

## AGENDA

### ORANGE COUNTY POWER AUTHORITY MEETING OF THE BOARD OF DIRECTORS

Wednesday, June 9, 2021

9:00 a.m.

Due to the public health orders and guidelines in California and in accordance with the Governor's Executive Orders N-25-20 and N-29-20, there will be no location for in-person attendance. The Orange County Power Authority is providing alternatives to in-person attendance for viewing and participating in the meeting. Further details are below.

**Note:** Any member of the public may provide comments to the Orange County Power Authority Board of Directors on any agenda item or on a matter not appearing on the agenda, but within the jurisdiction of the Board. Please indicate whether your comment is on a specific agenda item or a non-agenda item when requesting to speak. 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:

**Requests to Speak.** In-person public attendance will not be provided. Members of the public who have requested to speak will be recognized at the appropriate time during the Zoom meeting and may speak through Zoom or telephonically. To allow the Chair to call on you, please provide the following minimum information with your request to speak: your name (if attending by videoconference) or telephone number (if attending by phone).

Comments shall be limited to three minutes when speaking. If you have anything that you wish to be distributed to the Board, please provide it via [comments@ocpower.org](mailto:comments@ocpower.org), who will distribute the information to the Members.

The public may participate using the following remote options:

#### ZOOM MEETING

You are invited to a Zoom webinar.

Please click the link below to join the webinar:

[Launch Meeting - Zoom](#)

Passcode: 221470

Dial-in: 1 (669) 900 6833

Webinar ID: 919 1280 3937



1. **CALL TO ORDER**

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL**

4. **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.*

**4.1 AWARD OF CONTRACT FOR SCHEDULE COORDINATION AND DISPATCH**

**Recommended Action:**

1. Approve Staff's recommendation of The Energy Authority for Schedule Coordination and Dispatch.
2. Authorize the Chief Executive Officer, Chief Operating Officer, and General Counsel to negotiate, finalize, and execute a contract for Schedule Coordination and Dispatch Services.

**4.2 AWARD OF CONTRACT FOR POWER SUPPLY PORTFOLIO MANAGEMENT**

**Recommended Action:**

1. Approve Staff's recommendation of Pacific Energy Advisors for Power Supply Portfolio Management.
2. Authorize the Chief Executive Officer, Chief Operating Officer, and General Counsel to negotiate, finalize, and execute a contract for Power Supply Portfolio Management services.

6. **PUBLIC COMMENTS**

*Opportunity for members of the public to address the Board on any items not on the agenda but within the jurisdiction of the Board.*

7. **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](http://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. Late-arriving documents received during the meeting are available for review by making a verbal request to the Board Secretary in the Zoom meeting room.

**ORANGE COUNTY POWER AUTHORITY**  
**Staff Report – Item 4.1**

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To: Orange County Power Authority Board of Directors

From: Brian Probolsky, Chief Executive Officer  
Ryan Baron, General Counsel

Subject: AGREEMENT FOR SCHEDULE COORDINATION AND DISPATCH SERVICES WITH THE ENERGY AUTHORITY

Date: June 9, 2021

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**RECOMMENDATIONS**

1. Select The Energy Authority (TEA) to provide schedule coordination and dispatch services.
2. Authorize the Chief Executive Officer, Chief Operating Officer, and General Counsel to negotiate, finalize, and execute a Professional Services Agreement with to negotiate and execute a Professional Services Agreement with TEA for a Not to Exceed amount of \$1,087,693 consistent with this Staff Report as reviewed and approved by the General Counsel.

**BACKGROUND**

On January 26, 2021, staff released a Request for Proposal for Multiple Services: Power Supply Portfolio Management, Scheduling and Dispatch Services, and Data Management and Customer Call Center Services (Solicitation Number: 21-001), with a due date of February 26, 2021. After review of the proposals, staff ultimately decided to reject all proposals and reissue Request for Proposal for Multiple Services: Power Supply Portfolio Management, Scheduling and Dispatch, and Data Management and Customer Call Center Services (Solicitation Number: 21-003), with a due date of May 24, 2021. The reissuance of the RFP was done so that more firms could submit proposals. Interviews were conducted the week of May 31, 2021.

The following information provides information on the review process, as well as information on each of the Firms that were interviewed.

Four (4) firms submitted proposals for the Schedule Coordination and Dispatch Services:

1. Alliance for Cooperative Energy Services (ACES)  
ACES is based in Carmel, IN with trading offices located in North Carolina, Minnesota, and Arizona. ACES provides multiple services to 5 CCAs: Central Coast Community Energy, East Bay Community Energy, Peninsula Clean Energy Authority, San Jose Clean Energy, and Silicon Valley Clean Energy Authority. ACES also provides several energy management services to California Energy Service Providers and Municipal Utilities.
2. The Energy Authority (TEA)  
The Energy Authority (TEA) is a non-profit entity based in Jacksonville, FL with a western regional office Washington. TEA has been a service provider in wholesale markets since 1997. TEA provides multiple services to 4 CCAs: Redwood Coast Energy Authority, Central Coast Energy, Solana Energy Alliance, and Desert Community Energy. TEA also

provides wholesale power services to dozens of publicly owned utilities in Washington, Oregon, and California.

3. Tenaska Power Services Co.

Tenaska Power Services Co. (Tenaska) is based in Omaha, Nebraska. Since 1997, Tenaska has been actively engaging in energy management for a wide range of generation and load customers comprised of CCAs, joint action agencies and municipalities, independent power producers, electric cooperatives, etc. Tenaska provides scheduling services to San Diego Community Power and Clean Power Alliance, in addition to scheduling they also are extremely active in the California Resource Adequacy (RA), Renewable Portfolio Standard (RPS), and Carbon Free (CF) markets, transacting significant volumes annually.

4. ZGlobal

ZGlobal is a certified CAISO Scheduling Coordinator based in Folsom, California managing energy delivery to their load serving entity/CCA clients residing in 81 cities and 9 counties. ZGlobal clients include MCE, Pioneer Community Energy, Silicon Valley Clean Energy, and Peninsula Clean Energy which consists of about 25% of the existing CCAs currently in operation. ZGlobal also provides similar services to the Metropolitan Water District of Southern California, City of Corona, City of Victorville, Bear Valley Electric, and the City of Anaheim. In 2020, ZGlobal managed 14,614 GWh of load and 4,300 MW of generation.

The review committee, comprised of Staff and the General Counsel, interviewed the respondents. Each firm was graded on the following categories:

1. Response, Capability, and Experience
2. Management, Personnel, and Qualifications
3. References
4. Cost to OCPA - Clarity and Cost for Pre- and Post-Launch

The following provides a high-level cost comparison of each firm:

<b>Firm</b>	<b>One-time Fee</b>	<b>First Year Annual Costs</b>
ACES	\$123,000	\$789,600
TEA	\$38,000	\$163,200
Tenaska	\$15,000	\$0.0675 per MWh of metered load (\$15,000 minimum per month – Annual \$180,000)
ZGlobal	\$36,000	\$115,200

After careful consideration of the firms interviewed and alignment with the Authority's goals and objectives, Staff is recommending the Board select TEA to provide schedule coordination and dispatch services.

TEA has over 20 years of experience operating as a not-for-profit power marketer providing customized scheduling, procurement, and portfolio risk management solutions to community owned electric service providers. TEA's experience includes direct experience with CCA formation and operations having successfully assisted Clean Power Alliance and Redwood Coast Energy Authority with their launch and ongoing scheduling needs.

TEA is a non-profit corporation and is wholly owned and directed by its owners, who are exclusively municipal or state-chartered electric utilities. TEA is a certified Scheduling Coordinator (SC) in the CAISO market and will provide a comprehensive suite of SC and related services to fulfill the SC requirements sought by the Authority. TEA's services include assisting with scheduling and settling Shaped Conventional Energy, Ancillary Services, and Resource Adequacy Capacity procured by the Authority.

TEA will be providing the following services.

1. Providing a rolling ten-day hourly load forecast updated daily
2. Scheduling demand bids in the Day-Ahead Market
3. Optimizing Generation bids and Ancillary Service bids for submission to Day-Ahead and Real-Time Markets
4. Submitting Inter-Scheduling Coordinator Trades (ISTs) for energy supply
5. Verifying bid submissions and market awards
6. Validating and shadowing CAISO settlement statements
7. Monitoring CAISO regulations and market rules
8. Providing regular reporting on the performance of client IST's and generation

## **FISCAL IMPACT**

Initial funds are available in the Fiscal Year 2021/2022 Proposed Budget. Initial services will be funded from existing Orange County Power Authority funds. Upon launch rate revenue will cover services fees beginning in Spring 2022. The estimated fiscal impact over the five-year contract period is a not-to-exceed amount of \$1,087,693.

## **ATTACHMENT**

None

**ORANGE COUNTY POWER AUTHORITY**  
**Staff Report – Item 4.2**

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To: Orange County Power Authority Board of Directors

From: Brian Probolsky, Chief Executive Officer  
Ryan Baron, General Counsel

Subject: AGREEMENT FOR PORTFOLIO MANAGEMENT AND POWER  
PROCUREMENT SERVICES

Date: June 9, 2021

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**RECOMMENDED ACTIONS**

1. Select Pacific Energy Advisors (PEA) to provide power supply portfolio management services.
2. Authorize the Chief Executive Officer, Chief Operating Officer, and General Counsel to negotiate, finalize, and execute a Professional Services Agreement with PEA for a Not to Exceed amount of \$2,388,000 consistent with this Staff Report as reviewed and approved by the General Counsel.

**BACKGROUND**

On January 26, 2021, Staff released a Request for Proposal for Multiple Services: Power Supply Portfolio Management, Scheduling and Dispatch Services, and Data Management and Customer Call Management Services (Solicitation Number: 21-001), with a due date of February 26, 2021. After review of the proposals, Staff ultimately decided to reissue a Request for Proposal for Multiple Services: Power Supply Portfolio Management, Scheduling and Dispatch, and Data Management and Customer Call Management Services (Solicitation Number: 21-003), with a due date of May 24, 2021. The reissuance of the RFP was done to encourage more firms to submit proposals. Interviews were conducted during the week of May 31, 2021.

The following information provides information on the review process, as well as information on each of the firms that were interviewed.

Three (3) firms submitted proposals for the Power Supply Portfolio Management Services:

1. Alliance for Cooperative Energy Services (ACES)  
ACES is based in Carmel, IN with trading offices located in North Carolina, Minnesota, and Arizona. ACES provides multiple services to 5 CCAs: Central Coast Community Energy, East Bay Community Energy, Peninsula Clean Energy Authority, San Jose Clean Energy, and Silicon Valley Clean Energy Authority. ACES also provides a number of energy management services to California Energy Service Providers and Municipal Utilities.
2. Pacific Energy Advisors (PEA)  
PEA is based in Folsom, CA. PEA provides multiple services to 7 CCAs: California Clean Choice Energy Authority, CleanPowerSF, Lancaster Choice Energy, MCE, Sonoma Clean Power, Silicon Valley Clean Energy, and San Diego Community Power. PEA brings a

wealth of deep experience and provides a broad array of services related to CCA implementation and launch.

3. The Energy Authority (TEA)

The Energy Authority (TEA) is a non-profit entity based in Jacksonville, FL with a western regional office Washington. TEA has been a service provider in wholesale markets since 1997. TEA provides multiple services to 4 CCAs: Redwood Coast Energy Authority, Central Coast Energy, Solana Energy Alliance, and Desert Community Energy. TEA also provides wholesale power services to dozens of publicly owned utilities in Washington, Oregon, and California.

The review committee, comprised of Staff and the General Counsel, interviewed the respondents. Each firm was graded on the following categories:

1. Response, Capability, and Experience
2. Management, Personnel, and Qualifications
3. References
4. Cost to OCPA - Clarity and Cost for Pre- and Post-Launch

The following provides a high-level cost comparison of each firm:

<b>Firm</b>	<b>One-time Fee</b>	<b>First Year Annual Costs</b>
ACES	\$68,000	\$314,400
PEA	\$30,000	\$560,000
TEA	None	\$440,000

All interviewed firms were highly qualified and offered their own perspective on moving forward with a 2022 launch. The following chart compares the three firms in various categories.

<b><u>Categories</u></b>	<b><u>Pacific Energy Advisors</u></b>	<b><u>ACES</u></b>	<b><u>The Energy Authority</u></b>
<b>Founded</b>	2010	1998	1997
<b>Employees</b>	<10	~275	~500
<b>National Presence</b>	No	Yes	Yes
<b>CCA Experience</b>	Yes	Yes	Yes
<b>Agent Business Model</b>	Yes	Yes	No
<b>Physical Market Operation Services</b>	No	Yes	Yes
<b>Consulting/Advisory Services</b>	Yes	Yes	Yes
<b>West Coast Office</b>	Yes	Yes	Yes



After careful consideration of the firms interviewed and alignment with the Authority's goals and objectives, Staff is recommending that the Board select PEA to provide power supply and portfolio management services.

PEA was formed in November 2013 with the mission of providing strategic advice and technical support to organizations within California's energy market. PEA's consultants have held senior leadership positions in the wholesale, retail, and regulated sectors of the electric utility industry and are widely recognized as the state's foremost experts regarding CCA evaluation, implementation, operation, and related advisory services. PEA's consultants have assisted with the implementation of sixteen (16) operational California CCAs and PEA continues to provide planning and operational support to more California CCAs than any other technical advisory firm in the industry. PEA is conveniently located in Folsom, California adjacent to the California Independent System Operator.

PEA will be providing the following services.

1. Portfolio Management Strategy Development
2. Power Supply Portfolio Management and Procurement
3. Legislative and Regulatory Compliance
4. Policy and Program Development
5. Risk Management Program Implementation and Administration
6. Perform Cash Flow Analysis and Update the Pro Forma as Needed

#### **FISCAL IMPACT**

Initial funds are available in the Fiscal Year 2021/2022 Proposed Budget. Initial services will be funded from existing Orange County Power Authority funds. Upon launch, rate revenue will cover services fees beginning in Spring 2022. The estimated fiscal impact over the five-year contract period is a not-to-exceed amount of \$2,388,000.

#### **ATTACHMENT**

None.