

AGENDA

ORANGE COUNTY POWER AUTHORITY MEETING OF THE BOARD OF DIRECTORS

**Tuesday, June 18, 2024
10:00 a.m.**

This meeting will proceed as an in-person meeting at **Travelers Building, 3333 Michelson Dr., Irvine, CA 92612 in the Palm Room**. 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: 821 0929 1952

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. **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.

7. **COMMITTEE REPORTS**

1. **COMMUNITY ADVISORY COMMITTEE UPDATE**

Recommended Action:

Receive and file.

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 REGULAR BOARD MEETING OF MAY 21, 2024**

Recommended Action:

Approve as submitted.

2. **REGULATORY AND LEGISLATIVE UPDATE**

Recommended Action:

Receive and file.

3. **RISK OVERSIGHT COMMITTEE UPDATE**

Recommended Action:

Receive and file.

4. **APPROVE RATE STABILIZATION FUND POLICY**

Recommended Action:

Adopt a Resolution of the Board of Directors of the Orange County Power Authority approving Policy No. 24, Rate Stabilization Fund Policy, and establishing a Rate Stabilization Fund (RSF) under Government Accounting Standard Board (GASB) Standard 62 for the purpose of stabilizing customer electric generation charges.

5. PUBLIC RECORDS ACT REPORT

Recommended Action:

Receive and file.

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. STRATEGIC PLAN PRESENTATION AND DISCUSSION

Recommended Action:

Approve the revised 2024 Strategic Plan

2. APPROVE OCPA'S FISCAL YEAR 2024/2025 OPERATING BUDGET

Recommended Action:

1. Approve FY2024/25 Proposed Operating Budget, as detailed in Attachment 1.
2. Approve proposed four additional full-time positions and their draft job descriptions for FY2023/24, as detailed in Attachment 3 to 6.
3. Approve proposed 3.9% Cost-of-Living Adjustment (COLA) for all full-time employees, effective January 1, 2025. The budgetary salary maximum pay range will be updated accordingly, as presented on page 18 of Attachment 2.
4. Dissolve Ad-Hoc Committee for Development of the FY24/25 Budget.

10. 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.

11. 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 3349 Michelson Drive, Suite 200, Irvine, CA 92612. Please contact clerk@ocpower.org to arrange an appointment.



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

Tuesday, May 21, 2024

1. CALL TO ORDER

Chair Jung called to order the Regular Meeting of the Orange County Power Authority Board of Directors at 10:02 a.m. on Tuesday, May 21, 2024.

2. PLEDGE OF ALLEGIANCE

Vice Chair Sonne led the Pledge of Allegiance

3. ROLL CALL

Present:	Director Tammy Kim	City of Irvine
	Director Kathleen Treseder	City of Irvine (Arrived at 10:10 a.m.)
	Vice Chair Susan Sonne	City of Buena Park
	Chair Fred Jung	City of Fullerton

Absent:	Director Casey McKeon	City of Huntington Beach
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4. PUBLIC COMMENTS ON AGENDA ITEMS – None.

5. PUBLIC COMMENTS ON NON-AGENDA ITEMS – None.

**6. DIRECTOR ANNOUNCEMENTS & REPORTS ON CONFERENCES/EVENTS
ATTENDED – None.**

7. COMMITTEE REPORTS

1. COMMUNITY ADVISORY COMMITTEE UPDATE

Community Engagement Manager Kraemer provided the report from their May 13, 2024, Committee Meeting as follows:

- On Monday, May 13th, 2024, at 6:00 p.m., a quorum of seven Community Advisory Committee (“CAC”) members (Chair Ziemer, Vice Chair Masri, Second Vice Chair Nanda and Committee Members Elliot and Futch, Neal, and Figueroa) were present and held their monthly meeting with the OCPA team. The Oath of Office was provided by Board Clerk Jacques-Nares to the new Committee Member, Nayeli Figueroa of Buena Park.

- The CAC received an update on Youth and School Outreach. Community Engagement Manager Linda Kraemer shared outreach efforts to K-12 schools as well as community college and college/university students. Efforts are being made to reach customer students who attend other districts in neighboring cities of Anaheim, La Palma, Tustin and Cypress. The CAC suggested reaching youth through environmental STEAM programs, science and art fairs, and learning centers such as the Discovery Cube.
- The Committee received a report on the CalCCA Annual Conference. The CAC received a thorough report from Chair Ziemer and Committee Member Futch on their recent attendance at the annual CalCCA conference. The two shared briefings from workshops which included topics of resilience, technologies in communities, transmissions challenges and solutions, scaling battery storage, virtual power plants, and managing load in warmer summers and winters.
- The Committee voted to reschedule the June 10th 2024 Regular CAC Meeting to a regular CAC meeting on June 13, 2024 in order to accommodate a special presentation by Pacific Energy Advisors, Energy 101.
- The Committee received a staff update which included updates on the community power plan, CicloIrvine, the OCPA E-Bike Safety Incentive Pilot Program, SCAG Conference attendance and Earth Month updates.

COMMITTEE MEMBER ANNOUNCEMENTS & COMMENTS

- Committee Member Elliot shared about the new IShuttle in Irvine and encouraged ridership and support.
- Vice Chair Masri shared about a program with “National Core” that combined affordable housing and quick access to public transportation.
- As a future agenda Item, Second Vice Chair Nanda requested an update on staffing and budget considerations following Huntington Beach's departure.
- CAC members were provided with the list of events that OCPA would be participating in for the months of March and April. CAC members were invited to join staff at the events.

8. CONSENT CALENDAR

ACTION

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

Approve consent calendar items 8.1 – 8.5.

The motion carried by the following 3-0-2 vote:

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

1. MINUTES FOR THE REGULAR BOARD MEETING OF APRIL 30, 2024

Action Taken:

Approved as submitted.

2. MARKETING AND COMMUNICATIONS UPDATE FOR MARCH – APRIL 2024

Action Taken:

Received and filed the Marketing & Communication update for March-April 2024.

3. APPROVE UPDATE TO BOARD AND COMMITTEE COMPENSATION & REIMBURSEMENT POLICY

Action Taken:

Approved Amendments to Policy No. 5, Board of Directors, and Community Advisory Committee Members' Compensation and Expense Reimbursement Policy to update provisions related to reimbursement for meals.

4. REGULATORY AND LEGISLATIVE UPDATE

Action Taken:

Received and filed.

5. TREASURER'S REPORT – FISCAL YEAR ENDED MARCH 31, 2024 AND Q1 2024 CHECK REGISTER

Action Taken:

Received and filed.

9. REGULAR CALENDAR

1. APPROVAL OF REVISED OCPA SALARY GRADES AND EMPLOYEE SALARY RANGES

Chair Jung thanked Vice Chair Sonne and Director Kim for their work on the Budget Ad Hoc Committee and this item. He further thanked staff for taking their inputs and make the revisions.

Director Kim stated was pleased with the revisions. She believed that OCPA would now set the benchmark for the other CCAs with this approach to structuring salary grades.

Director Kim made the motion, seconded by Director Treseder to:

Approve the revised OCPA Salary Grades and Employee Salary Ranges as proposed in Attachment 1.

The motion carried by the following 4-0-1 vote:

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

10. STAFF REPORT

CEO Mosca highlighted OCPA receiving an honorary mention award from the Southern California Association of Governments (SCAG) at their 2024 Sustainability Awards for their green initiative. He presented the Award to the Board.

RECESS AND RECONVENE

Chair Jung recessed the meeting at 10:21 a.m. and reconvened the meeting at 10:26 a.m.

11. STRATEGIC PLAN PRESENTATION AND DISCUSSION

Chair Jung stated that the vision statement needed to include a statement on being competitive in terms of rates. CEO Mosca clarified this as competitive rates, affordability, and consumer-centric.

Director Kim requested that staff work with the regional chambers that cover our service areas and potential new cities.

Vice Chair Sonne asked if an annual event was listed in the Enriching and Expanding the OCPA Community goal.

Management Analyst Viramontes stated it was not but would add a couple for Board consideration.

Director Treseder stated that objective number five from the Move Toward a More Sustainable Electric Grid goal is the main reason that OCPA was founded and requested that it be moved up on the list to highlight its importance. She also questioned the use of the phrase “a roadmap toward.” Chair Jung asked Director Treseder if she preferred that “a roadmap toward” be removed from objective five. She affirmed that suggestion.

Chair Jung further requested that a different term be used instead of “feed-in tariff” in objective one. CEO Mosca suggested using “local generation,” which Chair Jung affirmed.

Chair Jung recommended to CEO Mosca that he, as the organization's leader, should know that customers will demand technical accountability from staff. He thanked the previous

Directors for the work on the previous plan created last year and the current Directors and staff for their continued input.

Vice Chair Sonne thanked staff for being mindful of keeping this an organic process and in a ready state. She was very proud of the document.

Director Treseder was pleased with the document and proud of all the objectives accomplished. She thanked staff and CEO Mosca.

Regulatory and Legislative Manager Halligan stated it was a group effort.

Action Taken:

1. Reviewed 2023-26 Strategic Plan and additional considerations presented by staff.
2. Provided guidance and direction to staff regarding 2024 priorities.

12. ADJOURNMENT

There being no further business to come before the Board, Chair Jung adjourned the May 21, 2024, Orange County Power Authority Board Regular meeting at 11:12 a.m.

Submitted by:

Pat Jacquez-Nares, Authority Secretary

ORANGE COUNTY POWER AUTHORITY
Staff Report – Item 8.2

To: Orange County Power Authority Board of Directors

From: Steven Halligan, Regulatory and Legislative Manager

Approved By: Joe Mosca, Chief Executive Officer

Subject: REGULATORY AND LEGISLATIVE UPDATE

Date: June 18, 2024

RECOMMENDED ACTION

Receive and File.

REGULATORY UPDATE

Orange County Power Authority (OCPA) staff are monitoring several ongoing regulatory proceedings at the California Public Utilities Commission (CPUC), California Independent System Operation Corporation (CAISO), and California Energy Commission (CEC). A brief description of the proceeding and any current status updates are provided below.

Provider of Last Resort (POLR) - R.21-03-011

The CPUC issued a Scoping Ruling on September 16, 2021, to set forth the scope in the POLR proceeding. This proceeding implements the POLR requirements and framework directed by SB 520. The POLR proceeding will be considered in three phases. P1 will focus on issues necessary to establish a comprehensive framework for existing POLRs. P2 will set rules that allow a different entity to be designated as the POLR. P3 may be opened to consider any additional issues not covered in P1 or P2.

A decision was adopted on April 18, 2024. The decision requires all CCAs, regardless of their financial standing or years of operation, to provide to Energy Division a copy of their most recent audited financial information. The audited financial statement shall be provided once a year, in January or July, whichever comes earlier relative to the availability of the audited financial statement. CCA's must also monitor and report within 10 days if their DLOH is less than 45 days, cash reserves fall below 5% of annual expenses, defaults on one or more procurement contracts required to meet RA requirements, or receives a credit rating below BBB-/Baa3.

Renewables Portfolio Standard (RPS) Program – R.18-07-003 & R.24-01-017

The RPS proceeding monitors compliance by “retail sellers,” including IOUs, CCAs and ESPs, within the RPS program. Current RPS rules require 60 percent of retail sales to be from RPS-eligible resources by 2030, and at least 65 percent of the procurement a retail seller counts toward

the RPS requirements to be from long-term contracts (ten years or more in duration). In addition, the RPS proceeding is the venue in which the PCIA/RPS Voluntary Allocation and Market Offer (VAMO) is being considered.

The Commission opened a new proceeding, R.24-01-017 to continue implementation and administration of the RPS program.

A delay in the receipt of Renewable Energy Credits (RECs) for renewable transitions, including the IOU Voluntary Allocation and Market Offer (VAMO) contracts is affecting LSE's across the state including most CCA's. The delays stem from a software issue in the WREGIS, which issues the RECs. These delays could impact compliance deadlines at the CEC (Power Source Disclosure, Power Content Label, and Renewable Portfolio Standards), the CPUC (Joint Rate Mailer, Renewable Portfolio Standards), and California Air Resources Board (CARB) (Mandatory Reporting Requirements). The CEC has extended the deadline for the PSD LSE filings from June 1, 2024 to July 1, 2024.

Resource Adequacy (RA) - R.21-10-002 and R.23-10-011

The OIR for R.21-10-002 set forth the following objectives: to continue the CPUC's oversight of the 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 PRM, and revisions to RA counting. The reform track considers broader structural changes to effectuate a 24-hour 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: Adoption of local and flexible RA requirements, LOLE study and PRM, 24-hour SOD framework, UCAP, QC counting conventions, RA compliance and penalties, and other refinements to the RA program.

A proposed decision (PD) was issued on May 17, 2024. The PD declines to delay Slice of Day (SOD), adopts a 17 percent PRM, rejects temporary system RA waivers, and allows new resources with a COD after T-30 and before the start of the RA compliance month (T-1) to count towards that month's RA compliance, on an interim basis during the summer months of July and September. Opening Comments on the DP are due June 6, 2024, and reply comments are due June 11, 2024.

LEGISLATIVE UPDATE

In the State Legislature the deadline for bills to pass out of their house of origin was May 24. Of the 94 pieces of legislation being tracked by OCPA, 44 are no longer active. A list of active legislation being monitored is attached.

FISCAL IMPACT

None

ATTACHMENTS

A) 2024 OCPA Legislative Tracker

OCA Bill - Tracker - 2024 Legislative Session - Updated 6/6/2024

ACTIVE

Bill	Author	Topic	Summary	Hearing Date	Location	Past Actions
AB 1834	Garcia	POUs and the SRRP	The bill appears to clarify that the identified reliability needs for the POU is determined by the POU and not DWR or CPUC.		Referred to Com. On E., U. & C.	Amended 4/15/24
AB 1852	Pacheco	Joint powers agencies: Clean Power Alliance of Southern California: meetings.	Extends a sunset for another five years to allow non-elected alternate board members to participate in closed session CPA board meetings when the primary board member is unable to attend. The provisions in law are specific to Clean Power Alliance and do not apply to other local agencies.		In Senate. On Consent Calendar	4/4/24: Passed by Assembly floor 70-0 3/20/24: Passed by Asm. Local Government 8-0, ordered to consent calendar
AB 1912	Pacheco	Electricity: measures imposing mandated programs and requirements: third-party review.	This bill would require a 3rd party review (specifically UC Berkeley) of legislation that would propose new IOU mandated programs or requirements to be completed prior to a policy committee hearing the bill.		Referred to Com. On E., U. & C.	Amended 3/18/24 3/13/24: Passed Asm. U&E 13-0 w/ Committee amends
AB 1918	Wood	Trinity Public Utility District, Rooftop Exemption	Exempts buildings in service territory of a public utility district from being required to meet CEC building standards if the electricity they receive is already carbon free.		Referred to Com. On HOUSING	4/2/24: Passed by Asm. B&P 18-0 as amended Amended 3/18/24 3/13/24: Passed Asm. U&E 15-0 as amended
AB 2037	Papan	EVSEs and accuracy	Allows a county sealer to test and certify EV charging stations. If the sealer determines a EVSE is inaccurate, they must notify the owner/operator of the station, and may choose to close the station. During the closure, people can park at the station for free.		Referred to Com. On B., P., & E. D.	Amended 6/4/2024
AB 2054	Bauer-Kahan	CEC Commissioners; future employment prohibition	This bill would prohibit a member of the Energy Commission from being employed by an entity subject to regulation by the Energy Commission for a period of 3 years after ceasing to be a member of the Energy Commission. The bill would prohibit a member of the Energy Commission from accepting a gift from an entity subject to regulation by the Energy Commission. By expanding the application of an existing crime, this bill would impose a state-mandated local program.		Referred to Com. On E., U. & C.	Amended 4/8/24 4/3/24: Passed by Asm U&E 12-2 Amended 3/21/24

OCA Bill - Tracker - 2024 Legislative Session - Updated 6/6/2024

ACTIVE

Bill	Author	Topic	Summary	Hearing Date	Location	Past Actions
AB 2109	Carrillo, Juan	Electricity: surcharge exemption: industrial process heat recovery	This bill would specify that the enhancement or increased efficiency of equipment occurring in the normal course of business includes industrial process heat recovery technology that meets prescribed requirements. The bill would prohibit nonbypassable or departing load surcharges from applying to a reduction in kilowatt-hours of electricity that an electrical corporation customer consumes from the electrical grid in a metered interval due to industrial process heat recovery technology that meets prescribed requirements.		Referred to Com. On E., U. & C.	Amended 4/22/24
AB 2292	Petrie-Norris	Electrical transmission facilities: certificates of public convenience and necessity.	Stop PUC from having to consider cost effective alternatives while considering an application for a certificate of public convenience and necessity for an electric transmission facility		Referred to Com. On E., U. & C.	4/3/24: Passed by Asm. U&E 14-0
AB 2331	Gabriel	Voluntary carbon market disclosures	This bill clarifies the definition of voluntary carbon offsets by excluding renewable energy certs issues through an accounting system of a governmental regulatory body, a VPP agreement, or a LCFS credit.		Referred to Coms. On E.Q. and JUD	Amended 3/21/24
AB 2368	Petrie-Norris	CAISO outage review	Requires CAISO to review any outage that affects at least 10% of customers of an entity and report if the outage is due to insufficient procurement of generation resources.		Referred to Com. On E., U. & C.	Amended 3/21/24
AB 2427	McCarty	Curbside EV charging	This bill would require the office to develop a model permitting checklist, model zoning ordinances, and best practices for permit costs and permit review timelines to help local governments permit curbside charging stations as part of the office's development of the Electric Vehicle Charging Station Permitting Guidebook or any subsequent updates. The bill would also require the office to consult with local governments, electric vehicle service providers, and utilities while developing the above-described materials.		Referred to Com. On L. GOV. & E., U. & C.	4/10/24 Passed by Asm. Local Government 9-0 Amended 4/2/24
AB 2453	Villapudua	Weights and measures: electric vehicle chargers and electric vehicle supply equipment	Would authorize a measuring instrument used to measure the amount of electricity transferred from an electric vehicle charger to be used in connection with the sale of electricity as a motor vehicle fuel without first being tested if it is a type approved by the department, is calibrated and sealed by the manufacturer, and is unalterable		Referred to Com. On B., P., & E. D.	Amended 4/18/2024
AB 2462	Calderon	Public Utilities Commission: written reports: energy	This bill would require that report to also consider how the adoption of electrification may impact total energy costs borne by consumers, as specified, and contain recommendations that may take longer than 12 months to implement, but could lead to substantial reductions in monthly electricity bills. The bill would also expand the above-described goals to additionally include goals for encouraging beneficial electrification.		Referred to Com. On E., U. & C.	Amended 4/8/24 4/3/24: Passed by Asm. U&E 16-0 Amended 4/1/24 Amended 3/21/24

OCPA Bill - Tracker - 2024 Legislative Session - Updated 6/6/2024
ACTIVE

Bill	Author	Topic	Summary	Hearing Date	Location	Past Actions
AB 2513	Pellerin	Gas stoves warning label	This bill would prohibit a person from selling, attempting to sell, or offering to sell to a consumer in this state a gas stove, as defined, that is manufactured or sold online on or after January 1, 2025, or sold in a store on or after January 1, 2026, unless the gas stove bears a label attached in a conspicuous location and, for online sales, unless the internet website prominently posts a warning, that sets forth a specified statement relating to air pollutants that can be released by gas stoves and that is attached to the gas stoves, among other requirements.		Referred to Com. On E.Q.	Amended 4/3/24
AB 2537	Addis	Monitoring offshore wind and CA’s ocean	Creates a fund to provide grants to local communities and tribal communities to participate in the planning around offshore wind.		Referred to Com. On E., U. & C. and N.R. & W.	Amended 4/10/24 4/8/24 Nat. Resources hearing cancelled at request of author Amended 3/21/24
AB 2559	Petrie-Norris	Local planning: electric vehicle service equipment: permitting delays	Require Go-Biz to create and maintain a website to collect info for delays/denials in permitting of EVSE. Establish working group.		Referred to Com. On B., P., & E. D.	4/10/24 Passed by Asm. Local Goverment 9-0
AB 2661	Soria	Electricity: transmission facility planning: water districts	Cost assessment for deploying solar in central valley and incorporate in next CAISO portfolio. Water districts can own and operate solar/storage.		Referred to Com. On L. GOV. & E., U. & C.	
AB 2666	Boerner	IOU rate of return	Requires the IOUs to refund revenues collected in excess of their rate of return, to refund those revenues to its ratepayers.		Referred to Com. On E., U. & C.	Amended 3/21/24
AB 2779	Petrie-Norris	CAISO transmission planning reporting	Requires CAISO tranmission plans to include the new use of grid enhancing technologies deemed reasonable by CAISO in that plan and the cost of efficiency savings of the deployment of those technologies.		Referred to Com. On E., U. & C.	Amended 3/21/24
AB 2815	Petrie-Norris	Clean Transportation Program: electric vehicle charging stations	Would provide grants under the Clean Transportation Program for repairs to EV charging infrastructure		Referred to Com. On TRANS	Amended 6/4/2024

OCPA Bill - Tracker - 2024 Legislative Session - Updated 6/6/2024
 ACTIVE

Bill	Author	Topic	Summary	Hearing Date	Location	Past Actions
AB 2847	Addis	Utility application for cost recovery requirements	his bill would require an electrical corporation’s or gas corporation’s application requesting authorization for or recovery of capital expenditures to include its best estimate of the application’s impact on its annual revenue requirement for each year that the capital expenditures described in the application are expected to remain in the application’s rate base if the application is approved or conditionally approved and to include the net present value of those impacts. The bill would further require the commission to require the electrical corporation or gas corporation to provide supporting workpapers and calculations for the estimates.		Referred to Com. On E., U. & C.	4/3/24: Passed by Asm. U&E 13-2 Amended 3/21/24
AB 3006	Zbur	Offshore wind infrastructure; Workforce needs	Adds offshore wind to the definition of "infrastructure" to the Governor's five year infrastructure plan and directs the CEC and WDB to jointly determine immediate and long-term workforce needs.		Referred to Com. On E., U. & C. and G.O.	Amended 4/8/24 4/3/24: Passed by Asm. U&E 16-0 Amended 4/1/24 Amended 3/21/24
AB 3111	Calderon	DERs and aggregated DERs: Reporting to CEC	Requires applicants for large new customer-sited solar and storage projects to notify the public and the California Energy Commission (CEC) of the installation and scope of these facilities.		Referred to Com. On E., U. & C.	
AB 3130	Quirk-Silva	Public officers; financial interest	Expands the fincial conflict of interest law to include additional family members.		Referred to Com. On L. GOV	Amended 4/1/24 Amended 3/21/24
AB 3238	Garcia	Electrical infrastructure; endangered species	Streamlines endangered species under CESA + streamlined CEQA for electrical infrastructure projects		Referred to Com. On E., U. & C. and E.Q.	Amended 4/8/24 4/3/24: Passed by Asm. U&E 13-1
AB 3246	Garcia	Transmission conductor; technology	This bill would require the commission, on or before January 1, 2026, to update the above-described general order to provide an exemption that would instead authorize an electrical corporation to seek the commission’s approval of advanced reconductoring, as defined, of its existing electrical transmission facilities through the commission’s informal advice letter process, as specified. The bill would require this advice letter to contain certain information, including, among other information, an estimate of the increased capacity expansion.		Referred to Com. On E., U. & C.	Amended 3/18/24
AB 3247	Irwin	Public Advocate’s Office: appointment of the director	Requires the director of the Public Advocate’s Office (PAO) to be alternately appointed for 4-year terms by the Speaker of the Assembly and the President pro Tempore of the Senate.		Referred to Com. On E., U. & C.	4/3/24: Passed by Asm. U&E 16-0

OCPA Bill - Tracker - 2024 Legislative Session - Updated 6/6/2024

ACTIVE

Bill	Author	Topic	Summary	Hearing Date	Location	Past Actions
AB 3256	Irwin	Memorandum and balancing accounts: reports to the Legislature	Would require the California Public Utilities Commission determine whether investor-owned utility balancing accounts have achieved their intended purpose, and whether future cost increases are justified if the intended purpose has not been achieved.		Referred to Com. On E., U. & C.	
AB 3263	Calderon	Electrical corporations: financing orders: wildfire mitigation expenses	This bill would, in addition to expenses related to catastrophic wildfires, authorize the use of a financing order to recover the costs of wildfire mitigation efforts, operational and maintenance expenses related to an electrical corporation’s wildfire mitigation plan, wildfire risk mitigation costs, and vegetation management costs and expenses.		Referred to Com. On E., U. & C.	
AB 627	Jackson	California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project	Implements a sliding scale voucher program; requires CARB to issue vouchers for new clean vehicles and for retrofits of existing vehicles and would focus the vouchers on smaller fleets.		Referred to Com. On E.Q. And TRANS	
AB 637	Jackson	Zero-emission vehicles: fleet owners: rental vehicles	Requires CARB to authorize a fleet owner's rental of a ZEV, or ZEVs, for a cumulative total of 260 days per year to be considered ownership of one ZEV.		Referred to Com. On E.Q. And TRANS	
AB 817	Pacheco	Open meetings: teleconferencing: subsidiary body.	Allows a subsidiary body of a local agency to teleconference without meeting all of the teleconferencing requirements of the Brown Act until January 1, 2026,		In committee: Set, second hearing. Failed passage. Reconsideration granted.	
SB 1003	Dodd	Safe, timely and affordable infrastructure upgrades	Direct the Office of Electrical Infrastructure Safety to consider the timeliness of investor-owned utility electrical infrastructure upgrades when reviewing the utilities’ wildfire mitigation plans to ensure that the maximum amount of risk from utility sparked wildfires is reduced in the shortest amount of time.		Referred to Com. On U. & E.	Amended 6/3/2024
SB 1006	Padilla	Electricity: transmission capacity: reconductoring and grid enhancing technologies	CPUC must ensure CA on track to deliver specified transmission capacities by certain dates and annually report to Legislature. CPUC must conduct study on cost savings + efficiencies from using reconductoring and other grid enhancing tech to improve grid reliability		Referred to Com. On U. & E.	Amended 3/18/24

OCA Bill - Tracker - 2024 Legislative Session - Updated 6/6/2024

ACTIVE

Bill	Author	Topic	Summary	Hearing Date	Location	Past Actions
SB 1018	Becker	Exception to “over the fence” rule to further use of renewables	This bill would revise the definition of “electrical corporation” to exclude a corporation or person employing certain solar or wind generating technology if the electrical energy is transmitted exclusively and directly through private electric lines to a facility owned by a different corporation or person that uses the energy only for (1) an electrolyzer technology facility that produces hydrogen from water, or (2) a facility using the electricity to provide industrial process heat, but not for departing electric load, as specified. The bill would also make various nonsubstantive changes.		Referred to Com. On U. & E.	Amended 6/4/2024
SB 1054	Rubio	Climate Pollution Reduction in Homes Initiative: natural gas: customer credit	Energy Commission/CPUC supervises the Climate Pollution Reduction in Homes, requiring gas corporations to award grants; use 15% of its revenues to the CPRG in Homes Initiative		Referred to Com. On U. & E.	
SB 1062	Dahle	Biomass procurement mandate	Requies IOUs and POUs to procure 125 mw of biomass from facilities that have converted to advanced bioenegy technology facilities.		Referred to Com. On U. & E. and NAT. RES.	Amended 4/3/24
SB 1130	Bradford	Annual FERA reporting	This bill would expand eligibility for the FERA program by eliminating the requirement that a household consist of 3 or more persons. The bill would require the commission, by March 1, 2025, and each year thereafter, to require the state’s 3 largest electrical corporations to report on their efforts to enroll customers in the FERA program. The bill would require the commission, by June 1, 2025, and each year thereafter, to review each electrical corporation’s report to ensure it has sufficiently enrolled eligible households in the FERA program commensurate with the proportion of households the commission determines to be eligible within the electrical corporation’s service territory. If the commission, in its review of a report, determines an electrical corporation has not sufficiently enrolled eligible households in the FERA program, the bill would require the commission to require the electrical corporation to develop a strategy and plan to sufficiently enroll eligible households within 3 years of the adoption of the strategy and plan.		Referred to Com. On U. & E.	4/8/24- Placed on Suspense file 3/19/24: Passed Sen. EU& C 15-0
SB 1142	Menjivar	Disconnections payment plans	Requires IOUs to offer to customer before disconnection a payment plan of a minimum of 24 months; limits initial IOU ask to 20% of past due bill		Referred to Com. On U. & E.	Amended 3/18/24

OCPA Bill - Tracker - 2024 Legislative Session - Updated 6/6/2024
 ACTIVE

Bill	Author	Topic	Summary	Hearing Date	Location	Past Actions
SB 1177	Bradford	Diversity, equity, and inclusion employment plan	This bill would require the above-described entities with annual gross California revenues exceeding \$25,000,000, and would require the above-described entities with annual gross California revenues exceeding \$15,000,000, but not more than \$25,000,000, to include certain information as part of each annual report or data submission described above, including, among other information, data regarding the diversity of contractor or subcontractor workforces, as provided.		Referred to Com. On U. & E.	Amended 4/9/24 Amended 4/2/24 3/19/24: Passed Sen. EU& C 14-0
SB 1210	Skinner	Utility connection charges for new construction	This bill would, for new housing construction, require the above-described utilities to publicly post on their internet websites (1) the amount of any charge issued for a service connection, capacity, or other point of connection charge by the housing unit’s address, and (2) the schedule of fees for a service connection, capacity, or other point of connection charge, as specified. The bill would, for new housing construction, require each utility to ensure that its internet website allows an applicant for a service connection to, among other things, receive a reasonable estimate regarding when the utility will complete the applicant’s service connection. To the extent that this bill imposes new requirements on certain local agencies, the bill would impose a state-mandated local program.		Referred to Coms. on U. & E. and L. GOV.	Amended 4/22/24
SB 1221	Min	Gas corporations: gas distribution infrastructure: zero-emission alternatives	This bill would require each gas corporation, by July 1, 2025, to annually file a map containing certain information, including the location of all potential gas distribution line replacement projects identified in its distribution integrity management plan and other foreseeable gas distribution pipeline replacements. The bill would require the commission, by January 1, 2026, to do various things, including the establishment of criteria and methodology for determining the cost-effectiveness of zero-emission alternatives, as defined, the determination of the appropriate rate of return and recovery period that a gas corporation is eligible to receive their costs to implement zero-emission alternatives, the designation of priority neighborhood decarbonization zones taking into consideration certain factors, and the adoption of a long-term gas distribution system planning process to evaluate and implement zero-emission alternatives for gas distribution line replacement projects and other capital investments in the gas distribution system. The bill would require the commission to evaluate the costs and benefits of thermal energy networks and identify potential implementation barriers. The bill would prohibit a gas corporation from involuntarily laying off employees as a result of the implementation of zero-emission alternatives.		Referred to Com. On U. & E.	Amended 4/25/24

OCA Bill - Tracker - 2024 Legislative Session - Updated 6/6/2024

ACTIVE

Bill	Author	Topic	Summary	Hearing Date	Location	Past Actions
SB 1292	Bradford	Income Graduated Fixed Charge	This bill would require the commission, on or before July 1, 2027, but no sooner than 2 years after the adoption of the income-graduated fixed charge for default residential rates, to submit a report to the relevant policy committees of both houses of the Legislature on the electrical corporations’ implementation of the fixed charge, as specified. The bill would prohibit the commission from authorizing a fixed charge other than the income-graduated fixed charge for default residential rates until 30 days after the report is submitted.		Referred to Com. On U. & E.	
SB 1374	Becker	NEM aggregation	This bill would require, no later than July 1, 2025, the commission to ensure that any contract or tariff established by the commission pursuant to the above described provisions for renewable electrical generation facilities configured to serve either multiple customers with meters on a single property, or multiple meters of a single customer on a property or a set of contiguous properties owned, leased, or rented by the customer, meets certain requirements, including that eligible customer-generators are authorized to elect to aggregate the electrical load, as specified.		Referred to Com. On U. & E.	Amended 3/18/24
SB 1418	Archuleta	Hydrogen fueling stations; permitting	Extends the requirement for local governments to administratively approve hydrogen fueling stations from 2030 to 2035. Also requires all local governments to adopt an ordinance to create streamlined permitting for hydrogen-fueling stations.		Referred to Coms. On L. GOV. and TRANS.	Amended 5/15/24
SB 1420	Caballero	Retail hydrogen requirements	Requires that hydrogen fueling stations funded by the state have 33.3% of renewable hydrogen which increases to 100% from renewable and clean hydrogen by 2045. Defines renewable hydrogen and allows linear generations using renewable fuels as an RPS-eligible resource. Incorporates renewable hydrogen into RPS and SB 100. Gives renewable hydrogen projects AB 205 CEQA streamlining provisions. Deletes prohibition against biomass facilities.		Referred to Com. on U. & E. and NAT. RES.	Amended 5/16/24
SB 1508	Stern	Energy storage requirements	Directs the CPUC to adopt targets for LSEs to procure cost-effective energy storage systems, including LDS, multiday energy stroage systems, and emerging energy storage technologies.		Referred to Com. on U. & E.	Amended 5/16/24
SB 284	Wiener	IOU subcontracting requirement.	At the core of this bill is the provision to prohibit an IOU from requiring a contractor to enter into a collectivr bargaining agreement with ANY labor organization as a condition for bidding on contracting work. Essentially, his bill trying to prevent the IOU from forcing a contractor and their workers to change their union representation to be eligible for the bid.		Referred to Com. On L. & E.	

OCPA Bill - Tracker - 2024 Legislative Session - Updated 6/6/2024

ACTIVE

Bill	Author	Topic	Summary	Hearing Date	Location	Past Actions
SB 382	Becker	Electrical system disclosures when a single family home is sold	This bill would, on or after January 1, 2026, require a seller of a single-family residential property to deliver a specified disclosure statement to the prospective buyer regarding the electrical systems of the property.		Referred to Com. on JUD.	Amended 6/3
SB 983	Wahab	Alternative Fuels Infrastructure Taskforce	Would form a new Alternative Fuels Infrastructure Taskforce to examine how to encourage more alternative fueling installations on current gas station sites.		Referred to Coms. On U.E. and TRANS	Amended 3/21/24 3/19/24: Passed by Sen. EU&C 13-0 and re-referred to Rules

ORANGE COUNTY POWER AUTHORITY
Staff Report – Item 8.3

To: Orange County Power Authority Board of Directors

From: Joe Mosca, Chief Executive Officer

Subject: RISK OVERSIGHT COMMITTEE UPDATE

Date: June 18, 2024

RECOMMENDED ACTION

Receive and File.

BACKGROUND

The Risk Oversight Committee (ROC) was established via the Board-adopted Energy Risk Management Policy (Policy No. 11). Per the policy, members of the ROC will be selected by the Chief Executive Officer (CEO), who will serve as the ROC's Chair. The ROC currently consists of the CEO, CFO, Pacific Energy Advisors (PEA) representatives, and transactional counsel from the Authority's contracted law firm.

The ROC has the authority to:

- Meet at least once per quarter or as otherwise called to order by the ROC's Chair.
- No less than once per quarter, provide a report to the Board regarding its meetings, deliberations, and any other areas of concern.
- From time to time, adopt and/or adapt risk management guidelines defining internal controls, strategies, and processes for managing market risks incurred through or attendant upon wholesale trading, retail marketing, long-term contracting, CRR trading, and load and generation scheduling.
- Specify the categories of permitted transactions and set risk limits for wholesale trading. The ROC will receive and review information and reports regarding risk management, wholesale trading transactions, and the administration of supply contracts.
- Have direct responsibility for enforcing compliance with this Policy. Any material violations of this Policy, as determined by the ROC, shall be reported to the Board for appropriate action.

As part of its recent audit of OCPA, the State Auditor recommended that the Board consider amending the Energy Risk Management Policy (Policy No. 11) to alter the membership of the ROC to include a limited subset of Board members in a manner that does not violate open meeting requirements of the Brown Act. Following review and discussion with the Interim General Counsel, it was determined that formally adding Board members to the ROC through an

amendment to the Energy Risk Management Policy would make the ROC meetings subject to the Brown Act, which is incompatible with the ROC's responsibilities for reviewing and analyzing market-sensitive information and prospective transactions, substantial aspects of which are confidential under CPUC rules and best practices for CCAs. As an alternative, the CEO has initiated a practice of inviting the Board Chair and Vice Chair to ROC meetings to observe. This is intended to provide additional Board oversight of the ROC without making Board members official members of the ROC under the Energy Risk Management Policy. This practice was initiated with the April 3, 2023, meeting and will continue for future meetings.

ANALYSIS AND DISCUSSION

The Risk Oversight Committee (ROC) met on Thursday, June 6, 2024, at 11:00 AM. Attendees at the ROC meeting included Joe Mosca, CEO, Tiffany Law, CFO, PEA consultants Kirby Dusel and John Dalessi, and Glen Price of Best, Best & Krieger. Fred Jung, Chair of the Board of Directors, and Susan Sonne, Vice Chair of the Board of Directors, attended the ROC meeting but only observed the meeting.

The ROC discussed the following:

- Q2 2024 Market Update
 - Energy Position Reports
 - Market Exposure and Risk
 - Long-term Contracting Update
 - Portfolio Market Valuation
 - Counterparty Credit Exposure

There are no Policy violations to report.

The ROC meetings for the 2024 year will take place on the following dates:

- September 5, 2024
- December 5, 2024

FISCAL IMPACT

None

ATTACHMENTS

None

ORANGE COUNTY POWER AUTHORITY
Staff Report – Item 8.4

To: Orange County Power Authority Board of Directors

From: Tiffany Law, Chief Financial Officer

Approved by: Joe Mosca, Chief Executive Officer

Subject: APPROVE RATE STABILIZATION FUND POLICY

Date: June 18, 2024

RECOMMENDATIONS

Adopt a Resolution of the Board of Directors of the Orange County Power Authority approving Policy No. 24, Rate Stabilization Fund Policy, and establishing a Rate Stabilization Fund (RSF) under Government Accounting Standard Board (GASB) Standard 62 for the purpose of stabilizing customer electric generation charges.

BACKGROUND

The financial strength of the Orange County Power Authority (OCPA) is a fundamental pillar in delivering on its mission to reduce greenhouse gas emissions by expanding access to sustainable and affordable energy solutions.

On April 19, 2023, the board approved the Rate Development Policy, ensuring that OCPA's rates are set to cover costs associated with power purchases, operational expenses, debt services, and targeted reserves. While the cost of energy can vary significantly, OCPA customers value both rate affordability and stability. Since its inception, OCPA has consistently secured the necessary resources to meet its financial commitments.

A RSF serves as an accounting tool for government entities under GASB 62, designed to mitigate rate shocks. The primary purpose of GASB 62 is to align the recognition of expenses with the revenues from rates set to recover those costs within the same period. This standard acknowledges that rate-regulated utilities and other Load Serving Entities (LSEs) often need to consider rate stability, thus recovering costs over different periods than those in which the costs would be recognized as expenses under Generally Accepted Accounting Principles (GAAP). As of June 2024, several Community Choice Aggregators (CCAs) such as MCE, Clean Power Alliance, Peninsula Clean Energy, Ava Community Energy, Sonoma Clean Power, and CleanPowerSF have implemented RSF under GASB 62.

DISCUSSION

Staff proposes the establishment of an RSF to allow OCPA to defer revenues in years of strong financial results for use in future years when financial results are weaker or stressed. This strategy would enable OCPA to avoid substantial rate increases needed to address unanticipated spikes in energy costs or, conversely, to offset reductions in rate levels (and net revenues) due to uncontrollable events that negatively impact fiscal financial results. Examples include:

- Investor-owned utilities (IOUs) rate uncertainty, such as substantial increases in the Power Charge Indifference Adjustments (PCIA) and decreases in the generation rates.
- Unexpected shocks in energy prices, such as significant increases in prices for renewable energy (PCC1) and Resource Adequacy (RA).
- Changes in member participation, including withdrawals.
- Defaults on customer payments during global or local economic recessions.
- Significant regulatory and legislative changes in the energy sector that affect IOUs rate, RA prices, etc.
- Reduced electricity demand due to rate affordability issues.

Using deferred revenues in future years would allow OCPA to minimize the near-term impact on rates and net revenues. Additionally, should OCPA decide to access the tax-exempt capital markets in the future, it would need to agree to several covenants. These covenants, required to protect and attract bond investors, would mandate that OCPA generates net revenues sufficient to cover debt service costs. The RSF could be utilized to meet these covenants if necessary.

From an accounting perspective, deferring revenues into the RSF would result in a reduction in OCPA's reported revenues for that fiscal year and an increase in reported revenues in years when withdrawals from the RSF are made. By deferring revenues into the RSF before they are recognized as revenues, OCPA would effectively "bank" revenues for use in future fiscal years. Staff have been collaborating with OCPA's accounting firm, Maher Accountancy, in the development of the RSF to ensure it conforms with the standards of GASB 62.

Withdrawals from the RSF will be considered in fiscal years where net revenues are projected to be negative or as necessary to satisfy any covenants, contractual obligations, or to maintain future investment grade credit ratings. Staff will notify the Board via the CEO Report after any transfers are made.

FISCAL IMPACT

The establishment of RSF would have no immediate fiscal impact. Deferring revenues into the RSF would result in a corresponding negative effect on net revenues for that fiscal year. Conversely, withdrawals from the RSF would have a corresponding positive effect on net revenues in the fiscal year they are made.

Pending approval by the Board on this policy, staff will likely recommend the deferral of its FY23/24 revenues before the close of the fiscal year ending June 30, 2024, due to strong forecasted financial results. These deferred revenues would be recognized in FY24/25, in anticipation of

extremely high renewable energy (PCC1) prices and potential spikes in the Power Charge Indifference Adjustments (PCIA) for 2025.

ATTACHMENTS

1. Resolution No. 2024-XX
2. Policy No. 24, Rate Stabilization Fund Policy

RESOLUTION NO. 2024-XX

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
ORANGE COUNTY POWER AUTHORITY APPROVING
POLICY NO. 24, RATE STABILIZATION FUND POLICY, AND
ESTABLISHING A RATE STABILIZATION FUND (RSF)
UNDER GOVERNMENT ACCOUNTING STANDARD BOARD
(GASB) STANDARD 62 FOR THE PURPOSE OF STABILIZING
CUSTOMER ELECTRIC GENERATION CHARGES

WHEREAS, the Board of Directors deems it prudent to establish, designate, and maintain an operating reserve fund (the “Rate Stabilization Fund”) to provide a contingency available to stabilize customer rates, satisfy financial covenants, and such other matters, and to be funded as deferred surplus revenues from time to time; and

WHEREAS, the Rate Stabilization Fund will be used to defer excess revenues, as determined by staff, that will be recognized in future periods. This deferral will create an accounting liability, and the future recognition of revenues will decrease that liability; and WHEREAS, the Rate Stabilization Fund shall be recognized in accordance with GASB 62; and

WHEREAS, staff will notify the Board of Directors of all deferrals to the Rate Stabilization Fund, and uses from the Rate Stabilization Fund via the CEO Report after any transfers are made.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board of Directors hereby adopts the attached Policy No. 24, Rate Stabilization Fund Policy, and establishes a Rate Stabilization Fund and authorizes the Chief Executive Officer or the Chief Financial Officer to transfer in or transfer out, from time to time, such amount as each such officer may determine as prudent and appropriate into or out of the Rate Stabilization Fund.

PASSED AND ADOPTED at the meeting of the Board of Directors of the Orange County Power Authority on June 18, 2024.

Fred Jung, Chair, Board of Directors
Orange County Power Authority

ATTEST:

Pat Jacquez-Nares, Secretary
Orange County Power Authority

ORANGE COUNTY POWER AUTHORITY
Policy Number 024: Rate Stabilization Fund Policy

This Rate Stabilization Fund Policy (Policy) establishes guidelines for managing and administering Rate Stabilization Fund (RSF) at Orange County Power Authority (OCPA).

OBJECTIVE

Establishing an RSF allows OCPA to defer revenues in years of strong financial results for use in future years when financial results are weaker or stressed. This strategy would enable OCPA to avoid substantial rate increases needed to address unanticipated spikes in energy costs or, conversely, to offset reductions in rate levels (and net revenues) due to uncontrollable events that negatively impact fiscal financial results. Examples include:

- Investor-owned utilities (IOUs) rate uncertainty, such as substantial increases in the Power Charge Indifference Adjustments (PCIA) and decreases in the generation rates.
- Unexpected shocks in energy prices, such as significant increases in prices for renewable energy (PCC1) and Resource Adequacy (RA).
- Changes in member participation, including withdrawals.
- Defaults on customer payments during global or local economic recessions.
- Significant regulatory and legislative changes in the energy sector that affect IOUs rate, RA prices, etc.
- Reduced electricity demand due to rate affordability issues.

Using deferred revenues in future years would allow OCPA to minimize the near-term impact on rates and net revenues. Additionally, should OCPA decide to access the tax-exempt capital markets in the future, it would need to agree to several covenants. These covenants, required to protect and attract bond investors, would mandate that OCPA generates net revenues sufficient to cover debt service costs. The RSF could be utilized to meet these covenants if necessary.

ACCOUNTING

Deferring revenues into the Rate Stabilization Fund (RSF) would result in a reduction in the Orange County Power Authority's (OCPA) reported revenues for that fiscal year, with a corresponding increase in reported revenues in years when withdrawals from the RSF are made. By deferring revenues into the RSF before they are recognized as revenues, OCPA would effectively “bank” these funds for use in future fiscal years.

Withdrawals from the RSF will be considered in fiscal years where net revenues are projected to be negative or as necessary to satisfy any covenants, contractual obligations, or to maintain investment-grade credit ratings in the future.

REPORTING

Staff will notify the Board via the CEO Report after any transfers are made.

ORANGE COUNTY POWER AUTHORITY
Staff Report – Item 8.5

To: Orange County Power Authority Board of Directors

From: Nicholaus Norvell, Interim General Counsel

Approved by: Joe Mosca, Chief Executive Officer

Subject: PUBLIC RECORDS ACT REPORT

Date: June 18, 2024

RECOMMENDATION

Receive and file.

BACKGROUND

As part of its February 2023 report, the State Auditor recommended that OCPA report to the Board of Directors no less than quarterly on: (1) the number of public records requests received, closed, and pending; (2) the average time OCPA took to respond to those requests; and (3) the reasons for withholding or redacting requested records, if applicable. A previous report was provided at the March 19, 2024 meeting, covering the period December 1, 2023 through March 14, 2024.

Below is a report covering the period from March 15, 2024 through June 12, 2024.

Requests Received	9
Requests Closed	7
Requests Pending	2
Determination or Extension Letters Provided within 10 Days	Yes
Average Calendar Days to Fully Complete Closed Requests	19.4
Public Records Act Exemptions Applied <i>(Citations to Government Code unless otherwise noted)</i>	Public disclosure of tax identification numbers and banking account numbers could promote financial fraud and could compromise the financial security of the business or organization to which the financial information belongs. Therefore, the public interest served in

	withholding the redacted information clearly outweighs any public interest served in disclosure. (Gov. Code § 7922.000.) • Redacted bank account numbers, credit card numbers, and similar financial information. Public disclosure of such information could compromise the security of the accounts and could expose OCPA to liability. For these above reasons, the public interest served by withholding the redacted information clearly outweighs any public interest served by disclosure. (Gov. Code § 7922.000.) • Commercial energy terms redacted to protect confidential commercial terms (pricing, quantity, and other commercial terms as it has determined that such information is exempt from disclosure pursuant to California Public Records Act §§ 7927.605 and Government Code § 7922.000 as well as California Public Utilities Code § 454.5 and relevant decisions of the California Public Utilities Commission regarding the State’s policy on protecting confidential market sensitive information.) In addition, certain commercial terms are exempt from disclosure under the trade secret privilege in Civil Code section 3426.1 and, by extension, the PRA. (Gov. Code § 7927.705 [protecting records “...the disclosure of which is exempted or prohibited pursuant to federal or state law...”].) The trade secret privilege protects “information, including formula, pattern, compilation, program, device, method, technique, or process, that: (1) derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use, and (2) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.” For these reasons, the public interest served by withholding the redacted information clearly outweighs any public interest served by disclosure. (Gov. Code § 7922.000.)
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ORANGE COUNTY POWER AUTHORITY
Staff Report – Item 9.1

To: Orange County Power Authority Board of Directors

From: Joe Mosca, Chief Executive Officer

Subject: Approval of 2024 Strategic Plan Update

Date: June 18, 2024

RECOMMENDED ACTION

Approve the revised 2024 Strategic Plan

BACKGROUND

On June 16, 2023, the Orange County Power Authority (OCPA) Board of Directors (Board) participated in the first goal-setting workshop to establish objectives to guide the organization. This year, the annual process of reviewing and updating OCPA's strategic goals and objectives began on April 8, 2024, with the Community Advisory Committee (CAC) reviewing the strategic plan and making recommendations, followed by a similar exercise with all staff. The Board reviewed the recommendations from the CAC and staff at the May 21 regular Board meeting.

Strategic Plan Development Timeline

- June 16, 2023 – 1st OCPA Board Goal Setting Workshop
- July 19, 2023 – Approved OCPA Strategic Plan 2023-2026
- April 8, 2024 – Community Advisory Committee reviewed the current OCPA Strategic Plan and developed a list of recommendations for Board consideration
- May 6, 2024 – OCPA Staff reviewed completed objectives and developed new suggestions
- May 13, 2024 – Draft strategic plan shared with energy and marketing teams for collaboration
- May 21, 2024 – 2024 Strategic Plan Workshop with OCPA Board
- June 18, 2024 – Consideration by the OCPA Board of Update 2024 OCPA Strategic Plan

ANALYSIS AND DISCUSSION

Following Board action, staff will update the final 2024 Strategic Plan and publish the approved plan on the website. OCPA staff will utilize this document to guide efforts, set priorities, and establish individual goals to help accomplish OCPA's strategic goals and objectives.

In future Board agendas, staff will report on the progress and status of these goals, as well as maintain the OCPA website and Power of Community blog updated with information surrounding these efforts for customer and public access.

FISCAL IMPACT

None

ATTACHMENT

Attachment A – OCPA 2024 Strategic Plan (Revised)

Attachment B – OCPA Strategic Plan (2023-2026)

Strategic Plan

2023 - 2026

DRAFT - 2024 Revision

OCPA Mission Statement

Provide renewable energy at competitive rates and equitably reinvest to support sustainable communities.

OCPA Vision Statement

Our vision is to think globally and act locally
by empowering our communities with choice,
transforming the energy landscape, driving a sustainable future,
and ensuring that no community is left behind
in this transition to renewable energy.

Strategic Goals

Enrich & Grow the OCPA Community
Prioritize Fiscal Sustainability & Affordability
Move Toward a More Sustainable Electric Grid
Raise Awareness of OCPA & Inform People on the Advantages of Clean Energy
Strengthen Advocacy Efforts to Bolster Community Power & Amplify OCPA's Voice
Build an Exceptional Team

Focus Area:		Expected Completion Date	Assigned To
Enrich and Grow the OCPA Community			
Objective 1	Conduct an annual survey of prospective member agencies' interests and needs.	Q1 2025	Communications & External Affairs
Objective 2	Conduct quarterly meetings with policy staff from potential member agencies to discuss strategies to reduce greenhouse gas emissions, promote electrification, and identify funding sources.	Quarterly	Communications & External Affairs
Objective 3	Host Quarterly Business Roundtables at OCPA to gather insights on programs and offerings that incentivize businesses to endorse the agency.	Quarterly	Communications & External Affairs
Objective 4	Host four community town halls to introduce programs and agency updates.	Quarterly	Communications & External Affairs
Objective 5	Produce webinars on billing, programs, and OCPA general information.	Quarterly	Communications & External Affairs
Objective 6	Engage key stakeholders in prospective member agencies to promote OCPA's mission and benefits to member agencies and customers.	Monthly	Communications & External Affairs
Objective 7	Develop and implement a strategy for identifying, educating, and enrolling new member agencies.	Q3 2024	Communications & External Affairs

Focus Area:		Expected Completion Date	Assigned To
Prioritize Fiscal Sustainability & Affordability			
Objective 1	Maintain strong and stable financial growth by ensuring that OCPA rates are sufficient to generate returns and meet expenses.	January 2025	Finance & Data Analytics
Objective 2	Build the Rate Stabilization Reserves Fund to be in the range of 30-50% of total operating expenses starting FY2024/25.	June 2024	Finance & Data Analytics
Objective 3	Partner with a professional load forecasting consultant to develop and maintain 5-year long-term load forecasting and 15-day short-term load forecast, aiming to improve accuracy and mitigate financial risks.	Q4 2024	Finance & Data Analytics
Objective 4	Engage with a professional credit rating consultant to develop a planning roadmap aimed at obtaining a credit rating in 2027.	Q1 2025	Finance & Data Analytics
Objective 5	Create a comprehensive walkthrough of the OCPA Rate Design, aligning it with the projected 12-month revenue requirement for CY2025.	January 2025	Finance & Data Analytics
Objective 6	Reassess OCPA's Product Offerings, ensuring the integration of the most cost-effective and appropriate renewable resources.	Q4 2024	Finance & Data Analytics
Objective 7	Develop relationships with financial institutions capable of offering prepay structured financing services on PPAs with power suppliers.	June 2025	Finance & Data Analytics
Objective 8	Establish a new office location to optimize costs, accommodate the requirements of a public agency, and boost organizational efficiency by maintaining our own secure environment.	September 2024	Administration
Objective 9	Partner with cybersecurity professionals leveraging both current and new resources to examine and fortify our technology infrastructure, ensuring protection against evolving threats.	Q1 2025	Administration

Focus Area:	Move Toward a More Sustainable Electric Grid	Expected Completion Date	Assigned To
Objective 1	Implement the first OCPA local generation programs, establishing contracts for developing small-scale distributed storage facilities with a 1-5 megawatt capacity each.	Q4 2024	Power Resources
Objective 2	Establish precise metrics and effective tools to proficiently identify, avoid, and mitigate market and credit risks for OCPA.	Q1 2025	Power Resources
Objective 3	Create local partnerships with clean technology companies to advance emerging long-term energy storage and technologies.	Q2 2025	Power Resources
Objective 4	Forge partnerships with other CCAs to acquire shared resources, mitigate development risks, and capitalize on economies of scale.	Q4 2024	Power Resources
Objective 5	Create a more sustainable electric grid with measurable milestones above California's renewable energy goals.	Q4 2024	Power Resources
Objective 6	Create partnerships with member agencies to identify local development opportunities.	Q1 2025	Power Resources
Objective 7	Release at least two (2) long-term solicitations for renewable energy resources.	Q2 2025	Power Resources

Focus Area:		Expected Completion Date	Assigned To
Raising Awareness of OCPA & Informing People on the Advantages of Clean Energy			
Objective 1	Launch the Community Power Plan emphasizing diverse customer engagement, which will support the creation of customer programs in the upcoming years.	January 2025	Customer Programs
Objective 2	Communicate in culturally relevant ways by providing easily accessible information in multiple languages to reach diverse communities.	Monthly	Customer Programs
Objective 3	Establish grant opportunities for member agencies and customers to support electrification and energy efficiency.	June 2025	Customer Programs
Objective 4	Continue building positive relationships with multicultural, business, trade, environmental, non-governmental, and community-based organizations.	Monthly	Communications & External Affairs
Objective 5	Continue building relationships with media outlets, creating a steady drumbeat of news around milestones, and sustaining balanced and positive stories.	Monthly	Communications & External Affairs
Objective 6	Conduct tracking surveys annually in July 2024, 2025, and 2026, to measure awareness and perceptions.	Q3 2024	Communications & External Affairs
Objective 7	Develop a sustained outreach program for elected officials and their staff.	Q1 2025	Communications & External Affairs
Objective 8	Develop and implement a Supplier Diversity Plan that encourages doing business with OCPA and promotes diversity and inclusion for all OCPA communities.	Q1 2025	Communications & External Affairs
Objective 9	Create and implement an outreach plan re-engaging customers who previously opted out to encourage re-enrollment of at least 2% of non-OCPA customers.	Q4 2024	Communications & External Affairs

Focus Area:		Strengthen Advocacy Efforts to Bolster Community Power & Amplify OCPA's Voice	Expected Completion Date	Assigned To
Objective 1	Ensure OCPA's policy platform aligns with organizational objectives and strategic priorities.		December 2024	Regulatory, Legislative, & Policy
Objective 2	Engage a wide range of stakeholders in developing and updating the OCPA Policy Platform.		June 2025	Regulatory, Legislative, & Policy
Objective 3	Enhance OCPA's legislative and regulatory advocacy efforts by developing an advocacy roadmap to engage with key stakeholders and legislators to ensure outcomes that are consistent with OCPA's strategic goals.		June 2025	Regulatory, Legislative, & Policy
Objective 4	Conduct at least six high-impact advocacy meetings with key legislators and stakeholders.		Annually	Regulatory, Legislative, & Policy
Objective 5	Develop and implement a regulatory monitoring framework to ensure all departments are consistently informed about regulatory changes and their implications.		June 2025	Regulatory, Legislative, & Policy

Focus Area:		Build an Exceptional Team	Expected Completion Date	Assigned To
Objective 1	Recruit Chief Operations Officer and all open positions in the 2024/2025 FY approved staffing plan.		June 2025	Administration /Human Resources
Objective 2	Expand employee professional development to include briefings with all OCPA teams for new staff and make learning sessions available to other team members to encourage continued collaboration.		Quarterly	Administration /Human Resources
Objective 3	Foster high employee engagement by establishing quarterly team-building opportunities for the OCPA team.		Quarterly	Administration /Human Resources
Objective 4	Hold an annual OCPA team offsite meeting to encourage continued planning, collaboration, and learning.		Q3 2024	Administration /Human Resources
Objective 5	Develop a recognition and awards platform for identifying individuals and organizations making significant contributions to sustainability efforts in the community, allowing OCPA to recognize and celebrate local accomplishments.		Q4 2024	Administration

COMPLETED GOALS

July 2023 – May 2024

Key Focus Area	Objective	Team
Recruitment and Retention of a Talented Team	Recruit permanent Chief Executive Officer.	Administration/ Human Resources
Recruitment and Retention of a Talented Team	Retain Executive Search Firm to assist with recruitment of Director of Power Services and Chief Operations Officer.	Administration/ Human Resources
Recruitment and Retention of a Talented Team	Recruitment of open positions.	Administration/ Human Resources
Recruitment and Retention of a Talented Team	Implementation of Cost-of-Living Increase.	Finance & Data Analytics
Recruitment and Retention of a Talented Team	Collaborate with other California CCAs on a comprehensive classification study and salary survey or pursue the development of an OCPA-specific comprehensive classification study and salary survey if no joint effort is possible.	Finance & Data Analytics/ Human Resources
Recruitment and Retention of a Talented Team	Establish and sustain a high-performing agency while developing comprehensive plans for remote, hybrid, and in-person work with human resources internal guidelines.	Finance & Data Analytics/ Human Resources
Rebuilding Public Trust	Complete 24-point Improvement Plan.	Finance & Data Analytics/ Communications & External Affairs
Rebuilding Public Trust	Continue building relationships with media outlets, create a steady drumbeat of news and milestones and cultivate an increase in neutral and positive stories.	Communications & External Affairs

Rebuilding Public Trust	Continue building positive relationships with non-governmental organizations, including businesses advocacy and trade associations, multicultural organizations, community-based-organizations and environmental and sustainability.	Communications & External Affairs
Branding/Marketing Communications/ Public Outreach & Engagement	Conduct primary research (survey and focus groups) to establish baseline awareness.	Communications & External Affairs
Branding/Marketing Communications/ Public Outreach & Engagement	Develop crisis communications/issues management plan.	Communications & External Affairs
Branding/Marketing Communications/ Public Outreach & Engagement	Leverage key insights from the primary research to refresh the existing marketing communications/public outreach and engagement plan.	Communications & External Affairs
Branding/Marketing Communications/ Public Outreach & Engagement	Update public outreach materials (e.g., website, brochures, fact sheets).	Communications & External Affairs
Branding/Marketing Communications/ Public Outreach & Engagement	Launch new brand campaign that is informed by primary research.	Communications & External Affairs
Branding/Marketing Communications/ Public Outreach & Engagement	Consider re-naming the entity to attract member agencies outside the region. Develop a naming strategy with creative rationale and new name options (July 2023). Test new names during the July/August 2023 survey and subsequent focus groups in September.	Communications & External Affairs
Financial Sustainability	Establish long-term disciplined fiscal and operational strategies to obtain an investment-grade credit rating in 2027.	Finance & Data Analytics
Financial Sustainability	Ensure rates are sufficient to generate returns and meet expenses, aiming to have the Rate Stabilization Reserves Fund in the range of 30-50% of total operating expenses from FY2024/2025 through FY2026/2027.	Finance & Data Analytics

Financial Sustainability	Conduct an annual rate design workshop with the Board to review and refine rate structures.	Finance & Data Analytics
Energy Procurement	Create/adopt energy procurement policy to guide future power purchase agreements.	Power Resources

Strategic Plan

2023 - 2026

OCPA Mission Statement

Provide renewable energy at competitive rates and equitably reinvest to support sustainable communities.

OCA Vision Statement

Our vision is to think globally and act locally
by empowering our communities with choice in energy needs.
We are committed to transforming the energy landscape,
driving a sustainable future and beyond by empowering
and enabling our communities, and ensuring that
no community is left behind in this transition to renewable energy.

Key Focus Areas

Attracting and Increasing Member Agencies

Financial Sustainability

Energy Procurement

Rebuilding Public Trust

Branding/Marketing Communications/Public Outreach & Engagement

Recruitment and Retention of a Talented Team

GOAL	DEADLINE	RESPONSIBLE PARTY	STATUS
Attracting and Increasing Member Agencies			
Conduct an annual survey of potential member agencies' interests and needs.	Q4 2023	CEO	
Create and develop an outreach strategy that educates potential new member agencies on the benefits of CCAs.	Q4 2023	Communications & External Affairs	Ongoing
Conduct quarterly meetings with policy staff from potential member agencies to engage in discussions about strategies to reduce greenhouse gas emissions, promote electrifications, and identify funding sources.	Q4 2023	CEO	Ongoing
Attract two new member agencies.	Annually	CEO	In Progress

GOAL	DEADLINE	RESPONSIBLE PARTY	STATUS
Financial Sustainability			
Establish long-term disciplined fiscal and operational strategies to obtain an investment-grade credit rating in 2027.	Q4 2023	CFO	Complete/ Ongoing
Ensure rates are sufficient to generate returns and meet expenses, aiming to have the Rate Stabilization Reserves Fund in the range of 30-50% of total operating expenses from FY2024/2025 through FY2026/2027.	Annual Rate Approval Timeframe (December Every Year)	CFO/CEO	Complete/ Ongoing
Conduct an annual rate design workshop with the Board to review and refine rate structures.	Q4 Every Year	CFO	Complete/ Ongoing
Implement a new forecasting function that integrates software and resources to enhance insights, planning, and reporting capabilities.	Q4 2024	Director of Power Services/CFO	
Perform a comprehensive Cost-of-Service analysis and design retail rates.	Q3 2026	CFO	
Achieve cost savings in energy procurement through the implementation of structured financing.	2028	Director of Power Services/CFO/CEO	

GOAL	DEADLINE	RESPONSIBLE PARTY	STATUS
Energy Procurement			
Create/adopt energy procurement policy to guide future power purchase agreements.	Q4 2023	Director of Power Services/ CEO	Complete
Contract for renewable Power Purchase Agreements that will ensure 100% of OCPA's electric demand by 2030.	Ongoing	Director of Power Services/ CEO	Ongoing
Establish contracts for the development of small-scale local distributed storage facilities with a capacity of 1-5 MW each.	Q4 2024	Director of Power Services/ CEO	
Establish precise metrics and effective tools that can proficiently identify, avoid, and mitigate market and credit risks for OCPA.	Q1 2024	Director of Power Services/ CFO/CEO	
Allocate resources to invest in new renewable and energy storage technologies.	Q4 2024	Director of Power Services/ CFO/CEO	
Forge partnerships with other CCAs to acquire shared resources, mitigate development risks, and capitalize on economies of scale.	Q3 2024	Director of Power Services/ CFO/CEO	

GOAL	DEADLINE	RESPONSIBLE PARTY	STATUS
Rebuilding Public Trust			
Complete 24-point Improvement Plan.	Q4 2023	CEO/CFO	Complete
Educate the public on the mission, vision, values, and benefits of OCPA.	Ongoing	Communications & External Affairs	Complete/ Ongoing
Continue building relationships with media outlets, create a steady drumbeat of news and milestones and cultivate an increase in neutral and positive stories.	Ongoing	Communications & External Affairs	Complete/ Ongoing
Continue building positive relationships with non-governmental organizations, including businesses advocacy and trade associations, multicultural organizations, community-based-organizations and environmental and sustainability.	Ongoing	Communications & External Affairs	Complete/ Ongoing
Develop a sustained outreach program to elected officials and their staff.	Q4 2023	Communications & External Affairs	Complete/ Ongoing
Establish potential grant opportunities for member agencies and customers.	Q3 2024	Communications & External Affairs	
Launch the development of a community power plan with a focus on engaging member agencies on the type of customer programs that are most useful and relevant and a customer programs implementation plan.	Q2 2024	Communications & External Affairs	

GOAL	DEADLINE	RESPONSIBLE PARTY	STATUS
Branding/Marketing Communications/ Public Outreach & Engagement			
Conduct primary research (survey and focus groups) to establish baseline awareness.	Q3 2023	Communications & External Affairs	Complete
Conduct tracking surveys annually in July 2024, 2025, and 2026.	Ongoing	Communications & External Affairs	
Develop crisis communications/issues management plan.	Q3 2023	Communications & External Affairs	Complete
Leverage key insights from the primary research to refresh the existing marketing communications/public outreach and engagement plan.	Q4 2023	Communications & External Affairs	Complete
Update public outreach materials (e.g., website, brochures, fact sheets).	Q3 2023	Communications & External Affairs	Complete
Launch new brand campaign that is informed by primary research.	Q4 2023	Communications & External Affairs	Complete
Develop and implement Supplier Diversity Plan that is consistent with state responsibilities and policies in place in member agencies.	Q4 2023	Communications & External Affairs/Regulatory & Legislative/Power Procurement	Complete
Consider re-naming the entity to attract member agencies outside the region. Develop a naming strategy with creative rationale and new name options (July 2023). Test new names during the July/August 2023 survey and subsequent focus groups in September.	Q4 2023	Communications & External Affairs	Complete

GOAL	DEADLINE	RESPONSIBLE PARTY	STATUS
Recruitment and Retention of a Talented Team			
Recruit permanent Chief Executive Officer.	Q4 2023	Board of Directors	Complete
Retain Executive Search Firm to assist with recruitment of Director of Power Services and Chief Operations Officer.	Q3 2023	CEO	Complete
Recruit Chief Operations Officer.	Q2 2024	CEO	
Recruitment of open positions.	Q4 2024	H.R./CEO	Complete/ In Progress
Implementation of Cost-of-Living Increase.	Q1 2024	CFO/CEO	Complete
Collaborate with other California CCAs on a comprehensive classification study and salary survey or pursue the development of a OCPA specific comprehensive classification study and salary survey if no joint effort is possible.	Q4 2023	H.R./CFO/CEO	In Progress
Establish and sustain a high-performing agency while developing comprehensive plans for remote, hybrid, and in-person work through internal guidelines.	Q4 2023	H.R./CFO/CEO	Complete/ Ongoing

Rules of Engagement

A set of operating principles to guide conduct, communication, and relationships as the Board fulfills its duties. Rules of Engagement are created to set standards of excellence and best practices for board governance, decision-making, communication, and interaction. Rules of Engagement can also be extended and adopted for an entire organization to guide conduct internally and beyond the organization (community, customers, stakeholders, and general public).

Rules of Engagement are:

- Clear expectations and accountability on how you will conduct yourselves.
- Best practices in decision-making, communication, collaboration, and governance.
- How you will guide your behavior with each other.
- How you will work together and work with others.

OCPA Board to consider adopting the following Rules of Engagement at the July Board Meeting

1. We will be mindful and ensure our energies focus on our mission statement, goals, and principles.
2. We will function as a team with a commitment to excellence. We will treat each other with trust, respect, and dignity, working together with openness, honesty, and integrity while fostering camaraderie and mutual support.

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: APPROVE OCPA’S FISCAL YEAR 2024/25 OPERATING BUDGET

Date: June 18, 2024

RECOMMENDED ACTION

1. Approve FY2024/25 Proposed Operating Budget, as detailed in Attachment 1.
2. Approve proposed four additional full-time positions and their draft job descriptions for FY2023/24, as detailed in Attachment 3 to 6.
3. Approve proposed 3.9% Cost-of-Living Adjustment (COLA) for all full-time employees, effective January 1, 2025. The budgetary salary maximum pay range will be updated accordingly, as presented on page 18 of Attachment 2.
4. Dissolve Ad-Hoc Committee for Development of the FY24/25 Budget.

BACKGROUND

Orange County Power Authority (OCPA) develops an annual budget to manage the receipt of revenues, the incurrence of expenses, and capital expenditures for the upcoming fiscal year.

On April 30, 2024, staff presented the budget framework for developing the proposed budget to the Board. On June 5, 2024, staff provided a recorded presentation of the budget framework to the Community Advisory Committee.

Also on June 5, 2024, staff presented the draft preliminary budget to the Ad-Hoc Committee (Committee) for the development of the FY2024/25 Budget. The committee provided comments that were incorporated into the budget.

ANALYSIS AND DISCUSSION

The FY2024/25 Proposed Operating Budget is balanced, marking the second year of full operations for OCPA. This budget was developed based on the board-approved strategic goal of prioritizing fiscal sustainability and affordability. It offers a positive outlook, indicating OCPA's ability to establish a robust net position of \$17 million and to build its Net Rate Stabilization Reserves to \$103 million. These reserves are projected to cover 128 days or 41% of budgetary operating expenses by June 30, 2025.

OCPA has established a Rate Stabilization Reserve Fund (RSF) to formulate a long-term financial plan aimed at achieving an investment-grade credit rating and securing energy procurement at competitive prices. To minimize risks such as potential decreases in SCE bundled generation rates and high energy cost spikes, OCPA may make withdrawals from the RSF to maintain competitive rates or address emergencies, subject to board approval.

The attached Proposed FY2024/25 Operating Budget Book provides a comprehensive overview and detailed analysis of budget drivers and assumptions, operating expense highlights, long-term procurement strategy, five-year financial proforma, and information about OCPA and its leadership.

FISCAL IMPACT

The FY2024/25 Proposed Operating Budget projects total net revenues of \$306 million and total expenditures of \$289 million, resulting in a surplus of \$17 million, which will contribute to the RSF.

ATTACHMENT

1. Proposed FY 2024/25 Operating Budget
2. Proposed FY 2024/25 Operating Budget Book
3. Draft Job Description – Policy Advisor
4. Draft Job Description – Energy Programs Manager
5. Draft Job Description – Procurement & Administrative Analyst
6. Draft Job Description – Data Analyst

Proposed FY 2024/25 Operating Budget

(\$ in thousands)	Approved Mid-Year Budget FY 2023/24	% of Rev	Reforecast FY2023/24	% of Rev	Proposed Budget FY2024/25	% of Rev	Change \$	Change %
Period Ending Jun 30								
REVENUE AND OTHER SOURCES								
Revenue - Electricity Base	357,409		355,906		283,591			
Revenue - Smart Choice Premium	4,582		4,512		4,797			
Revenue - 100% Renewable Premium	24,097		24,238		20,364			
Less: Uncollectible Accounts	(5,657)	(1.5%)	(5,632)	(1.5%)	(5,403)	(1.8%)	229	
Net Revenue - Electricity	380,430	99.5%	379,023	99.4%	303,349	99.2%	(75,674)	(20.0%)
Investment and Miscellaneous Income	1,760	0.5%	2,201	0.6%	2,400	0.8%	199	9.1%
Total Net Revenue and Other Sources	382,191	100.0%	381,224	100.0%	305,749	100.0%	(75,475)	(19.8%)
EXPENDITURES AND OTHER USES								
CURRENT EXPENDITURES								
Cost of Energy	296,657	77.6%	306,279	80.3%	272,532	89.1%	(33,748)	(11.0%)
Data Manager	2,539	0.7%	2,549	0.7%	1,960	0.6%	(589)	(23.1%)
Utilities Service Fees	606	0.2%	552	0.1%	563	0.2%	12	2.2%
Staffing Costs	3,980	1.0%	3,110	0.8%	6,719	2.2%	3,609	116.0%
Contract Services	1,716	0.4%	1,470	0.4%	1,614	0.5%	143	9.7%
Legal Services	675	0.2%	556	0.1%	711	0.2%	155	27.9%
Marketing and Customer Enrollment	2,246	0.6%	2,162	0.6%	2,055	0.7%	(107)	(5.0%)
Other G&A	967	0.3%	965	0.3%	1,525	0.5%	560	58.0%
Energy Programs	750	0.2%	185	0.0%	1,000	0.3%	815	439.2%
	310,134	81.1%	317,829	83.4%	288,678	94.4%	(29,150)	(9.2%)
OTHER USES								
Capital Outlay	100	0.0%	0	0.0%	382	0.1%	382	0.0%
Total Other Uses	100	0.0%	0	0.0%	382	0.1%	382	0.0%
DEBT SERVICE								
Interest costs - nonoperating	463	0.1%	464	0.1%	72	0.0%	(392)	(84.5%)
Finance costs - Principal	32	0.0%	0	0.0%	0	0.0%	0	0.0%
Total Expenditures and Other Uses	310,730	81.3%	318,293	83.5%	289,132	94.6%	(29,161)	(9.2%)
Net Income (Surplus/Deficit)	71,461	18.7%	62,931	16.5%	16,616	5.4%	(46,314)	(73.6%)
Key Statistics:								
Total Load (MWh) - Retail	2,589,417		2,596,282		2,112,432			
\$/MWh - Net Electricity Sales	\$ 146.92		\$ 145.99		\$ 143.60			
Total Load (MWh) - Wholesale	2,744,782		2,752,059		2,239,178			
\$/MWh - Cost of Energy	\$ 108.08		\$ 111.29		\$ 121.71			



FISCAL YEAR OPERATING BUDGET 2024-2025

June 2024

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FISCAL YEAR OPERATING BUDGET 2024-2025

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CEO Message

As we approach the next fiscal year, let's take a moment to reflect on the incredible journey we have embarked upon. Along the way, we encountered challenges, yet we have also witnessed remarkable growth and demonstrated unwavering resilience. Our journey has been replete with surprises, including audit pressures, agency withdrawals, and industry-wide hurdles, such as fluctuating supply and demand and rising energy costs. Despite these obstacles, our steadfast dedication and strategic approach have propelled us to great success. Looking ahead, I am confident that we are well-equipped to make significant strides in our mission to empower our communities to make informed choices about their energy future, provide more renewable energy resources at affordable prices, and assist our communities in their drive toward a more sustainable future.

Key Highlights:

- The establishment of a Rate Stabilization Reserve Fund exceeding \$100 million marks a significant milestone in our financial preparedness. This strategic foresight positions us to manage unforeseen fiscal shifts, ensuring stability and growth.
- Our response to audits and challenges has been rigorous yet constructive, leading to the implementation of a comprehensive improvement plan that underscores our dedication to transparency and accountability.
- Our strategic objectives for 2023-2026 focus on community enrichment, fiscal sustainability, and the pursuit of an advanced sustainable electric grid. These goals aim to amplify our impact, reach new heights in service excellence and market competitiveness, elevate OCPA's visibility, educate on the benefits of clean energy, and build an exceptional team.
- Despite competitive pressures, we have maintained favorable rates for our customers. We stay ahead by offering energy programs such as Net Energy Metering 2.0, which includes Surplus Compensation at 10% above the utility's rates, highlighting our dedication to providing affordability and value to our customers.
- Being recognized by the National Renewable Energy Laboratory as one of the top U.S. Green Power providers not only bolsters our reputation but also reinforces the tangible environmental impact of our initiatives.
- Our environmental impact is substantial, with our initiatives equivalent to taking approx. 72,000 gasoline-powered vehicles off the road.



CEO Message (Continued)

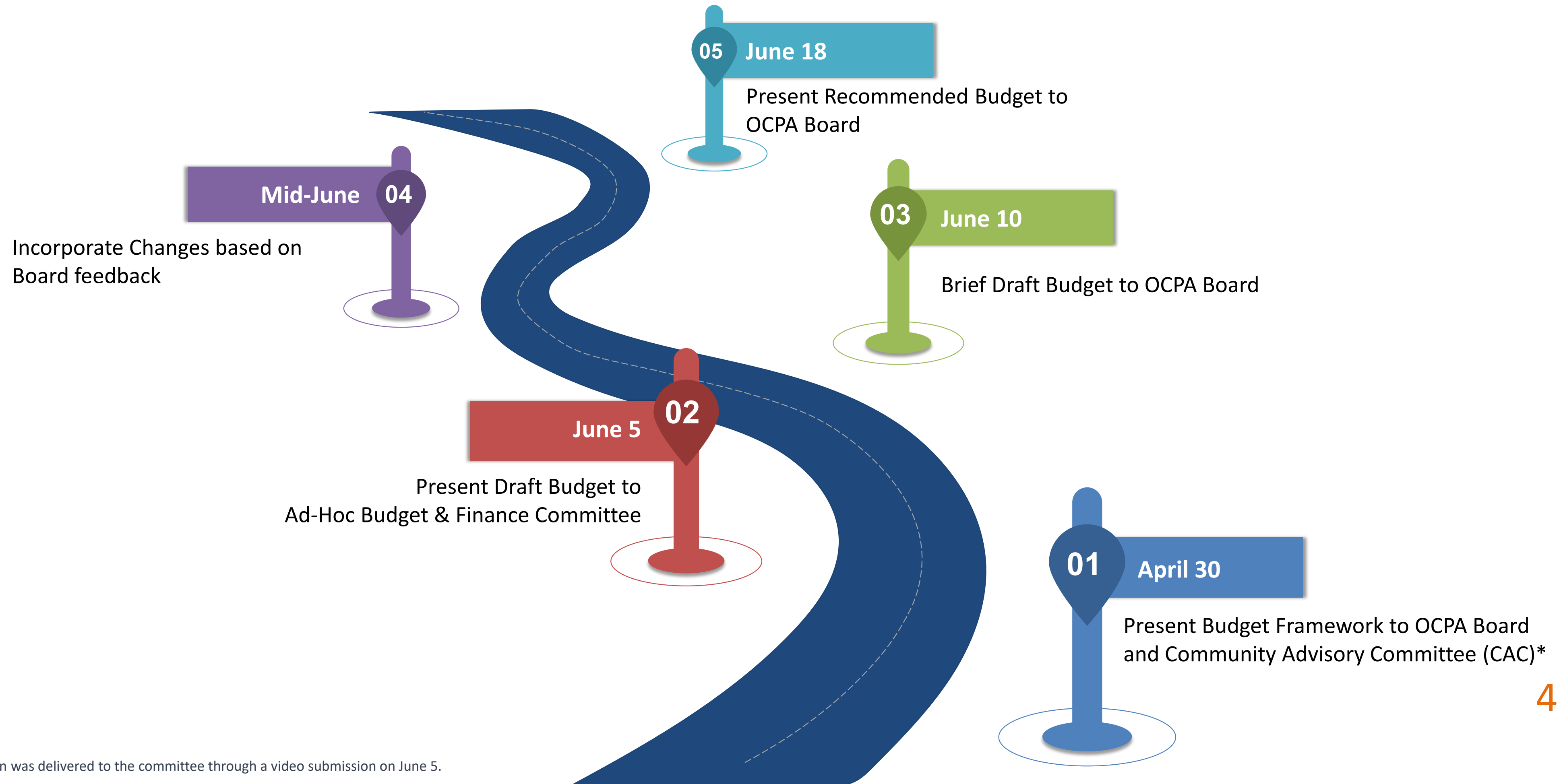
Our budgeting strategy for the upcoming fiscal year aims to sustain our success by investing in resources that support our strategic goals. This includes allocating funds to expand our community engagement and education efforts to raise awareness and adoption of clean energy solutions. We aim to continuously improve our team's capabilities through training and development, attract top talent, and foster a culture of excellence. Additionally, we plan to research and develop innovative energy solutions to provide competitive advantages and address future challenges in the energy landscape.

In conclusion, our plans are meticulously designed for sustainable growth, resilience, and the continued pursuit of excellence in serving our communities and the environment. The budget for FY2024/25 is not just a financial plan but a roadmap for achieving our mission to provide renewable energy at competitive rates and equitably reinvest to support sustainable communities.



Joe Mosca
Chief Executive Officer

FY24/25 Budget Roadmap





OCPA FY2024/25 Operating Budget - Background

Staff is pleased to present a balanced budget for Fiscal Year 2024-25, which marks the second year of full operations for OCPA. The budget is developed based on the board-approved strategic goal of prioritizing fiscal sustainability and affordability.

OCPA's budget will be updated annually and amended mid-year to balance immediate needs with long-term considerations and rate affordability. It outlines the estimated revenues and costs for the fiscal year running from July 1 to June 30.

The proposed budget is structured into two categories: revenues and expenses. These categories are intentionally designed to be general, providing flexibility without the need for frequent budget adjustments.



OCPA FY2024/25 Operating Budget - Highlights

- 1. Financially Strong:** Establish a robust net position of \$17 million and anticipate building our Net Rate Stabilization Reserves* to \$103 million. Cover 128 days or 41% of budgetary operating expenses by June 30, 2025.
- 2. Affordable Rates:** Our Basic Choice rates, which ensure 44% renewable energy, are offered at a 3% discount relative to SCE's equivalent generation rates. Smart Choice rates provide 72% renewable energy, adding 1c/per kWh to Basic Choice rates. 100% Renewable Choice rates add 1.5c/kWh to Basic Choice rates. Therefore, a 3% discount to Basic Choice rates is applied proportionally across all three rate plans.
- 3. Competitive Net Energy Metering Program:** Maintain NEM 2.0 benefits with Net Surplus Compensation (NSC) at 10% above SCE's NSC rate.
- 4. Clean and Renewable Procurement Strategy:** Engage in long-term contracts for clean and renewable generation resources to fulfill a significant portion of OCPA's electric demand.
- 5. Talented Workforce:** Plan to hire four additional full-time employees to provide sufficient coverage of essential functions.
- 6. Public Outreach:** Enhance our investment in marketing and public outreach to amplify awareness of OCPA's clean energy mission and objectives.
- 7. Advancing Local Climate Solutions:** Deliver reliable, affordable, clean electricity and electrification programs that reduce greenhouse gas emissions and fortify our local economy.



Recommended OCPA Operating Budget FY2024/25



(\$ in thousands)	Approved Mid-Year Budget FY 2023/24	% of Rev	Reforecast FY2023/24	% of Rev	Proposed Budget FY2024/25	% of Rev	Change \$	Change %
Period Ending Jun 30								
REVENUE AND OTHER SOURCES								
Revenue - Electricity Base	357,409		355,906		283,591			
Revenue - Smart Choice Premium	4,582		4,512		4,797			
Revenue - 100% Renewable Premium	24,097		24,238		20,364			
Less: Uncollectible Accounts	(5,657)	(1.5%)	(5,632)	(1.5%)	(5,403)	(1.8%)	229	
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Total Net Revenue and Other Sources	382,191	100.0%	381,224	100.0%	305,749	100.0%	(75,475)	(19.8%)
EXPENDITURES AND OTHER USES								
CURRENT EXPENDITURES								
Cost of Energy	296,657	77.6%	306,279	80.3%	272,532	89.1%	(33,748)	(11.0%)
Data Manager	2,539	0.7%	2,549	0.7%	1,960	0.6%	(589)	(23.1%)
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OCPA FY2024/25 Operating Budget - Overview

\$ in thousands Period Ending June 30	FY2023/24 Rereforecast	% of Revenue	FY2024/25 Proposed Budget	% of Revenue
Net Revenue	\$381,224	100%	\$305,749	100%
Less : Cost of Energy	\$(306,279)	80.3%	\$(272,532)	89.1%
Data Manager & IOU Services	\$(3,100)	0.8%	\$(2,523)	0.8%
Staffing	\$(3,110)	0.8%	\$(6,719)	2.2%
Contract Services	\$(1,470)	0.4%	\$(1,614)	0.5%
Legal & Lobbying Services	\$(556)	0.1%	\$(711)	0.2%
Marketing & Outreach	\$(2,162)	0.6%	\$(2,055)	0.7%
General & Admin	\$(965)	0.3%	\$(1,525)	0.5%
Energy Programs	\$(185)	0.0%	\$(1,000)	0.3%
Capital Expenditures	\$0	0.0%	\$(382)	0.1%
Debt Services	\$(464)	0.1%	\$(72)	0.0%
Net Position (bottom line)	\$62,931	16.5%	\$16,616	5.4%
Reserve Before Adjustments	\$101,468		\$118,084	
Net Rate Stabilization Reserve Fund*	\$86,223		\$102,839	
Reserve as a % of operating expenses	32%		41%	

Key Notes:

- FY2024/25 is a balanced budget with net position of \$17mil
- Cost of Energy is projected at \$273mil or 94% of operating expenses
- Non-Power Supply Expenses are projected at \$16mil or 6% of operating expenses

*Net Rate Stabilization Reserve Fund = Total accumulated reserve minus Restricted Cash Collateral Posting for Power Suppliers' Agreements



OCPA Revenue Assumptions – Key Highlights

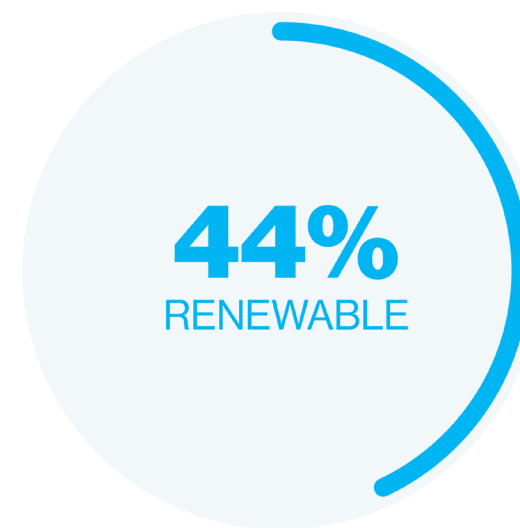
- OCPA's primary source of revenue stems from the retail sale of electricity to customers, facilitated through OCPA's generation rates. These rates are strategically devised to cover various costs, including power procurement, operating expenses, non-operating expenses, capital expenditures, and the funding of the rate stabilization reserve.
- Demand Forecast: Total retail load consumption is estimated at 2,112 GWh, inclusive of the residential customers from the Cities of Buena Park, Fullerton, and Irvine.
- Utilization of OCPA's Own Dataset: Customer count and load consumption are based on a combination of actual customer reports from SCE and Calpine.
- 2024 OCPA Rates (July through December 2024) are based on the Board approved 2024 Rate Design:
 - Basic Choice at a 3% discount to SCE's equivalent generation rates
 - Smart Choice at Basic Choice plus 1c/kWh
 - 100% Renewable Choice at Basic Choice plus 1.5c/kWh
- 2025 and Future OCPA Revenues: Sufficient to cover the costs of power purchase, operational expenses, debt services, and targeted reserves.
- Uncollectible Accounts: Remains at 1.75% of operating revenue.



OCPA Revenue Assumptions – 2024 Rate Design

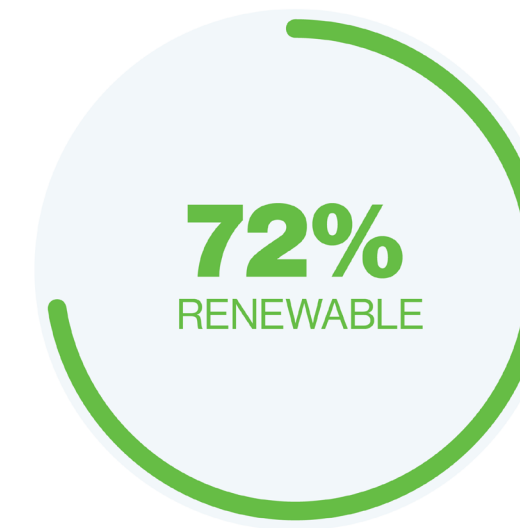
Effective February 2024, OCPA's new rate design will offer a 3% discount on the Basic Choice renewable energy plan generation rate compared to SCE's equivalent generation rate, providing significant relief to all customers.

Basic Choice



3% less than SCE'S equivalent generation rate effective February 2024

Smart Choice



+1 cent/kWh more than Basic Choice

100% Renewable Choice



+1.5 cent/kWh more than Basic Choice



OCPA Cost of Energy Assumptions – Key Highlights

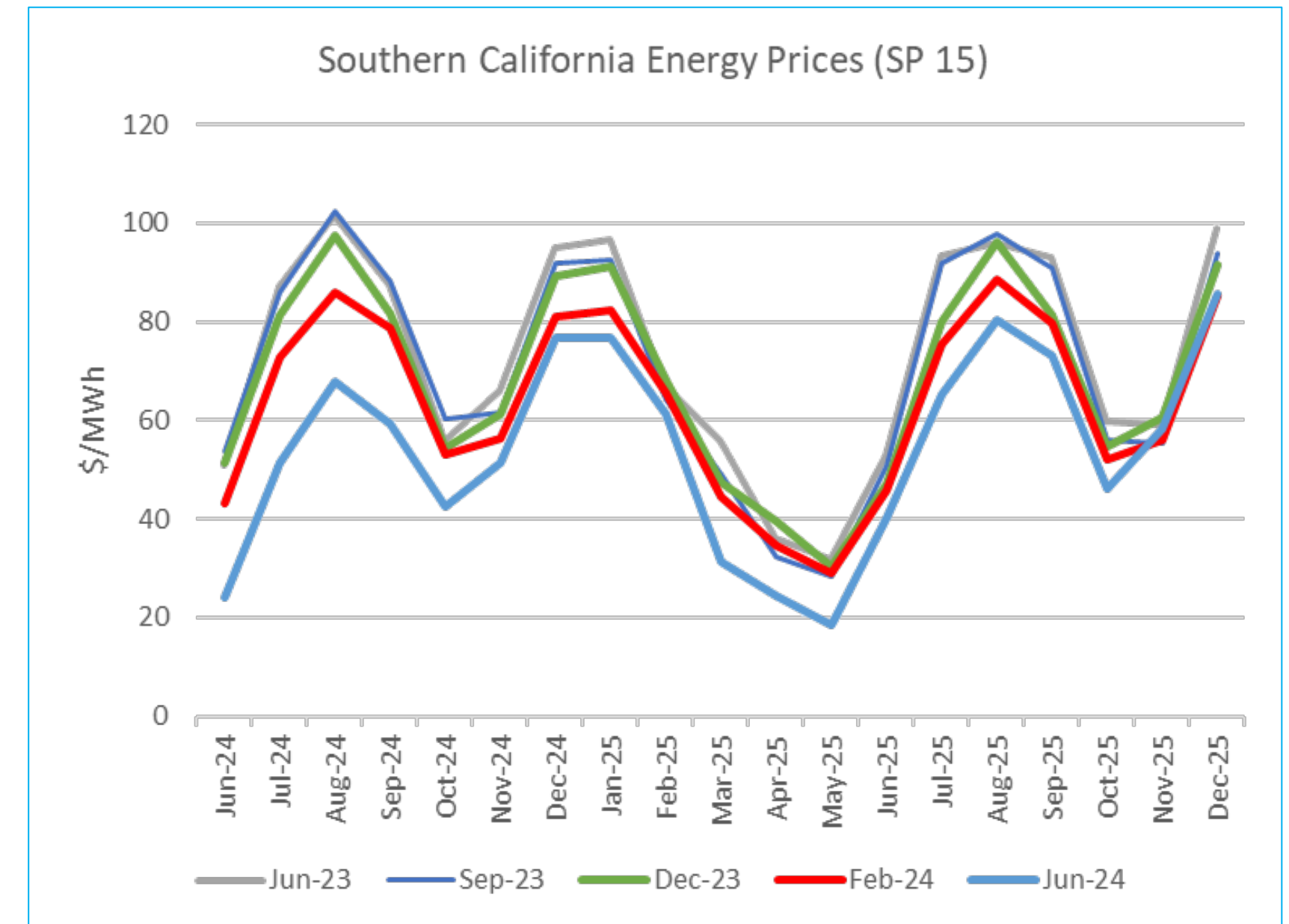
The evolving energy landscape in California, with the increasing number of market participants and requirements for renewable energy integration, prompts regulators to consider rules for addressing grid reliability. OCPA closely monitors these changes and adjusts procurement strategies accordingly. However, the budget is being formed amidst challenges such as supply chain disruptions, rising renewable energy (PCC1) prices, generation capacity shortages, and regulatory mandates driving up prices for new generation sources. Below are the key assumptions for power supply cost in FY24/25:

- Wholesale Purchase: Estimated at 2,239 GWh, 6% higher than estimated sales to account for system and distribution losses.
- Cost of Energy consists of two major components:
 - Energy: Predominantly system energy, eligible renewable energy, and CAISO fees, estimated at \$246 million or 90% of total power supply cost.
 - Resource Adequacy (RA): A reliability obligation requiring generating capacity committed to operating when needed for system reliability, estimated at \$27 million or 10% of total power supply cost.
- Forecast Contracts: OCPA utilizes forward contracts to secure energy supply in advance, ensuring the sufficiency of resources and promoting cost certainty for OCPA's budget.
- Competitive Net Energy Metering (NEM) program: OCPA maintains its NEM 2.0 benefits with Net Surplus Compensation (NSC) at 10% above SCE's NSC rate for solar customers. The estimated total payout for OCPA's NEM customers in FY24/25 amounts to \$500k.



OCPA Cost of Energy Assumptions – System Energy

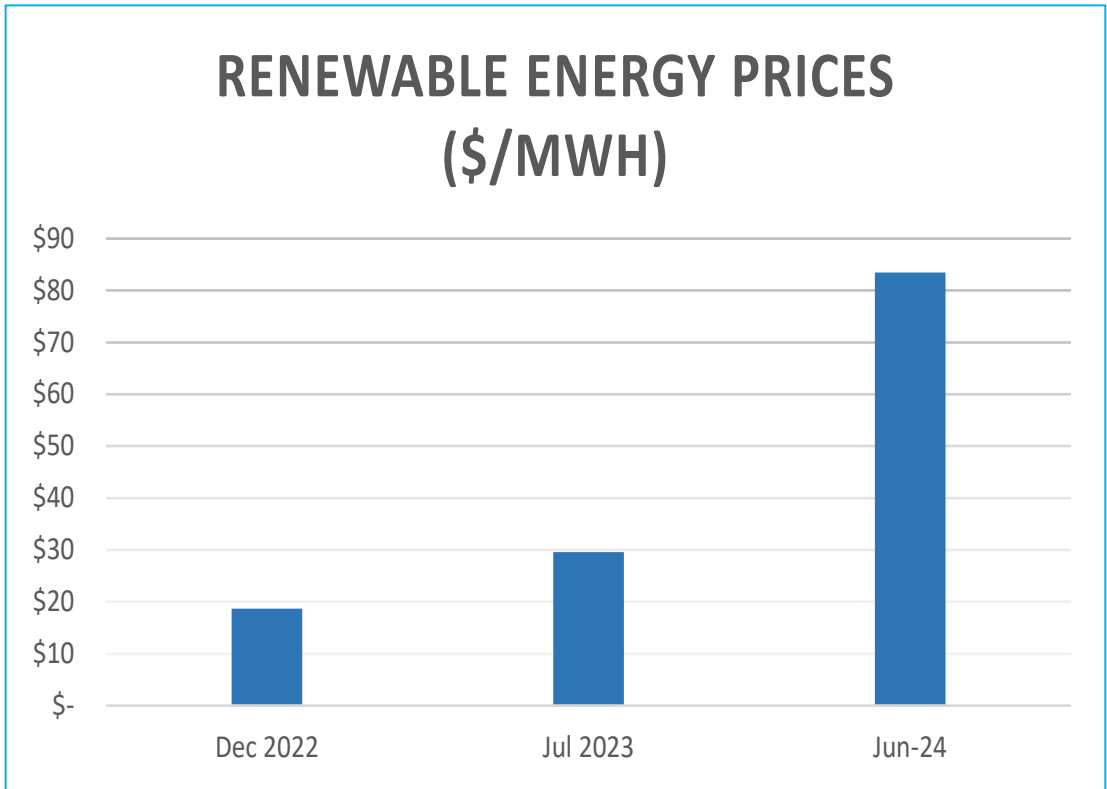
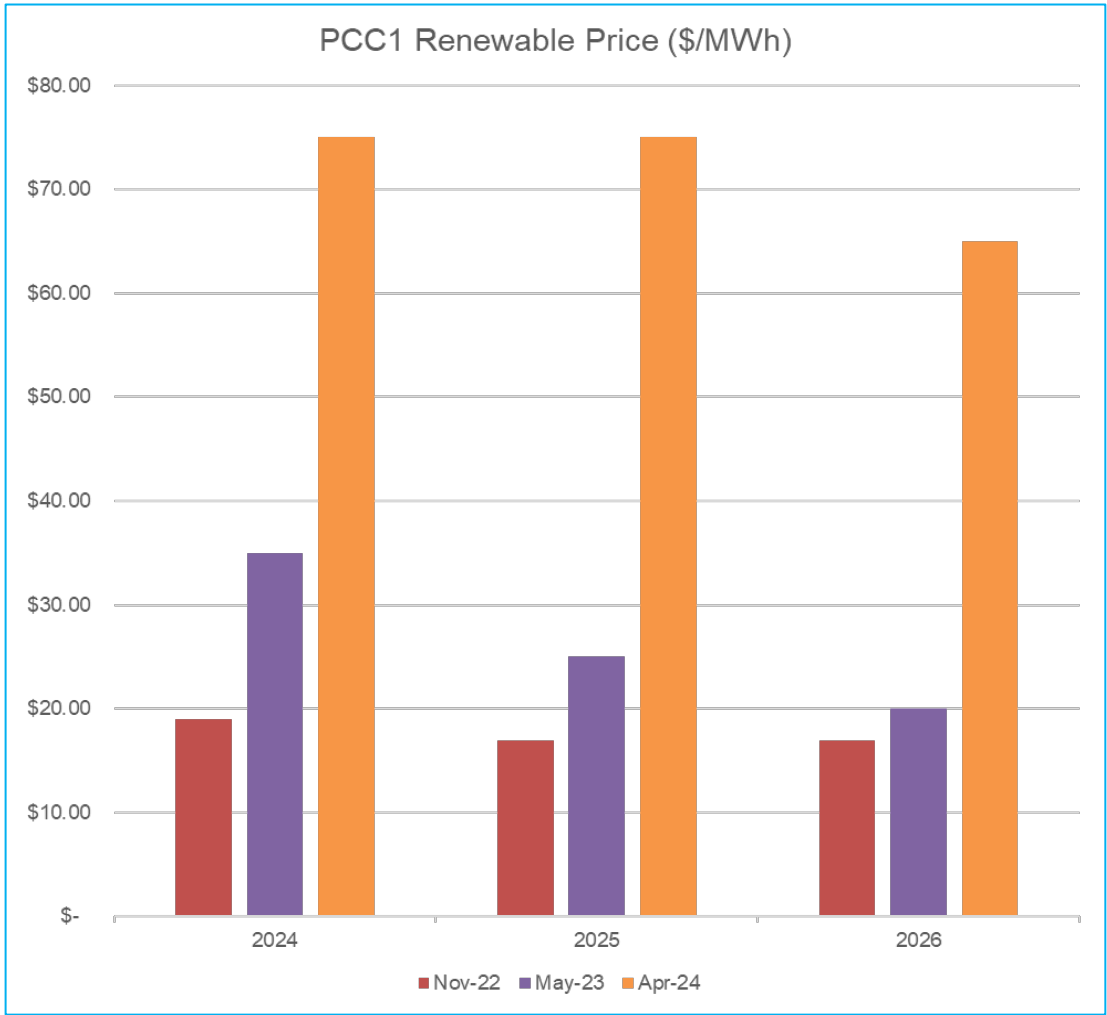
- Power market price volatility makes budget projections more uncertain.
- Reductions in Western US natural gas prices have been the primary driver of recent declines in wholesale energy prices.
- 12-month forward prices are down 17% on average vs. June 2023.
- Hedging program helps stabilize costs:
 - Currently hedged ~ 95% fixed price energy contracts provide price certainty for load scheduled through CAISO.
 - Remaining ~5% exposed to volatile market prices.





OCPA Cost of Energy Assumptions – Eligible Renewable Energy

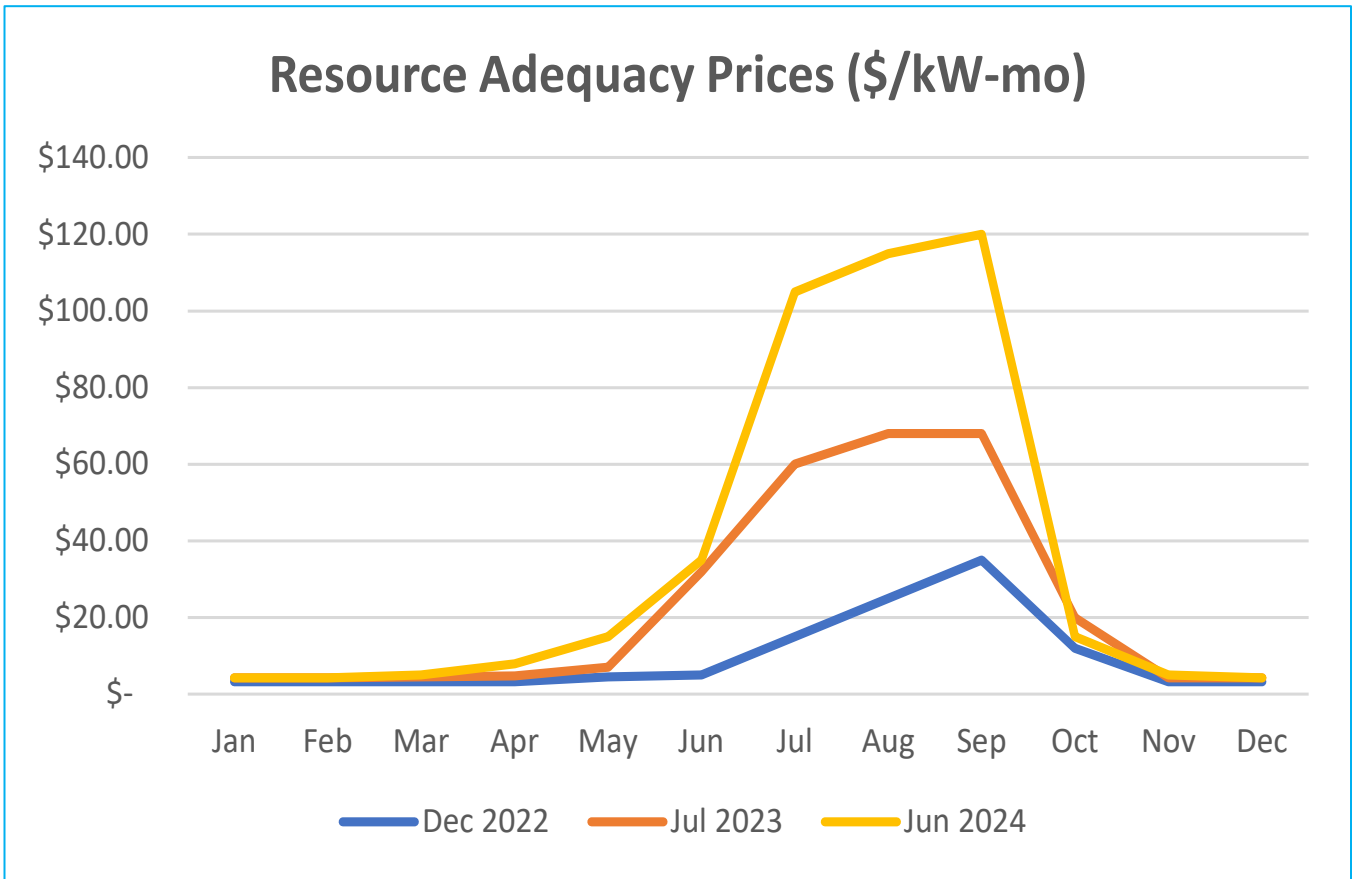
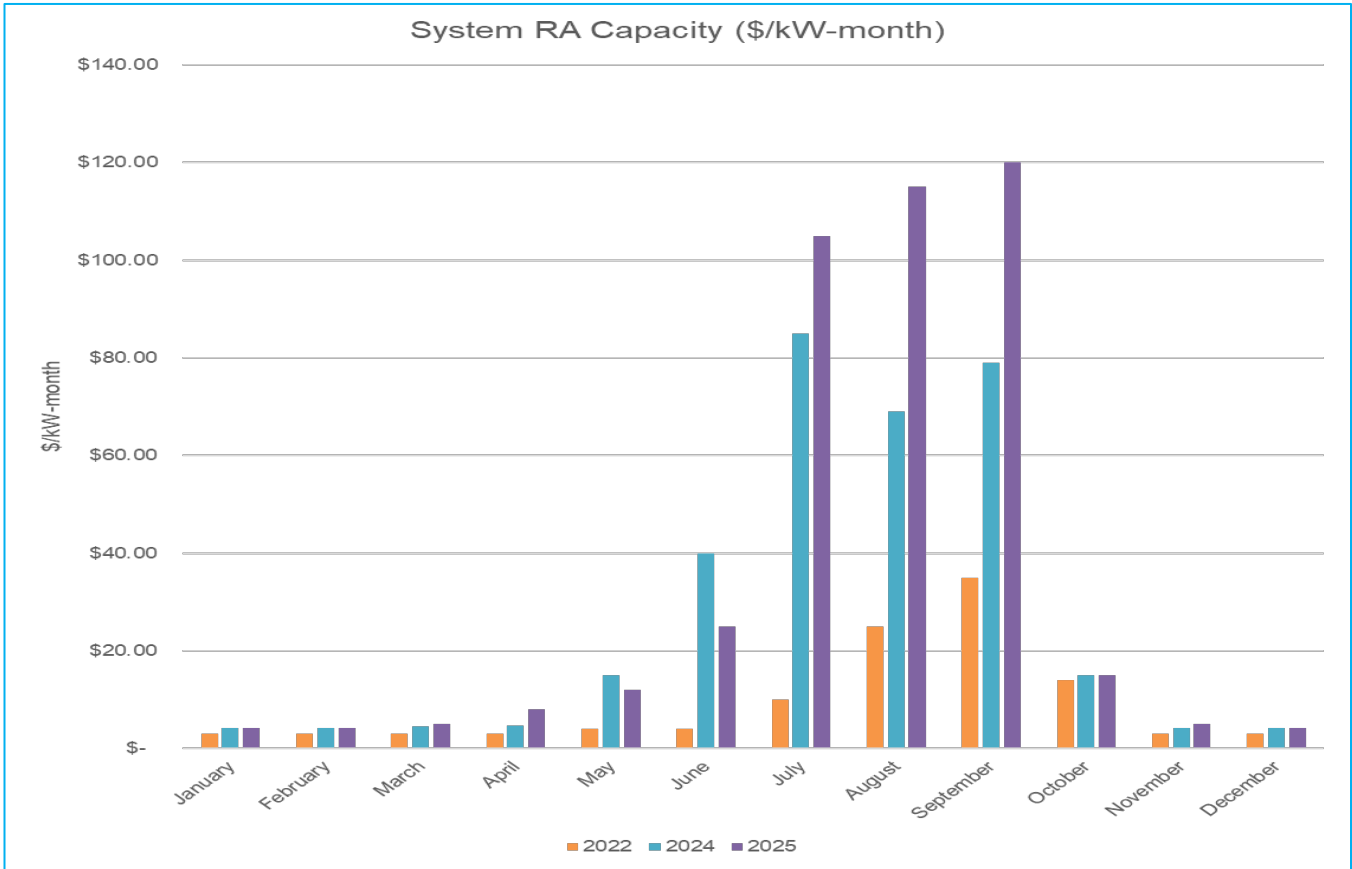
- Eligible Renewable Energy (RPS) prices are up nearly 400%.
- 2025 PCC1 prices have risen to \$80-85/MWh vs \$15-20/MWh over the past several years. PCC1 markets remain tight, expecting that prices may increase above current levels.
- Ongoing incremental procurement orders, supply chain challenges, curtailments, and increased voluntary RPS targets have reduced the pipeline of available projects.
- Seller credit expectations have generally increased, particularly for non-investment grade buyers.
 - Currently hedged ~ 126% of legally required renewable requirements and 68% of total renewable energy needs are under contract for FY2024/25.
 - Remaining ~32% is needed to meet voluntary renewable portfolio content standards associated with OCPA retail product offerings.





OCPA Cost of Energy Assumptions – Resource Adequacy

- Resource Adequacy (RA) prices in the summer months have more than tripled over the last three years.
- Q3 2025 RA pricing has moved above \$100/kW-month.
- Increased demand due to higher state-mandated planning reserve margins and zero tolerance compliance policy at CPUC.
- Supply constraints due to lower Net Qualifying Capacity (“NQC”) values for intermittent resources, natural gas plant retirements, new-build project delays and stricter import capacity requirements.
 - Currently hedged ~ 100% of month-ahead RA positions are covered.
 - OCPA is substantially insulated from further RA pricing changes in 2024 and 2025.
 - The new slice-of-day framework may require some portfolio-balancing transactions. The 2025 requirements will be known in July.





Operating Expenses Highlights: Data Management & Utility Service Fees

OCPA's operating expenses are categorized into 8 categories: Data Management & Utility Service Fees, Staffing Costs, Professional Contracts, Legal & Lobbying Support, Marketing and Outreach, General and Administration, Energy Programs, and Capital Expenditures. In addition, OCPA's budget accounts for non-operating debt service expenses associated with interest and related costs used to finance its operations. The expense assumptions are outlined as follows:

Data Management & Utility Service Fees

- Data management services primarily include billing data validation, bill coordination with investor-owned utility (IOU), and call center operations provided by Calpine. Calpine will waive the data management fees of \$466k due to the waiver of service fees clause in the contract.
- Utility services provided by SCE primarily include meter data posting and customer billing processing charges that are mandatory and regulated by the California Public Utilities Commission (CPUC).

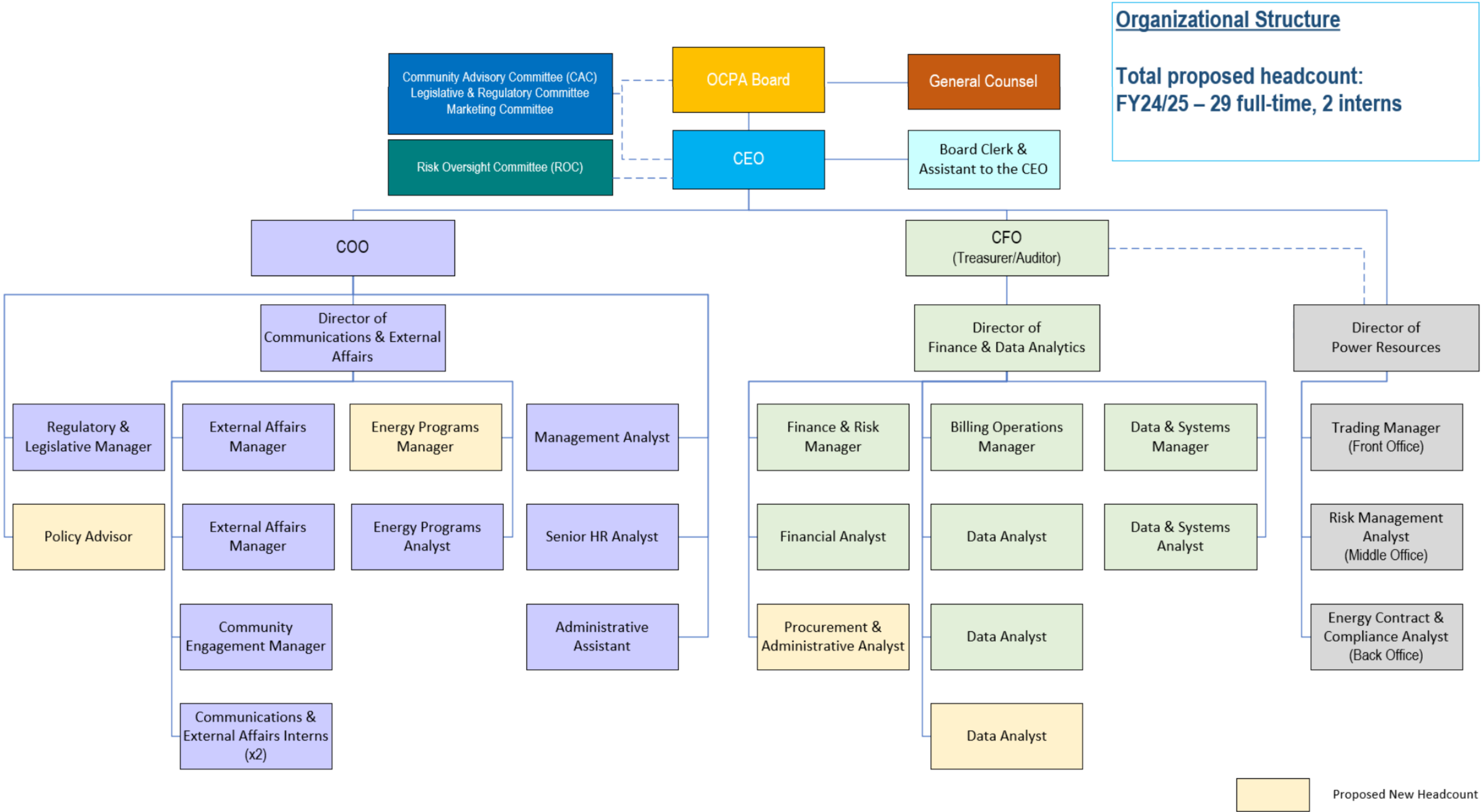
\$ in thousands Period Ending June 30	FY24/25 Budget	% of rev
Data Management Fee	\$2,426	0.8%
Less: Fee Waiver	(\$466)	
Net Data Management Fee	\$1,960	0.6%
Utility Service Fee	\$563	0.2%
Customer Accounts	177,000	



Operating Expenses Highlights: Staffing Costs

- Staffing costs include salaries, payroll taxes, benefits for staff, and board member stipends. These projections will account for potential cost-of-living adjustments (COLA), recruitment of newly approved headcounts, full-year financial effects of existing staff, merit-based salary increases, and changes in employee benefits. Staff will adjust salary projections during the FY24/25 Mid-Year budget update to align with actual figures.
- Approved FY23/24 full-time equivalents (FTEs) are 26 and 2 interns.
- Propose adding 4 additional FTEs for FY24/25 to ensure sufficient coverage of essential functions as we move into a growth phase:
 - Policy Advisor – Represents OCPA before regulatory agencies and in administrative proceedings before state and federal agencies; manages relationships with key stakeholders in California's energy market.
 - Energy Programs Manager – Designs and implements energy programs to enhance OCPA's focus on reinvesting in its communities and customers through a robust Community Power Plan.
 - Procurement & Administrative Analyst – Serves as the central point for all non-power supply purchases, ensuring competitive costs and compliance with various procurement policies.
 - Data Analyst – Analyzes load reduction-related demand response programs and conducts feasibility studies for potential new member agencies.

FY24/25 Budget Assumption – Proposed Organizational Chart





Operating Expenses Highlights: Cost-of-Living Adjustments (COLA)

- Propose to offer Cost-of-living adjustment (COLA) effective January 2025. This adjustment is designed to counteract inflation and will be based on the April 2024 Consumer Price Index (CPI) for the LA-Long-Beach-Anaheim area. The budgetary salary maximum pay range will be updated accordingly. To reflect the COLA increase.
- For FY24/25, the COLA assumption is budgeted at 3.9%. Only full-time employees who have been employed before December 2024 will receive the Jan 2025 COLA on a pro-rata basis (For example, Employee A, who joined OCPA in July 2024, will receive 50% or 1.95% of COLA adjustment in January 2025; Employee B, who joined OCPA in January 2025, will not receive any COLA adjustment in January 2025).

\$ in thousands Period Ending June 30	FY24/25 Budget	% of total	% of rev
Salaries	\$4,685	69.7%	
Benefits	\$1,751	26.1%	
COLA	\$142	2.1%	
Payroll Taxes	\$76	1.1%	
Board Stipends & Misc.	\$65	1.0%	
Total Staffing Costs	\$6,719	100%	2.2%
Total FTEs	29		
Estimated Customer Accounts per FTE	6,100		



Operating Expenses Highlights: Professional Contracts

OCPA follows industry best practices by initially engaging consultants during the early stages of operations and gradually enhancing its internal staffing capabilities to internalize certain non-industry technical tasks. Contract services include the following professional support services:

- Day-to-day accounting, annual financial audit, advanced metering infrastructure audit, OCPA rate strategies, SCE General Rate Case (GRC) assessment, SCE Energy Resource Recovery Account (ERRA) forecast review, IT, HR, strategic planning, credit rating strategies, and banking services.
- Power supply portfolio and risk management, short and long-term energy procurement and contracting, load forecasting, integrated resource planning, scheduling coordination, Congestion Revenue Rights (CRR) purchases and sales, and CAISO settlements and reporting.

\$ in thousands		
Period Ending June 30	FY24/25 Budget	% of rev
Power Supply & Related	\$821	
Accounting, Auditing & Banking	\$332	
IT, HR, Strategic Planning, Credit Rating Strategies	\$256	
Rate Strategies & Assessment	\$205	
Total Professional Contracts	\$1,614	0.5%



Operating Expenses Highlights: Legal & Lobbying Support Services

Legal Services include general counsel and special counsel representation of OCPA, support for power supply procurement transactions and negotiations, involvement in specific regulatory proceedings (e.g., SCE’s ERRRA Applications, SCE GRC assessment, and other compliance obligations), non-energy contracting support, employment matters, governance and general liability management, clerk support, and regulatory and legislative advocacy.

For FY24/25, we plan to hire a lobbyist in Sacramento to gain insights into legislative sessions and specific bills, and to help amplify our advocacy efforts with the legislature and state departments.

\$ in thousands Period Ending June 30	FY24/25 Budget	% of rev
General Counsel	\$256	
Regulatory & Legislative	\$107	
Labor Related	\$101	
Clerk Support	\$101	
Power Procurement Transactional & Negotiation	\$96	
Sacramento Lobbying Support	\$50	
Total Legal & Lobbying Support Services	\$711	0.2%
Additional In-House Legal FTEs	None	



Operating Expenses Highlights: Marketing & Outreach

As a community-focused public agency, OCPA places a strong emphasis on engaging with its customers. Through various channels, we actively seek new opportunities to connect with and cultivate positive relationships with our customers. Our Marketing and Outreach services include:

- Continuing to build relationships with media outlets, creating a steady drumbeat of news around milestones, and ensuring balanced and positive stories.
- Developing a sustained outreach program through community events, sponsorships, and educational opportunities.
- Communicating in culturally relevant ways by providing easily accessible information in multiple languages to reach diverse communities.

\$ in thousands		
Period Ending June 30	FY24/25 Budget	% of rev
Marketing & Communications Consulting	\$954	
Advertising & Paid Media	\$551	
Direct Mailers & Postage	\$260	
Sponsorships & Memberships	\$198	
Promotions & Branding	\$60	
Translation, Website Enhancement & Misc.	\$32	
Total Marketing & Outreach	\$2,055	0.7%



Operating Expenses Highlights: General & Administration

Other General & Administrative expenses include ordinary business costs such as office rental, IT equipment and software, business insurance, bank fees, office supplies, conferences and professional development, travel, business meals, and miscellaneous operational expenses. This category also includes dues for memberships in the California Community Choice Association (CalCCA), California Community Power (CC Power), and the California Community Choice Financing Authority (CCCFA).

\$ in thousands Period Ending June 30	FY24/25 Budget	% of rev
CalCCA, CC Power, and CCCFA Memberships Dues	\$440	
Office Rental	\$197	
IT Equipment and Software	\$145	
OCPA Data Analytic Platform	\$147	
Conferences & Professional Development	\$156	
Business Insurance	\$95	
Other Ordinary Business Expenses	\$345	
Total General & Administration	\$1,525	0.5%

- CalCCA represents the interests of California’s community choice electricity providers in the legislature and at state regulatory agencies.
- CC Power allows its member CCAs to combine their buying power to procure new, cost-effective clean energy and reliability resources, thus continuing to advance local and state climate goals.
- CCCFA enables its member CCAs to reduce the cost of power purchases through pre-payment structures.



Operating Expenses Highlights: Energy Programs

OCPA is committed to offering energy programs to its customers, which will serve as a significant catalyst for community reinvestment. These programs are specifically designed to assist households and businesses in transitioning from fossil fuel to cleaner energy solutions. They primarily target the transportation and building sectors, which are major contributors to greenhouse gas (GHG) emissions in Orange County.

- Launching the Community Power Plan, emphasizing diverse customer engagement, which will support the creation of customer programs in the upcoming years.
- Establishing grant opportunities for member agencies and customers to support electrification and energy efficiency initiatives.

\$ in thousands Period Ending June 30	FY24/25 Budget	% of rev
Energy Programs	\$1,000	0.3%



Non-Operating Expenses Highlights: Capital Expenditures

The budget allocation includes funds for OCPA’s long-term new office renovation. It is important to note that this expense will be offset by a tenant improvement credit of \$200k provided by Calpine.

\$ in thousands Period Ending June 30	FY24/25 Budget	% of rev
New Office Renovation:		
Furniture & Appliances	\$300	
AV Equipment & Installation	\$197	
Cabling & Security	\$85	
Calpine’s Tenant Improvement Credit	(\$200)	
Total Capital Expenditures	\$382	0.1%



Operating Expenses Highlights: Debt Services

- Debt services include the repayment of loan principal, associated interest, loan facility commitment fees, and fees for the issuance of letters of credit.
- OCPA plans to significantly reduce the issuance of letters of credit for energy supply collateral postings, from \$15.4 million to \$147k, by switching them to cash postings.

\$ in thousands Period Ending June 30	FY24/25 Budget	% of rev
Finance Costs – Loan Facility Commitment Fees	\$72	0.1%

5-Year OCPA Financial Proforma FY25/26 to 29/30

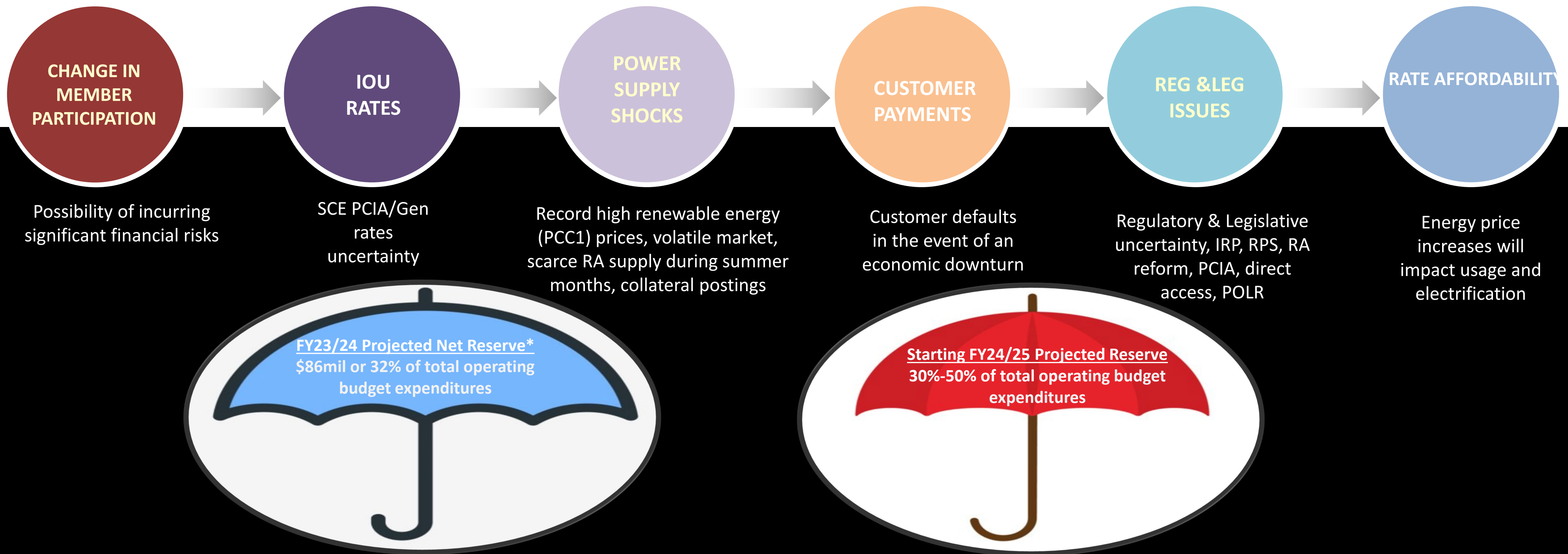
(\$ in thousands)														
Period Ending Jun 30	Reforecast FY2023/24	% of Rev	Budget FY2024/25	% of Rev	Projection FY2025/26	% of Rev	Projection FY2026/27	% of Rev	Projection FY2027/28	% of Rev	Projection FY2028/29	% of Rev	Projection FY2029/30	% of Rev
REVENUE AND OTHER SOURCES														
Revenue - Electricity Base	355,906	93.4%	283,591	92.8%	326,167	93.8%	358,873	94.4%	348,809	94.2%	301,130	93.0%	295,842	92.9%
Revenue - Smart Choice Premium	4,512	1.2%	4,797	1.6%	4,824	1.4%	4,867	1.3%	4,904	1.3%	4,940	1.5%	4,977	1.6%
Revenue - 100% Renewable Premium	24,238	6.4%	20,364	6.7%	20,443	5.9%	20,567	5.4%	20,721	5.6%	20,876	6.5%	21,033	6.6%
Less: Uncollectible Accounts	(5,632)	(1.5%)	(5,403)	(1.8%)	(6,150)	(1.8%)	(6,725)	(1.8%)	(6,553)	(1.8%)	(5,722)	(1.8%)	(5,632)	(1.8%)
Net Revenue - Electricity	379,023	99.4%	303,349	99.2%	345,284	99.3%	377,582	99.4%	367,881	99.4%	321,225	99.3%	316,220	99.2%
Investment and Miscellaneous Income	2,201	0.6%	2,400	0.8%	2,400	0.7%	2,400	0.6%	2,400	0.6%	2,400	0.7%	2,400	0.8%
Total Net Revenue and Other Sources	381,224	100.0%	305,749	100.0%	347,684	100.0%	379,982	100.0%	370,281	100.0%	323,625	100.0%	318,620	100.0%
EXPENDITURES AND OTHER USES														
CURRENT EXPENDITURES														
Cost of Energy	306,279	80.3%	272,532	89.1%	322,560	92.8%	304,253	80.1%	349,973	94.5%	299,942	92.7%	295,694	92.8%
Data Manager	2,549	0.7%	1,960	0.6%	2,245	0.6%	2,508	0.7%	2,575	0.7%	2,644	0.8%	2,715	0.9%
Utilities Service Fees	552	0.1%	563	0.2%	703	0.2%	708	0.2%	714	0.2%	719	0.2%	722	0.2%
Staffing Costs	3,110	0.8%	6,719	2.2%	7,458	2.1%	8,234	2.2%	9,050	2.4%	9,906	3.1%	10,806	3.4%
Contract Services	1,470	0.4%	1,614	0.5%	1,488	0.4%	948	0.2%	1,025	0.3%	1,003	0.3%	1,029	0.3%
Legal Services	556	0.1%	711	0.2%	746	0.2%	783	0.2%	826	0.2%	870	0.3%	870	0.3%
Marketing and Customer Enrollment	2,162	0.6%	2,055	0.7%	2,432	0.7%	2,552	0.7%	2,678	0.7%	2,811	0.9%	2,948	0.9%
Other G&A	965	0.3%	1,525	0.5%	1,480	0.4%	1,499	0.4%	1,525	0.4%	1,556	0.5%	1,587	0.5%
Energy Programs	185	0.0%	1,000	0.3%	1,250	0.4%	1,500	0.4%	1,750	0.5%	2,000	0.6%	2,250	0.7%
	317,829	83.4%	288,678	94.4%	340,362	97.9%	322,985	85.0%	370,115	100.0%	321,452	99.3%	318,620	100.0%
OTHER USES														
Capital Outlay	0	0.0%	382	0.1%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total Other Uses	0	0.0%	382	0.1%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
DEBT SERVICE														
Interest costs - nonoperating	464	0.1%	72	0.0%	72	0.0%	18	0.0%	0	0.0%	0	0.0%	0	0.0%
Finance costs - Principal	0	0.0%	0	0.0%	0	0.0%	3,257	0.9%	0	0.0%	0	0.0%	0	0.0%
Total Expenditures and Other Uses	318,293	83.5%	289,132	94.6%	340,434	97.9%	326,260	85.9%	370,115	100.0%	321,452	99.3%	318,620	100.0%
Net Income Surplus/(Deficit)	62,931	16.5%	16,616	5.4%	7,249	2.1%	53,721	14.1%	166	0.0%	2,173	0.7%	0	0.0%
Reserve Balance:														
Carryover balance	38,537	10.1%	101,468	33.2%	118,084	34.0%	125,333	33.0%	179,055	48.4%	179,221	55.4%	181,394	56.9%
Net Income Surplus/(Deficit)	62,931	16.5%	16,616	5.4%	7,249	2.1%	53,721	14.1%	166	0.0%	2,173	0.7%	0	0.0%
Reserve Balance Before Adjustments	101,468		118,084		125,333		179,055		179,221		181,394		181,394	
Restricted Cash Adjustments	(15,245)	(4.0%)	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Adjustments	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Adjusted Ending balance	86,223		102,839		110,088		163,810		163,976		166,149		166,149	
% of operating expenses	32%		41%		37%		55%		48%		56%		57%	





OCPA Reserves Assumptions

Maintaining healthy reserves to absorb numerous risks

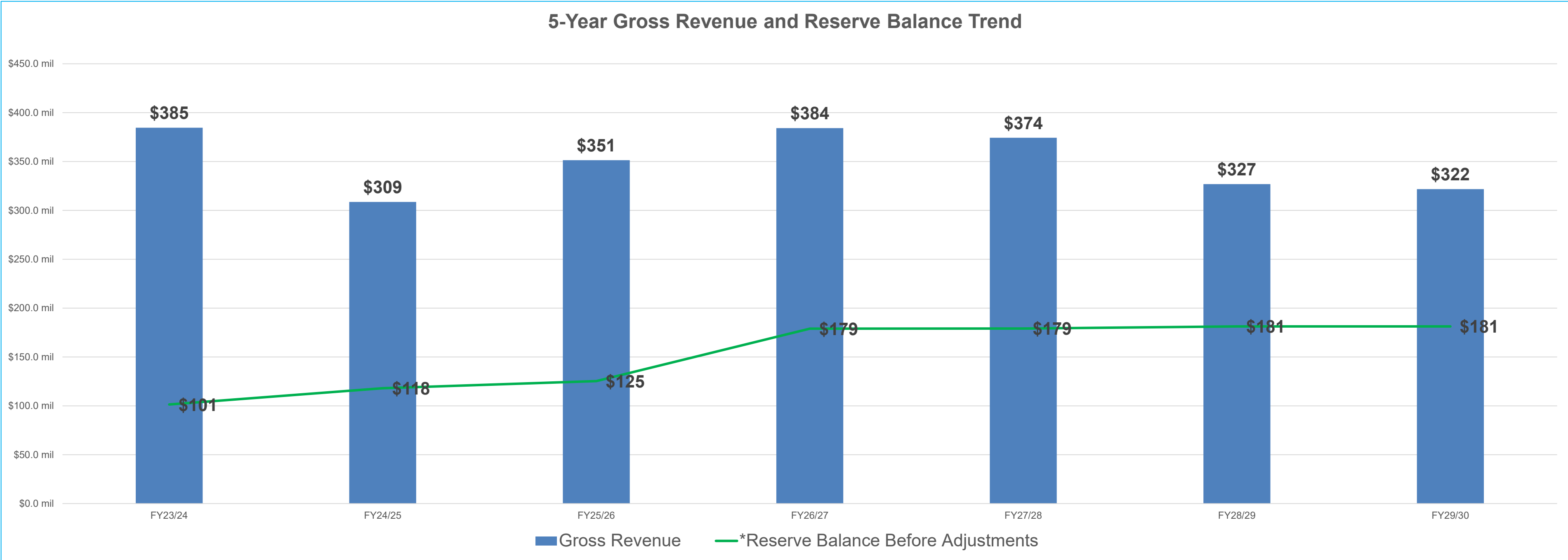


*Net Reserve = Total accumulated reserve minus Restricted Cash Collateral Posting for Power Suppliers' Agreements



5-Year OCPA Financial Proforma – Rate Stabilization Reserve Fund Trend

OCPA has established a Rate Stabilization Reserve Fund (RSF) to formulate a long-term financial plan aimed at achieving an investment-grade credit rating and securing energy procurement at competitive prices. To minimize risks such as a potential decrease in SCE bundled generation rates and high energy cost spikes, OCPA may make withdrawals from the RSF to maintain competitive rates or address emergencies, subject to board approval. In the second year of full operations for OCPA, FY2024/25, the projected RSF balance before posting restricted cash as collateral is estimated to be \$118 million, which is equivalent to 41% of the total operating budget expenditures.



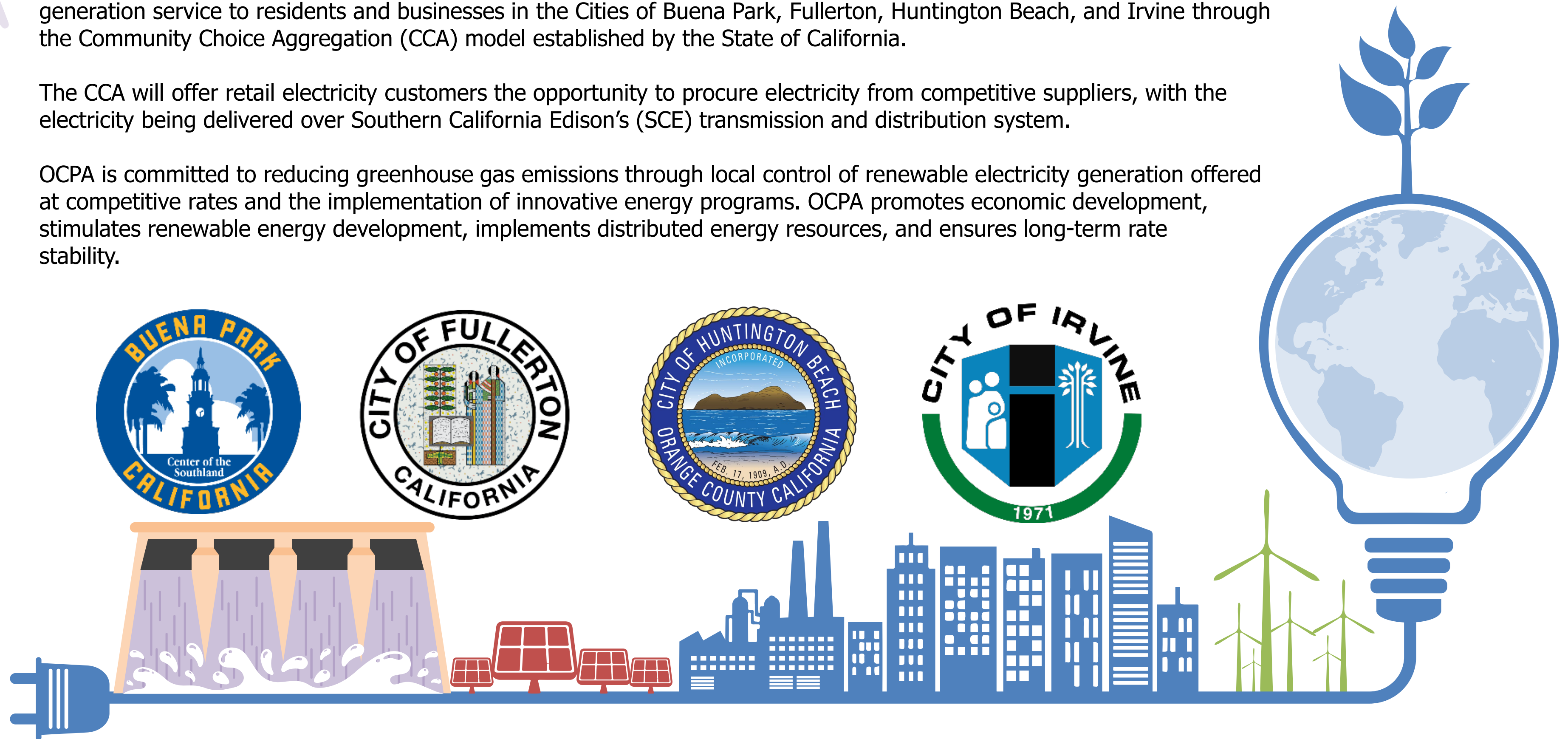
*Reserve Balance Before Adjustments = Total accumulated reserve before Restricted Cash Collateral Posting for Power Suppliers’ Agreements

About OCPA

Orange County Power Authority (OCPA) is a Joint Powers Authority formed in November 2020 to provide electric generation service to residents and businesses in the Cities of Buena Park, Fullerton, Huntington Beach, and Irvine through the Community Choice Aggregation (CCA) model established by the State of California.

The CCA will offer retail electricity customers the opportunity to procure electricity from competitive suppliers, with the electricity being delivered over Southern California Edison's (SCE) transmission and distribution system.

OCPA is committed to reducing greenhouse gas emissions through local control of renewable electricity generation offered at competitive rates and the implementation of innovative energy programs. OCPA promotes economic development, stimulates renewable energy development, implements distributed energy resources, and ensures long-term rate stability.



2024 OCPA BOARD



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Job Description Policy Advisor

SUMMARY

The Policy Advisor works in the Regulatory and Legislative Department of Orange County Power Authority (OCPA), assisting with regulatory and legislative matters. This position closely collaborates with regulatory agencies, working groups and committees of the California Community Choice Association (CalCCA), other Community Choice Aggregators (CCAs), local and state representatives, OCPA's board of directors, lobbyists, and legal counsels on key regulatory and legislative matters. The Policy Advisor provides policy analysis on the impact of regulatory policies and legislative proposals and is tasked with reviewing and drafting comments and briefs; providing technical and analytic input on regulatory matters; preparing data requests, testimony, and hearing exhibits; participating in administrative hearings; researching and preparing analyses; managing and conducting outreach to key stakeholders and regulatory agency staff for each proceeding; and coordinating with external consultants as needed.

This position represents OCPA in administrative proceedings before applicable state and federal regulatory agencies, such as the California Public Utilities Commission (CPUC), California Energy Commission (CEC), California Air Resources Board (CARB), and the US Department of Energy (DOE). It may also represent OCPA before the California and United States Congress and the California Independent System Operator (CAISO). The Policy Advisor is also responsible for developing and managing relationships with California's energy market stakeholders, including CalCCA.

EXAMPLES OF DUTIES / FUNCTIONS

Management reserves the right to add, modify, change, or rescind the work assignments of different positions and make reasonable accommodations so that qualified employees can perform the job's essential functions. Duties and responsibilities include, but are not limited to:

- Manage a regulatory proceeding caseload and engage in strategic and focused intervention, including analyzing and summarizing regulatory filings submitted by other parties, drafting responses and comments, preparing data requests, preparing and sponsoring testimony, drafting other documents, developing analytical models, supervising external counsel on specific proceedings, and communicating with regulatory agency or legislative staff.
- Participate in stakeholder dialogues, advocacy, and regulatory proceedings on behalf of OCPA and evaluate proposed regulatory and funding policies at the CPUC, CEC, CAISO, CARB, and other state and federal agencies to assess the impact on OCPA.
- Work collaboratively with internal teams on cross-functional priorities related to regulatory matters, focusing on energy resource planning and reliability proceedings.
- Assist with developing legislative and regulatory policies and strategies related to OCPA, CCAs, and the electric industry in California.

- Develop strategies to accomplish OCPA legislative and regulatory goals.
- Educate internal and external audiences on state and OCPA policies.
- Provide analysis of technical, regulatory, and legislative issues.
- Advise and consult with all levels of OCPA and its Boards, committees, and councils on key legal and policy matters related to regulatory and legislative policy developments.
- Represent and advocate for OCPA, its members, and customers before government and regulatory bodies.
- Engage in rate-making proceedings, investigations, rulemaking, compliance matters, and proposed legislation.
- Advance and defend OCPA positions through applications, briefs, legal memoranda, and discovery requests/responses.
- Work with internal staff and external contractors to implement proposed legislative and regulatory activities.
- Assist with meetings and events by developing agendas, taking meeting minutes, following up with members on after-action items, and preparing programs and brochures.
- Attend conferences, meetings, and seminars to maintain expertise in legislative and regulatory initiatives and their impact.
- Write staff reports and presentations for Board and Committee meetings.
- May lead other working groups.
- Other related duties as needed.

QUALIFICATIONS

Minimum Qualifications

Experience/Education

Any combination of education and experience which would provide the knowledge and abilities listed.

A typical way to obtain the required qualifications would be:

Bachelor's degree or higher in political science, business administration, public administration or policy, environmental science, economics, government, or related field.

AND

At least three (3) years of progressively responsible experience working on complex regulatory, legislative, or energy matters at an electric utility, public agency/municipality, or in a closely related field, with experience in the California energy regulatory industry.

To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements below represent the required knowledge, skill, and/or ability.

Knowledge of

- California electric utility regulatory issues.
- California regulatory practices, protocols, and procedures.
- California legislative process and protocols.

- Communications portals and web-based resources for regulatory and legislative activity.
- Fundamentals of the functions of energy technologies and relevant economics
- CCA policy issues include competitive neutrality, cost allocation, California electricity market structure, electricity rate design, energy procurement policy, and regulatory relations.

Ability to

- Prepare clear and comprehensive correspondence, reports, presentations, and proposals, and conduct independent research and fact-finding assignments.
- Determine, develop, and implement objectives, strategies, policies, procedures, work standards, and internal controls to achieve goals.
- Define problem areas and evaluate, recommend, and implement alternative solutions to complex issues and problems.
- Effectively represent OCPA before the Legislative and Regulatory Committee, Community Advisory Committee, city councils, and other local, regional, state, and federal agencies, as well as in public meetings with local citizens.
- Deal tactfully and maintain effective working and diplomatic relations with various levels of staff, the public, civic organizations, and representatives from governmental, industry, media, and other agencies.
- Demonstrate sensitivity to and respect for the rights of individuals and differences in people's ethnic and cultural heritage, attitudes, beliefs, goals, and interests.
- Promote teamwork, a positive work environment, and collaborative problem-solving.
- Work effectively under stressful situations involving tight deadlines, confrontation, and conflict.
- Use tact, initiative, prudence, and independent judgment within general policy, procedural, and legal guidelines.

Other Qualifications

Analytical Thinking: Approaches a problem or situation by using a logical, systematic, sequential approach.

Collaboration: Develops networks and builds alliances; engages in cross-functional activities.

Communication Skills: Effectively conveys information and expresses thoughts and facts clearly, orally, and in writing; demonstrates effective use of listening skills and displays openness to other people's ideas and thoughts.

Leadership: Leads by example, demonstrates high ethical standards, remains visible and approachable, and interacts with others regularly. Promotes a cooperative work environment, allowing others to learn from mistakes. Provides motivational support and direction.

PHYSICAL DEMANDS

Must possess mobility to work in a standard office setting and use standard office equipment, including a computer/laptop; operate a motor vehicle and visit various meeting sites in Orange County to conduct the Authority's business. This is primarily a sedentary office classification, although standing in and walking between work areas may be required. Finger dexterity is needed to access, enter, and retrieve information using a computer keyboard or calculator and to operate standard office

equipment. Positions in this classification include bend, stoop, kneel, reach, push, and pull drawers open and closed to retrieve and file information. Employees must be able to lift, carry, push, and pull materials and objects up to 25 pounds.

ENVIRONMENTAL ELEMENTS

This is primarily a sedentary classification. The employee works in an office environment with moderate noise levels, controlled temperature conditions, and no known direct exposure to hazardous physical substances. The employee interfaces with staff, management, other Authority representatives, government officials, business representatives, and the general public to explain the Authority's programs and request and provide information.

COMPENSATION AND BENEFITS

Salary is commensurate with experience. The salary grade for this position is RA3, and the salary range is \$8,350 to \$12,025 per month. OCPA offers a generous benefits package that includes:

- Individual, family, and domestic partner health insurance (medical, dental, vision)
- Life, short-term disability, and long-term disability insurance coverage
- Retirement with employer matching
- Paid time off (PTO) and holidays
- Health and wellness reimbursement benefit
- Technology stipend
- Flexible spending accounts (FSA) – health and dependent care
- Employee Assistance Program (EAP)

This is an exempt position. This is not a civil service position; however, some OCPA employees may be required to submit a Statement of Economic Interests form, also known as Form 700.

Orange County Power Authority is an equal opportunity employer to all, regardless of age, ancestry, color, disability (mental and physical), exercising the right to family care and medical leave, gender, gender expression, gender identity, genetic information, marital status, medical condition, military or veteran status, national origin, political affiliation, race, religious creed, sex (includes pregnancy, childbirth, breastfeeding, and related medical conditions), and sexual orientation.



Job Description

Energy Programs Manager

SUMMARY

The Energy Programs Manager works in the Communications & External Affairs Department and collaborates closely with other Orange County Power Authority (OCPA) teams and external consultants to implement OCPA's energy programs. The Energy Programs Manager is responsible for planning, designing, and implementing a range of customer-facing programs tailored to OCPA's various market sectors, including but not limited to residential, commercial, industrial, and municipal. This role's key priority is implementing OCPA's community power plan, which will guide OCPA's program service portfolio and is tailored to meet OCPA's diverse community needs. The Manager will perform research, solicit community feedback, develop reporting and visualizations to support energy program activities and overall business goals, attend events, and participate in community outreach.

EXAMPLES OF DUTIES / FUNCTIONS

Management reserves the right to add, modify, change, or rescind the work assignments of different positions and make reasonable accommodations so that qualified employees can perform the job's essential functions. Duties and responsibilities include, but are not limited to:

- Effectively build, integrate, and manage a rapidly growing team of staff, consultants, and contractors to conduct program activities, including evaluating and reporting results.
- Lead the coordination, management, and implementation of customer-facing programs in support of transportation and building electrification throughout OCPA's service area.
- Work closely with other OCPA departments (Finance and Data, Power Supply, Legislative & Regulatory), the Community Advisory Committee (CAC), consultants, stakeholders, and other partner agencies to ensure the success of energy programs and strategic initiatives.
- Collaborate with Member Agencies' staff to support regional electrification, policy initiatives, and local climate action plans.
- Lead the development of partnerships with local, state, and federal agencies, national laboratories, universities, businesses, start-ups, and non-profits to create opportunities for program funding, new program markets, and more effective program design and implementation.
- Identify trends in energy technologies, utility programs, and customer needs to support program development and design recommendations.
- Identify OCPA's objectives and priorities. Lead procurement and contracting initiatives in support of energy programs, ongoing budget oversight, and vendor management.
- Support all aspects of program-related community outreach and education initiatives, including presenting to community groups and coordinating event logistics.
- Develop and implement a community-based energy program plan by attending events, meetings, and workshops, reviewing and providing input on reports and other deliverables, and implementing the plan.
- Monitor program progress in assigned program area(s) relative to goals and recommend improved program delivery.
- Research potential funding opportunities and critically evaluate applicability, feasibility, and

requirements.

- Draft staff reports and prepare presentations for Board and Committee meetings.
- Track and report program success through metrics, analytics, customer relationship management tools, and other program tracking tools.
- Interact with and support customers and members of the public to answer questions, provide information, and facilitate participation in customer programs.
- Identify, recommend, and develop materials and web-based tools to drive customer program participation.
- Perform related duties and responsibilities as required.

QUALIFICATIONS

Minimum Qualifications

- Education and Experience: Education and experience equivalent to a Bachelor of Arts or Bachelor of Science degree from an accredited college or university in science, technology, environmental planning, business, or a related field and at least seven years of progressively responsible in energy programs or working in electric utility, Community Choice Aggregation, or closely related field.
- Strong commitment to sustainability, community energy, and mission-driven work.
- Demonstrated commitment to diversity, equity, and inclusion within the organization and our communities to build program accessibility and participation, including OCPA's Communities of Concern.
- Positive, collaborative, supportive team member excited to work with diverse teams and communities.
- Work independently, have strong organizational skills, and have demonstrated goal-setting and self-management skills to support multiple assignments concurrently.
- Monitor, review, analyze, and interpret programmatic decisions, filings, and reports from applicable regulatory bodies.
- Strong work ethic, comfortable taking responsibility and initiative, and working in a fast-paced, start-up environment.
- Strong communicator who can write and present compellingly and clearly.
- Ability to take and provide critical feedback in constructive ways.
- Strong critical thinking skills, including a high tolerance for uncertainty and the ability to identify issues and propose solutions.
- Ability to act with integrity, professionalism, and confidentiality.
- Ability to travel to meetings and community events to meet with residents and stakeholders. Must have access to reliable transportation and a good driving record if driving an automobile.

Knowledge Of

- The organization and operations of a local government agency.
- Community Choice Aggregations and programs.

- End-to-end knowledge of retail customer programs (design, development, implementation, evaluation, measurement, and verification).
- Familiarity with state and local climate and energy policy, pathways to deep decarbonization, energy usage in the built environment, building codes and end uses, and grid integration.
- Energy efficiency, transportation electrification, building electrification, battery storage systems, distributed energy resources (DER), demand response, and other energy initiatives.
- Activities necessary for effective on-the-ground key stakeholder outreach and customer program participation.
- Principles of project and project management.
- Data analysis and visualization techniques, particularly as applied to energy use in the building and transportation sectors.
- Basic science of greenhouse gas emissions.
- Experience supporting and implementing programs funded by California state agencies (e.g., California Public Utilities Commission, California Energy Commission, California Air Resources Board).
- Microsoft Office Suite (Word, Excel, and PowerPoint) and Adobe Acrobat.
- Customer Relationship Management (CRM), project management, and data analytics software.

Ability to:

- Prepare and present clear and comprehensive correspondence, reports, presentations, and proposals to a diverse audience.
- Research, analyze, and interpret complex data; reach conclusions, make recommendations, and develop staff reports.
- Define problem areas and evaluate, recommend, and implement alternative solutions to complex issues and problems.
- Effectively represent OCPA before the Board, Community Advisory Committee, city councils, and other local, regional, state, and federal agencies, as well as in public meetings with local citizens.
- Be detail-oriented and manage multiple projects and programs in a fast-paced environment.
- Work well independently and in teams.
- Deal tactfully and maintain effective working relations with various levels of staff, the public, civic organizations, and representatives from governmental, industry, media, and other agencies.
- Demonstrate sensitivity to and respect for the rights of individuals and differences in people's ethnic and cultural heritage, attitudes, beliefs, goals, and interests.
- Promote teamwork, a positive work environment, and collaborative problem-solving.
- Work effectively under stressful situations involving tight deadlines.
- Use tact, initiative, prudence, and independent judgment within general policy, procedural, and legal guidelines.

Other Qualifications

Analytical Thinking: Approaches a problem or situation by using a logical, systematic, sequential approach.

Collaboration: Develops networks and builds alliances; engages in cross-functional activities.

Communication Skills: Effectively conveys information and expresses thoughts and facts clearly, orally, and in writing; demonstrates effective use of listening skills and displays openness to other people's ideas and thoughts.

Leadership: The leader leads by example, demonstrates high ethical standards, remains visible and approachable, and interacts with others on a regular basis. The leader promotes a cooperative work

environment, allowing others to learn from mistakes. The leader provides motivational support and direction.

Vision/Strategic Thinking: Supports, promotes, and ensures alignment with the organization's vision and values; understands how an organization must change in light of internal and external trends and influences; builds a shared vision with others and influences others to translate vision to action.

PHYSICAL DEMANDS

Must possess mobility to work in a standard office setting and use standard office equipment, including a computer/laptop; operate a motor vehicle and visit various meeting sites in Orange County to conduct the Authority's business. This is primarily a sedentary office classification, although standing in and walking between work areas may be required. Finger dexterity is needed to access, enter, and retrieve information using a computer keyboard or calculator and to operate standard office equipment. Positions in this classification include bend, stoop, kneel, reach, push, and pull drawers open and closed to retrieve and file information. Employees must be able to lift, carry, push, and pull materials and objects up to 25 pounds.

ENVIRONMENTAL ELEMENTS

This is primarily a sedentary classification. The employee works in an office environment with moderate noise levels, controlled temperature conditions, and no known direct exposure to hazardous physical substances. The employee interfaces with staff, management, other Authority representatives, government officials, business representatives, and the general public to explain the Authority's programs and request and provide information.

COMPENSATION AND BENEFITS

Salary is commensurate with experience. The salary grade for this position is MP4, and the salary range is \$12,275 – \$17,675 per month. OCPA offers a generous benefits package that includes:

- Individual, family, and domestic partner health insurance (medical, dental, vision)
- Life, short-term disability, and long-term disability insurance coverage
- Retirement with employer matching
- Paid time off (PTO) and holidays
- Health and wellness reimbursement benefit
- Technology stipend
- Flexible spending accounts (FSA) – health and dependent care
- Employee Assistance Program (EAP)

This is not a civil service position; however, some OCPA employees may be required to submit a Statement of Economic Interests form, also known as Form 700.

Orange County Power Authority is an equal opportunity employer to all, regardless of age, ancestry, color, disability (mental and physical), exercising the right to family care and medical leave, gender, gender expression, gender identity, genetic information, marital status, medical condition, military or veteran status, national origin, political affiliation, race, religious creed, sex (includes pregnancy, childbirth, breastfeeding, and related medical conditions), and sexual orientation.



Job Description

Procurement & Administrative Analyst

SUMMARY

The Procurement & Administrative Analyst plays a key role in assisting the procurement team by overseeing procurement operations, examining expenditure trends, and pinpointing opportunities for cost reduction. This position entails collaborating extensively with different departments across the company to grasp their purchasing requirements, ensure adherence to procurement guidelines, and enhance the procurement process's overall effectiveness.

EXAMPLES OF DUTIES / FUNCTIONS

Management reserves the right to add, modify, change, or rescind the work assignments of different positions and make reasonable accommodations so that qualified employees can perform the job's essential functions. Duties and responsibilities include, but are not limited to:

- Coordinate with departments on procurement
- Manage the Department's Property Assets and reporting
- Ensure the Department complies with all aspects of procurement, contracting, and asset policies and guidelines
- Research and analyze special issues relating to general administration, procurement, and assets
- Review, analyze, develop, and implement changes to standardize and streamline administrative operations
- Timely and effectively solve problems to avoid undesirable consequences
- Maintain OCPA contracts in an easily accessible format for quick reference and efficient contact management
- Coordinate and timely manage board materials for the Fintech department
- Provide administrative support to the CFO
- Perform any other duties as assigned.

QUALIFICATIONS

Minimum Qualifications

Experience/Education

To perform this job successfully, an individual must be able to perform each essential duty, with or without accommodation, satisfactorily.

Candidates must have education and/or experience equivalent to a Bachelor of Arts or Bachelor of Science degree from an accredited college or university in Accounting, Finance, Economics, Business Administration, or a closely related field AND three (3) years of hands-on progressively responsible financial and administrative experience. Start-up working experience in a Community Choice Aggregation (CCA) and/or electric utility is highly desirable. Must be able to sit at a desk and work on a computer for prolonged periods.

Possession of a valid State of California driver's license is preferred.

Knowledge of

- CCA landscape in California.
- Utility industry, service options, terminology, rates, and billing.
- Good understanding of energy industry contracts, including but not limited to EEIs and Power Purchase Agreements.
- Microsoft Office Suite, which includes Excel, Word, and PowerPoint.
- Theory, principles, and practices of organizational administration and finance.
- Principles and practices of analysis and research methodology.
- Pertinent local, State, and Federal rules, regulations, and laws for accounting and finance.
- Principles and practices of project management and budget development, work planning, and organization.
- Office management protocols, procedures, software, and equipment.

Ability to

- Have a strong work ethic, take initiative, and be comfortable working in a fast-paced, start-up environment.
- Demonstrate integrity, patience, tact, and courtesy at all times.
- Enjoy engaging with passionate internal and external stakeholders.
- Be detail-oriented with strong organizational and analytical skills.

- Ensure projects and reports are completed in a timely and accurate manner.
- Work independently with minimum supervision and as a team member.
- Exercise good judgment in handling multiple priorities to meet deadlines and open-ended tasks.
- Work accurately and swiftly under pressure.
- Communicate effectively, orally and in writing.
- Have a high tolerance for uncertainty and know how to bring things to resolution.
- Work well on diverse teams.
- Resolve issues through research and negotiation.

Other Qualifications

Analytical Thinking: Approaches a problem or situation by using a logical, systematic, sequential approach.

Collaboration: Develops networks and builds alliances; engages in cross-functional activities.

Communication Skills: Effectively conveys information and expresses thoughts and facts clearly, orally, and in writing; demonstrates effective listening skills and displays openness to other people's ideas and thoughts.

Vision/Strategic Thinking: Supports, promotes, and ensures alignment with the organization's vision and values; understands how an organization must change in light of internal and external trends and influences; builds a shared vision with others and influences others to translate vision to action.

PHYSICAL DEMANDS

Must possess mobility to work in a standard office setting and use standard office equipment, including a computer/laptop; operate a motor vehicle and visit various meeting sites in Orange County to conduct the Authority's business. This is primarily a sedentary office classification, although standing in and walking between work areas may be required. Finger dexterity is needed to access, enter, and retrieve information using a computer keyboard or calculator and to operate standard office equipment. Positions in this classification include bend, stoop, kneel, reach, push, and pull drawers open and closed to retrieve and file information. Employees must be able to lift, carry, push, and pull materials and objects up to 25 pounds.

ENVIRONMENTAL ELEMENTS

This is primarily a sedentary classification. The employee works in an office environment with moderate noise levels, controlled temperature conditions, and no known direct exposure to hazardous physical substances. The employee interfaces with staff, management, other Authority representatives, government officials, business representatives, and the general public to explain the Authority's

programs and request and provide information.

COMPENSATION AND BENEFITS

Salary is commensurate with experience. The salary grade for this position is FN2, and the salary range is \$6,050 to \$8,708 per month. OCPA offers a generous benefits package that includes:

- Individual, family, and domestic partner health insurance (medical, dental, vision)
- Life, short-term disability, and long-term disability insurance coverage
- Retirement with employer matching
- Paid time off (PTO) and holidays
- Health and wellness reimbursement benefit
- Technology stipend
- Flexible spending accounts (FSA) – health and dependent care
- Employee Assistance Program (EAP)

This is a non-exempt position. This is not a civil service position; however, some OCPA employees may be required to submit a Statement of Economic Interests form, also known as Form 700.

Orange County Power Authority is an equal opportunity employer to all, regardless of age, ancestry, color, disability (mental and physical), exercising the right to family care and medical leave, gender, gender expression, gender identity, genetic information, marital status, medical condition, military or veteran status, national origin, political affiliation, race, religious creed, sex (includes pregnancy, childbirth, breastfeeding, and related medical conditions), and sexual orientation.



Job Description Data Analyst

SUMMARY

The Data Management Analyst works in the Fintech Department, plays a critical role in conducting complex analyses for load reduction-related demand response programs and carrying out feasibility studies for potential new member agencies. This position requires close collaboration with various teams, including Power Services, Communications & External Affairs, and Regulatory and Legislative Affairs. The Data Management Analyst is responsible for developing data-driven solutions to address complex challenges.

EXAMPLES OF DUTIES / FUNCTIONS

Management reserves the right to add, modify, change, or rescind the work assignments of different positions and make reasonable accommodations so that qualified employees can perform the job's essential functions. Duties and responsibilities include, but are not limited to:

- Perform analyses for load reduction-related demand response programs and conduct feasibility studies for potential new member agencies
- Manage and review financial reporting and reconciliations provided by the data management service provider to ensure data accuracy and completeness. Develop and monitor key business metrics.
- Regularly review and audit customer bills to identify errors and collaborate with the data management company to find resolutions.
- Collaborate with other OCPA Data Analysts to identify trends and anomalies in customer bills.
- Work with the External Affairs Management team to promptly fulfill customer data requests.
- Coordinate with the data management company to review regular rate updates using data outputs and customer bills.
- Utilize the CRM system to gather relevant details for requested data.
- Attend regular CalCCA conferences and maintain summaries for the team.
- Engage with internal and external stakeholders to understand business and regulatory policy challenges, goals, and objectives and translate them into data analytics use cases.
- Identify and drive process improvements, seeking opportunities to increase productivity through the development of automated reporting tools.
- Prepare professional reports, presentations, and correspondence related to data management responsibilities.
- Perform related duties and responsibilities as required.

QUALIFICATIONS

Minimum Qualifications

Experience/Education

The successful candidate will bring a mix of data analytics acumen, the ability to work independently and collaboratively with OCPA staff, a passion for building solutions and streamlining processes, a commitment to data-driven decision-making, and a deep interest in OCPA's mission. The requirements below represent the required knowledge, skill, and/or ability.

Candidates must hold a Bachelor of Arts or Bachelor of Science degree from an accredited college or university in Accounting, Finance, Statistics, Economics, Math, Engineering, or a closely related field.

AND

At least three (3) years of experience in data analytics, utility rate design, and rate analyses. Start-up working experience in a Community Choice Aggregation (CCA) and/or electric utility is highly desirable.

Required Skill

- Strong technical, analytic skills:
 - Expert proficiency in Excel and PowerPoint
 - PowerPivot
 - Power BI or/and Tableau
- Ability to extract data, perform various analyses, and translate findings into meaningful business recommendations.
- Knowledge of policy development, load and demand forecasting, revenue requirements, rates or accounting, pricing, tariffs theory & practice, energy markets, and customer data analysis.
- Strong written and oral communication skills.
- Team player, ability to prioritize, be nimble, and be self-directed in a highly fluid and rapidly changing environment.
- Knowledge of utility rate-making design and/or energy program design.
- Knowledge of electric utility generation and retail business structures.
- Experience with utility load and financial forecasting methodologies.
- Experience with the development and maintenance of a self-service data analytics platform to disseminate data-driven insights into the organization.
- Knowledge of and experience with California Public Utilities Commission (CPUC) regulations for electric utilities and knowledge of utility ratemaking, tariffs, and contracts.
- Passion for contributing to the success of community choice aggregation in California.

Ability to

- Demonstrate integrity, patience, tact, and courtesy at all times.
- Have a strong work ethic, take initiative, and be comfortable working in a fast paced, start-up environment.
- Enjoy engaging with passionate internal and external stakeholders.
- Be detail-oriented with strong organizational and analytical skills.

- Ensure projects and reports are completed in a timely and accurate manner.
- Work independently with minimum supervision and as a team member.
- Exercise good judgment in handling multiple priorities to meet deadlines and open-ended tasks.
- Work accurately and swiftly under pressure.
- Have a high tolerance for uncertainty and know how to bring things to resolution.
- Work well on diverse teams.

Other Qualifications

Analytical Thinking: Approaches a problem or situation by using a logical, systematic, sequential approach.

Collaboration: Develops networks and builds alliances; engages in cross-functional activities.

Communication Skills: Effectively conveys information and expresses thoughts and facts clearly, orally, and in writing; demonstrates effective use of listening skills and displays openness to other people's ideas and thoughts.

Leadership: Leads by example, demonstrates high ethical standards, remains visible and approachable, and interacts with others regularly. Promotes a cooperative work environment, allowing others to learn from mistakes. Provides motivational support and direction.

PHYSICAL DEMANDS

Must possess mobility to work in a standard office setting and use standard office equipment, including a computer/laptop; operate a motor vehicle and visit various meeting sites in Orange County to conduct the Authority's business. This is primarily a sedentary office classification, although standing in and walking between work areas may be required. Finger dexterity is needed to access, enter, and retrieve information using a computer keyboard or calculator and to operate standard office equipment. Positions in this classification include bend, stoop, kneel, reach, push, and pull drawers open and closed to retrieve and file information. Employees must be able to lift, carry, push, and pull materials and objects up to 25 pounds.

ENVIRONMENTAL ELEMENTS

This is primarily a sedentary classification. The employee works in an office environment with moderate noise levels, controlled temperature conditions, and no known direct exposure to hazardous physical substances. The employee interfaces with staff, management, other Authority representatives, government officials, business representatives, and the general public to explain the Authority's programs and request and provide information.

COMPENSATION AND BENEFITS

Salary is commensurate with experience. The salary grade for this position is BD2, and the salary range is \$8,350 to \$12,025 per month. OCPA offers a generous benefits package that includes:

- Individual, family, and domestic partner health insurance (medical, dental, vision)

- Life, short-term disability, and long-term disability insurance coverage
- Retirement with employer matching
- Paid time off (PTO) and holidays
- Health and wellness reimbursement benefit
- Technology stipend
- Flexible spending accounts (FSA) – health and dependent care
- Employee Assistance Program (EAP)

This is an exempt position. This is not a civil service position; however, some OCPA employees may be required to submit a Statement of Economic Interests form, also known as Form 700.

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ORANGE COUNTY POWER AUTHORITY
Staff Report – Item 10

To: Orange County Power Authority Board of Directors

From: Joe Mosca, Chief Executive Officer

Subject: CHIEF EXECUTIVE OFFICER’S REPORT

Date: June 18, 2024

Huntington Beach Return Update

The HB customers' reversion is being implemented in two phases, which began in April and June, respectively. These two phases include reverting the Net Energy Metering (NEM) customers and non-NEM customers.

Of the 4,336 NEM customers, 99.6% have been transitioned back to SCE. In total, 17 HB NEM accounts have yet to be fully billed, and their return has not been completed in part due to meter usage collection issues. OCPA is tracking every account to ensure a smooth transition.

The reversion of the Non-NEM customers started as of June 1st and will happen on the customers’ meter read date throughout June. SCE has confirmed that, based on their meter read cycle, they have initiated drop requests for 60,730 HB non-NEM accounts. OCPA staff will continue monitoring and reporting on the progress of non-NEM returns.

We expect more information to be available by the middle of the month. The final SCE Advise Letter (AL) for the June HB returns was sent to OCPA on June 3, 2024. Total fees were \$28,452.86, \$581.86 lower than initially estimated due to a decrease in account volumes.

SCE to Reduce Bundled Generation Rates

SCE reduced its bundled generation rates by approximately 7%, effective June 1, 2024, due to removing the 2023 ERRA Trigger surcharge. In response, the staff is currently calculating the updated OCPA rates, which Calpine will implement effective July 1, 2024.

This rate reduction has negatively impacted OCPA's revenues, with a projected decrease of about \$7 million from June through December 2024. Therefore, based on the condition set forth by the board in January 2024, OCPA’s Basic Choice rates will not increase to 4% relative to SCE’s equivalent generation rates starting in October 2024, as the decrease in revenue exceeds the \$5.3 million threshold.

Celebrating our 2nd Green P100NEER

This past week, we celebrated YogaSix of Irvine, our first commercial customer recognized as a Green P100NEER. Thank you to Director Tammy Kim for attending and assisting in the celebration.

We are happy to announce that the Orange County Soccer Club is being recognized as our 2nd Green P100NEER. The OC Soccer Club is one of the two sports facilities in Southern California that choose 100% renewable energy to power their home field. The team plays at the Great Park in Irvine.

We are actively promoting our Green P100NEER program to all our commercial customers and broadly rolling out marketing campaigns to let our commercial customers in all our communities know how much we can help them with their ESG goals.

Progress Being Made Toward the Launch of our Community Power Plan

We are progressing toward developing a Community Power Plan (“CPP”) that will guide the design and implementation of customer energy programs over the next five years. Seven submissions have been received during the six-week proposal submission window. Staff are optimistic that OCPA will find qualified vendors to support it as we expand our customer program offerings.

NEW Office Space Update

We are happy to report that the Barranca office renovation demolition phase is now complete. The construction team started framing walls a few days before schedule. The most updated construction schedule shows a final walkthrough date of August 9. While the actual move-in date may continue to shift, staff are confident that an August move-in date is likely at this point. Additionally, the related expenses seem to be within the range of our expectations due largely to the team's prudent financial planning.

Events & Stakeholder Outreach

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

City	Event & Meetings	Date	Time
Irvine	Irvine Rotary Meeting	Wednesday, May 29th	7:15 AM-8:30 AM
Irvine	Meet Me at the Museum	Thursday, May 30th	5:30 PM – 7:00 PM
Garden Grove	OC Diversity Business Mixer and Expo	Friday, May 31st	5:00 PM – 9:00 PM
Fullerton	2024 Pride Fest Fullerton	Saturday, June 1st	2:00 PM - 7:00 PM
Lake Forest	OC Division Meeting - League of California Cities	Thursday, June 6th	5:30 PM - 8:30 PM

City	Event & Meetings	Date	Time
Riverside	2024 Small Business SoCal Contracting Conference	Thursday, June 6th	8:00 AM – 5:00 PM
Lake Forest	OC Division Meeting - League of California Cities	Thursday, June 6th	5:30 PM - 8:30 PM
Fullerton	Fullerton Collaborative General Meeting: Destination Retreat & Mixer	Monday, June 10th	2:30 PM-3:30 PM
Irvine	Cool Irvine/Cool OC Sustainability Fair	Saturday, June 15th	10:00 AM - 2:00 PM

We are looking forward to many opportunities to engage with the community and key stakeholders, including:

City	Event & Meetings	Date	Time
Costa Mesa	United For Student Success	Wednesday, June 19th	11:30 AM - 1:00 PM
Buena Park	Buena Park Juneteenth Event	Wednesday, June 19th	6:00 PM - 9:00 PM
Orange	OCICE Interfaith Meet-and-Greet for Environmentalists	Saturday, June 22nd	2:00 PM - 4:30 PM
Stanton	OCPA City of Stanton Presentation	Tuesday, June 25th	6:00 PM - 8:00 PM
Fullerton	Fullerton Downtown Fireworks Show	Thursday, July 4th	5:00 PM - 9:00 PM
Buena Park	Buena Park Concert In The Park - Mariachi Divas	Wednesday, July 10th	5:30 PM - 8:00 PM

Attachments:

A) Non-Power Supply Contracts Over \$50,000 to Under \$100,000

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
1	We Konnect Inc.	5/21/2024-12/31/2024	\$65,152.29	Data cabling and access control for Barranca office	