role in shaping OCPA's outreach and policy direction.

Transparency and Communication Enhancements

The committee discussed opportunities to enhance customer understanding around renewable energy procurement and what it means to "procure energy on behalf of customers." Staff highlighted updates to public resources, including a new Facts and Figures handout and OCPA's Year in Review to ensure clarity and accessibility. Members stressed the importance of addressing public concerns about energy mix and procurement strategies, with particular focus on improving the public's understanding of the differences between renewable and carbon-free energy sources.

Work Plan Progress and Priorities

The committee reviewed the 2025 Work Plan and discussed upcoming priorities, including a focus on electrification strategies, increasing engagement with underserved communities, and ensuring transparency in OCPA's operations. Members emphasized aligning the work plan with key Board initiatives and ensuring flexibility to respond to emerging priorities. Additionally, staff invited future feedback to ensure the plan consistently reflects the most pressing community and operational goals for the year.

Outreach Partnerships and Initiatives

Staff presented plans for partnerships with community-based organizations and local businesses to promote renewable energy adoption. Initiatives include collaboration with local schools and civic organizations to expand outreach and awareness of OCPA programs. The committee also discussed

how these partnerships could be leveraged to create long-term relationships and further advance sustainability goals within the community.

Updates on Default Energy Plan Adjustments
Staff provided an update on changes to default energy plans for certain cities, including adjustments in Irvine to mitigate rising energy costs while balancing affordability and climate action goals. Committee members discussed ways to ensure customers are well-informed of these changes and their options to opt for higher renewable energy levels. To address public concerns, mailers and digital campaigns are being prepared to provide clear instructions and reassurances about customer options.

FISCAL IMPACT

None

ATTACHMENT

None

ORANGE COUNTY POWER AUTHORITY
Staff Report – 8.5

To: Orange County Power Authority Board of Directors

From: Linda Kraemer, Community Engagement Manager
Jacquie Henderson, Director of Communications and External Affairs

Approved by: Joe Mosca, Chief Executive Officer

Subject: APPROVE THE UPDATE TO COMMUNITY ADVISORY COMMITTEE MEMBERSHIP CRITERIA

Date: January 22, 2025

RECOMMENDATION

Approve update to the Community Advisory Committee Membership Criteria to clarify member terms.

BACKGROUND

Upon review of the membership criteria, it has been found that clarifying language is needed in Section 8. It currently reads as follows: "The term for Members will be one year, and there will be a limit of two terms." The proposed amendment will define the members with more clarity by adding "At-Large," as it has been the OCPA's practice that the At-Large Members are appointed annually and have a two-year term.

FISCAL IMPACT

None

ATTACHMENT

Attachment A – Revision to CAC Membership Criteria (Draft 1.22.2024)(Redline)
Attachment B – Revision to CAC Membership Criteria (Draft 1.22.2024)(Clean)

Community Advisory Committee

Membership Criteria

1. The Committee Advisory Committee (CAC) shall be made up of two members from each member agency and two at-large members. Each Board Member shall appoint two members; but, no member agency shall have more than two members. This composition may be revisited by the Board if new member cities are added to the Orange County Power Authority (OCPA). The two at-large appointments shall be selected by the Board via an application process. CAC members may be removed with or without cause by the Board or, if applicable, their appointing Board Member (or his or her successor).

2. The CAC is a Brown Act Committee, and all meetings shall be noticed and held in public spaces.

3. OCPA aims to ensure a wide variety of perspectives and participation on the CAC.

4. Members shall be residents (property owners and/or tenants), business owners, employees or representatives of a community-based organization and/or non-profit organization located within one of the member agencies of OCPA.

5. When reviewing applicants for membership, OCPA staff, and the Board of Directors are to prioritize residents, when feasible, from diverse social, economic, and racial backgrounds that are representatives of all residents within the service territory of OCPA.

6. There shall be two at-large members who shall be required to submit an application and the Board shall make the selection to the Committee.

7. CAC members must be committed to serving on the CAC and attending regular meetings along with the occasional OCPA Board meeting. CAC meetings and times will be determined once the members are approved by the full Board. If a CAC member misses two consecutive meetings or three meetings in a twelve-month period, OCPA staff will notify their appointing Board member (for non-at-large members) or the Chair of the Board (for at-large members). If a CAC member misses three consecutive meetings or four meetings in a twelve-month period, OCPA staff shall place an item on the Board agenda for potential removal of the CAC member.

8. The term for all m~~M~~embers will be one-year or until his or her successor is appointed, and members may be reappointed for multiple terms. Notwithstanding the above, ~~-~~for at-large members, ~~and~~ there will be a limit of two terms, which will not continue beyond two years.

9. Meetings of the CAC could rotate throughout the OCPA service territory, if feasible. If technology permits, the meetings shall be broadcast on the local PEG channel run by each member jurisdiction and/or via an online platform.

Community Advisory Committee

Membership Criteria

1. The Committee Advisory Committee (CAC) shall be made up of two members from each member agency and two at-large members. Each Board Member shall appoint two members; but, no member agency shall have more than two members. This composition may be revisited by the Board if new member cities are added to the Orange County Power Authority (OCPA). The two at-large appointments shall be selected by the Board via an application process. CAC members may be removed with or without cause by the Board or, if applicable, their appointing Board Member (or his or her successor).

2. The CAC is a Brown Act Committee, and all meetings shall be noticed and held in public spaces.

3. OCPA aims to ensure a wide variety of perspectives and participation on the CAC.

4. Members shall be residents (property owners and/or tenants), business owners, employees or representatives of a community-based organization and/or non-profit organization located within one of the member agencies of OCPA.

5. When reviewing applicants for membership, OCPA staff, and the Board of Directors are to prioritize residents, when feasible, from diverse social, economic, and racial backgrounds that are representatives of all residents within the service territory of OCPA.

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9. Meetings of the CAC could rotate throughout the OCPA service territory, if feasible. If technology permits, the meetings shall be broadcast on the local PEG channel run by each member jurisdiction and/or via an online platform.

ORANGE COUNTY POWER AUTHORITY
Staff Report – Item 8.6

To: Orange County Power Authority Board of Directors

From: Linda Kraemer, Community Engagement Manager
Jacquie Henderson, Director of Communications and External Affairs

Approved by: Joe Mosca, Chief Executive Officer

Subject: APPROVE THE COMMUNITY ADVISORY COMMITTEE 2025 WORK PLAN

Date: January 22, 2025

RECOMMENDATION

Approve the Community Advisory Committee 2025 Workplan.

BACKGROUND

Developing a workplan for the year helps focus the Community Advisory Committee's (CAC) limited time and resources and allows for a highly productive year.

The Community Advisory Committee (CAC) engaged in a discussion of priority topics for 2025 in December, staff incorporated the recommendations and the committee approved the Draft 2025 CAC Work Plan on January 13, 2025.

Staff are presenting the proposed CAC 2025 Workplan before the Board of Directors for final approval.

FISCAL IMPACT

None

ATTACHMENT

Attachment A – CAC 2025 Work Plan.

OCPA Community Advisory Committee (Draft)
Workplan for 2025

- January
  - Discussion OCPA FAQs, Facts and Figures, Customer Information
  - Review 2025 CAC Workplan Changes for Presentation to the Board
  - Overview of Community Outreach/Events

- February
  - Appointment of CAC Officers
  - Review of The Brown Act
  - Discussion of roles and responsibilities of CAC Members
  - 2025 Rate Design Discussion
  - Strategic Planning Discussion
  - Discussion of CAC Attendance at the CalCCA Annual Conference
  - Overview of Community Outreach/Events

- March
  - Energy Affordability and The Role of CCAs
  - Speaking To Different Customer Profiles. Effective techniques when dealing with the public.
  - OCPA Community Power Plan: Development & Implementation of Customer Programs
  - Overview of Community Outreach/Events

- April
  - Quarterly Update OCPA FAQs, Facts & Figures
  - Youth & School Outreach Program, Cleantech Workshops
  - Building Electrification & Energy Efficiency
  - Overview of Community Outreach/Events

- May
  - Building Bridges & Learning How to Be Effective: A Visit from a CAC of neighboring CCA
  - Report and Discussion, 2024 CalCCA Annual Conference
  - Overview of Community Outreach/Events

- June
  - OCPA Strategic Plan Update & Mission Statement
  - Electricity/Energy 101 Update
  - Overview of Community Outreach/Events

OCPA Community Advisory Committee (Draft)
Workplan for 2025 (continued)

- July
  - Presentation on OCPA Budget FY2024/2025
  - Update on Community Programs
  - Overview of Community Outreach/Events

- August – Dark

- September
  - Quarterly Update OCPA FAQs, Facts & Figures
  - Regulatory and Legislative Update
  - Overview of Business/Customer Strategies and Programs
  - Overview of Community Outreach/Events

- October
  - CalCCA Presentation on CCAs in California
  - Introduction to Power Procurement (PCL)
  - Overview of Community Outreach/Events

- November
  - 2026 Rate Design Discussion
  - Discussion of 2026 CAC Workplan
  - Discussion on Diversity, Equity and Inclusion
  - Overview of Community Outreach/Events

- December
  - 2026 Regulatory and Legislative Affairs
  - Update on The OCPA Community Power Plan
  - Overview of Community Outreach/Events

ORANGE COUNTY POWER AUTHORITY
Staff Report – Item No. 8.7

To: Orange County Power Authority Board of Directors

From: Jacquie Henderson, Director of Communications & External Affairs

Approved by: Joe Mosca, Chief Executive Officer

Subject: PUBLIC OUTREACH UPDATE FOR NOVEMBER – DECEMBER 2024

Date: January 22, 2025

RECOMMENDED ACTION

Receive and file the Public Outreach update for November - December 2024.

BACKGROUND

The following is a summary of the Public Outreach efforts for the months of November and December 2024.

Highlights include:

Awards

Received 4 awards recognizing OCPA's accomplishments:

- *Clean Energy Partner of the Year* from the Asian Business Association of Orange County
- *Sustainability Advocate of the Year* from the Filipino American Chamber of Commerce OC
- *Leader in Sustainability Honoree* from the Orange County Business Journal
- *Green Region: Resource Conservation and Climate Action Honorable Mention* from the Southern California Association of Governments

Media Relations

- Distributed four press releases announcing adoption of resolution approving membership for the City of Fountain Valley, clean independent financial audit, launch of OCPA's Incentive Finder and new hires

Community Outreach

- Promoted Calpine Community Benefits Grant opportunity
- Launched "Picturing a Better Tomorrow" K-6 student art contest for students residing in or attending schools in member communities
- Participated in 7 community outreach and networking events

Digital Communications

- Launched landing page for Fountain Valley
- Created 2023 Clean Energy Report: Power Content Label explainer videos

- Filmed Sustainably Speaking Episode 6 with Dr. Lorenzo Gonzalez, Board Member of Latino Health Access
- Published 2024 Year in Review through email, social media and a blog post
- Promoted drawing opportunity for a smart electric dryer for “new” newsletter subscribers
- Released one community newsletter (December), a holiday greeting email, and published three blog posts

Please review the attached public outreach update for additional details on these highlights and the various communications, marketing, and community outreach events. If you would like more information, please contact me at jhenderson@ocpower.org. Your community input is important; it is a pleasure collaborating with you.

FISCAL IMPACT

None

ATTACHMENT

Attachment A – Public Outreach November-December 2024

Public Outreach Update

November – December 2024

ORANGE COUNTY POWER AUTHORITY
THE POWER OF COMMUNITY

HIGHLIGHTS

Media Relations

- Distributed four press releases announcing adoption of resolution approving membership for the City of Fountain Valley, clean independent financial audit, launch of OCPA's Incentive Finder and new hires

Community Outreach

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Awards

- Received 4 awards recognizing OCPA's accomplishments

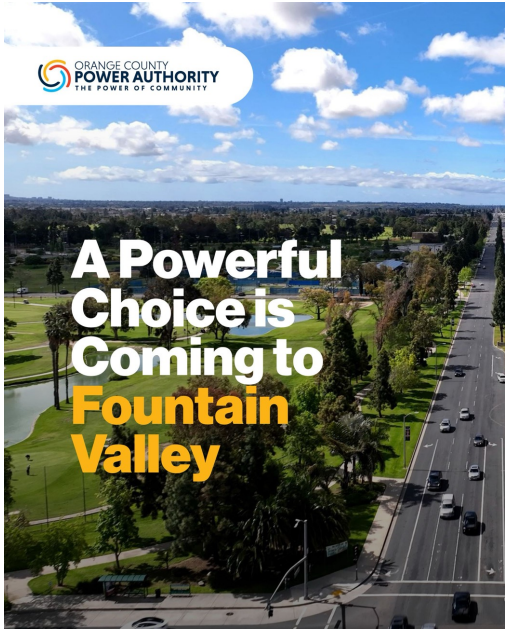
MEDIA RELATIONS

- Distributed press releases announcing:
  - Adoption of resolution approving membership for the City of Fountain Valley
  - Launch of OCPA's Incentive Finder
  - Three new hires
  - Appointment of Fountain Valley Board representative
- Published byline in *O.C. Sierran*, a publication of the Orange County Sierra Club

City of Fountain Valley joins Orange County Power Authority (OCPA)
Posted on November 26, 2024 at 7:53 AM by Meghan Wishner

Exciting news! The City of Fountain Valley and Orange County Power Authority (OCPA) have voted to bring the choice of renewable energy to Fountain Valley. We look forward to working closely with OCPA to share information on this exciting opportunity with our residents and businesses. Stay tuned for updates!

For more information, please refer to the Press Release released by OCPA HERE.



SIERRA CLUB ANGELES CHAPTER | Orange County Group

Community Choice Energy is a Game-Changing Climate Solution in Orange County

November 1, 2024

by Joe Mosca, CEO, Orange County Power Authority

There's no doubt that Orange County is a top destination for travelers and Californians alike – beaches, theme parks, the outdoors, and great weather. But we are feeling the effects of climate change as acutely as the rest of the county. According to **ClimateCheck**, by 2050 Orange County could experience 25 days per year over 93.9 degrees, compared to 7 days per year in 1990.

Unfortunately, we are behind much of California in setting a firm strategy to tackle climate change. Few of our cities have designed and implemented climate action plans, and the ones that have lack urgency to combat worsening heat waves, rising sea levels, and wildfires.

While this challenge can seem overwhelming, it is far from insurmountable when we take individual and collective steps. I am proud to be a part of one of those critical steps for Orange County at Orange County Power Authority (OCPA).

OCPA is a Community Choice Aggregator (CCA) that offers residential and commercial customers the choice of purchasing cleaner energy than the fossil fuel energy provided by legacy investor-owned utilities (IOUs). This is a critical component of California reaching its goal of net zero carbon pollution, and by offering this cleaner energy at competitive rates, OCPA is providing customers of all means the opportunity to reduce their carbon footprint and support a healthier, more sustainable future.



OCPA meets customers where they are, offering three plans that increasingly replace fossil fuels with renewable energy from solar, wind, biomass and geothermal. In our commitment to affordability, we partner with our local IOUs to honor low-income programs for eligible customers while ensuring that our Basic Choice Plan costs less than the IOU's equivalent generation plan.

ORANGE COUNTY POWER AUTHORITY

CALPINE BENEFITS GRANT OPPORTUNITY

Promoted Calpine Benefits Grant opportunity with website content, flyer and social media posts





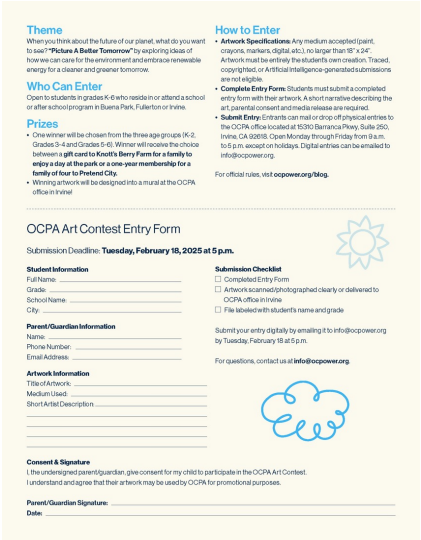


PICTURING A BETTER TOMORROW ART CONTEST

Invited students in grades K-6 to depict their ideas of a cleaner, greener world through art. OCPA will select several winners whose art will be recreated into murals in the OCPA office. Submissions accepted until February 18, 2025.

Outreached to public and private schools, after school programs and school districts in member communities.







ORANGE COUNTY POWER AUTHORITY

COMMUNITY OUTREACH EVENTS

- Women in Energy Conference
- Women's Leadership Forum
- Irvine Company Energy Symposium
- Buena Park Christmas Tree Lighting
- Illuminate Irvine
- Buena Park Candy Caneland and Craft Fair
- Fountain Valley Christmas in the Gazebo
- First Night Fullerton









ORANGE COUNTY POWER AUTHORITY

LANDING PAGE - FOUNTAIN VALLEY

Developed a landing page for Fountain Valley residents to learn more about OCPA coming to their community







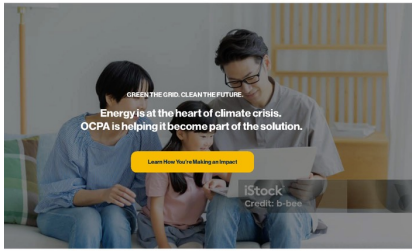
Orange County Power Authority (OCPA) is leading the transition to clean power for Orange County. As a not-for-profit organization, OCPA reinvests revenue back into the communities it serves through energy efficiency programs, community-based organization support, and grant funding.

Since launching service in 2022, OCPA has

Reduced CO_2 emissions by 2 billion lbs

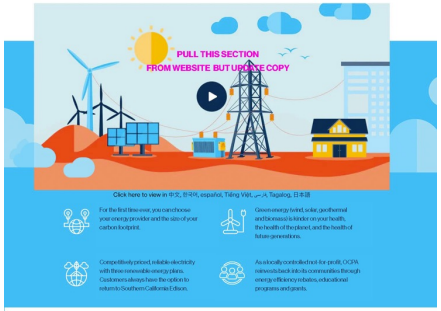
That's equivalent to

221,373	40.4M+	15.3M+
gas-powered vehicles taken off the road	trash bags of waste recycled instead of adding them to the landfill	tree seedlings grown for 10 years, sequestering carbon



HOW IT WORKS

Cleaner energy is empowered energy



Frequently Asked Questions

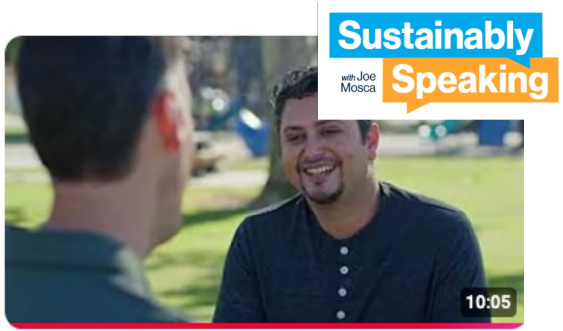
- What is the difference between OCPA and my current energy provider?
  - You now have the power to choose who provides your energy. Historically, SCE has been the default power provider to most customers. However, in 2002 when state legislators passed California's Community Choice Aggregation law, this default status was transferred from SCE to local community energy programs like OCPA.
- When will energy customers in Fountain Valley be transitioned to OCPA?
- How much clean and renewable energy is available through OCPA?
- What type of renewable energy is OCPA purchasing?
- Will I be able to choose my renewable energy plan?

For additional FAQs please click here.

ORANGE COUNTY POWER AUTHORITY

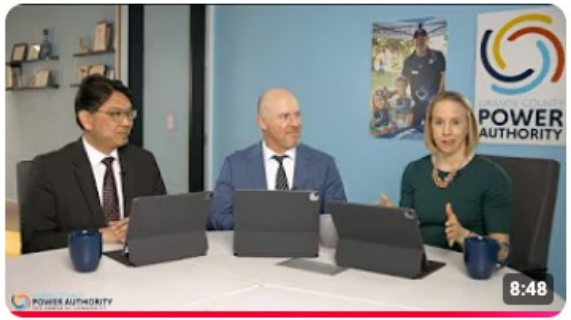
YOUTUBE

Sustainably Speaking Episode 6



Sustainably Speaking - Episode 6, with Dr. Lorenzo Gonzalez from Latino Health Access

2023 Clean Energy Report on the Power Content Label



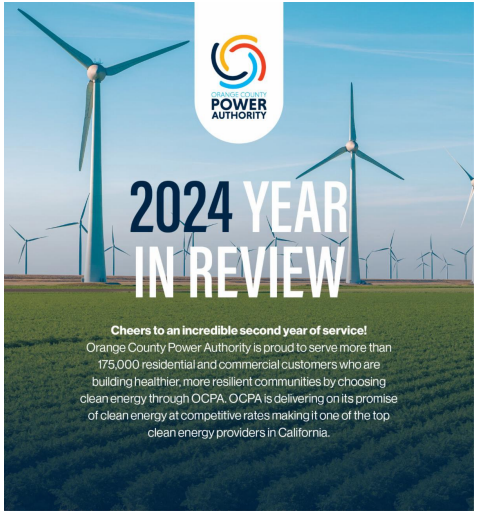
Orange County Power Authority 2023 Clean Energy Report

OCPA Unplugged on YouTube Shorts

ORANGE COUNTY POWER AUTHORITY
unplugged

OCPA YEAR IN REVIEW

- Email
  - 4,581 emails sent
  - 48% open rate (average open for government-related is 28.77%)
- Social media
- Poster
- Blog post





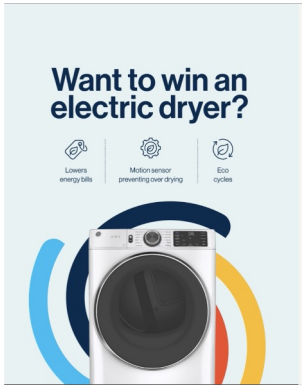




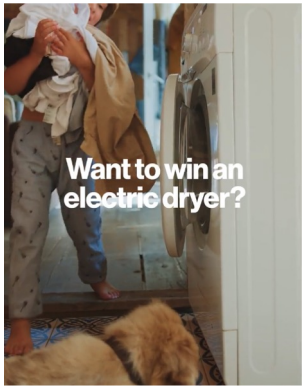
ELECTRIC DRYER DRAWING OPPORTUNITY FOR “NEW” NEWSLETTER SUBSCRIBERS

Social media campaign:

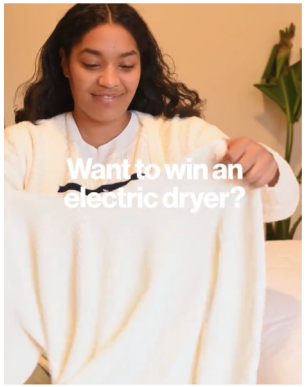
- **Total Reach:** 131,389
- **Total Impressions:** 319,457
- **Total Link Clicks:** 7,988
- **Subscribers:** +76



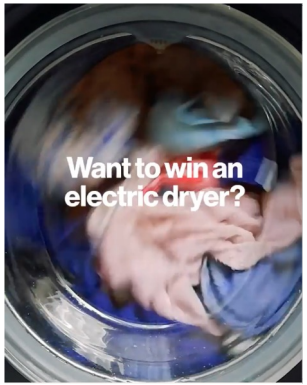
VIDEO LINK



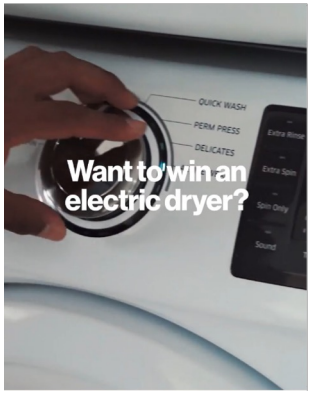
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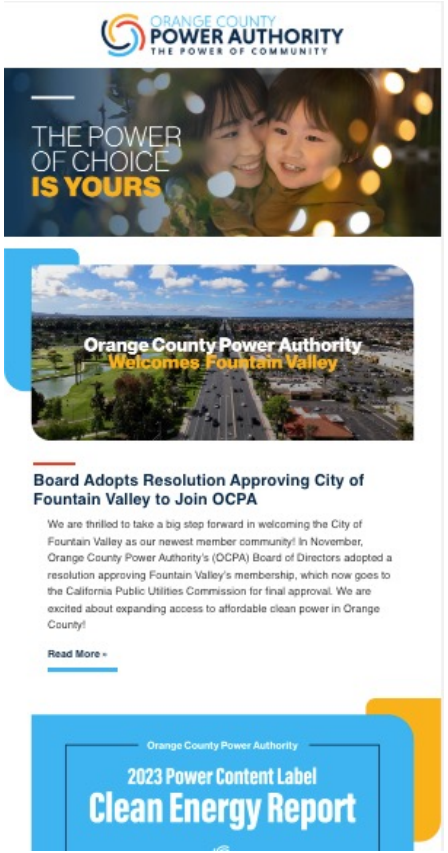


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ORANGE COUNTY POWER AUTHORITY

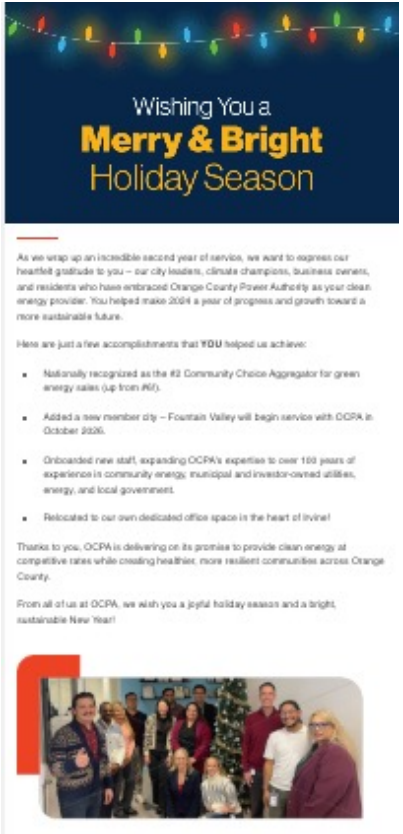
COMMUNITY NEWSLETTER - DECEMBER

- 4,596 emails sent
- 53% open rate (average open for government-related is 28.77%)
- Top 5 website pages visited
  - Incentive Finder
  - OCPA Strengthens Team with Three New Hires
  - OCPA Board Adopt Fountain Valley
  - OhmConnect
  - The Future in Bright for Renewable Energy



HOLIDAY GREETING EMAIL

- 351 emails sent to elected officials, community leaders, partners and others
- 45% open rate (average open for government-related is 28.77%)



Wishing You a
Merry & Bright
Holiday Season

As we wrap up an incredible second year of service, we want to express our heartfelt gratitude to you – our city leaders, climate champions, business owners, and residents who have embraced Orange County Power Authority as your clean energy provider. You helped make 2024 a year of progress and growth toward a more sustainable future.

Here are just a few accomplishments that **YOU** helped us achieve:

- Nationally recognized as the #2 Community Choice Aggregator for green energy sales (up from #6!).
- Added a new member city – Fountain Valley will begin service with OCPA in October 2026.
- Onboarded new staff, expanding OCPA's expertise to over 100 years of experience in community energy, municipal and investor-owned utilities, energy, and local government.
- Relocated to our own dedicated office space in the heart of Irvine!

Thanks to you, OCPA is delivering on its promise to provide clean energy at competitive rates while creating healthier, more resilient communities across Orange County.

From all of us at OCPA, we wish you a joyful holiday season and a bright, sustainable New Year!

ORANGE COUNTY POWER AUTHORITY

BLOG POSTS

Published three blog posts:

- The Future is Bright for Renewable Energy
- Being a Sustainable Business Starts with Clean Energy
- 2024 Year in Review



November 5, 2024

The Future is Bright for Renewable Energy

By Jacquie Henderson, Director of Communications & External Affairs This October, 300 of southern California's brightest minds in...



December 4, 2024

Being a Sustainable Business Starts with Clean Energy

Achieving and growing a successful business is challenging, but making that business sustainable can be easy with the...



December 30, 2024

2024 Year in Review

ORANGE COUNTY POWER AUTHORITY

AWARDS

- “Clean Energy Partner of the Year” from the Asian Business Association of Orange County
- “Sustainability Advocate of the Year” from the Filipino American Chamber of Commerce OC
- Leader in Sustainability Honoree from the *Orange County Business Journal*
- Green Region: Resource Conservation and Climate Action Honorable Mention from the Southern California Association of Governments



THANK **YOU!**

ORANGE COUNTY
POWER AUTHORITY
THE POWER OF COMMUNITY

ORANGE COUNTY POWER AUTHORITY
Staff Report – Item 8.8

To: Orange County Power Authority Board of Directors

From: Nicholaus Norvell, Interim General Counsel
Jacquie Henderson, Director of Communications and External Affairs

Approved by: Joe Mosca, Chief Executive Officer

Subject: TICKET AND PASS DISTRIBUTION POLICY PURSUANT TO REGULATIONS OF THE FAIR POLITICAL PRACTICES COMMISSION

Date: January 22, 2025

RECOMMENDATION

Adopt Resolution No. 2025-XX of the Board of Directors of the Orange County Power Authority approving Policy No. 26, Ticket and Pass Distribution Policy pursuant to Regulation 18944.1 and other Fair Political Practices Commission regulations as amended.

BACKGROUND

Fair Political Practices Commission (FPPC) Regulation 18944.1 establishes rules by which tickets or passes received and distributed by local government agencies to government officials for use for official public business will not constitute reportable gifts under the Political Reform Act (Gov. Code § 81000, et seq.) as long as the agency complies with specified distribution and reporting requirements.

The proposed Ticket and Pass Distribution Policy (Policy) would establish best management practices and ensure that any future tickets or passes that OCPA receives, purchases, or otherwise acquires are distributed pursuant to Regulation 18944.1.

If adopted, the Policy would require that tickets and passes distributed by OCPA under the Policy be disclosed on FPPC Form 802 and posted to OCPA's website within 45 days of distribution, unless otherwise required by law or reported by a public official on his or her individual Statement of Economic Interests (Form 700).

This Policy would apply to tickets and passes that provide admission to a facility, event, show or performance for an entertainment, amusement, recreational or similar purpose, and are either:

1. Gratuitously provided to OCPA by an outside source;
2. Acquired by OCPA by purchase;
3. Acquired by OCPA as consideration pursuant to the terms of a contract for the use of an OCPA venue; or

4. Acquired and distributed by OCPA in any other manner.

If adopted, the Policy would apply to all "public officials" of OCPA, including any officers, employees, consultants, Board members, or other appointed officials.

General Provisions

The general terms of the Ticket and Pass Distribution Policy are set to ensure fair use and distribution of any tickets or passes acquired by OCPA and allow for disciplinary action up to and including dismissal and/or termination of contract, if violated.

Other general provisions include rules regarding how tickets/passes can be used (both by the agency and by those receiving the tickets), the authority of the CEO to establish further procedures for distribution (in accordance with the Policy and any applicable rules or regulations of the FPPC), and how to establish the value of the tickets/passes.

Public Purposes

OCPA shall only provide a ticket and/or pass to a public official, or at the behest of a public official, to accomplish a public purpose. The Policy provides an comprehensive list of public purposes ranging from rewarding volunteer public service, recognizing meritorious service by an OCPA employee, promotion of community programs and resources available to residents within OCPA's service area, or facilitating the performance of a ceremonial role or function by a public official on behalf of OCPA at an event.

Reporting and Disclosure

If approved, the Ticket and Pass Distribution Policy shall be posted on OCPA's website in a prominent manner, and it shall be the duty of CEO or their designee to ensure OCPA's compliance with Section 18944.1(d) pertaining to the reporting of the distribution of tickets by OCPA.

If OCPA is reimbursed by the public official within 30 days or otherwise treats any received tickets/passes as income (consistent with applicable federal and state income tax laws), the ticket/passes shall not be subject to disclosure provisions of the Policy or treated as a gift.

Otherwise, all tickets/passes distributed by OCPA to any public official pursuant to the Policy must be recorded on Form 802 or, on such alternative form(s) as may from time to time be designated by the FPPC. This form must be maintained as a public record, and be subject to inspection and copying as required under Government Code section 81008(a). Within 45 days of distributing a ticket or pass, OCPA must post these forms on its website and email a website link to the FPPC that displays the form, and the form must contain the information required by Section 18944.1(d).

FISCAL IMPACT

None.

ATTACHMENTS

Proposed Resolution No. ____, Adopting Policy No. 26, Ticket and Pass Distribution Policy
Proposed Policy No. 26, Ticket and Pass Distribution Policy

RESOLUTION NO. ____

A RESOLUTION OF THE BOARD OF DIRECTORS OF ORANGE COUNTY POWER AUTHORITY ADOPTING A TICKET AND PASS DISTRIBUTION POLICY PURSUANT TO TITLE 2 CCR SECTION 18944.1

WHEREAS, the Fair Political Practices Commission ("FPPC") of the State of California adopted Title 2 California Code of Regulations ("CCR") section 18944.1 ("Regulation 18944.1") to regulate the distribution and disclosure by public agencies of certain tickets and passes to public officials and employees; and

WHEREAS, Regulation 18944.1 provides that a ticket or pass distributed by a public official for a public purpose pursuant to an adopted policy and properly disclosed by the agency is not a gift to the public official and does not trigger a disclosure requirement on the official's Statement of Economic Interests - Form 700; and

WHEREAS, Regulation 18944.1 requires that any such ticket or pass distribution policy be maintained as a public record, posted to the adopting agency's website within 30 days of adoption, and a link to the website posting must be sent to the FPPC by email; and

WHEREAS, from time to time, Orange County Power Authority ("OCPA") may receive complimentary or discounted tickets or passes from third party sources, both public and private, for distribution to OCPA officials; and

WHEREAS, the distribution to and use of such tickets and passes by officials frequently serve legitimate public purposes; and

WHEREAS, OCPA desires to adopt a policy regarding the distribution of tickets and/or passes.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Orange County Power Authority as follows:

1. The foregoing recitals are true and correct.

2. The Board of Directors hereby adopts the proposed Ticket and Pass Distribution Policy, a copy of which is attached hereto and shall be posted to OCPA's website within 30 days of adoption of this Resolution and a link to the website posting shall be sent to the Fair Political Practices Commission via email.

3. The Chief Executive Officer is directed to implement this policy.

4. The Resolution shall take effect immediately upon adoption.

5. The Board Secretary shall certify the adoption of this Resolution.

ADOPTED AND APPROVED by the Board of Directors of Orange County Power Authority on this 22nd day of January, 2025.

ATTEST:

_____
Chair, Board of Directors
Orange County Power Authority

_____
Clerk, Board of Directors
Orange County Power Authority

AYES: _____ NAYS: _____ ABSENT: _____ ABSTAIN:

Orange County Power Authority
Policy No. __ - Ticket/Pass Distribution Policy

Purpose

The purpose of the Orange County Power Authority ("**OCPA**") Ticket and Pass Distribution Policy ("**Policy**") is to ensure that all tickets and/or passes provided to OCPA are distributed by OCPA for public purposes and that tickets and/or passes distributed by OCPA pursuant to the Policy are disclosed on Fair Political Practices Commission ("**FPPC**") Form 802, as required under Title 2 California Code of Regulations ("**CCR**") section 18944.1 ("**Regulation 18944.1**"). Tickets or passes distributed and used in strict compliance with the provisions of this Policy will not constitute a reportable gift to a public official under the Political Reform Act.

Policy

1. Scope

   This Policy applies to Tickets (as defined in Section 2) that are distributed to Public Officials (as defined in Section 2) and provide admission to a facility, event, show or performance for an entertainment, amusement, recreational, or similar purpose, and are either:

   a. Gratuitously provided to OCPA by an outside source;

   b. Acquired by OCPA by purchase;

   c. Acquired by OCPA as consideration pursuant to the terms of a contract for the use of an OCPA venue; or

   d. Acquired and distributed by OCPA in any other manner.

2. Definitions

   Unless otherwise expressly provided herein, words and terms used in this Policy shall have the same meaning as that ascribed to such words and terms in the Political Reform Act of 1974 (Government Code § 81000 *et seq.*, as may from time to time be amended) and FPPC Regulations (Title 2 CCR § 18110 *et seq.*, as may from time to time be amended).

   a. "OCPA " means the Orange County Power Authority.

   b. "Public Official" means every member, officer, employee or consultant of OCPA, as defined by Government Code section 82048 and Title 2 CCR section 18700.3. Such term shall include, without limitation, any Board member or other appointed official or employee or consultant required to file an annual Statement of Economic Interests (Form 700).

c. "Immediate Family" means the Public Official's spouse and dependent children.

d. "Policy" means this Ticket and Pass Distribution Policy.

e. "Ticket" shall mean and refer to a "ticket or pass" as those terms are defined in Title 2 CCR section 18946 and referenced in Regulation 18944.1, both as amended from time to time, but which currently define "ticket" as anything that provides access, entry, or admission to a specific future event or function and for which similar tickets are sold to the public to view, listen to, or otherwise take advantage of the attraction or activity for which the ticket is sold and includes any benefits that the ticket provides, and "pass" as a ticket that provides repeated access, entry, or admission to a facility or series of events and for which similar passes are sold to the public.

3. General Provisions

a. The use of complimentary Tickets is a privilege extended by OCPA and not the right of any person to which the privilege may from time to time be extended.

b. Tickets distributed to a Public Official pursuant to this Policy shall not be transferred to any other person, except to members of such Public Official's Immediate Family solely for their personal use or to no more than one guest solely for their attendance at the event.

c. No person who receives a Ticket pursuant to this Policy shall resell or receive compensation for the value of such Ticket.

d. The Chief Executive Officer shall have the authority, in his or her sole discretion, to establish procedures for the distribution of Tickets in accordance with this Policy. All requests for Tickets that fall within the scope of this Policy shall be made in accordance with the procedures established by the Chief Executive Officer, if any.

e. The Chief Executive Officer or his/her designee shall be the "agency head" for purposes of implementing the provisions of this Policy and completing and posting Form 802. In such case where the Chief Executive Officer desires to obtain a Ticket, the OCPA Board of Directors ("**Board**") authorizes the Chief Executive Officer to exercise OCPA's sole discretion in determining whether the Chief Executive Officer's use of Tickets is in accordance with the terms of this Policy.

f. No Ticket gratuitously provided to OCPA by an outside source and distributed to, or at the behest of, a Public Official pursuant to this Policy shall be earmarked by the original source for provision to a particular Public Official.

g. A Ticket provided to a Public Official and one guest of the Public Official at which the Public Official performs a "ceremonial role," as that term is defined in Title 2 CCR section 18942.3, on behalf of OCPA must be disclosed on Form 802 as set forth below.

h. The disproportionate use of Tickets distributed pursuant to this Policy by a member of the Board, Board appointee, department head, or Chief Executive Officer is prohibited.

i. The value of any Ticket shall be the "**Fair Value**," as that term is defined in Title 2 CCR section 18946(d)(1). For a Ticket offered for sale to the general public, the Fair Value means the face value of the Ticket. The Fair Value of a Ticket that does not have a face value, or has a face value that is not available to the general public, is the price at which the Ticket would otherwise be offered for sale to the general public by the operator of the venue or host of the event who offers the ticket for public sale. Where the price indicated on the Ticket does not reflect the actual cost for a Ticket to a luxury box or suite, the face value shall be determined by dividing the total cost of the box or suite by the number of Tickets available for that box or suite.

j. Violations of this Policy may be subject to disciplinary action up to an including dismissal, and shall be subject to the same policies and procedures as violations of OCPA's Personnel Policies.

4. Public Purpose for Which Tickets May be Distributed

Subject to the provisions of this Policy, OCPA shall provide a Ticket to a Public Official, or at the behest of a Public Official, only for one or more of the following public purposes:

a. If the distribution is to a Public Official and the Public Official reimburses OCPA for the Fair Value of the Ticket(s).

b. If the distribution is to a Public Official, the Public Official treats the Ticket(s) as income consistent with applicable federal and state income tax laws and OCPA complies with the reporting requirements of Section 5, below.

c. If the distribution is to a Public Official, or is at the behest of a Public Official, such distribution must accomplish a public purpose. The following is a list of public purposes that OCPA may accomplish through the distribution of Tickets. The list is illustrative rather than exhaustive:

1) Facilitating the performance of a ceremonial role or function by a Public Official on behalf of OCPA at an event.

2) Facilitating the attendance of a Public Official at an event where the job duties of the Public Official require his or her attendance.

3) Promotion of intergovernmental relations and/or cooperation and coordination of resources with other governmental agencies, including, but not limited to, attendance at an event with or by elected or appointed public officials from other jurisdictions, their staff members and their guests.

4) Promotion of local and regional businesses, economic development and tourism activities within the service territory of OCPA that serve or may potentially serve OCPA's customers, including conventions and conferences.

5) Promotion of OCPA-run, sponsored or supported events, activities, or programs.

6) Promotion of community programs and resources available to OCPA customers, including nonprofit organizations.

7) Marketing promotions highlighting the achievements of local residents and businesses.

8) Promotion and marketing of private facilities available for OCPA customer use, including charitable and nonprofit facilities.

9) Promotion of public facilities available for OCPA customer use.

10) Promotion of specific OCPA community events provided by or sponsored by OCPA.

11) Promotion of any OCPA owned or leased sites or facilities.

12) Exchange programs with foreign officials and dignitaries.

13) Promotion of OCPA recognition, visibility, and/or profile on a local, state, national or worldwide scale.

14) Promotion of OCPA services on a local, state, national or worldwide scale.

15) Promotion of open government and/or community relations by Public Official appearances, participation and/or availability at business or community events.

16) Sponsorship agreements involving private events where OCPA specifically seeks to enhance OCPA's reputation both locally and regionally by serving as hosts or sponsors providing the

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necessary opportunities to meet and greet visitors, dignitaries, and residents.

17) All written contracts where OCPA , as a form of consideration, has required that a certain number of tickets be made available for OCPA's use.

18) Employment retention programs.

19) Special outreach programs for veterans, teachers, emergency services, medical personnel and other civil service occupations.

20) Encouraging or rewarding significant academic, athletic, or public service achievements by residents or businesses of OCPA's service area.

21) Charitable 501(c)(3) fundraisers for the purpose of networking with other community and civic leaders.

22) Promotion of and participation in intergovernmental relations and activities.

23) Promoting, supporting and/or showing appreciation for programs or services rendered by charitable and non-profit organizations benefiting OCPA customers.

24) Increasing public exposure to, and awareness of, the various recreational, cultural, and educational venues and facilities available to the public within OCPA's service area.

25) Attracting or rewarding volunteer public service.

26) Attracting and retaining highly qualified employees in OCPA's service.

27) Recognizing or rewarding meritorious service by an OCPA employee.

28) Promoting enhanced OCPA's employee performance or morale.

29) Recognizing contributions made to OCPA's by former Board members or employees.

30) Spouses of Public Officials to accompany the Public Official to any of the events listed above.

31) Any purpose similar to above included in any OCPA contract.

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d. When a public purpose involves the oversight or inspection of facilities by a Public Official, the Public Official is required to provide a written inspection report and/or recommendation.

e. Subject to the provisions of this Policy, Tickets obtained by OCPA pursuant to terms of a contract for use of public property because OCPA controls the event, or, by purchase at fair market value, may be distributed to Public Officials. Any distribution must accomplish a public purpose in accordance with Section 5c, above.

f. Any Ticket obtained pursuant to Section 5e that is distributed to a Public Official, other than a member of the governing body of OCPA, for the Public Official's personal use, to support general employee morale, retention, or to reward public service is also deemed to serve a public purpose. Such Ticket distribution shall be disclosed pursuant to Section 6, below. For purposes of this subsection, "personal use" is defined as use by the Public Official, his or her family, or no more than one guest.

g. Any Public Official, any member of the Public Official's Immediate Family, or guest of the Public Official may return any unused ticket to OCPA for redistribution pursuant to this Policy.

h. The provisions of this Policy apply only to benefits the Public Official receives that are provided to all members of the public with the same class of ticket.

5. Disclosure Requirements

a. This Policy shall be posted on OCPA's website in a prominent manner. OCPA shall, within 30 days of adoption or amendment, send to the FPPC by email a website link that displays the Policy.

b. Tickets distributed by OCPA to any Public Official which the Public Official treats as income pursuant to Section 4b, above, or, which are distributed for one or more public purposes described in Section 4c, above, must be recorded on Form 802 or, on such alternative form(s) as may from time to time be designated by the FPPC. This form must be maintained as a public record, and be subject to inspection and copying as required under Government Code section 81008. Within 45 days of adoption or amendment of this Policy, OCPA shall post these forms on its website and email a website link to the FPPC that displays the form.

c. Tickets distributed by OCPA for which OCPA receives reimbursement from the Public Official as provided under Section 4a, above, shall not be subject to the disclosure provisions of Section 5b.

d. For Tickets distributed to a department or other unit of OCPA, and not used by a member of the Board, a department head or the Chief Executive Officer,

OCPA may report the name of the department or other unit of OCPA and the number of tickets provided to the department or other unit in lieu of posting the name of the individual employee(s) as otherwise required.

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ORANGE COUNTY POWER AUTHORITY
Staff Report – Item 8.9

To: Orange County Power Authority Board of Directors

From: Saul Viramontes, Management Analyst

Approved by: Joe Mosca, Chief Executive Officer

Subject: APPROVE SECOND AMENDMENT WITH R.R. DONNELLEY & SONS COMPANY

Date: January 22, 2025

RECOMMENDED ACTION

1. Based on the information in the staff report, waive the formal bidding process under Policy No. 1 – Procurement Policy, for agreements in excess of $100,000 and approve the Second Amendment with R.R. Donnelley & Sons Company, dba Orange County Printing Company, increasing the total not-to-exceed amount by $60,000, bringing the new total not-to-exceed amount to $159,750.
2. Authorize the Chief Executive Officer to exercise a cost contingency increase of up to 10%, if additional services are warranted under this Agreement.

BACKGROUND

R.R. Donnelley & Sons Company, doing business as Orange County Printing Company (OCPC), has served as the Orange County Power Authority's (OCPA) printing services vendor since July 1, 2022. OCPC was originally selected through a competitive Request for Proposal (RFP) process initiated by OCPA. The need for a competitive bidding process arose due to the high volume of mailers required for launching electric service for OCPA's new member agencies. This included the distribution of two (2) pre-enrollment notices, courtesy letters, and two (2) post-enrollment notices to all customers, along with regulatory mailings such as the Joint Rate Comparison and the Power Content Label. The total compensation under the initial agreement was set at $657,201.60. Following Huntington Beach's decision to revert to Southern California Edison, the initial agreement was amended to extend the term through June 30, 2024, with a revised total not-to-exceed amount of $722,201.60.

In early 2024, staff identified a significantly reduced volume of expected mailers, with the workload limited to mandatory regulatory mailings and weekly move-in notices. Given the anticipated total expenditure of under $100,000, staff proceeded with an informal bidding process, requiring vendors to submit written proposals in compliance with OCPA's Policy No. 1 – Procurement Policy (Procurement Policy) for contracts valued between $50,000 and $99,999.99. This process resulted in the current agreement with OCPC, with an initial not-to-exceed amount of $85,970.

On December 12, 2024, the City of Irvine City Council voted to change the default product for its residents and businesses from 100% Renewable Choice to Basic Choice. This change necessitated the delivery of additional notices to Irvine customers currently enrolled in 100% Renewable

Choice. In response, the Chief Executive Officer executed the First Amendment to the current agreement, increasing the total not-to-exceed from $85,970 to $99,750, to ensure timely delivery of these notices to Irvine customers. This increase was within the Chief Executive Officer's authority under Policy No. 2, Delegated Contract Authority Policy, and did not require a formal competitive bidding process under the Procurement Policy.

DISCUSSION

OCPA's Procurement Policy generally requires formal bidding and Board approval for any agreements exceeding $100,000 but provides that OCPA may waive certain competitive requirements under specified circumstances, including when doing so is "justifiably in the best interest" of OCPA. Staff is bringing this item for consideration to request that the Board waive the formal bidding process in the Procurement Policy and authorize OCPA to execute a Second Amendment with OCPC in order to allow OCPA to provide timely notices to customers about default rate product changes in Irvine and potentially Buena Park.

- On July 1, 2024, OCPA entered into an agreement with OCPC for Printing and Mailing Services with a total not-to-exceed amount of $85,970. As noted above, the scope was anticipated to be generally limited to mandatory regulatory mailings and weekly move-in notices.
- On December 12, 2024, following a request from OCPA to consider adjusting the City's default rate product, the Irvine City Council ultimately decided to opt its residential and commercial customers into Basic Choice.
- The action by the Irvine City Council to change the City's default energy product necessitates a series of two (2) courtesy notices to be mailed to all impacted customers pursuant to Policy No. 23, Changes to Default Rate Product Policy.
- As a result, in December 2024, OCPA staff amended the current Agreement with OCPC to increase the total not-to-exceed amount from $85,970 to $99,750, to ensure timely notice of the first notice to Irvine's 100% Renewable Choice customers.

Date	Amount	Change	Scope of Work
July 1, 2024	$85,970		Initial Agreement (eff. July 1, 2024 - December 31, 2025) - established to meet 2024 Joint Rate Comparison mailer, 2024 Power Content Label mailer, and ongoing weekly move-in notice requirements.
December 23, 2024	$99,750	+$13,780	First Amendment – amended to support the delivery of the first Irvine change in default product notice.
January 22, 2025	$159,750	+$60,000	Proposed Second Amendment – necessary to support second Irvine change in default product notice, both upcoming notices for Buena Park customers, and ongoing weekly move-in notices.

Staff requests an additional $60,000 increase to fund forthcoming customer notifications related to the opt-down actions in Irvine and potentially Buena Park. The additional funding will also

provide sufficient resources to address other miscellaneous requests associated with these projects and replenish funds to send move-in notices for weekly distribution.

As noted above, OCPC's current contract was awarded to OCPC following an informal competitive procurement process under the Procurement Policy. As a vendor, OCPC, currently an OCPA 100% Renewable Choice customer, has made significant strides in sustainability practices, including printing OCPA materials on 100% recycled paper whenever possible. To date, OCPC has delivered satisfactory performance across all projects, offering exemplary customer service and ensuring transparency for OCPA's electric customers. A Contractor Performance Evaluation is attached as Attachment D for reference.

In order to avoid the need for similar amendments or policy waivers in the future, OCPA staff will prepare to establish a comprehensive, long-term print agreement to meet OCPA's ongoing operational needs following a competitive procurement process this year. Staff is currently planning to issue a Request for Proposals or Request for Qualifications to establish contracts with one or more vendors to provide on-call print and mailing services to meet OCPA business needs. Following competitive procurement in the spring, the projected start date of the next agreement is July 1, 2025. Therefore, an item for Board approval is anticipated to be presented in May or June of this year.

FISCAL IMPACT

The proposed increase of $60,000 to the not-to-exceed amount and the potential 10% cost contingency are included in the approved FY2024/25 budget.

ATTACHMENTS

Attachment A – Proposed Second Amendment with R.R. Donnelley & Sons
Attachment B – First Amendment with R.R. Donnelley & Sons dated 12.23.2024
Attachment C – Goods and Services Agreement with R.R. Donnelley & Sons dated 7.1.2024
Attachment D – Contractor Performance Evaluation

SECOND AMENDMENT TO GOODS AND SERVICES AGREEMENT BETWEEN ORANGE COUNTY POWER AUTHORITY AND R. R. DONNELLEY & SONS COMPANY D/B/A ORANGE COUNTY PRINTING COMPANY

THIS SECOND AMENDMENT ("**Amendment**") is entered into effective as of January 22, 2024 ("**Amendment Effective Date**"), by and between the ORANGE COUNTY POWER AUTHORITY, a California joint powers authority ("**Authority**") and R. R. DONNELLEY & SONS COMPANY D/B/A ORANGE COUNTY PRINTING COMPANY, a Delaware corporation ("**Contractor**"). Authority and Consultant are sometimes individually referred to herein as the "**Party**" and collectively as the "**Parties**."

RECITALS

A. The Parties entered into that certain Goods and Services Agreement between Authority and Contractor, dated July 1, 2024 ("**Agreement**"), as previously amended.

B. The Parties desire to further amend the Agreement to increase the not-to-exceed amount of compensation payable to Contractor to $159,750.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is agreed by and between the Parties as follows:

1. **Amendment 1 to the Agreement.** The Parties hereby agree to amend the Agreement as follows:

    a. Section 3.1. Section 3.1 of the Agreement is amended to increase the total not to exceed amount from $99,750 to $159,750.

2. **Capitalized Terms**. Any capitalized terms not defined herein shall have the meanings set forth in the Agreement.

3. **Counterparts**. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

4. **Full Force**. Except as expressly set forth herein, the Agreement shall remain unmodified and in full force and effect.

IN WITNESS WHEREOF, the Parties have made and executed this Agreement as of the date first written above.

ORANGE COUNTY POWER AUTHORITY, a California joint powers authority	**RR DONNELLEY & SONS COMPANY, a Delaware corporation**
By : _____	By : _____
Name: _____	Name: _____
Title: _____	Title: _____
ATTEST:	
	By : _____
	Name: _____
_____	Title: _____
Secretary, Authority Board of Directors	
APPROVED AS TO FORM:	
_____	
General Counsel	

**A corporation requires the signatures of two corporate officers.*

One signature shall be that of the Chairman of Board, the President or any Vice President, and the second signature (on the attest line) shall be that of the Secretary, any Assistant Secretary, the Chief Financial Officer or any Assistant Treasurer of such corporation.

If the above persons are not the intended signators, evidence of signature authority shall be provided to Authority.

Docusign Envelope ID: 64458047-4016-4A92-8E77-E7C389AEDFB5

FIRST AMENDMENT TO GOODS AND SERVICES AGREEMENT BETWEEN ORANGE COUNTY POWER AUTHORITY AND R. R. DONNELLEY & SONS COMPANY D/B/A ORANGE COUNTY PRINTING COMPANY

THIS FIRST AMENDMENT ("**Amendment**") is entered into effective as of December 23, 2024 ("**Amendment Effective Date**"), by and between the ORANGE COUNTY POWER AUTHORITY, a California joint powers authority ("**Authority**") and R. R. DONNELLEY & SONS COMPANY D/B/A ORANGE COUNTY PRINTING COMPANY, a Delaware corporation ("**Contractor**"). Authority and Consultant are sometimes individually referred to herein as the "**Party**" and collectively as the "**Parties**."

RECITALS

A. The Parties entered into that certain Goods and Services Agreement between Authority and Contractor, dated July 1, 2024 ("**Agreement**").

B. Pursuant to the Authority's Delegated Contract Authority Policy, the Authority's Chief Executive Officer is authorized to execute contracts of up to $100,000 for goods and services.

C. The Parties desire to amend the Agreement to increase the not-to-exceed amount of compensation payable to Contractor to $99,750.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is agreed by and between the Parties as follows:

1. **Amendment 1 to the Agreement.** The Parties hereby agree to amend the Agreement as follows:

   a. Section 3.1. Section 3.1 of the Agreement is amended to increase the total not to exceed amount from $85,970 to $99,750.

2. **Capitalized Terms**. Any capitalized terms not defined herein shall have the meanings set forth in the Agreement.

3. **Counterparts**. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

4. **Full Force**. Except as expressly set forth herein, the Agreement shall remain unmodified and in full force and effect.

Docusign Envelope ID: 64458047-4016-4A92-8E77-E7C389AEDFB5

IN WITNESS WHEREOF, the Parties have made and executed this Agreement as of the date first written above.

ORANGE COUNTY POWER AUTHORITY, a California joint powers authority

Signed by:
By : Joseph M. Mosca
DF577304A3D442A...
Name: Joseph M. Mosca
Title: Chief Executive Officer

RR DONNELLEY & SONS COMPANY, a Delaware corporation

By : Miguel Jacobowitz (Dec 27, 2024 07:25 AST)
Name: Miguel Jacobowitz
Title: Plant President

By Craig Roberton
Craig Roberton (Dec 27, 2024 10:10 CST)
Name: Craig Roberton
Title: President, Commercial Print

APPROVED AS TO FORM:

Signed by:
Nicholas Norvell
F6F9594F98D040F...
General Counsel

**A corporation requires the signatures of two corporate officers.*

One signature shall be that of the Chairman of Board, the President or any Vice President, and the second signature (on the attest line) shall be that of the Secretary, any Assistant Secretary, the Chief Financial Officer or any Assistant Treasurer of such corporation.

If the above persons are not the intended signators, evidence of signature authority shall be provided to Authority.

ORANGE COUNTY POWER AUTHORITY
GOOD AND SERVICES AGREEMENT

This Goods and Services Agreement ("**Agreement**") is made and entered into on July 1, 2024, by and between ORANGE COUNTY POWER AUTHORITY, a California joint powers authority ("**Authority**") and R. R. DONNELLEY & SONS COMPANY D/B/A ORANGE COUNTY PRINTING COMPANY, a Delaware corporation ("**Contractor**"). Authority and Contractor are sometimes individually referred to as "**Party**" and collectively as "**Parties.**"

RECITALS

A. Contractor desires to perform and assume responsibility for the provision of certain goods and services required by Authority on the terms and conditions set forth in this Agreement. Contractor represents that it is experienced in providing printing and mailing services, is licensed in the State of California, and is familiar with the plans of Authority.

B. Authority desires to engage Contractor to render such goods and services for the Authority informational and regulatory notices ("**Project**") as set forth in this Agreement.

AGREEMENT

1. Scope of Services and Term.

1.1 General Scope of Services. Contractor promises and agrees to furnish to Authority all labor and services and incidental and customary work necessary to fully and adequately supply assist the Authority the implementation services necessary for the Project ("**Services**"). The Services are more particularly described in Exhibit A attached hereto, and which are stated in the proposal to Authority. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto, and all applicable local, state and federal laws, rules and regulations.

1.2 Term. The term of this Agreement shall be from July 1, 2024 through December 31, 2025, unless earlier terminated as provided herein. Contractor shall complete the Services within the term of this Agreement and shall meet any other established schedules and deadlines.

2. Responsibilities of Contractor.

2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Contractor or under its supervision. Authority retains Contractor on an independent contractor basis and not as an employee. Contractor retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Contractor shall also not be employees of Authority and shall at all times be under Contractor's exclusive direction and control. Contractor

shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Contractor shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

2.2 Schedule of Services. Contractor shall perform the Services expeditiously, within the term of this Agreement, and in accordance with the Schedule of Services set forth in Exhibit B attached hereto. Contractor represents that it has the professional and technical personnel required to perform the Services in conformance with such conditions. In order to facilitate Contractor's conformance with the Schedule, Authority shall respond to Contractor's submittals in a timely manner. Upon request of Authority, Contractor shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

2.3 Conformance to Applicable Requirements. All work prepared by Contractor shall be subject to the approval of Authority.

2.4 Authority's Representative. Authority hereby designates the Chief Executive Officer, or designee, to act as its representative for the performance of this Agreement ("**Authority's Representative**"). Authority's Representative shall have the power to act on behalf of Authority for all purposes under this Agreement. Contractor shall not accept direction or orders from any person other than Authority's Representative, or designee.

2.5 Contractor's Representative. Contractor hereby designates Ian Martin, Sales Development Executive, or designee, to act as its Representative for the performance of this Agreement ("**Contractor's Representative**"). Contractor's Representative shall have full authority to represent and act on behalf of the Contractor for all purposes under this Agreement. The Contractor's Representative shall supervise and direct the Services, using his or her best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

2.6 Coordination of Services. Contractor agrees to work closely with Authority staff in the performance of Services and shall be available to Authority's staff, Contractors and other staff at all reasonable times.

2.7 Standard of Care; Performance of Employees. Contractor shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Contractor represents and maintains that it is skilled in the professional calling necessary to perform the Services. Contractor warrants that all employees and sub- contractors shall have sufficient skill and experience to perform the Services assigned to them. Finally, Contractor represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Contractor shall perform, at its own cost

and expense and without reimbursement from Authority, any services necessary to correct errors or omissions which are caused by the Contractor's failure to comply with the standard of care provided for herein. Any employee of the Contractor or its subcontractors who is determined by Authority to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to Authority, shall be promptly removed from the Project by the Contractor and shall not be re-employed to perform any of the Services or to work on the Project.

2.8 Laws and Regulations. Contractor shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, and shall give all notices required by law. Contractor shall be liable for all violations of such laws and regulations in connection with Services. If the Contractor performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to Authority, Contractor shall be solely responsible for all costs arising therefrom. Contractor shall defend, indemnify and hold Authority, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

2.9 Insurance.

2.9.1 Time for Compliance. Contractor shall not commence the Services under this Agreement until it has provided evidence satisfactory to Authority that it has secured all insurance required under this section, in a form and with insurance companies acceptable to Authority. In addition, Contractor shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to Authority that the subcontractor has secured all insurance required under this section.

2.9.2 Minimum Requirements. Contractor shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Contractor, its agents, representatives, employees or subcontractors. Contractor shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001 or exact equivalent); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage (form CA 0001, code 1 (any auto) or exact equivalent); and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

(B) Minimum Limits of Insurance. Contractor shall maintain limits no less than: (1) *General Liability:* $1,000,000 per occurrence for bodily injury, personal injury and

property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability:* $1,000,000 per accident for bodily injury and property damage; and (3) *Workers' Compensation and Employer's Liability:* Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of $1,000,000 per accident for bodily injury or disease.

2.9.3 Professional Liability. Contractor shall procure and maintain, and require its subcontractors to procure and maintain, for a period of five (5) years following completion of the Services, errors and omissions liability insurance appropriate to their profession. Such insurance shall be in an amount not less than $2,000,000 per claim. This insurance shall be endorsed to include contractual liability applicable to this Agreement and shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Contractor. "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend.

2.9.4 Insurance Endorsements. The insurance policies shall contain the following provisions, or Contractor shall provide endorsements on forms supplied or approved by Authority to add the following provisions to the insurance policies:

(A) General Liability.

(i) Commercial General Liability Insurance must include coverage for (1) Bodily Injury and Property Damage; (2) Personal Injury/Advertising Injury; (3) Premises/Operations Liability; (4) Products/Completed Operations Liability; (5) Aggregate Limits that Apply per Project; (6) Contractual Liability with respect to this Agreement; (8) Broad Form Property Damage; and (9) Independent Contractors Coverage.

(ii) The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; or (3) contain any other exclusion contrary to the Agreement.

(iii) The policy shall give Authority, its directors, officials, officers, employees, and agents insured status using ISO endorsement forms 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage.

(iv) The additional insured coverage under the policy shall be "primary and non-contributory" and will not seek contribution from Authority's insurance or self-insurance and shall be at least as broad as CG 20 01 04 13, or endorsements providing the exact same coverage.

(B) Automobile Liability. The automobile liability policy shall be endorsed to state that: (1) Authority, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the ownership, operation,

maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Contractor or for which the Contractor is responsible; and (2) the insurance coverage shall be primary insurance as respects Authority, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by Authority, its directors, officials, officers, employees, agents and volunteers shall be excess of the Contractor's insurance and shall not be called upon to contribute with it in any way.

(C) Workers' Compensation and Employers Liability Coverage.

(i) Contractor certifies that it is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and Contractor will comply with such provisions before commencing work under this Agreement.

(ii) The insurer shall agree to waive all rights of subrogation against Authority, its directors, officials, officers, employees, agents and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Contractor.

(D) All Coverages. Defense costs shall be payable in addition to the limits set forth hereunder. Requirements of specific coverage or limits contained in this section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. It shall be a requirement under this Agreement that any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements and/or limits set forth herein shall be available to Authority, its directors, officials, officers, employees and agents as additional insureds under said policies. Furthermore, the requirements for coverage and limits shall be (1) the minimum coverage and limits specified in this Agreement; or (2) the broader coverage and maximum limits of coverage of any Insurance policy or proceeds available to the named insured; whichever is greater.

(i) The limits of insurance required in this Agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of Authority (if agreed to in a written contract or agreement) before Authority's own insurance or self-insurance shall be called upon to protect it as a named insured. The umbrella/excess policy shall be provided on a "following form" basis with coverage at least as broad as provided on the underlying policy(ies).

(ii) Contractor shall provide Authority at least thirty (30) days prior written notice of cancellation of any policy required by this Agreement, except that the Contractor shall provide at least ten (10) days prior written notice of cancellation of any such policy due to non-payment of premium. If any of the required coverage is cancelled or expires during the term of this Agreement, the Contractor shall deliver renewal certificate(s) including the General Liability Additional Insured Endorsement to Authority at least ten (10) days prior to the effective date of cancellation or expiration.

(iii) The retroactive date (if any) of each policy is to be no later than the effective date of this Agreement. Contractor shall maintain such coverage continuously for a period of at least three years after the completion of the work under this Agreement. Contractor shall purchase a one (1) year extended reporting period A) if the retroactive date is advanced past the effective date of this Agreement; B) if the policy is cancelled or not renewed; or C) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.

(iv) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Contractor, and any approval of said insurance by Authority, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Contractor pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(v) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, Authority has the right but not the duty to obtain the insurance it deems necessary and any premium paid by Authority will be promptly reimbursed by Contractor or Authority will withhold amounts sufficient to pay premium from Contractor payments. In the alternative, Authority may cancel this Agreement. Authority may require the Contractor to provide complete copies of all insurance policies in effect for the duration of the Project.

(vi) Neither Authority nor any of its directors, officials, officers, employees or agents shall be personally responsible for any liability arising under or by virtue of this Agreement.

2.9.5 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to Authority, its directors, officials, officers, employees, agents and volunteers.

2.9.6 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by Authority. Contractor shall guarantee that, at the option of Authority, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects Authority, its directors, officials, officers, employees, agents and volunteers; or (2) the Contractor shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

2.9.7 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, licensed to do business in California, and satisfactory to Authority.

2.9.8 Verification of Coverage. Contractor shall furnish Authority with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to Authority. The certificates and endorsements for each insurance policy shall be

signed by a person authorized by that insurer to bind coverage on its behalf and shall be on forms provided by Authority if requested. All certificates and endorsements must be received and approved by Authority before work commences. Authority reserves the right to require complete, certified copies of all required insurance policies, at any time.

2.9.9 Subcontractor Insurance Requirements. Contractor shall not allow any subcontractors to commence work on any subcontract until they have provided evidence satisfactory to Authority that they have secured all insurance required under this section. Policies of commercial general liability insurance provided by such subcontractors shall be endorsed to name Authority as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. If requested by Contractor, Authority may approve different scopes or minimum limits of insurance for particular subcontractors.

2.9.10 Safety. Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Contractor shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life-saving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3. Fees and Payments.

3.1 Compensation. Contractor shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit C, attached hereto. The total compensation shall not exceed $85,970 (not including USPS postage billed directly to the Authority) without written approval of Authority's Board of Directors or Chief Executive Officer, as appropriate. Extra Work may be authorized, as described below, and, if authorized, said Extra Work will be compensated at rates agreed upon by the Authority and Contractor. The Authority's Chief Executive Officer is authorized to execute any extensions, subject to any limits in Authority policies or, if applicable, in the Board of Directors' action approving this Agreement; the Board shall approve any amendments/extensions exceeding the Chief Executive Officer's authority.

3.2 Payment of Compensation. Contractor shall submit to Authority a statement which indicates work completed by Contractor. The statement shall describe the amount of Services and supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. Authority shall, within 45 days of receiving such statement, review the statement and pay all approved charges thereon.

3.3 Reimbursement for Expenses. Contractor shall not be reimbursed for any expenses unless authorized in writing by Authority.

3.4 Extra Work. At any time during the term of this Agreement, Authority may request that Contractor perform Extra Work. As used herein, "**Extra Work**" means any work which is determined by Authority to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Contractor shall not perform, nor be compensated for, Extra Work without written authorization from Authority's Representative.

4. **Accounting Records.** Contractor shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Contractor shall allow a representative of Authority during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Contractor shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

5. General Provisions.

5.1 Termination of Agreement.

5.1.1 Grounds for Termination. Authority may, by written notice to Contractor, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Contractor of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Contractor shall be compensated only for those services which have been adequately rendered to Authority, and Contractor shall be entitled to no further compensation. Contractor may not terminate this Agreement except for cause.

5.1.2 Effect of Termination. If this Agreement is terminated as provided herein, Authority may require Contractor to provide all finished or unfinished Documents and Data and other information of any kind prepared by Contractor in connection with the performance of Services under this Agreement. Contractor shall be required to provide such documents and other information within fifteen (15) days of the request.

5.1.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, Authority may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

5.2 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective Parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Contractor:

Ian Martin, Strategic Print Specialist
Orange County Printing Company
2485 Da Vinci
Irvine, CA 92614

Authority:

Attn: Joseph M. Mosca, CEO
Orange County Power Authority
P.O. Box 54283
Irvine, CA 92619

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the Party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

5.3 Ownership of Materials and Confidentiality.

5.3.1 Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for Authority to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Contractor under this Agreement ("**Documents & Data**"). Contractor shall require all subcontractors to agree in writing that Authority is granted a non-exclusive and perpetual license for any Documents & Data the subcontractor prepares under this Agreement. Contractor represents and warrants that Contractor has the legal right to license any and all Documents & Data. Contractor makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Contractor or provided to Contractor by Authority. Authority shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at Authority's sole risk.

5.3.2 Intellectual Property. In addition, Authority shall have and retain all right, title and interest (including copyright, patent, trade secret and other proprietary rights) in all plans, specifications, studies, drawings, estimates, materials, data, computer programs or software and source code, enhancements, documents, and any and all works of authorship fixed in any tangible medium or expression, including but not limited to, physical drawings or other data magnetically or otherwise recorded on computer media ("**Intellectual Property**") prepared or developed by or on behalf of Contractor under this Agreement as well as any other such Intellectual Property prepared or developed by or on behalf of Contractor under this Agreement.

Authority shall have and retain all right, title and interest in Intellectual Property developed or modified under this Agreement whether or not paid for wholly or in part by Authority, whether or not developed in conjunction with Contractor, and whether or not developed by Contractor. Contractor will execute separate written assignments of any and all rights to the above referenced Intellectual Property upon request of Authority.

Contractor shall also be responsible to obtain in writing separate written assignments from any subcontractors or agents of Contractor of any and all right to the above referenced Intellectual Property. Should Contractor, either during or following termination of this Agreement, desire to use any of the above-referenced Intellectual Property, it shall first obtain the written approval of the Authority.

All materials and documents which were developed or prepared by the

Contractor for general use prior to the execution of this Agreement and which are not the copyright of any other party or publicly available and any other computer applications, shall continue to be the property of the Contractor. However, unless otherwise identified and stated prior to execution of this Agreement, Contractor represents and warrants that it has the right to grant the exclusive and perpetual license for all such Intellectual Property as provided herein.

Authority further is granted by Contractor a non-exclusive and perpetual license to copy, use, modify or sub-license any and all Intellectual Property otherwise owned by Contractor which is the basis or foundation for any derivative, collective, insurrectional, or supplemental work created under this Agreement.

5.3.3 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Contractor in connection with the performance of this Agreement shall be held confidential by Contractor. Such materials shall not, without the prior written consent of Authority, be used by Contractor for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Contractor which is otherwise known to Contractor or is generally known, or has become known, to the related industry shall be deemed confidential. Contractor shall not use Authority's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of Authority.

5.3.4 Infringement Indemnification. Contractor shall defend, indemnify and hold Authority, its directors, officials, officers, employees, volunteers and agents free and harmless, pursuant to the indemnification provisions of this Agreement, for any alleged infringement of any patent, copyright, trade secret, trade name, trademark, or any other proprietary right of any person or entity in consequence of the use on the Project by Authority of the Documents & Data, including any method, process, product, or concept specified or depicted.

5.4 Cooperation; Further Acts. The Parties shall fully cooperate with one another and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

5.5 Attorney's Fees. If either Party commences an action against the other Party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and all other costs of such action.

5.6 Indemnification.

5.6.1 To the fullest extent permitted by law, Contractor shall defend (with counsel of Authority's choosing), indemnify and hold the Authority, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Contractor, its officials, officers, employees, subcontractors,

Contractors or agents in connection with the performance of the Contractor's services, the Project or this Agreement, including without limitation the payment of all damages, expert witness fees and attorney's fees and other related costs and expenses. Contractor shall defend, at Contractor's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against Authority, its directors, officials, officers, employees, agents or volunteers. Contractor shall pay and satisfy any judgment, award or decree that may be rendered against Authority or its directors, officials, officers, employees, agents or volunteers, in any such suit, action or other legal proceeding. Contractor shall reimburse Authority and its directors, officials, officers, Contractors, employees, agents and/or volunteers, for any and all legal expenses and costs, including reasonable attorneys' fees, incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Contractor, the Authority, its officials, officers, employees, agents, or volunteers. This section shall survive any expiration or termination of this Agreement.

5.7 Entire Agreement. This Agreement contains the entire Agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both Parties.

5.8 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Orange County, California.

5.9 Time of Essence. Time is of the essence for each and every provision of this Agreement.

5.10 Authority's Right to Employ Other Contractors. Authority reserves right to employ other Contractors in connection with this Project.

5.11 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the Parties.

5.12 Assignment or Transfer. Contractor shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of Authority. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

5.13 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Contractor include all personnel, employees, agents, and subcontractors of

Contractor, except as otherwise specified in this Agreement. All references to Authority include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

5.14 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

5.15 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

5.16 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

5.17 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

5.18 Prohibited Interests. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Agreement. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, Authority shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of Authority, during the term of his or her service with Authority, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

5.19 Equal Opportunity Employment and Subcontracting. Contractor represents that it is an equal opportunity employer and it shall not discriminate on the basis of race, gender, gender expression, gender identity, religion, national origin, ethnicity, sexual orientation, age, or disability in the solicitation, selection, hiring, or treatment of applicants, employees, subcontractors, vendors, or suppliers. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Further, Contractor shall provide equal opportunity for subcontractors to participate in subcontracting opportunities.

5.20 Labor Certification. By its signature hereunder, Contractor certifies that it is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for Workers' Compensation, or to undertake self- insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

5.21 Authority to Enter Agreement. Contractor has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

5.22 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

5.23 Subcontracting. Contractor shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of Authority. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have made and executed this Agreement as of the date first written above.

ORANGE COUNTY POWER AUTHORITY,
a California joint powers authority

By : _____
Name: Joseph M. Mosca
Title: Chief Executive Officer

ATTEST:

_____
Secretary, Authority Board of Directors

APPROVED AS TO FORM:

_____
General Counsel

R.R. DONNELLEY & SONS COMPANY,
a Delaware corporation

By : Miguel Jacobowitz
Name: Miguel Jacobowitz
Title: President

By : Craig Roberton
Craig Roberton (Jul 16, 2024 08:50 CDT)
Name: Craig Roberton
Title: President, Commerical Print

**A corporation requires the signatures of two corporate officers.*

One signature shall be that of the Chairman of Board, the President or any Vice President, and the second signature (on the attest line) shall be that of the Secretary, any Assistant Secretary, the Chief Financial Officer or any Assistant Treasurer of such corporation.

If the above persons are not the intended signators, evidence of signature authority shall be provided to Authority.

EXHIBIT A

SCOPE OF SERVICES

R. R. Donnelley & Sons Company d/b/a Orange County Printing Company will perform printing and mailing services for the Authority as set forth below:

Contractor shall print and mail the following documents:

- Joint Rate Comparison Mailer
- Power Content Label Mailer
- Pre-Enrollment Notices
- Courtesy Letters
- Post-Enrollment Notices
- Other documents and mailers as requested

Contractor will print, deliver, and postmark all mailers.

Other Requirements

- Contractor will supply all paper and envelopes necessary for mailing
- Contractor will deliver all mailings to USPS Facility within Orange County, California
- All mailers must be connected to OCPA USPS Business Customer Gateway Account (For informed delivery campaigns)
- Addresses and artwork will be sent to Contractor a minimum of seven (7) calendar days prior to mailing date

EXHIBIT B

SCHEDULE OF SERVICES

Description of Goods	Date Mailed	Style	Estimated Number of Units
Joint Rate Mailer	August 1, 2024 *or date determined by the Authority*	**Description:** JOINT RATE MAILER **Pages:** 2 PAGES-3 VERSIONS **Flat Size:** **Final Size:** 6" X 11" **Artwork:** PRINT READY ELECTRONIC FILES FURNISHED **Proofing:** PDF, DIGILINE, INTEGRIS **Stock:** 100# GLOSS COVER **Ink:** 4CP+OASAQ/SAME **Finishing:** TRIM, INKJET, MAIL **Packaging:** MAIL TRAY **Delivery:** LOCAL USPS **TOTAL OF 3 versions**	185,000
Power Content Label Mailer	December 2024 *or date determined by the Authority*	**Description:** POWER CONTENT LABEL MAILER **Pages:** 2 PAGE, SINGLE SHEET **Flat Size:** **Final Size:** 8.5" X 11" **Artwork:** PRINT READY ELECTRONIC FILES FURNISHED **Proofing:** PDF, DIGILINE, INTEGRIS **Stock:** 100# GLOSS COVER **Ink:** 4CP+OAGLAQ/SAME **Finishing:** TRIM, PROCESS MAIL LIST, INKJET NAME AND ADDRESS **Packaging:** TRAY **Delivery:** USPS	185,000
Other letters and notices	As needed	To be determined at time of quote	To be determined at time of quote

EXHIBIT C

RATES FOR SERVICES

Description	Estimated Number of Units	Total Cost
Joint Rate Mailer	185,000	$23,835
Power Content Label Mailer	185,000	$28,597
Other letters and notices (extra work)	To be determined at time of quote	To be determined at time of quote

The total compensation shall not exceed $85,970 (not including USPS postage billed directly to the Authority) without written approval of Authority's Board of Directors or Chief Executive Officer, as appropriate. Extra Work may be authorized, as described below, and, if authorized, said Extra Work will be compensated at rates agreed upon by the Authority and Contractor.

Contractor Performance Evaluation Form
(For New Contract or Contract Amendment)

Contractor Name:	RR Donnelley & Sons dba OC Printing Company (OCPC)
Contract Amount:	99,750
Contract Begin Date (current contract term):	7/1/2024
Contract End Date (current contract term):	12/31/2025
Evaluator - Name:	Saul Viramontes
Evaluator - Title:	Management Analyst
Description of Services:	OCPC supports OCPA in ensuring all mandatory regulatory and informational notices, dictated by the OCPA JPA, are mailed to new and existing electric customers. As a full service print shop, OCPC has also assisted with other outreach related print requests.

Contractor Performance Rating Score System:
5: Outstanding; 4: Above Average; 3: Satisfactory; 2: Marginal; 1: Unsatisfactory

Please provide a score out of 5 for the following performance assessments:	**Score**
1. Contractor adherence to the terms of the contract	5
2. Quality of Contractor's work	5
3. Contractor personnel's knowledge of the contract requirements	5
4. Cooperation/communication with OCPA	5
5. Adherence to specified contract timelines	5
6. Ability to work within contract amount	5
7. Effectiveness of Contractor Project Manager	5
8. Accuracy and timeliness of invoices	-
Overall Score (average)	**5**
Overall Quality of Contractor's performance	Outstanding

Comments:
OCPC is very flexible and offers excellent customer service. The assigned account manager ensures that OCPA gets competitive postage rates for all large mailing projects saving OCPA thousands in postage. Addditionally, OCPC is always happy to assist with smaller requests needed to support OCPA's community outreach.

Would you do business with this Contractor again?	Yes
What would be the amended Contract Begin Date?	7/1/2024
What would be the amended Contract End Date?	12/31/2025
Will this new contract or contract amendment exceed $100,000?	Yes
If yes, when will it be presented to the Board for approval?	1/22/2025

ORANGE COUNTY POWER AUTHORITY
Staff Report – Item 9.1

To: Orange County Power Authority Board of Directors

From: Pat Jacquez-Nares, Board Clerk and Assistant to the CEO

Approved by: Joe Mosca, Chief Executive Officer

Subject: ADOPT THE 2025 MEETING SCHEDULE

Date: January 22, 2025

RECOMMENDED ACTION

Adopt Resolution No. 2025-XX A Resolution of the Board of Directors of Orange County Power Authority Establishing Regular Meetings of the Board of Directors for 2025.

BACKGROUND

The Ralph M. Brown Act (Cal. Gov. Code § 54950 *et seq.*) provides that the legislative body of each local agency shall provide, by ordinance, resolution, bylaws, or other rule, the time and place for holding its regular meetings. For the 2024 calendar year, the Board of Directors held their meetings predominantly on the 2nd Tuesday of each month, except when holidays required an adjustment, at the Travelers Building, 3333 Michelson Dr., Irvine, CA 92612 in the Palm Room and at 15310 Barranca Parkway, Suite 250, Irvine, CA 92618.

After a review of holidays and meeting dates and times of the city councils of member agencies, staff recommend regular meetings continue to be held at 10:00 a.m. on the third Tuesday of each month at 15310 Barranca Parkway, Suite 250, Irvine, CA 92618.

These meeting dates are listed below:

Date	Time	Location
Tuesday, February 18, 2025	10:00 a.m.	15310 Barranca Parkway, Suite 250, Irvine, CA 92618
Tuesday, March 18, 2025	10:00 a.m.	15310 Barranca Parkway, Suite 250, Irvine, CA 92618
Tuesday, April 15, 2025	10:00 a.m.	15310 Barranca Parkway, Suite 250, Irvine, CA 92618
Tuesday, May 20, 2025	10:00 a.m.	15310 Barranca Parkway, Suite 250, Irvine, CA 92618
Tuesday, June 17, 2025	10:00 a.m.	315310 Barranca Parkway, Suite 250, Irvine, CA 92618

Date	Time	Location
Tuesday, July 15, 2025	10:00 a.m.	15310 Barranca Parkway, Suite 250, Irvine, CA 92618
August 2025 No Meeting	*Dark*	*No Meeting*
Tuesday, September 16, 2025	10:00 a.m.	15310 Barranca Parkway, Suite 250, Irvine, CA 92618
Tuesday, October 21, 2025	10:00 a.m.	15310 Barranca Parkway, Suite 250, Irvine, CA 92618
Tuesday, November 18, 2025	10:00 a.m.	15310 Barranca Parkway, Suite 250, Irvine, CA 92618
Tuesday, December 16, 2025	10:00 a.m.	15310 Barranca Parkway, Suite 250, Irvine, CA 92618

FISCAL IMPACT

None

ATTACHMENTS

Attachment A – Resolution No. 2025-XX: A Resolution of the Board of Directors of Orange County Power Authority Establishing Regular Meetings of the Board of Directors for 2025.

Attachment B – Spreadsheet with holidays and the represented member cities governing board meetings.

RESOLUTION NO. 2025-XX

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ORANGE COUNTY POWER AUTHORITY ESTABLISHING REGULAR MEETINGS OF THE BOARD OF DIRECTORS FOR 2025

A. Orange County Power Authority ("OCPA") is a joint powers authority formed pursuant to the Joint Exercise of Powers Act (Cal. Gov. Code § 6500 *et seq.*), California Public Utilities Code § 366.2, and a Joint Powers Agreement effective on November 20, 2020.

B. The Ralph M. Brown Act (Cal. Gov. Code § 54950 *et seq.*) provides that the legislative body of each local agency shall provide, by ordinance, resolution, bylaws, or other rule, the time and place for holding its regular meetings.

C. The Board of Directors seeks to establish the time and meeting location for all regular meetings of the Board of Directors for the 2025 calendar year.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Orange County Power Authority Power as follows:

Section 1. For the 2025 calendar year, regular meetings of the Board of Directors shall take place on the dates set forth below and shall begin at 10:00 a.m. All regular meetings shall take place at 15310 Barranca Parkway, Suite 250, Irvine, CA 92618. OCPA's meetings may be held fully or partially by videoconference or teleconference as authorized by applicable law.

Date	Time	Location
Tuesday, February 18, 2025	10:00 a.m.	15310 Barranca Parkway, Suite 250, Irvine, CA 92618
Tuesday, March 18, 2025	10:00 a.m.	15310 Barranca Parkway, Suite 250, Irvine, CA 92618
Tuesday, April 15, 2025	10:00 a.m.	15310 Barranca Parkway, Suite 250, Irvine, CA 92618
Tuesday, May 20, 2025	10:00 a.m.	15310 Barranca Parkway, Suite 250, Irvine, CA 92618
Tuesday, June 17, 2025	10:00 a.m.	315310 Barranca Parkway, Suite 250, Irvine, CA 92618
Tuesday, July 15, 2025	10:00 a.m.	15310 Barranca Parkway, Suite 250, Irvine, CA 92618

Date	Time	Location
August 2025 No Meeting	*Dark*	*Dark*
Tuesday, September 16, 2025	10:00 a.m.	15310 Barranca Parkway, Suite 250, Irvine, CA 92618
Tuesday, October 21, 2025	10:00 a.m.	15310 Barranca Parkway, Suite 250, Irvine, CA 92618
Tuesday, November 18, 2025	10:00 a.m.	15310 Barranca Parkway, Suite 250, Irvine, CA 92618
Tuesday, December 16, 2025	10:00 a.m.	15310 Barranca Parkway, Suite 250, Irvine, CA 92618

Section 2. The Board of Directors shall have the power to change the time or location of any regular meetings by amending or replacing this resolution, or cancel such meetings, or call special meetings with proper notice. Special and adjourned meetings of the Board of Directors may be called and held in the manner authorized by the Ralph M. Brown Act (Cal. Gov. Code § 54950 *et seq.*), as may be amended from time to time.

Section 3. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED at a meeting of the Board of Directors of the Orange County Power Authority held on January 22, 2025.

_____

Pat Jacquez-Nares
Authority Secretary
Orange County Power Authority

OCPA BOARD OF DIRECTORS
2025 Meeting Dates

Holidays			OCPA (10:00 a.m.) 3rd Tuesday		Buena Park (5:00 p.m.) 2nd & 4th Tuesdays		Irvine (4:00 p.m.) 2nd & 4th Tuesday		Fullerton (5:30 p.m.) 1st & 3rd Tuesdays		Fountain Valley (6:00 p.m.) 1st & 3rd Tuesdays	
Wed & Mon	Jan. 1 & 20	New Year's & MLK	Wednesday	Jan. 22	Tuesday	Jan. 14 & 28	Tuesday	Jan. 14 & 28	Tuesday	Jan. 7 & 21	Tuesday	Jan. 7 & 21
Monday	Feb. 17	President's	Tuesday	Feb. 18	Tuesday	Feb. 11 & 25	Tuesday	Feb. 11 & 25	Tuesday	Feb. 4 & 18	Tuesday	Feb. 4 & 18
Monday	Mar. 31	Cesar Chavez	Tuesday	Mar. 18	Tuesday	Mar. 11 & 25	Tuesday	Mar. 11 & 25	Tuesday	Mar. 4 & 18	Tuesday	Mar. 4 & 18
Monday	Apr.	None	Tuesday	Apr. 15	Tuesday	Apr. 8 & 22	Tuesday	Apr. 8 & 22	Tuesday	Apr. 1 & 15	Tuesday	Apr. 1 & 15
Monday	May 26	Memorial	Tuesday	May 20	Tuesday	May 13 & 27	Tuesday	May 13 & 27	Tuesday	May 6 & 20	Tuesday	May 6 & 20
Thursday	Jun. 19	Juneteenth	Tuesday	Jun. 17	Tuesday	Jun. 10 & 24	Tuesday	Jun. 10 & 24	Tuesday	Jun. 3 & 17	Tuesday	Jun. 3 & 17
Friday	Jul. 4	Independence	Tuesday	Jul. 15	Tuesday	Jul. 8 & 22	Tuesday	Jul. 8 & 22	Tuesday	Jul. 1 & 15	Tuesday	Jul. 1 & 15
August	***DARK***	***DARK***	***Tuesday***	***Aug. 19***	Tuesday	Aug. 12 & 26	Tuesday	Aug. 12 & 26	Tuesday	Aug. 5 & 19	Tuesday	Aug. 5 & 19
Monday	Sep. 1	Labor	Tuesday	Sep. 16	Tuesday	Sep. 9 & 23	Tuesday	Sep. 9 & 23	Tuesday	Sep. 2 & 16	Tuesday	Sep. 2 & 16
Monday	Oct. 13	Columbus	Tuesday	Oct. 21	Tuesday	Oct. 14 & 28	Tuesday	Oct. 14 & 28	Tuesday	Oct. 7 & 21	Tuesday	Oct. 7 & 21
Tue-Thu-Fri	Nov. 11 & 27-28	Veterans & Thanksgiving	Tuesday	Nov. 18	Tuesday	Nov. 11 & 25	Tuesday	Nov. 11 & 25	Tuesday	Nov. 4 & 18	Tuesday	Nov. 4 & 18
Thursday	Dec. 25	Christmas	Tuesday	Dec. 16	Tuesday	Dec. 9 & 23	Tuesday	Dec. 9 & 23	Tuesday	Dec. 2 & 16	Tuesday	Dec. 2 & 16

ORANGE COUNTY POWER AUTHORITY
Staff Report – Item 9.2

To: Orange County Power Authority Board of Directors

From: Tiffany Law, Chief Financial Officer

Approved by: Joe Mosca, Chief Executive Officer

Subject: APPROVAL OF 2025 OCPA RATE DESIGN

Date: January 22, 2025

RECOMMENDED ACTIONS

1. Approve the 2025 OCPA rate design, maintaining OCPA's Basic Choice rates at a 3% discount compared to Southern California Edison's (SCE) equivalent generation rates, effective February 2025. Smart Choice rates will remain at 1.0 cent per kWh above Basic Choice rates, and 100% Renewable Choice rates will remain at 1.5 cents per kWh above Basic Choice rates, consistent with the 2024 rate design.

2. Authorize OCPA staff to promptly adjust OCPA rates as necessary following any updates to SCE's rates, ensuring the approved 2025 rate design is maintained for all customers. Staff will submit a report at the next regular board meeting after any rate adjustments, detailing the changes and requesting board ratification of the adjusted rates.

BACKGROUND

OCPA's rate design aligns with industry best practices to ensure sufficient revenue for maintaining and sustaining a viable utility enterprise.

On January 24, 2024, the Board approved the 2024 OCPA rate design, which included a 3% discount on Basic Choice rates compared to SCE's equivalent generation rates. Smart Choice rates were set at 1.0 cent per kWh above Basic Choice rates, while 100% Renewable Choice rates were set at 1.5 cents per kWh above Basic Choice rates.

SCE Energy Resource Recovery Account (ERRA) Forecast (2024-2025)

On December 28, 2023, Southern California Edison (SCE) filed an advice letter to adjust electric rates effective January 1, 2024, reflecting the final ERRA forecast and related balancing accounts. Additional adjustments followed on March 1, 2024, to account for SCE's newly approved cost of capital by the California Public Utilities Commission (CPUC), and on June 1, 2024, to implement a 7% generation rate reduction due to the removal of the 2023 ERRA Trigger surcharge. The most significant update occurred on October 1, 2024, when the CPUC approved SCE's ERRA Trigger, resulting in a $742.4 million reduction in bundled generation rates, averaging an 11.6% rate decrease.

For 2025 rate setting, SCE revised its 2025 rate projections three times in October 2024 for the following reasons:

1. Early October 2024: The CPUC published the 2024 Final Market Price Benchmarks (MPBs) and the 2025 Forecast MPBs, used to update SCE's 2025 revenue requirement and determine the

2024 and 2025 SCE Voluntary Allocation Market Offer pricing. These MPBs were significantly higher than prior CPUC estimates.

2. October 21, 2024: SCE released a revised 2025 rate projection using an alternate methodology for calculating its revenue requirement, estimated at $4.637 billion. This methodology proposed a generation rate reduction of 0.6 cents/kWh (5.9%) and a significant Power Charge Indifference Adjustment (PCIA) increase of over 0.5 cents/kWh (43%) for vintage 2021[1].

3. October 23, 2024: SCE issued another revision using a different methodology, estimating a 2025 revenue requirement of $4.669 billion. This update suggested a generation rate increase of 0.1 cents/kWh (1.1%) and a PCIA decrease of 2 cents/kWh (110%) for vintage 2021, contrasting sharply with the October 21 projection.

On November 15, 2024, SCE filed an updated estimate of its January 1, 2025, rate change, indicating an average bundled generation rate reduction of approximately 0.7 cents/kWh (7%) compared to October 2024 rates.

On December 19, 2024, the CPUC approved SCE's ERRA application as outlined in the Proposed Decision, adopting SCE's Alternate October 21, 2024 update with adjustments for actual November 2024 costs. The final 2025 rates, released on December 30, 2024, reflected SCE's actual procurement costs and corrected MPBs issued by the CPUC on November 5, 2024. These rates included a generation rate decrease of 0.9 cents/kWh (8%) and a class average PCIA increase of 0.8 cents/kWh (43%) for vintage 2021.

SCE Bundled Generation Rates and PCIA Projection

SCE's bundled generation rates and PCIA consist of two components: a forecast for the upcoming year and a true-up of realized costs and revenues from the current year. Additionally, market prices for energy, resource adequacy (RA), and renewable portfolio standard (RPS) attributes, along with changes in bundled customer load, significantly influence these rates. High market energy prices increase bundled generation rates and lower PCIA, while low market energy prices decrease bundled generation rates and raise PCIA.

SCE's 2024 rates assumed that market energy prices would remain high and included the recovery of under-collected costs from 2023. Consequently, bundled generation rates effective January 1, 2024, were relatively high, while PCIA was relatively low. Since then, the recovery of 2023 costs has been completed, and general market energy prices (excluding renewable energy prices) dropped significantly during 2024.

These lower market energy prices in 2024 caused bundled customers to overpay for generation, resulting in an over-collection that will be refunded in 2025. Market energy prices (excluding renewable energy prices) are expected to remain low in 2025, continuing to exert downward pressure on bundled generation rates and upward pressure on PCIA. Although increases in RA and RPS market prices partially offset the impact of lower energy prices, the net effect for SCE in 2025 is a reduction in bundled generation rates.

Looking ahead to 2026, some upward pressure on SCE's generation rates is anticipated. Market energy prices are currently projected to increase in 2026 compared to 2025, and the amortization

[1] OCPA's initial customer enrollment began in April 2022 for commercial customers, who were assigned to vintage 2021. SCE applies the PCIA using the concept of "vintaging" to allocate costs to customers based on the month and year they departed SCE. For example, customers are assigned to vintage 2021 if they transitioned from SCE to join OCPA before July 1, 2022.

of SCE's 2024 over-collections is expected to conclude during 2025. However, RA and RPS market prices, which are already at elevated levels, could decline in 2026, potentially offsetting some of the upward pressure on SCE's generation rates.

OCPA Operating Reserve and Investment-Grade (IG) Credit Rating

Building a robust operating reserve and securing an investment-grade (IG) credit rating are foundational to OCPA's financial resilience and long-term success. These objectives are deeply interconnected, enabling OCPA to manage financial risks, procure energy competitively, and deliver stable, affordable energy to customers.

The Importance of an Operating Reserve

An operating reserve serves as a critical financial cushion, ensuring OCPA can meet its obligations during periods of uncertainty or volatility.

Unfavorable shifts in SCE's bundled generation rates – such as increases in the PCIA and decreases in generation rates – can significantly reduce OCPA's revenue. At the same time, unexpected spikes in energy costs, including renewable energy (PCC1) and resource adequacy (RA) prices, can substantially increase OCPA's cost of energy. Without an adequate reserve, these challenges could lead to higher rates for customers and compromise OCPA's ability to provide affordable and reliable renewable energy.

Recognizing the importance of financial preparedness, OCPA's strong performance in FY2023/24 enabled it to defer $45 million in operating revenue to FY2024/25. This proactive measure helps protect customers from potential rate fluctuations in 2025, ensuring stability despite changing market conditions.

The Importance of an Investment-Grade Credit Rating

An IG credit rating signifies financial credibility and is awarded by independent agencies such as S&P, Moody's, and Fitch. Achieving an IG rating enhances OCPA's ability to:

- Suppliers are more likely to participate in OCPA's energy solicitations, enhancing competition and reducing procurement costs.

- An IG rating enables OCPA to secure energy procurement and long-term project financing at reduced interest rates, lowering costs for both the agency and its customers.

- Without an IG rating, OCPA must post approximately $21 million in collateral. Achieving an IG rating would free up these funds for other operational priorities.

- An IG rating strengthens OCPA's standing as a financially stable leader, increasing its influence within the energy sector and reinforcing its creditability in legislative and regulatory arenas.

OCPA's Strategic Goals for Financial Sustainability

To achieve these objectives, OCPA's 2023-2026 Strategic Plan outlines two key goals:

1. Build an operating reserve of 30% to 50% of total operating expenses starting in FY2024/25.

2. Develop a roadmap to secure an IG rating by 2027.

By focusing on these strategic goals, OCPA is positioning itself for long-term success. A strong operating reserve and an IG rating will enable OCPA to better manage financial risks, negotiate favorable energy contracts, and secure financing for innovative renewable energy projects. Most importantly, these measures reaffirm OCPA's commitment to providing the community with stable, affordable, and sustainable energy solutions.

RATE DESIGN ANALYSIS AND DISCUSSION

Market Challenges

To provide a comprehensive and accurate financial projection for 2025, OCPA must incorporate both updated energy cost information and revenue projections based on SCE's finalized 2025 rates.

Energy Market Challenges

Volatile market conditions have significantly increased OCPA's energy costs, rising from $99/MWh in FY2022/23 to $121/MWh in FY2023/24, with projections indicating a further increase to $134/MWh in 2025. These escalating costs directly impact OCPA's FY2024/25 energy procurement expenses, highlighting the need for strategic procurement adjustments to ensure financial stability and regulatory compliance.

SCE Generation Rate Reduction Challenges

Between June and October 2024, SCE reduced its generation rates by approximately 18%. On December 30, 2024, after revising its 2025 forecast three times in October, SCE finalized its 2025 generation rates, projecting an additional 8% reduction from October 2024 rates. These substantial generation rate decreases are expected to exert significant financial pressure on OCPA's FY2024/25 revenues, making it critical to adjust procurement strategies to mitigate the impact.

Mitigating Market Challenges

To address these challenges, OCPA conducted a thorough analysis and consultation to align its financial modeling with SCE's rapidly evolving 2025 rate projections. After careful review, staff identified the October 21 alternate update methodology as the most reliable basis for financial projections. In November 2024, staff presented several financial projection scenarios, including the Ideal Scenario Proposal, to the Ad-Hoc Procurement Committee and the Board. This recommended approach is designed to strengthen OCPA's net position, maintain an acceptable level of operating reserve, and mitigate the dual pressures of rising energy costs and declining revenues – all <u>without</u> increasing customer rates.

Ideal Scenario Proposal

- No changes to OCPA Rate Design:
    - Basic Choice: 3% discount compared to SCE's equivalent generation rates
    - Smart Choice: Basic Choice + 1 cent/kWh
    - 100% Renewable Choice: Basic Choice + 1.5 cents/kWh

- Temporary Opt-Down:
    - For 2025 and 2026, Smart Choice will be the default rate product for Irvine and Buena Park customers. Note: Fullerton customers are already served under Smart Choice.
    - Individual customers may opt-up to 100% Renewable Choice or opt-down to Basic Choice at any time.

- Temporary Renewable Energy Content Adjustment:
    - 2025: Reduce the renewable energy content in Smart Choice to 55%, supplemented with 40% carbon-free energy content.

- 2026: Increase the renewable energy content in Smart Choice to 60%, supplemented with 40% carbon-free energy content.
- 2027: Restore the default rate product to 100% Renewable Choice

City of Irvine Update
On December 12, 2024, the Irvine City Council voted to change the default energy plan for all Irvine residents and businesses to Basic Choice. On December 18, 2024, OCPA received formal notification from the City requesting coordination to transition all Irvine customer accounts to the Basic Choice plan.

City of Buena Park Update
On January 28, 2025, staff will present a proposal to the Buena Park City Council to temporarily designate Smart Choice as the city's default rate product. The proposal also includes reducing the renewable energy content in Smart Choice to 55% (supplemented with 40% carbon-free energy content) in 2025, increasing the renewable energy content to 60% (supplemented with 40% carbon-free energy content) in 2026, and restoring the default product to 100% Renewable Choice beginning January 2027.

2025 Rate Design Proposal
In response to the widespread economic challenges faced by residents and businesses in Orange County in 2025, and the need to remain cost-competitive with SCE, staff prioritized maintaining the current rate design to uphold customer affordability goals during the rate-setting process. As part of this strategy, staff utilized a key accounting tool under Governmental Accounting Standards Board (GASB) 62 to defer $45 million in revenue from FY2023/24. By incorporating this deferred revenue into the proposed 2025 OCPA rate design, OCPA ensures sufficient funds to cover annual power supply costs, operating expenses, debt service obligations, and lender-mandated financial commitments, while also contributing to the operating reserve for FY2024/25.

Proposed 2025 Rate Design
The following rate design will remain unchanged for 2025:
- Basic Choice: A 3% discount compared to SCE's equivalent generation rates
- Smart Choice: 1.0 cent per kWh above Basic Choice rates
- 100% Renewable Choice: 1.5 cents per kWh above Basic Choice rates

The proposed 2025 rate design will continue to offer rate relief across all customer classes. Since Smart Choice and 100% Renewable Choice are positioned as premium options relative to Basic Choice, any discount applied to Basic Choice will proportionally benefit all customers.

Projected Financial Impact
With the $45 million revenue deferral from FY2023/24, OCPA projects a contribution of $20 million to the net position for FY2024/25. This projection considers the uncontrollable market challenges and the impact of Irvine's decision to switch its default energy plan to Basic Choice, along with Buena Park's anticipated temporary switch to Smart Choice as the default energy plan.

The resulting operating reserve is expected to reach 22%, which falls below the Board-approved minimum target of 30%. This lower reserve level is primarily due to the combined effects of market conditions and city decisions. It may also delay OCPA's plan to obtain an investment-grade credit rating by 2027, as rating agencies typically require Community Choice Aggregators (CCAs) to maintain an operating reserve of 33%-56% under their grading criteria.

To address these challenges and mitigate future financial impacts, OCPA will strategically pursue procurement hedging activities to safeguard its long-term financial health.

2025 OCPA Rate Implementation Timeline

Upon the Board's approval of the proposed 2025 rate design, the relevant OCPA rate tables will be updated. The implementation timeline will depend on the time required to incorporate the new generation rates into Calpine's billing system, which is estimated to occur during the week of February 10, 2025. Once finalized, the 2025 OCPA rates will be published and communicated to customers through their bills and made available on OCPA's website.

2025 Bill Comparison

The proposed 2025 rate design is expected to deliver competitive and predictable monthly bills for typical residential and small commercial customers. The table below illustrates the total monthly bill for these customer segments, including all SCE delivery charges. It is important to note that the 3% discount applies exclusively to the generation portion of the bill.

Typical Residential Customer - 425 kWh per month				
OCPA Basic Choice vs SCE Default Rate				
	OCPA (47% Renewable)	**SCE (40.6% Renewable**)**	**Difference ($)**	**Difference (%)**
Equivalent Generation Charge***	$53.46	$55.11	($1.65)	-3.0%
SCE Generation Surcharges	($6.65)	($6.65)	$0.00	0.0%
SCE Delivery Costs	$100.94	$100.94	$0.00	0.0%
Total Bill	**$147.74**	**$149.40**	**($1.65)**	-1.1%
OCPA Smart Choice vs SCE's Lower-Renewable Default Rate* (SCE's 50% Green Rate suspension for new customer since June 2022)**				
	OCPA (55% Renewable + 40% Carbon-Free)	**SCE (40.6% Renewable**)**	**Difference ($)**	**Difference (%)**
Equivalent Generation Charge***	$57.71	$55.11	$2.60	4.7%
SCE Generation Surcharges	($6.65)	($6.65)	$0.00	0.0%
SCE Delivery Costs	$100.94	$100.94	$0.00	0.0%
Total Bill	**$151.99**	**$149.40**	**$2.60**	1.7%
OCPA 100% Renewable Choice vs SCE's Lower-Renewable Default Rate* (SCE's 100% Green Rate suspension for new customer since June 2022)**				
	OCPA (100% Renewable)	**SCE (40.6% Renewable**)**	**Difference ($)**	**Difference (%)**
Equivalent Generation Charge***	$59.83	$55.11	$4.72	8.6%
SCE Generation Surcharges	($6.65)	($6.65)	$0.00	0.0%
SCE Delivery Costs	$100.94	$100.94	$0.00	0.0%
Total Bill	**$154.12**	**$149.40**	**$4.72**	3.2%

*SCE customers who wish to receive service with higher renewable content must opt into SCE's Green Rate Program. However, this program has been closed to new customers since June 2022 due to demand exceeding the available capacity procured for the program. New applicants are placed on a waitlist. As of now, only about 3,000 accounts out of approximately 5,000,000 in SCE's entire service area are enrolled in the Green Rate Program. Because SCE's Green Rate Program has been closed to new customers since June 2022, it is not feasible to compare OCPA's Smart Choice and 100% Renewable Choice with this program.

**Information was retrieved from SCE's 2023 Power Content Label.

***For SCE, this refers to the SCE generation charge minus the surcharges, including the PCIA, applicable to OCPA customers. For OCPA, this refers to OCPA's generation rate.

Typical Small Commerical Customer - 900 kWh per month				
OCPA Basic Choice vs SCE Default Rate				
	OCPA (47% Renewable)	**SCE (40.6% Renewable**)**	**Difference ($)**	**Difference (%)**
Equivalent Generation Charge***	$ 99.32	$ 102.39	($3.07)	-3.0%
SCE Generation Surcharges	$ (7.65)	$ (7.65)	$0.00	0.0%
SCE Delivery Costs	$ 158.56	$ 158.56	$0.00	0.0%
Total Bill	**$250.23**	**$253.31**	**($3.07)**	-1.2%
OCPA Smart Choice vs SCE's Lower-Renewable Default Rate* (SCE's 50% Green Rate suspension for new customer since June 2022)				
	OCPA (55% Renewable + 40% Carbon-Free)	**SCE (40.6% Renewable**)**	**Difference ($)**	**Difference (%)**
Equivalent Generation Charge***	$ 108.32	$ 102.39	$5.93	5.8%
SCE Generation Surcharges	$ (7.65)	$ (7.65)	$0.00	0.0%
SCE Delivery Costs	$ 158.56	$ 158.56	$0.00	0.0%
Total Bill	**$259.23**	**$253.31**	**$5.93**	2.3%
OCPA 100% Renewable Choice vs SCE's Lower-Renewable Default Rate* (SCE's 100% Green Rate suspension for new customer since June 2022)				
	OCPA (100% Renewable)	**SCE (40.6% Renewable**)**	**Difference ($)**	**Difference (%)**
Equivalent Generation Charge***	$ 112.82	$ 102.39	$10.43	10.2%
SCE Generation Surcharges	$ (7.65)	$ (7.65)	$0.00	0.0%
SCE Delivery Costs	$ 158.56	$ 158.56	$0.00	0.0%
Total Bill	**$263.73**	**$253.31**	**$10.43**	4.1%

*SCE customers who wish to receive service with higher renewable content must opt into SCE's Green Rate Program. However, this program has been closed to new customers since June 2022 due to demand exceeding the available capacity procured for the program. New applicants are placed on a waitlist. As of now, only about 3,000 accounts out of approximately 5,000,000 in SCE's entire service area are enrolled in the Green Rate Program. Because SCE's Green Rate Program has been closed to new customers since June 2022, it is not feasible to compare OCPA's Smart Choice and 100% Renewable Choice with this program.

**Information was retrieved from SCE's 2023 Power Content Label.

***For SCE, this refers to the SCE generation charge minus the surcharges, including the PCIA, applicable to OCPA customers. For OCPA, this refers to OCPA's generation rate.

FISCAL IMPACT

Staff recommends maintaining the current OCPA rate design, as it continues to provide rate relief across all customer classes. Since Smart Choice and 100% Renewable Choice are premium options relative to Basic Choice, any discount applied to Basic Choice will proportionally benefit all customers.

Staff will update market forward projections to reflect ongoing energy market volatility in the OCPA FY2024/25 Mid-Year Budget Update, which is scheduled for Board approval in Spring 2025.

ATTACHMENT

Glossary

Glossary

Energy Resource Recovery Account (ERRA) Forecast

ERRA is a utility account used to track and recover the actual costs of fuel and power provided for customers. Utilities use ERRA proceedings to determine the rates they can charge customers for these costs. Utilities do not make any profit on these costs but are authorized to full recover the actual expenses incurredon a reasonable basis.

Southern California Edison (SCE) submits an annual forecast filing and a compliance filing as part of the ERRA process to set generation rates. Additionally, if the ERRA balancing account reaches the predetermined thresholds or "triggers", SCE may file Advice Letters and seek authorization from the CPUC to adjust rates outside of the regular schedule.

Balancing accounts

A balancing account is an accounting tool utilities use to track the difference between projected and actual expenses or revenues. The California Public Utilities Commission (CPUC) uses balancing accounts to monitor funds authorized for recovery or amortization.

The ERRA is an example of a two-way balancing account that records and recovers power costs. It tracks both overcollections and undercollections, ensuring that any surplus is returned to ratepayers, while deficits are collected from them.

California Public Utilities Commission (CPUC)

CPUC is a state agency that regulates investor-owned utilities (IOU) in California. Its responsibilities include overseeing utility services, protecting consumers, safeguarding the environment, and ensuring Californians have access to safe and reliable utility infrastructure and services.

While the CPUC does not regulate the pricing of Community Choice Aggregators (CCAs), it enforces various operational requirements mandated by the legislature. These include compliance with the Renewable Portfolio Standard (RPS), Energy Storage mandates, Resource Adequacy (RA) requirements, public goods charge energy efficiency funding, and rate comparison disclosures.

In addition, numerous CPUC proceedings can directly or indirectly affect CCAs. These include IOU procurement and rate-setting processes, as well as the establishment of exit fee calculations, which impact CCA operations and costs.

2023 ERRA Trigger surcharge

SCE 2023 ERRA trigger surcharge was a request for a rate adjustment submitted to the CPUC. SCE filed this request on January 31, 2023.

Power Charge Indifference Adjustment (PCIA)

The PCIA is a fee charged by IOUs to CCA customers to ensure that remaining utility (bundled) customers do not face cost increases due to customers migrating to a CCA. The PCIA calculation

methodology is established by the CPUC and is updated annually. Vintages are assigned based on the year of customer departures from the utility.

CCA customers are responsible for paying this fee, which is set by utilities. However, CCAs, including OCPA, typically set their rates lower to help offset the impact of the PCIA on their customers.

Market Price Benchmark (MPB)

The MPB is an average of utility portfolio costs used in calculate the ERRA Forecast Updates. It is a key component in the PCIA calculations. The MPB is determined using the volume-weighted average of market transactions and is used to calculate the final energy values in the PCIA.

SCE Voluntary Allocation Market Offer (VAMO)

On August 23, 2021, California's IOUs jointly filed a Tier 2 advice letter proposing a methodology for allocating a portion of each IOU's PCIA-eligible RPS portfolio. Decision 21-05-030 established a two-part process:

1. Voluntary Allocations: Offering PCIA-eligible RPS resources to Load Serving Entities (LSEs) proportional to their "vintaged, forecasted annual load share".
2. Market Offer Sales: Selling any remaining volumes through a subsequent market offer.

Collectively, these processes are referred to as VAMO.

Revenue Requirement

The CPUC establishes an annual ERRA Forecast proceeding to adopt a forecast of a utility's electric procurement cost revenue requirement and electricity sales for the upcoming year. Additionally, the CPUC has implemented an ERRA "Trigger" mechanism, which allows utilities to file an expedited application requesting a rate adjustment if the ERRA balance exceeds 4% of the prior year's annual fuel and power purchase costs.

Proposed Decision

A "proposed decision" by the CPUC is a preliminary recommendation put forward by a commission member or administrative law judge. It outlines findings and conclusions on a regulatory matter and is subject to further review and approval by the full commission before becoming a final decision. Essentially, it's a draft decision that proposes how a specific issue should be resolved based on the evidence presented.

Resource adequacy (RA)

The CPUC adopted a RA policy framework in 2004, as outlined in Public Utilities Code section 380, to ensure the reliability of electric service in California. This framework established RA obligations for all LSEs within the CPUC's jurisdiction, including IOUs, energy service providers (ESPs), and CCAs.

The RA policy framework, implemented through the RA program, guides resource procurement and promotes infrastructure investment by requiring LSEs to procure capacity to ensure that resources are available to the California Independent System Operator (CAISO) when and where they are needed.

To ensure LSEs can meet peak demand, the CPUC requires CCAs to submit annual and monthly filings demonstrating compliance with specified capacity procurement percentages. The RA program includes separate requirements for system, local, and flexible RA.

Renewable Portfolio Standards (RPS)

RPS are regulations that require energy providers to generate a minimum percentage of their energy from renewable sources.

California's RPS program was established in 2002 by Senate Bill (SB) 1078 (Sher, 2002), which initially mandated that 20% of electricity retail sales be served by renewable resources by 2017. The program was later expanded by SB 100 (de León, 2018), which increased the RPS requirement to 60% by 2030 and mandated that 100% of California’s electricity come from carbon-free resources by 2045.

The California Energy Commission (CEC) verifies the eligibility of renewable energy procured by LSEs, including retail sellers, publicly owned utilities (POUs), and other entities serving retail electricity sales in California that are obligated to participate and report to the RPS program.

Eligible renewable resources are defined in California Public Resources Code § 25741 and include facilities using the following technologies: Biomass, Solar Thermal, Photovoltaic, Wind, Geothermal, Fuel cells using renewable fuels, Hydroelectric under 30 MW, Digester gas, Municipal solid waste conversion, Landfill gas, Ocean wave, Ocean thermal, Tidal current.

Product Content Category 1 (PCC1)

PCC1 refers to renewable resources that are either located within the state of California or directly delivered to California without being substituted from another resource. To meet the minimum RPS requirements, a portfolio must consist of at least 75% PCC1 resources.

PCC1 Renewable Energy Credits (RECs) are the most commonly used by CCAs to fulfill their RPS obligations.

ORANGE COUNTY POWER AUTHORITY
Staff Report – Item 9.3

To: Orange County Power Authority Board of Directors

From: Louis Ting, Director of Power Resources

Approved By: Joe Mosca, Chief Executive Officer

Subject: APPROVE 2025 PRODUCT OFFERING OPTIONS

Date: January 22, 2025

RECOMMENDED ACTION

Approve the proposed renewable energy content for OCPA's 2025 retail service offering options, in conjunction with the proposed 2025 OCPA Rate Design (Item 9.2 on the Board of Directors Meeting Agenda for January 22, 2025). This will reflect the increased Greenhouse Gas (GHG)-free resources allocated to OCPA customers, as per the California Public Utilities Commission's (Commission) decisions. It will also align OCPA's renewable energy resource mix with the service offering selections of OCPA members (Members) and meet the compliance requirements of California's upward trajectory in the Renewables Portfolio Standard (RPS) procurement mandate.

BACKGROUND

OCPA offers three distinct retail service offerings to its customers: 1) 100% Renewable Choice; 2) Smart Choice – renewable energy levels above the RPS requirements but below 100% renewable energy; and 3) Basic Choice – renewable energy levels meeting the RPS requirements. To ensure these service offerings align with the interim annual procurement mandates under California's RPS program, to accept all allocations of carbon-free resources from Southern California Edison's (SCE) and Pacific Gas & Electric's (PG&E) as per the Commission's decisions, and to align with Members' current and proposed 2025 service offering elections, staff are bringing the proposed energy mix for OCPA's product offerings for the Board of Directors' consideration.

ANALYSIS AND DISCUSSION

OCPA is responsible for ensuring that its resource mix contains sufficient production from renewable energy resources to comply with California's RPS program, which reflects an interim annual procurement mandate of 47% in 2025, increasing to 60% by 2030. In addition to supporting its baseline RPS compliance objectives, OCPA has developed two alternative service options that offer its Members and customers increasing levels of renewable energy content at specified rate premiums, which cover incremental renewable energy costs relative to OCPA's Basic Choice service option.

Maintaining a three-tier product offering provides greater flexibility to OCPA's customers, allowing each Member and their customers to select service options that best align with their unique preferences and priorities. Individual customers always have the choice to select the plan that best suits their needs.

- Basic Choice is OCPA's most cost-effective service offering, providing customers with renewable energy content that is at least as high as California's prevailing interim annual procurement mandate – 47% for 2025. Therefore, the Basic Choice service offering will include a minimum of 47% renewable energy.

- 100% Renewable Choice is OCPA's premium retail service offering, providing participating Members and customers with 100% renewable energy supply and the lowest possible carbon emission rate. Customers of 100% Renewable Choice incur a rate premium which reflects the procurement costs of 100% RPS-eligible renewable energy supply.

- Smart Choice, OCPA's third retail service offering, provides customers with renewable energy content set between Basic Choice and 100% Renewable Choice, along with a generation rate premium situated between the two. For 2025, as discussed in the proposed 2025 OCPA Rate Design (Item 9.2), the Smart Choice service offering is proposed to include 55% renewable energy plus 40% GHG-Free energy, which ensures the delivery of an energy product that reflects a lower emission coefficient when compared to Basic Choice (and an emission coefficient similar to that associated with the 100% Renewable Choice service offering). Smart Choice offers our customers an excellent opportunity for a 95% GHG-Free energy product. It is noteworthy that the rate premium associated with OCPA's Smart Choice service offering will not increase relative to last year.

In summary, for 2025, OCPA's retail service offering proposal is as follows:

- 100% Renewable Choice service offering will continue to receive a 100% RPS-eligible renewable resource mix.
- Basic Choice will include a minimum 47% RPS-eligible renewable energy, which aligns with California's interim annual RPS procurement mandate.
- Smart Choice will include a minimum 55% renewable energy plus 40% GHG-Free energy.

As thoroughly discussed in the 2025 OCPA Rate Design (Item 9.2), staff regularly monitors and engages with regional energy markets to gather information related to product pricing and availability, mindful of the unprecedented escalations in renewable energy prices which have occurred over the past two years. With the widespread adoption of above-RPS procurement targets – particularly among Community Choice Aggregators (CCA) – system-wide project delays due to transmission constraints, and prior short positions among some of California's largest retail electricity sellers, supply was constrained at the same time that demand increased, tightening markets and driving prices higher. While this presented, and may continue to present, challenges for OCPA's resource planning and procurement processes, staff believes that its projected renewable energy needs can be met in a manner that accommodates desired customer service elections across OCPA's three unique service options.

FISCAL IMPACT

The fiscal impact assessment resulting from the proposed 2025 product offerings update will be incorporated in OCPA's FY2024/25 Mid-Year Budget Update, which is scheduled for Board approval in the Spring of 2025.

ATTACHMENT

None

ORANGE COUNTY POWER AUTHORITY
Staff Report – Item 9.4

To: Orange County Power Authority Board of Directors

From: Steven Halligan, Regulatory and Legislative Manager

Approved by: Joe Mosca, Chief Executive Officer

Subject: WEST-WIDE GOVERNANCE PATHWAYS INITIATIVE UPDATE

Date: January 22, 2025

RECOMMENDED ACTION

Receive and file.

BACKGROUND

The West-Wide Governance Pathways Initiative (Pathways Initiative) was launched in the summer of 2023 by a coalition of regulators from five Western states, including California, who helped form a Launch Committee representing a diverse group of Western stakeholders. The Launch Committee has been working since the Fall of 2023 to develop a proposal for the continued evolution of governance over the Western Energy Imbalance Market (WEIM) and Extended Day-Ahead Market (EDAM).

The Pathways Initiative is an effort to regionalize the state's main electric grid by creating a new entity that could serve as a means for delivering a market that includes all 14 states in the Western interconnection, including California, with independent governance. A unified, west-wide market can deliver substantial customer benefits including improving grid reliability, maintaining affordability, and connecting clean energy throughout the West.

The Pathways Initiative developed a stakeholder process involving a 26-member Launch Committee, including representatives of various sectors, such as: investor- and publicly- owned utilities in California, CCAs, utility labor organizations, public interest (largely environmental organizations), power marketers, independent generators, large energy users, and other sectors, both within and outside California.

In late spring 2024, the Launch Committee finalized a "Step 1 Proposal" and a commitment to work on "Step 2." The Step 1 Proposal was submitted as a recommendation to the California Independent System Operator (CAISO) to move the existing governance of the CAISO's WEIM and EDAM toward greater independence from the CAISO Board of Governors by elevating the WEIM's Governing Body [recently renamed Western Energy Markets (WEM) Governing Body] decision-making authority in market related matters from its existing "Joint Authority" with the CAISO Board of Governors to "Primary Authority." Relatedly, the Step 1 Proposal would modify the current process for resolving disputes between the WEM Governing Body and the CAISO

Governing Board by requiring the CAISO to make a "dual filing" of both bodies' proposals to the Federal Energy Regulatory Commission (FERC). The proposal includes a trigger for the Step 1 governance transition based on reaching 70 percent of load that is represented by the non-CAISO EDAM entities. As of June, the chairs of the CAISO Governing Board and WEM Governing Body accepted receipt of the recommendation for the Step 1 Proposal and directed the staff to initiate a "robust stakeholder process, in partnership with the Launch Committee." The CAISO has held two public meetings and solicited comments with the goal of scheduling a vote on the Step 1 Proposal at a joint meeting of the CAISO Governing Board and WEM Governing Body on August 13th.

In a parallel effort, the Launch Committee developed a Step 2 proposal which requires legislative authorization to implement. The second phase of the WWGPI would create a regional organization (RO) and give it sole authority over the markets. The initiative is proposing that the regional organization would be a non-profit that operates for the public's benefit. The initiative intends to launch the regional organization in early 2026.

What is the Western Energy Imbalance Market (WEIM)?

- In addition to running a day-ahead wholesale electricity market in its balancing authority area, the CAISO also operates the WEIM. Established in 2014, the WEIM extends the ISO's real-time market to other balancing authority areas in the West. WEIM participants, including the ISO, gain substantial economic, operational, and environmental advantages by trading energy supply and demand across a large geographic area in real time. Since its inception, the WEIM has grown to 22 participating entities representing 79% of the load in the Western Interconnection and has produced more than $5 billion in benefits. The WEIM is an energy-only market, and participants determine how transmission and generation resources engage in the market. The market platform allows participants the flexibility of controlling their assets and maintaining their own compliance responsibilities for managing their system as required by North American Electric Reliability Corporation and Western Electricity Coordinating Council) standards, while gaining access to a large pool of diverse resources across multiple western states and extending to the border with Canada and Mexico.
- The WEIM is governed by a five-member body with shared authority from the ISO Board of Governors on rules specific to participation to the WEIM and the Extended Day-Ahead Market that is set to launch in 2026. Designed by regional stakeholders, the governing body is nominated by a committee of western stakeholders. These members bring a high level of professionalism and leadership, with work experience in public power, investor-owned utilities, and as state regulators.

What is the Extended Day-Ahead Market (EDAM)?

- The Extended Day-Ahead Market is a voluntary day ahead electricity market designed to deliver significant reliability, economic, and environmental benefits to balancing areas and utilities throughout the West. Building on the proven success and tangible benefits of the real-time WEIM, the EDAM can increase regional coordination, support states' policy goals, and meet demand cost-effectively. Since its launch in 2014, the WEIM has grown to 22 participating balancing areas representing 79% of the load in the Western Interconnection and exceeds $5 billion in benefits. By leveraging the significant resource

diversity and transmission connectivity between major supply and demand regions throughout the Western United States, the EDAM is designed to deliver additional benefits to those realized in the WEIM through greater reliability coordination and resource optimization. The EDAM initiative, which leverages and builds on existing features of the ISO's day-ahead market and the WEIM, includes elements found in similar markets across the country, and used extensive stakeholder input to further improve the market design. The EDAM design was jointly approved by the ISO Board of Governors and WEIM Governing Body in February 2023. In December 2023, FERC accepted the EDAM tariff changes. PacifiCorp, which serves customers in California and five other Western states, and the Balancing Area of Northern California (BANC), which includes the Sacramento Municipal Utility District, have announced their intent to join the EDAM, and we are working with them on their implementation schedules to support their onboarding in 2026. Depending on the number of interested parties, this will also allow for additional participants to onboard in 2026

FISCAL IMPACT

None

ATTACHMENTS

None

ORANGE COUNTY POWER AUTHORITY
Staff Report – Item 9.5

To: Orange County Power Authority Board of Directors

From: Steven Halligan, Regulatory and Legislative Manager

Approved by: Joe Mosca, Chief Executive Officer

Subject: 2025 OCPA LEGISLATIVE AND REGULATORY POLICY PLATFORM

Date: January 22, 2025

RECOMMENDED ACTION

Approve 2025 OCPA Legislative and Regulatory Policy Platform.

BACKGROUND

In December 2023, the Orange County Power Authority (OCPA) Board adopted the first OCPA Legislative and Regulatory Policy Platform (Platform) with the intention to review and update the policy annually. The Platform serves as a guide to the OCPA Board of Directors and staff in their advocacy efforts and engagement on policy matters of interest to OCPA. The Platform allows both members of the OCPA Board of Directors and OCPA staff to pursue actions at the regional, state, and federal legislative and regulatory levels in a consistent manner and with the understanding that they are pursuing actions in the best interest of the organization and its mission, its customers, and its member agencies.

The Platform enables the organization to move swiftly to respond to issues brought before Legislature and Executive Branch agencies including the California Public Utilities Commission (CPUC), the California Energy Commission (CEC), California Independent System Operator (CAISO), and the California Air Resources Board (CARB) so that OCPA's views can be heard on important matters in a timely fashion.

The Platform provides direction to OCPA staff on positions that should be taken on regulatory matters and legislative bill proposals. The Platform also provides guidance to the Chief Executive Officer on positions that should be taken on legislative and regulatory matters that come before the California Community Choice Association (CalCCA) Board of Directors.

The 2025 Policy Platform has one main addition compared to the 2024 Policy Platform. Staff are suggesting that the 2025 Policy Platform includes a new priority focus area – Regionalization. This would be the ninth priority focus area in addition to: 1) Affordability and Rates, 2) Clean and Reliable Grid, 3) Climate Change Mitigation, 4) Customer Programs, 5) Data Access, 6) Diversity, Equity and Inclusion, 7) Local Control and Development, and 8) Power Resources Planning and Procurement.

Staff has solicited feedback from the Legislative and Regulatory Committee, the Community Advisory Committee, member agencies, and non-governmental organizations.

The approved 2024 OCPA Legislative and Regulatory Policy Platform, a redlined 2025 policy (compared to the 2024) policy, and a clean Draft 2025 OCPA Legislative and Regulatory Policy Platform are attached.

FISCAL IMPACT

None

ATTACHMENTS

Attachment A – Approved 2024 OCPA Legislative and Regulatory Policy Platform
Attachment B – Draft 2025 OCPA Legislative and Regulatory Policy Platform (Clean)
Attachment C – Draft 2025 OCPA Legislative and Regulatory Policy Platform (Redlined from 2024 Platform)

2024 ORANGE COUNTY POWER AUTHORITY LEGISLATIVE AND REGULATORY POLICY PLATFORM

OVERVIEW AND PURPOSE

The Orange County Power Authority (OCPA) Legislative and Regulatory Policy Platform (Platform) serves as a guide to the OCPA Board of Directors and staff in their advocacy efforts and engagement on policy matters of interest to OCPA. The Platform allows both members of the OCPA Board of Directors and OCPA staff to pursue actions at the regional, state, and federal legislative and regulatory levels in a consistent manner and with the understanding that they are pursuing actions in the best interest of the organization and its mission, customers, and member agencies.

The Platform enables the organization to move swiftly to respond to issues brought before Legislature and Executive Branch agencies including the California Public Utilities Commission (CPUC), the California Energy Commission (CEC), California Independent System Operator (CAISO), and the California Air Resources Board (CARB) so that OCPA's views can be heard on important matters in a timely fashion.

The Platform provides direction to OCPA staff on positions that should be taken on regulatory matters and legislative bill proposals. The Platform also provides guidance to the Chief Executive Officer on positions that should be taken on legislative and regulatory matters that come before the California Community Choice Association (CalCCA) Board of Directors.

POLICY PLATFORM

AFFORDABILITY AND RATES

OCPA supports rates that are competitively priced, enable high-value services to OCPA customers, and support cost-of-service that includes funds needed to cover operations, meet reserve targets, and fund decarbonization programs.

OCPA will:

- *Support policies that promote affordable rates for all Californians while ensuring ratepayer equity and maintaining ratemaking autonomy for Community Choice Aggregators (CCA).*
- *Support policies that minimize the cost of service and eliminate unnecessary costs so OCPA can provide more affordable electricity to customers.*
- *Pursue administrative and legislative initiatives that will ensure that non-bypassable charges assessed for OCPA customers are fair, and that OCPA's customers are not unnecessarily burdened by non-bypassable charges.*
- *Pursue administrative and legislative initiatives to ensure that OCPA is eligible to apply and receive funding made available to the electricity sector for decarbonization, reliability, and affordability purposes, and that OCPA's financial health is not disparately impacted by new regulations.*
- *Advocate for Provider of Last Resort fees that appropriately factor in the risk of LSE failure.*
- *Support rate structures that encourage electrification.*
- *Advocate for rate reform so programs like wildfire mitigation and public purpose programs are funded outside of rates.*

CLEAN AND RELIABLE GRID

OCPA supports investments and removal of barriers in building transmission and renewable projects to enable the transition to a cleaner grid. OCPA supports a reliable electric system, including the smart buildout of the distribution grid to prepare for increased electrification.

OCPA will:

- *Support investments in transmission upgrades and efforts to reduce interconnection barriers and distribution grid failures, including addressing permitting challenges and increasing transparency.*
- *Support efforts to ease supply chain challenges and get renewable projects online faster.*
- *Advocate for investments that increase the reliability of the electric system and recognize the role of fossil plants as the system transitions to renewables.*
- *Ensure that penalties increase the production of renewables instead of simply raising the floor price of energy in the market.*

CLIMATE CHANGE MITIGATION

OCPA supports funding, projects, and programs to decarbonize the economy, especially in the electric, building, and transportation sectors. OCPA seeks opportunities to amplify our programs through regional, state, and federal levels both through policy and funding. OCPA supports efforts to remove barriers to fuel switching/decarbonization.

OCPA will:

- *Understand and advocate for funding opportunities to support clean energy and climate change mitigation, including the Federal Inflation Reduction Act.*
- *Support efforts to transition buildings to electric, including removing the obligation to serve gas requirement and efforts to modernize permitting.*
- *Support funding for EV infrastructure and ensure EV policies are technology neutral.*
- *Advocate for the fair valuation of resources, including capturing the value of demand-side resources better in the CAISO.*
- *Advocate for increased funding for clean energy workforce training and investments to reduce fossil damage in low-income communities.*
- *Support efforts to decarbonize industrial uses and processes, including reducing the use of baseload fuel cells that use natural gas.*

CUSTOMER PROGRAMS

OCPA supports funding to provide energy support services, education, and opportunities for reducing energy costs to all customers including those who are low-income, seniors, veterans, and/or people with disabilities. OCPA supports policies and efforts to ensure that services and education are offered in languages other than English.

OCPA will:

- *Support legislation and initiatives that increase funding for energy efficiency, demand response, solar plus storage, transportation electrification programs, and energy literacy services.*
- *Pursue administrative and legislative initiatives that will enable OCPA to pursue demand response programs and opportunities for its customers.*
- *Pursue administrative and legislative initiatives to promote electrification of the transportation sector in response to state and federal goals aimed at increasing the usage of zero emission vehicles.*
- *Pursue administrative and legislative initiatives that support the ability of OCPA to promote electrification and the reduction of natural gas usage in the building sector.*

- *Pursue administrative and legislative initiatives that support the ability of OCPA and its member agencies to offer local grid management and resiliency solutions to increase local reliability and adaptability that could protect against power outages and extreme heat.*
- *Pursue administrative and legislative initiatives that support the ability of OCPA to offer and utilize distributed energy resources as part of its reliability, resiliency and community engagement strategies.*
- *Pursue administrative and legislative initiatives that support the ability of OCPA to explore new opportunities related to behind the meter clean energy resources.*

- *Pursue administrative and legislative initiatives that support the ability of OCPA to offer programs directed at multi-family properties.*

DATA ACCESS

OCPA recognizes the importance of having accurate and timely data. This data is vital to improve billing accuracy and to inform the development and implementation of customer programs. It is important that OCPA is not charged exorbitant fees to obtain this data.

OCPA will:

- *Pursue administrative and legislative initiatives that will enable OCPA to obtain timely and accurate access to its customers' data to improve billing accuracy and inform the development and implementation of customer programs.*
- *Support policies that enhance timely access by CCAs to quality billing data to enable demand flexibility initiatives and innovative rate design.*
- *Pursue administrative and legislative initiatives to ensure that the fees due to Investor-Owned Utilities for data access and management are fairly assessed based on data needs and potential technological improvements.*

DIVERSITY, EQUITY AND INCLUSION

OCPA supports policies that consider equitable treatment of low-income and historically underserved communities through affordable electricity rates, priority access to decarbonization and climate mitigation programs.

OCPA will:

- *Support programs that invest in low-income and historically disadvantaged communities (communities of concern) either through separate tracks that dedicate funding to or that give deeper levels of subsidies for these groups.*
- *Support multi-family properties and tenant access to the benefits of decarbonization programs and tenant protections.*

- *Support efforts to repeal Proposition 209, which limits public agencies' ability to engage in equity efforts.*
- *Support legislation and regulation that supports the ability of communities of concern in the OCPA service area to have affordable, reliable and clean energy.*
- *Support legislation and regulation that strengthens the resilience of vulnerable communities to the impacts of climate change.*
- *Support legislation and regulation that enables all communities, including emerging and historically marginalized communities in California, to participate in decarbonization efforts.*
- *Support legislation, regulation and policies that internalize the externalities of carbon, through true cost pricing and social cost accounting.*
- *Support legislation and initiatives that would reduce local air pollution, reduce other negative local impacts associated with energy production, and boost adoption of distributed energy resources within communities of concern.*
- *Oppose legislation and initiatives that have the potential to disproportionately and negatively impact communities of concern.*

LOCAL CONTROL AND DEVELOPMENT

OCPA supports the CCA model of local government governance, while acknowledging system-wide needs. Any system needs should give maximum flexibility to allow local authority and discretion to meet goals. OCPA will support any legislation, policies, funding, referenda, and budgets that maintain or improve the stability of CCAs by ensuring regulatory structure is equitable and enables CCAs to meet their mission and goals. Maintaining local decision-making authority, including rate-setting authority and procurement of energy, is a key pillar for this stability.

OCPA will:

- *Advocate for fair and equitable exit fees that prevent cost-shifting among customers.*
- *Oppose policy mandates that violate CCA ratemaking autonomy.*
- *Engage in conversations about the role of a "Central Procurement Entity" that preserves CCA's responsibility to procure energy while finding a system that maximizes cost efficiency and reliability.*
- *Advocate for flexible Brown Act requirements that allow remote access for both the public and board members.*
- *Advocate for goal-based procurement instead of prescriptive, technology-specific mandates.*

- *Advocate for increased visibility into the distribution grid and an open access platform to provide clear information and signals about where Distribute Energy Resource buildout is optimal.*
- *Oppose any legislation, policies, funding, referenda, and budgets that undermine or circumvent CCAs and impede the ability of OCPA to achieve its mission and goals or its value proposition.*
- *Support any legislation, policy, funding, referenda, and budgets that enhance OCPA's ability to invest in local clean energy, including infill solar and battery storage, as well as other distributed energy resources, grid resiliency, zero-emission transportation, all while promoting equity in the communities that it serves.*
- *Oppose any legislation, policy, funding, referenda, and budgets that limit or undermine OCPA's ability to invest in local clean energy, distributed energy resources, zero-emission transportation, all while promoting equity in the communities that it serves.*
- *Pursue administrative and legislative initiatives that support supplier diversity in OCPA's contracting activities and through women-owned, minority-owned, disabled-veteran-owned, and lesbian, gay, bisexual, and/or transgender owned business enterprises.*
- *Pursue administrative and legislative initiatives to protect OCPA's ability to expand its service to new member agencies.*
- *Pursue administrative and legislative initiatives to protect OCPA Board's authority over OCPA's procurement, rate-setting, and customer program development activities.*

POWER RESOURCES PLANNING AND PROCUREMENT

The ability for OCPA to fairly and independently plan and procure power resources is vital to the goals of the agency. OCPA acknowledges the many challenges facing California and the transition to renewable energy and seeks to help address Resource Adequacy market issues. OCPA must ensure stable and fair market access and remove barriers for demand response and microgrid resources.

O*CPA will:*

- *Support legislation and regulation to address shortfalls in the Resource Adequacy market including transmission constraints, interconnection or project delays, and minimizing market power.*
- *Oppose legislation and regulation that would supplant CCAs' procurement authority for Resource Adequacy or impose compliance penalties not grounded in market realities.*
- *Support reform of the CPUC Resource Adequacy program to allow for stability in the resource adequacy value of existing resources and allow for departing load to access existing resources at fair market value.*
- *Advocate for and support efforts to remove barriers to demand response microgrids and behind the meter resources to provide Resource Adequacy.*

- *Oppose legislation and regulation that restricts or limits OCPA's ability to procure its own energy products to meet state policy goals.*
- *Support legislation that promotes a level playing field between CCAs and other market participants.*
- *Support legislation that enhances the flexibility of CCA programs to support statewide procurement policy and develop and expand programs, local options, and rate design to support OCPA's community and customers.*
- *Pursue administrative and legislative initiatives that will enable OCPA to secure capacity resources to meet its reliability obligations, such as initiatives that evaluate the supply of capacity resources available to load serving entities (LSEs), determine the appropriate market mechanisms for LSEs to procure capacity resources, and develop a durable policy framework that encourages all LSEs to construct their fair share of new capacity resources to maintain grid reliability while pursuing decarbonization efforts.*
- *Pursue administrative and legislative initiatives that will maximize OCPA's ability to procure carbon-free resources to meet or exceed the needs of OCPA's three product offerings and its long-term carbon-free procurement goal as required by SB 100 and other statutory or regulatory obligations.*
- *Pursue administrative and legislative initiatives that will maximize OCPA's ability to procure eligible Renewable Portfolio Standard (RPS) resources to meet the needs of OCPA's three product offerings and its long-term RPS procurement goal as required by SB 100 and other statutory or regulatory obligations.*
- *Pursue administrative and legislative initiatives that will maximize OCPA's ability to plan and procure resources to meet various environmental and reliability goals set by state laws and by its Board of Directors, while offering affordable products and programs to serve its customers, including disadvantaged communities.*
- *Pursue administrative and legislative initiatives that will provide OCPA adequate access to transmission capacity to maximize its procurement of RPS-eligible or carbon-free resources that meet various statutory and regulatory requirements.*
- *Pursue administrative and legislative initiatives that support the research and development of new energy resources that can be procured to meet the reliability and decarbonization goals set by the State and its Board of Directors.*
- *Pursue administrative and legislative initiatives that correctly account for emission attributes for out of state solar and wind projects.*

Any questions regarding this Platform can be directed to:

Steven Halligan, Regulatory and Legislative Manager, at SHalligan@ocpower.org.

DRAFT 2025 Orange County Power Authority Legislative and Regulatory Policy Platform

Overview and Purpose

The Orange County Power Authority (OCPA) Legislative and Regulatory Policy Platform (Platform) serves as a guide to the OCPA Board of Directors and staff in their advocacy efforts and engagement on policy matters of interest to OCPA. The Platform allows both members of the OCPA Board of Directors and OCPA staff to pursue actions at the regional, state, and federal legislative and regulatory levels in a consistent manner and with the understanding that they are pursuing actions in the best interest of the organization and its mission, its customers, and its member agencies.

The Platform enables the organization to move swiftly to respond to issues brought before Legislature and Executive Branch agencies including the California Public Utilities Commission (CPUC), the California Energy Commission (CEC), California Independent System Operator (CAISO), and the California Air Resources Board (CARB) so that OCPA's views can be heard on important matters in a timely fashion.

The Platform provides direction to OCPA staff on positions that should be taken on regulatory matters and legislative bill proposals. The Platform also provides guidance to the Chief Executive Officer on positions that should be taken on legislative and regulatory matters that come before the California Community Choice Association (CalCCA) Board of Directors.

Policy Platform

Affordability and Rates

OCPA supports rates that are competitively priced, enable high-value services to OCPA customers, and support cost-of-service that includes funds needed to cover operations, meet reserve targets, and fund decarbonization programs.

OCPA will:

- Support policies that promote affordable rates for all Californians while ensuring ratepayer equity and maintaining ratemaking autonomy for Community Choice Aggregators (CCA).

- Support policies that minimize the cost of service and eliminate unnecessary costs so OCPA can provide more affordable electricity to customers.
- Pursue administrative and legislative initiatives that will ensure that non-bypassable charges assessed for OCPA customers are fair, and that OCPA's customers are not unnecessarily burdened by non-bypassable charges.
- Pursue administrative and legislative initiatives to ensure that OCPA is eligible to apply and receive funding made available to the electricity sector for decarbonization, reliability, and affordability purposes, and that OCPA's financial health is not disparately impacted by new regulations.
- Advocate for Provider of Last Resort fees that appropriately factor in the risk of LSE failure.
- Support rate structures that encourage electrification.
- Advocate for rate reform so programs like wildfire mitigation and public purpose programs are funded outside of rates.

Clean and Reliable Grid

OCPA supports investments and removal of barriers in building transmission and renewable projects to enable the transition to a cleaner grid. OCPA supports a reliable electric system, including the smart buildout of the distribution grid to prepare for increased electrification.

OCPA will:

- Support investments in transmission upgrades and efforts to reduce interconnection barriers and distribution grid failures, including addressing permitting challenges and increased transparency.
- Support efforts to ease supply chain challenges and get renewable projects online faster.
- Advocate for investments that increase the reliability of the electric system and recognize the role of fossil plants as the system transitions to renewables.
- Ensure that penalties increase the production of renewables instead of simply raising the floor price of energy in the market.

Climate Change Mitigation

OCPA supports funding, projects, and programs to decarbonize the economy, especially in the electric, building, and transportation sectors. OCPA seeks opportunities to amplify our programs through regional, state, and federal levels both through policy and funding. OCPA supports efforts to remove barriers to fuel switching/decarbonization.

OCPA will:

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- Understand and advocate for funding opportunities to support clean energy and climate change mitigation, including the Federal Inflation Reduction Act.
- Support efforts to transition buildings to electric, including removing the obligation to serve gas requirement and efforts to modernize permitting.
- Support funding for EV infrastructure and ensure EV policies are technology neutral.
- Advocate for the fair valuation of resources, including capturing the value of demand-side resources better in the CAISO.
- Advocate for increased funding for clean energy workforce training and investments to reduce fossil damage in low-income communities.
- Support efforts to decarbonize industrial uses and processes, including reducing the use of baseload fuel cells that use natural gas.

Customer Programs

OCPA supports funding to provide energy support services, education, and opportunities for reducing energy costs to all customers including those who are low-income, seniors, veterans, and/or people with disabilities. OCPA supports policies and efforts to ensure that services and education are offered in languages other than English.

OCPA will:

- Support legislation and initiatives that increase funding for energy efficiency, demand response, solar plus storage, and transportation electrification programs, and energy literacy services.
- Pursue administrative and legislative initiatives that will enable OCPA to pursue demand response programs and opportunities for its customers.
- Pursue administrative and legislative initiatives to promote electrification of the transportation sector in response to state and federal goals aimed at increasing the usage of zero emission vehicles.
- Pursue administrative and legislative initiatives that support the ability of OCPA to promote electrification and the reduction of natural gas usage in the building sector.
- Pursue administrative and legislative initiatives that support the ability of OCPA and its member agencies to offer local grid management and resiliency solutions to increase local reliability and adaptability that could protect against power outages and extreme heat.
- Pursue administrative and legislative initiatives that support the ability of OCPA to offer and utilize distributed energy resources as part of its reliability, resiliency and community engagement strategies.

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- Pursue administrative and legislative initiatives that support the ability of OCPA to explore new opportunities related to behind the meter clean energy resources.

Data Access

OCPA recognizes the importance of having accurate and timely data. This data is vital to improve billing accuracy and to inform the development and implementation of customer programs. It is important that OCPA is not charged exorbitant fees to obtain this data.

OCPA will:

- Pursue administrative and legislative initiatives that will enable OCPA to obtain timely and accurate access to its customers' data to improve billing accuracy and inform the development and implementation of customer programs.
- Support policies that enhance timely access by CCAs to quality billing data to enable demand flexibility initiatives and innovative rate design.
- Pursue administrative and legislative initiatives to ensure that the fees due to Southern California Edison for data access and management are fairly assessed based on data needs and potential technological improvements.

Diversity, Equity and Inclusion

OCPA supports policies that consider equitable treatment of low-income and historically underserved communities through affordable electricity rates, priority access to decarbonization and climate mitigation programs.

OCPA will:

- Support programs that invest in low-income and historically disadvantaged communities (communities of concern) either through separate tracks that dedicate funding to or that give deeper levels of subsidies for these groups.
- Support tenant access to the benefits of decarbonization programs and tenant protections.
- Support efforts to repeal Proposition 209, which limits public agencies' ability to engage in equity efforts.
- Support legislation and regulation that supports the ability of communities of concern in the OCPA service area to have affordable, reliable and clean energy.
- Support legislation and regulation that strengthens the resilience of vulnerable communities to the impacts of climate change.
- Support legislation and regulation that enables all communities, including emerging and historically marginalized communities in California, to participate in decarbonization efforts.

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- Support legislation, regulation and policies that internalize the externalities of carbon, through true cost pricing and social cost accounting.
- Support legislation and initiatives that would reduce local air pollution, reduce other negative local impacts associated with energy production, and boost adoption of distributed energy resources within communities of concern.
- Oppose legislation and initiatives that have the potential to disproportionately and negatively impact communities of concern.

Local Control and Development

OCPA supports the CCA model of local government governance, while acknowledging system-wide needs. Any system needs should give maximum flexibility to allow local authority and discretion to meet goals. OCPA will support any legislation, policies, funding, referenda, and budgets that maintain or improve the stability of CCAs by ensuring regulatory structure is equitable and enables CCAs to meet their mission and goals. Maintaining local decision-making authority, including rate-setting authority and procurement of energy, is a key pillar for this stability.

OCPA will:

- Advocate for fair and equitable exit fees that prevent cost-shifting among customers.
- Oppose policy mandates that violate CCA ratemaking autonomy.
- Engage in conversations about the role of a "Central Procurement Entity" that preserves CCA's responsibility to procure energy while finding a system that maximizes cost efficiency and reliability.
- Advocate for flexible Brown Act requirements that allow remote access for both the public and board members.
- Advocate for goal-based procurement instead of prescriptive, technology-specific mandates.
- Advocate for increased visibility into the distribution grid and an open access platform to provide clear information and signals about where Distribute Energy Resource buildout is optimal.
- Oppose any legislation, policies, funding, referenda, and budgets that undermine or circumvent CCAs and impede the ability of OCPA to achieve its mission and goals or its value proposition.
- Support any legislation, policy, funding, referenda, and budgets that enhance OCPA's ability to invest in local clean energy, including infill solar and battery storage, as well as

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other distributed energy resources, grid resiliency, zero-emission transportation, all while promoting equity in the communities that it serves.

- Oppose any legislation, policy, funding, referenda, and budgets that limit or undermine OCPA's ability to invest in local clean energy, distributed energy resources, zero-emission transportation, all while promoting equity in the communities that it serves.
- Pursue administrative and legislative initiatives that support supplier diversity in OCPA's contracting activities and through women-owned, minority-owned, disabled-veteran-owned, and lesbian, gay, bisexual, and/or transgender owned business enterprises.
- Pursue administrative and legislative initiatives to protect OCPA's ability to expand its service to new member agencies.
- Pursue administrative and legislative initiatives to protect OCPA Board's authority over OCPA's procurement, rate-setting, and customer program development activities.

Power Resources Planning and Procurement

The ability for OCPA to fairly and independently plan and procure power resources is vital to the goals of the agency. OCPA acknowledges the many challenges facing California and the transition to renewable energy and seeks to help address Resource Adequacy market issues. OCPA must ensure stable and fair market access and remove barriers for demand response and microgrid resources.

OCPA will:

- Support legislation and regulation to address shortfalls in the Resource Adequacy market including transmission constraints, interconnection or project delays, and minimizing market power.
- Oppose legislation and regulation that would supplant CCAs' procurement authority for Resource Adequacy or impose compliance penalties not grounded in market realities.
- Support reform of the CPUC Resource Adequacy program to allow for stability in the resource adequacy value of existing resources and allow for departing load to access existing resources at fair market value.
- Advocate for and support efforts to remove barriers to demand response microgrids and behind the meter resources to provide Resource Adequacy.
- Oppose legislation and regulation that restricts or limits OCPA's ability to procure its own energy products to meet state policy goals.
- Support legislation that promotes a level playing field between CCAs and other market participants.

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- Support legislation that enhances the flexibility of CCA programs to support statewide procurement policy and develop and expand programs, local options, and rate design to support OCPA's community and customers.
- Pursue administrative and legislative initiatives that will enable OCPA to secure capacity resources to meet its reliability obligations, such as initiatives that evaluate the supply of capacity resources available to load serving entities (LSEs), determine the appropriate market mechanisms for LSEs to procure capacity resources, and develop a durable policy framework that encourages all LSEs to construct their fair share of new capacity resources to maintain grid reliability while pursuing decarbonization efforts.
- Pursue administrative and legislative initiatives that will maximize OCPA's ability to procure carbon-free resources to meet or exceed the needs of OCPA's three product offerings and its long-term carbon-free procurement goal as required by SB 100 and other statutory or regulatory obligations.
- Pursue administrative and legislative initiatives that will maximize OCPA's ability to procure eligible Renewable Portfolio Standard (RPS) resources to meet the needs of OCPA's three product offerings and its long-term RPS procurement goal as required by SB 100 and other statutory or regulatory obligations.
- Pursue administrative and legislative initiatives that will maximize OCPA's ability to plan and procure resources to meet various environmental and reliability goals set by state laws and by its Board of Directors, while offering affordable products and programs to serve its customers, including disadvantaged communities.
- Pursue administrative and legislative initiatives that will provide OCPA adequate access to transmission capacity to maximize its procurement of RPS-eligible or carbon-free resources that meet various statutory and regulatory requirements.
- Pursue administrative and legislative initiatives that support the research and development of new energy resources that can be procured to meet the reliability and decarbonization goals set by the State and its Board of Directors.

Regionalization

A unified, west-wide market can deliver substantial customer benefits including improving grid reliability, maintaining affordability, and help connect clean energy throughout the West.

- Support legislation and regulations to allow for the creation of a regional organization in the West.
- Support the creation of a regional organization that does not interfere with any other OCPA policy goals.
- Ensure that any regional organization that is created supports and strives for the same goals as OCPA.

Any questions regarding this Platform can be directed to Steven Halligan, Regulatory and Legislative Manager, at SHalligan@ocpower.org.

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DRAFT ~~2024~~ 2025 Orange County Power Authority Legislative and Regulatory Policy Platform

Overview and Purpose

The Orange County Power Authority (OCPA) Legislative and Regulatory Policy Platform (Platform) serves as a guide to the OCPA Board of Directors and staff in their advocacy efforts and engagement on policy matters of interest to OCPA. The Platform allows both members of the OCPA Board of Directors and OCPA staff to pursue actions at the regional, state, and federal legislative and regulatory levels in a consistent manner and with the understanding that they are pursuing actions in the best interest of the organization and its mission, its customers, and its member agencies.

The Platform enables the organization to move swiftly to respond to issues brought before Legislature and Executive Branch agencies including the California Public Utilities Commission (CPUC), the California Energy Commission (CEC), California Independent System Operator (CAISO), and the California Air Resources Board (CARB) so that OCPA's views can be heard on important matters in a timely fashion.

The Platform provides direction to OCPA staff on positions that should be taken on regulatory matters and legislative bill proposals. The Platform also provides guidance to the Chief Executive Officer on positions that should be taken on legislative and regulatory matters that come before the California Community Choice Association (CalCCA) Board of Directors.

Policy Platform

Affordability and Rates

OCPA supports rates that are competitively priced, enable high-value services to OCPA customers, and support cost-of-service that includes funds needed to cover operations, meet reserve targets, and fund decarbonization programs.

OCPA will:

- Support policies that promote affordable rates for all Californians while ensuring ratepayer equity and maintaining ratemaking autonomy for Community Choice Aggregators (CCA).

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- Support policies that minimize the cost of service and eliminate unnecessary costs so OCPA can provide more affordable electricity to customers.
- Pursue administrative and legislative initiatives that will ensure that non-bypassable charges assessed for OCPA customers are fair, and that OCPA's customers are not unnecessarily burdened by non-bypassable charges.
- Pursue administrative and legislative initiatives to ensure that OCPA is eligible to apply and receive funding made available to the electricity sector for decarbonization, reliability, and affordability purposes, and that OCPA's financial health is not disparately impacted by new regulations.
- Advocate for Provider of Last Resort fees that appropriately factor in the risk of LSE failure.
- Support rate structures that encourage electrification.
- Advocate for rate reform so programs like wildfire mitigation and public purpose programs are funded outside of rates.

Clean and Reliable Grid

OCPA supports investments and removal of barriers in building transmission and renewable projects to enable the transition to a cleaner grid. OCPA supports a reliable electric system, including the smart buildout of the distribution grid to prepare for increased electrification.

OCPA will:

- Support investments in transmission upgrades and efforts to reduce interconnection barriers and distribution grid failures, including addressing permitting challenges and increased transparency.
- Support efforts to ease supply chain challenges and get renewable projects online faster.
- Advocate for investments that increase the reliability of the electric system and recognize the role of fossil plants as the system transitions to renewables.
- Ensure that penalties increase the production of renewables instead of simply raising the floor price of energy in the market.

Climate Change Mitigation

OCPA supports funding, projects, and programs to decarbonize the economy, especially in the electric, building, and transportation sectors. OCPA seeks opportunities to amplify our programs through regional, state, and federal levels both through policy and funding. OCPA supports efforts to remove barriers to fuel switching/decarbonization.

OCPA will:

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- Understand and advocate for funding opportunities to support clean energy and climate change mitigation, including the Federal Inflation Reduction Act.
- Support efforts to transition buildings to electric, including removing the obligation to serve gas requirement and efforts to modernize permitting.
- Support funding for EV infrastructure and ensure EV policies are technology neutral.
- Advocate for the fair valuation of resources, including capturing the value of demand-side resources better in the CAISO.
- Advocate for increased funding for clean energy workforce training and investments to reduce fossil damage in low-income communities.
- Support efforts to decarbonize industrial uses and processes, including reducing the use of baseload fuel cells that use natural gas.

Customer Programs

OCPA supports funding to provide energy support services, education, and opportunities for reducing energy costs to all customers including those who are low-income, seniors, veterans, and/or people with disabilities. OCPA supports policies and efforts to ensure that services and education are offered in languages other than English.

OCPA will:

- Support legislation and initiatives that increase funding for energy efficiency, demand response, solar plus storage, and transportation electrification programs, and energy literacy services.
- Pursue administrative and legislative initiatives that will enable OCPA to pursue demand response programs and opportunities for its customers.
- Pursue administrative and legislative initiatives to promote electrification of the transportation sector in response to state and federal goals aimed at increasing the usage of zero emission vehicles.
- Pursue administrative and legislative initiatives that support the ability of OCPA to promote electrification and the reduction of natural gas usage in the building sector.
- Pursue administrative and legislative initiatives that support the ability of OCPA and its member agencies to offer local grid management and resiliency solutions to increase local reliability and adaptability that could protect against power outages and extreme heat.
- Pursue administrative and legislative initiatives that support the ability of OCPA to offer and utilize distributed energy resources as part of its reliability, resiliency and community engagement strategies.

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- Pursue administrative and legislative initiatives that support the ability of OCPA to explore new opportunities related to behind the meter clean energy resources.

Data Access

OCPA recognizes the importance of having accurate and timely data. This data is vital to improve billing accuracy and to inform the development and implementation of customer programs. It is important that OCPA is not charged exorbitant fees to obtain this data.

OCPA will:

- Pursue administrative and legislative initiatives that will enable OCPA to obtain timely and accurate access to its customers' data to improve billing accuracy and inform the development and implementation of customer programs.
- Support policies that enhance timely access by CCAs to quality billing data to enable demand flexibility initiatives and innovative rate design.
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ORANGE COUNTY POWER AUTHORITY
Staff Report – Item 11

To: Orange County Power Authority Board of Directors

From: Joe Mosca, Chief Executive Officer

Subject: CHIEF EXECUTIVE OFFICER'S REPORT

Date: January 22, 2025

Transition of Irvine Customer Accounts from 100% Renewable Energy Choice to Basic Choice

On December 19, 2024, OCPA staff met with public works and sustainability staff from the City of Irvine to discuss the transition process for Irvine's municipal, residential, and commercial accounts from 100% Renewable Choice to Basic Choice. OCPA staff explained the system logic for transitioning accounts beginning on February 1, 2025, Meter Read Date (MRD) and be completed by February 28, 2025, MRD. Additionally, Calpine Energy Solutions (OCPA's data management service provider) will update the backend of their billing system, Customer Relationship Management (CRM) system, Rate Comparison Tool, phone system, and data portal to reflect the transition.

Irvine Basic Choice Notice Update

The Irvine Basic Choice notice (attached) will be sent to Irvine 100% Renewable Choice customers. Irvine customers currently enrolled in the 100% Renewable Choice plan will receive this notice (the list excludes customers who have previously opted down). The notice was batched to reduce wait and response times for customers who reach out to us via (866) 262-7693 or answers@ocpower.org to take action.

The first batch of mailings was sent on January 10, followed by two additional batches on January 12 and January 14, 2025. Both communication channels will be closely monitored, and we will follow up as soon as possible. The total cost for this first notice includes approximately $1,500 – 2,000 for the design and artwork, $15,293 for the printing of the notice, and $27,696.93 for postage.

A secondary reminder with information about available electric product options will be sent to all Irvine 100% Renewable Choice customers approximately 30 days after the change takes effect.

OCPA Orientation for Director Grandis and Councilmember Go

On January 8, OCPA held an orientation for Director Grandis and another session for Irvine Councilmember Go on January 16. Both Director Grandis and Councilmember Go received an opportunity to meet with executive leadership and learn about OCPA's finance, data analytics,

power resources, communications, external affairs, customer programs, and regulatory and legislative framework.

Assessing California's Climate Policies – Residential Electricity Rates in California

On January 7, the California Legislative Analyst's Office (LAO) released a report called "Assessing California's Climate Policies - Residential Electricity Rates in California". The report addresses key questions about residential electricity rates and provides basic information on the components of rates and how they are determined. It explores the impacts rates can have on the states ambitious climate change-related goals. It identifies wildfire costs, ambitious climate policies, and ratepayer programs (including ZEVs) as some of the key cost drivers. The full report can be found here: https://lao.ca.gov/reports/2025/4950/Residential-Electricity-Rates-010725.pdf

OCPA Year in Review Infographic

The OCPA Year in Review Infographic was emailed on December 23 to our 4,581 newsletter and stakeholder contacts (see attached). Additional content was posted on our social media accounts on December 31. Cheers to an incredible second year of service!

Communications & External Affairs Updates

Picturing a Better Tomorrow – Art Contest

OCPA's Picturing a Better Tomorrow art contest is now open to all kids grades K-6 in our member cities. Here is a link to access the entry form and a link to the press release with all the details. The goal of the content is to gather student artwork that shows how we can work together to combat climate change and make the world a better place for generations to come. Selected pieces from the contest will be utilized in the new OCPA offices as wall art and will be commissioned by a local artist to create a mural for our lobby. Please share with your communities – here are links to our Instagram, and Facebook posts if you can repost them for your network.
https://www.ocpower.org/wp-content/uploads/OCPA-Art-Contest-12.17.24.pdf

Communications

- OCPA Facts and Figures have been developed and will be distributed to stakeholders across our member cities, state offices, and CalCCA (see attached).

Customer Programs

- In December, the Community Advisory Committee was provided with an outline of the approach for OCPA's Community Needs Assessment part of the Community Power Plan. Feedback was requested by January so that it can be incorporated into the survey and outreach plan. The goal is to present the approach and study to the Board at the February 2025 meeting for consideration.

Events & Stakeholder Outreach

The OCPA team attended the following events and community meetings since our last Board meeting:

City	Event & Meetings	Date	Time
Fullerton	Boys & Girls Club of Fullerton Holiday Toy Heist	Friday, December 20	5:00 PM - 8:30 PM
Fullerton	First Night Fullerton	Tuesday, December 31	7:00 PM - 12:00 AM
Fountain Valley	Fountain Valley Mayor's Breakfast	Thursday, January 16	8:00 AM - 9:00 AM

Attachments:

A) Non-Power Supply Contracts In Excess of $50,000 to Under $100,000
B) Quarterly Contract Tracker
C) Irvine Basic Choice Notification Mailer
D) OCPA 2024 Year in Review
E) OCPA Facts and Figures

Orange County Power Authority

Non Power Supply Contracts In Excess of $50,000 to Under $100,000

Item No	Vendor	Term	Contract Amount	Brief Service Description	Remark
None					
1	Golden Communication Inc.	3/1/2024 - 2/28/2026	$39,776	Website maintenance and support related to OCPA's website and related assets	

Board-Approved Non Power Supply Contracts In Excess of $100,000

Item No	Vendor	Term	Contract Amount	Brief Service Description	Remark
1	Best Best & Krieger (BB&K)	Started 12/16/2020	Time and Materials	General Counsel, Financial & Power Procurement, Regulatory, Labor Related, and Special Legal Services	Increase of 4.8% to take effective on February 1, 2025 due to inflation.
2	Maher Accountancy	1/1/2025-12/31/2025	$280,500	Financial accounting and audit assistance services in 2025	Option to extend the contract for 2025 with a 4.66% increase in the NTE amount.
3	GM Business Interiors	5/1/2024 - 4/30/2026	$275,000	New office furniture and installation	In August 2024, the NTE was increased by $25k to purchase additional office furniture.

Orange County Power Authority Contracts
As of December 31, 2024

No.	Vendor	Start Date	End Date	NTE Amount	Expenses recorded against contract	Amount for Work Performed and Invoiced but Not Yet Paid	Remaining NTE Amount	Notes	Contract Approved by the Board?	Contract Reported to the Board?	RFP to be Issued?
1	Best Best & Krieger	12/16/2020	See Notes	See Notes	2,472,339.82		See Notes	General Counsel, Financial & Power Procurement, Regulatory, Labor Related, and Special Legal Services. No NTE amount and contract end date. Costs are variable (time and materials).	Yes	Yes	RFP was issued on 2/24/2023 with one proposal rec'd on 3/17/2023. Pending for Board direction.
2	Calpine Energy Solutions	9/14/2021	9/13/2026	See Notes	4,724,147.54		See Notes	Data Management & Call Center Services. NTE and Amount Paid depend on the number of active accounts during the month.	Yes		
3	Golden Communications	3/1/2024	2/28/2026	39,776.00	5,890.00		33,886.00	Digital Services - Strategic Marketing, Branding, Communications, and Public Education and Outreach Campaign/Program, Website Development Svc.		Yes	
4	Lakeview Business Center LLC (The Irvine Company)	2/19/2024	See Notes	See Notes	68,635.70		See Notes	New office lease 15310 Barranca Parkway, Irvine, CA 92618. The agreement was signed February 19, 2024 but the commencement date is approximately 22 weeks from that date. It is for 84 months (to end at the end of the month). The lease agreement does not have an NTE. The first 5 months are abated. Security deposit, 1st month rent and operating expense was paid in Apr-24.	Yes		
5	Littler Mendelson P.C.	2/22/2024	12/31/2025	94,900.00	-		94,900.00	Labor and Employment Legal Services		Yes	
6	Maher Accountancy	1/1/2024	12/31/2024	268,000.00	268,000.00		-	Accounting Service and Annual Financial Audit Support. Contract has been extended for 2025 with a 4.66% increase in the NTE amount ($280,500).	Yes	Yes	
7	Newgen Strategies & Solutions	7/19/2023	6/30/2025	495,750.00	170,385.29		325,364.71	Rates Strategies, Budget and Projection Modeling, and FP&A Services.	Yes		
8	Orange County Printing Company/ R.R. Donneylley	7/1/2024	12/31/2025	85,970.00	68,416.99		17,553.01	Print House Services	Yes		
9	Pacific Energy Advisors, Inc.	6/9/2021	12/31/2024	1,847,230.00	1,806,938.69		40,291.31	Portfolio Management Services; amended with 10% increased NTE for additional back-office support and feasibility study for potential new members. A new contract for 2025 with a NTE of $588k has been approved by the board on 11/25/2024.	Yes	Yes	
10	Pisenti & Brinker	See Notes	See Notes	84,044.00	84,044.00		-	External Financial Audit Services. Amendment to extend the terms through the issuance of the final audit report for FY23/24 and increase the contract amount to $79,400 (FY21/22 $21k. FY22/23 $29k. FY23/24 $29.4k). Further amendment to increase the contract amount by $4,644 for the FY21/22 audit services due to unexpected out-of-scope work in connection to the member agency and state audits. The total NTE has been adjusted from $79,400 to $84,044.		Yes	
11	Reveille, Inc.	7/1/2023	6/30/2025	2,999,686.00	1,849,386.95		1,150,299.05	Strategic Marketing and Branding Material, PR and Social Media Support	Yes		
12	SDI Presence LLC	4/1/2024	3/31/2026	387,636.00	47,675.50		339,960.50	Managed IT Support	Yes		
13	Southern California Edison	3/28/2021	See Notes	See Notes	1,711,147.69		See Notes	CCA Service Agreement. Contract term from 3/28/2021 to CCA termination date. Billing provided by SCE is set forth in SCE's community choice aggregation tariff, as stated in SCE's Electric Rule 23 and SCE's rate schedules.		Yes	
14	The Energy Authority	4/1/2022	9/3/2026	770,960.00	524,985.30		245,974.70	Scheduling Coordinator, Day Ahead Load Forecasting, and CRR Management Services. Full Service from Commencement Date to 9/3/2026. Amendment to add the load forecast service for $12,160.	Yes	Yes	
15	CPS HR Consulting	6/26/2023	6/30/2025	54,000.00	27,000.00		27,000.00	Professional services for the executive recruitment for the Chief Operating Officer position and the Power Resources Director position		Yes	
16	The Energy Federation	7/1/2023	6/30/2025	400,000.00	180,954.46		219,045.54	Online marketplace to sell devices	Yes		
17	Clean Peaks Energy Services	8/14/2023	12/31/2024	187,500.00	$185,447.50		2,052.50	Provide project management services related to OCPA's return of customers receiving retail electricity service within the City of Huntington Beach to SCE	Yes	Yes	
18	Amperon	5/1/2024	4/30/2025	60,000.00	52,500.00		7,500.00	Long-term and short-term load forecast service for risk management		Yes	
19	Gofarth & Marti, DBA GM Business interiors, a Corporation	5/1/2024	4/30/2026	275,000.00	268,052.84		6,947.16	Furniture for OCPA's new office. The Board approved the contract on 04/30/2024. Amendement to add NTE of $25K in Aug 2024.	Yes	Yes	
20	WeKonnect	5/21/2024	12/31/2024	65,152.29	48,874.25		16,278.04	Cabling access control for OCPA's new office		Yes	
21	The Energy Coalition	9/17/2024	9/17/2026	500,000.00	29,330.24		470,669.76	Develop the Community Power Plan, technical assistance, grant and program support for OCPA's customer programs	Yes		
22	Western A/V	8/21/2024	12/31/2024	97,252.55	96,064.84		1,187.71	Board Room System Equipment and Installation for OCPA's new office		Yes	

ORANGE COUNTY
POWER AUTHORITY
THE POWER OF COMMUNITY

P.O. Box 54283
Irvine, CA 92619-4283

[Recipient Name]
Attn: [Recipient Name]
[Address1]
[Address2]
[City], [State] [Zipcode]

A CHANGE IS COMING TO YOUR RENEWABLE ENERGY PLAN IN FEBRUARY 2025

Starting February 1, 2025, Irvine customers in OCPA's 100% Renewable Choice energy plan will have their energy plan changed to Basic Choice. The Basic Choice plan provides 44% renewable energy (2024 energy mix) - and it costs 3% less than Southern California Edison's equivalent generation rate. It continues to help achieve climate goals AND provides you with cost savings!

HOW THIS CHANGE WILL AFFECT IRVINE 100% RENEWABLE CUSTOMERS

- Customers currently enrolled in the 100% Renewable Choice plan will be seamlessly transitioned to the Basic Choice plan in February on their regular meter read date.
- Customers currently enrolled in the Basic Choice or Smart Choice plan will experience no change, and will remain with their current energy plan.
- Throughout this transition, customers will remain on their current rate schedule, subject to the rates and terms of OCPA.

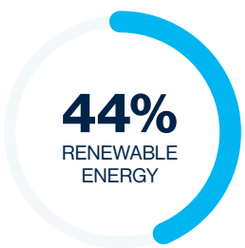
WANT TO STAY AT 100% RENEWABLE AND CONTINUE GETTING THE MOST CLEAN ENERGY POSSIBLE?

Great news! Customers can stay enrolled in the 100% Renewable energy plan by contacting OCPA's customer support team at least 2 days ahead of their February meter read date – at (866) 262-7693 or answers@ocpower.org.

Customers also continue to have the ability to change their OCPA energy plan at any time, before or after the transition period.

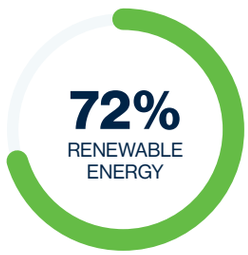
BELOW ARE THE THREE RENEWABLE ENERGY PLANS OFFERED BY OCPA.

Basic Choice Plan
2024 Energy Mix



Costs 3% less than SCE's equivalent generation rate

Smart Choice Plan
2024 Energy Mix



+$.01/kWh
more than Basic Choice

100% Renewable Choice Plan



+$.015/kWh
more than Basic Choice

Continued on back ▶

IRVINE IS LEADING THE RENEWABLE ENERGY MOVEMENT BY PARTNERING WITH LOCAL CITIES TO PURCHASE RENEWABLE ENERGY.

Since 2022, Irvine consumers have helped reduce 2 billion pounds of carbon emissions – that's like taking over 221,000 gas-fueled cars off the road!

There are now more than 2 million California consumers participating in the growing clean energy movement with more cities joining all the time.

Locally, this effort is led by the Orange County Power Authority (OCPA), a not-for-profit partnership between Irvine, Buena Park, and Fullerton. While your monthly bill still comes from Southern California Edison (SCE), which transmits and delivers the energy to your home or business. OCPA is purchasing your energy for you.

The best part? The majority of that energy is from renewable and carbon-free sources!

BY BEING AN OCPA CUSTOMER, YOU ARE HELPING TO REDUCE CARBON EMISSIONS AND LEAD IN THE CLEAN ENERGY TRANSITION.

SCAN THE QR CODE TO SEE HOW OCPA WORKS

Irvine is one of the first cities in Orange County to give customers choice in their electricity provider and renewable energy plan to reduce Irvine's dependence on fossil fuels.

In 2023, OCPA provided 86% renewable energy from 81% carbon-free resources, helping to green the grid.

HERE'S HOW IT WORKS

OCPA purchases energy on your behalf and puts it onto the California electric grid, while SCE continues to deliver the energy to your home or business.

The great thing about community energy providers like OCPA is that they purchase more renewable energy to put onto the California electric grid than investor-owned utilities. Over time, the blend of renewable energy reaching homes and businesses will get greener and greener.



Source
OCPA buys electricity from traditional and renewable resources.

Delivery
SCE delivers the electricity and maintains the electric grid.

Customer
Customer chooses how much renewable energy they want OCPA to purchase on their behalf to put onto the electric grid to help climate change.

THANK YOU FOR SUPPORTING THE RENEWABLE ENERGY MOVEMENT. OCPA IS PROUD TO BE YOUR RENEWABLE ENERGY PROVIDER.

Sincerely,

Orange County Power Authority

(866) 262-7693
ocpower.org

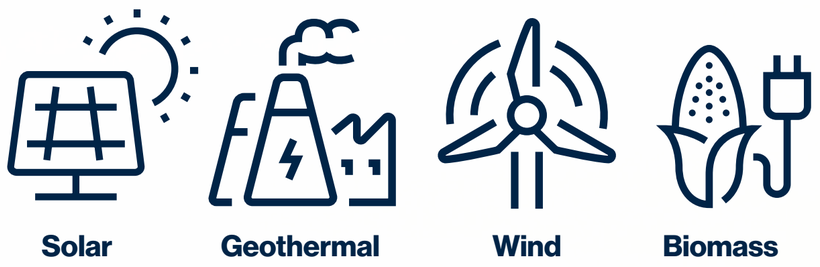
2024 YEAR IN REVIEW

Cheers to an incredible second year of service! Orange County Power Authority is proud to serve more than 175,000 residential and commercial customers who are building healthier, more resilient communities by choosing clean energy through OCPA. OCPA is delivering on its promise of clean energy at competitive rates making it one of the top clean energy providers in California.

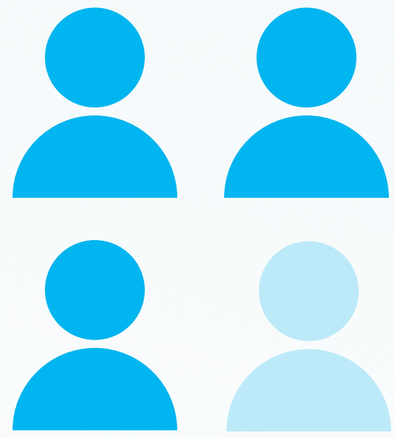
3
Renewable energy plans

Basic Choice plan **costs 3% less** than SCE's equivalent generate rate

4 types of renewable energy purchased



Nearly **3 out of 4 customers** chose 100% renewable energy



175,000+
residential and commercial customers in 3 member communities

- Buena Park
- Fullerton
- Irvine

In 2 years, OCPA customers have saved

$17.4M
across all plans



$2.9M+
for Basic Choice plan

OCPA added a new member city

Fountain Valley

Service starts in October 2026



4 **additional city councils** received presentations about OCPA membership

Over 100 years of collective experience



48 years in local government

34 years in municipal-owned utilities

28 years in investor-owned utilities

15 years in community choice aggregation

15 years in energy and energy programs

86% of renewable energy sourced from 81% carbon-free resources

Since launch in 2022,

2 billion lbs. of CO2 emissions reduced =

221,373 gas-powered vehicles off the road

40.4 M trash bags of waste recycled

Carbon sequestered by planting more than 15.3 million tree seedlings grown for 10 years

5 nonprofits awarded Bright Futures grants

to educate communities on the benefits of renewable energy and community choice aggregation

- Buena Park Middle School Future Farmers of America
- Girl Scouts of Orange County
- Cool OC
- OC Goes Solar
- The Dragon Kim Foundation

28 community events in Buena Park, Fullerton and Irvine

15 Green P100NEERS choosing 100% Renewable Energy for their businesses

2 **New discount & incentive programs**

OCPA Incentive Finder – a free one-stop shop to identify all available state, federal, and local programs and rebates

E-Bike Safety & Incentive Program – partnered with local bike shops in member communities to provide discount vouchers for the purchase of e-bikes and helmets for customers completing an e-bike safety course

Top U.S. Green Power Provider
by the National Renewable Energy Laboratory

Leader in Sustainability Honoree
by the Orange County Business Journal

Community Impact Award
from the Orange County Iranian American Chamber of Commerce

Clean Energy Partner of the Year
from the Asian Business Association of Orange County

Green Region: Resource Conservation and Climate Action Honorable Mention
from the Southern California Association of Governments (SCAG)

Elevate Award
from the Filipino American Chamber of Commerce of Orange County

ocpower.org



ORANGE COUNTY POWER AUTHORITY
THE POWER OF COMMUNITY

Orange County's clean energy provider

Orange County Power Authority (OCPA) delivers on the promise to provide renewable energy at competitive rates

OCPA's most recent 2023 Power Content Label shows that energy purchased on behalf of customers was 86% renewable and 81% carbon free.

In two years, OCPA has reduced carbon emissions by over 2 billion pounds. That's like taking more than 221,000 gas-fueled cars off the roads.

OCPA offers three renewable energy plans so that customers can choose the one that works best for them including one that costs 3% less than Southern California Edison's (SCE) equivalent generation rate.

For those who can and want to do more to reduce carbon emissions, they can enroll in the Smart Choice or 100% Renewable Energy plans.

OCPA purchases renewable energy on behalf of its customers, while Southern California Edison (SCE) continues to deliver energy to homes and businesses

OCPA purchases the energy that customers use, this appears on the bill as "generation" charges.

SCE delivers to customers the energy that OCPA purchases, this appears on the bill as "delivery" charges.

Not-for-profit renewable energy providers, like OCPA, are accelerating the clean energy transition

OCPA is one of 25 Community Choice Aggregators (CCA) in California purchasing more renewable energy to put onto the electrical grid at a faster rate than the for-profit utilities.

As more clean energy is put on the electric grid, the blend of clean energy reaching all homes and businesses will be greener over time. This process is reducing carbon emissions throughout California.

OCPA is one of the cleanest and greenest community energy providers in California

OCPA has been nationally recognized as a Top Green Power Provider by the National Renewable Energy Laboratory for two years in a row.

OCPA exceeds the mandatory state requirements for the purchase of renewable energy and also exceeds its voluntary renewable energy goals for each renewable energy plan.

OCPA purchases renewable and carbon-free energy including solar, wind, geothermal, hydropower, and biomass on behalf of its customers.

How clean energy procured by OCPA gets to customers

OCPA buys the amount of energy that customers use, including the amount of clean energy designated in their selected plans. This electricity is fed onto the statewide electric grid and then moves to customers through infrastructure (poles and wires) owned by SCE.

OCPA puts more renewable energy onto the electric grid at a faster rate than the for-profit utilities.

As more renewable energy goes onto the electric grid, the blend of energy reaching homes and businesses is greener. This is helping the state of California reach its clean energy goals.

All customers receive the same blend of energy to their homes. OCPA customers are greening the grid over time for everyone, decreasing carbon emissions.

OCPA is committed to affordability

OCPA's Basic Choice plan costs 3% less than SCE's equivalent generation rate.

This cost – for the energy used by a customer – is listed on the bill as "generation."

Total customer bills also include "transmission and delivery" charges from SCE.

In two years of service, OCPA's Basic Choice customers have saved over $2.9 million.

In 2023 alone, the 25 CCAs across California saved electricity customers roughly $760 million compared to the investor-owned utilities.

Throughout California, community energy providers are working collectively at the state and federal level to save customers money.

OCPA customers remain eligible for low-income programs, including California's Alternate Rates for Energy (CARE) and Family Electric Rate Assistance (FERA) rate discounts.

OCPA reinvests revenue back into its member communities

OCPA reinvests revenue into its member communities through energy efficiency programs including grants, home energy upgrades, and credit for excess solar energy.

Community energy providers in California have also leveraged green bonds to save money on energy purchases, and pass along the savings to customers on their electricity bills.

For solar customers, OCPA's net surplus compensation rate (NSC) is 10% higher than SCE's prevailing NSC rate

OCPA solar customers who produce more energy than they use in a 12-month period receive 10% more for the surplus clean energy they add to the grid than they would with SCE.

OCPA is fiscally responsible

OCPA's most recent independent audit highlighted OCPA's "strong financial health."

OCPA's solid financial performance helps protect customers from unexpected energy cost increases and ensures competitive electricity generation rates.

The audit indicates strong accuracy and reliability in OCPA's financial reporting.

This latest audit echoes OCPA's previous three "clean audit opinions."

OCPA's rigorous financial planning and procurement practices strive to protect customers from rate volatility.

OCPA has been recognized locally and nationally

Honorable Mention, Southern California Association of Governments' Sustainability Award "Green Region Initiative: Climate Action and Resource Conservation" (2024).

Leader in Sustainability Honoree, *Orange County Business Journal (2024).*

Environmental, Social, Governance Honoree, *Orange County Business Journal (2023).*

Top U.S. Green Power Provider, National Renewable Energy Laboratory (2023, 2024).

Elevate Award, Filipino American Chamber of Orange County (2023, 2024).

Clean Energy Partner of the Year, Asian Business Association of Orange County (2024).

Sustainability Advocate of the Year, Asian Business Association of Orange County (2023)

Community Impact Award, Iranian American Chamber of Commerce (2024).

OCPA is committed to transparency and awareness

OCPA has a robust marketing and public outreach program to continue raising awareness of OCPA's clean energy mission and goals.

SCE renewable energy plans are not open for enrollment

SCE has a Green Tariff Shared Renewables program (Green Rate program) that allows customers the opportunity to purchase more energy from renewable sources.

The volume of interest for the Green Rate program has exceeded the amount of capacity available from approved Green Rate resources.

Until new Green Rate resources are contracted, or otherwise ordered, or authorized by the CEC, SCE will maintain a waitlist of customers interested in participating in the Green Rate program.

Out of approximately 5 million accounts in the full SCE service area, approximately 3,000 accounts are enrolled in the Green Rate program.

OCPA has the ability to procure as much renewable energy as customers desire based on their selected OCPA renewable energy plan.

For more information, visit **ocpower.org**