

Orange County Power Authority

**COMMUNITY CHOICE AGGREGATION
IMPLEMENTATION PLAN AND STATEMENT
OF INTENT – AMENDMENT No. 2**

To address the addition of the City of Fountain Valley and departure of the County of Orange's unincorporated area customers and departure of the City of Huntington Beach

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Chapter 1 – Introduction

Orange County Power Authority (OCPA) is a joint powers authority located within Orange County, formed on November 20, 2020 pursuant to the Joint Exercise of Powers Act (California Government Code § 6500 *et seq.*) for the purpose of implementing a community choice aggregation program (“CCA” or “Program”) under California Public Utilities Code §366.2. OCPA’s original Implementation Plan and Statement of Intent (“Implementation Plan”), filed on December 28, 2020, included the municipalities of:

- City of Buena Park
- City of Fullerton
- City of Huntington Beach
- City of Irvine
- City of Lake Forest

The CPUC certified the Implementation Plan on March 8, 2021. Subsequent to the filing of OCPA’s Implementation Plan, the City of Lake Forest withdrew from OCPA. The California Public Utilities Commission (CPUC) was notified of the City of Lake Forest’s withdrawal in OCPA’s letter to CPUC Regulatory Analyst Dina Mackin, Energy Division, dated May 7, 2021.

The County of Orange joined OCPA on December 7, 2021, and Implementation Plan and Statement of Intent – Amendment No. 1 (“Amendment No. 1”) was submitted on December 30, 2021 to provide the CPUC with an update of the required operational, financial and governance elements of OCPA after the departure of Lake Forest and the addition of the County of Orange plus the remaining municipalities of Buena Park, Fullerton, Huntington Beach and Irvine.

Subsequently, the County of Orange and the City of Huntington Beach withdrew from OCPA. The California Public Utilities Commission (CPUC) was notified of the County of Orange’s withdrawal in OCPA’s letter to CPUC Regulatory Analyst Dina Mackin, Energy Division, dated May 10, 2023. The California Public Utilities Commission (CPUC) was notified of the City of Huntington Beach’s withdrawal in OCPA’s letter to CPUC Regulatory Analyst Dina Mackin, Energy Division, dated June 28, 2023.

OCPA has been serving retail electric customers in Orange County since April 1st, 2022, and currently serves customers within the following member municipalities:

- City of Buena Park
- City of Fullerton
- City of Irvine

The purpose of this Implementation Plan and Statement of Intent – Amendment No. 2 (“Amendment No. 2”) is to provide the CPUC with an update of the required operational, financial and governance elements of OCPA after the departure of the County of Orange and Huntington Beach and the addition of the City of Fountain Valley plus the remaining municipalities of Buena Park, Fullerton, and Irvine (collectively, the “Members”).

The enrollment of customers in Fountain Valley is planned to occur in October 2026 and will result in an increase in customer enrollments of approximately 18,600 accounts, with annual electricity consumption of approximately 225,000 MWh. This represents an approximate 10% increase to OCPA’s retail sales. OCPA’s summer net peak resource adequacy requirements (net of allocated demand response and other allocated resources) are estimated to increase by 50 MW per month once the Fountain Valley customers are enrolled. The load and resource figures presented in Chapter 6 include the impacts of the planned enrollment of Fountain Valley customers.

The Program provides retail electricity customers the opportunity to join together to procure electricity from competitive suppliers, with such electricity being delivered over Southern California Edison’s (“SCE”) transmission and distribution system. Retail electric service commenced on April 1, 2022. Service to customers within the City of Fountain Valley is scheduled to commence on October 1, 2026. All current SCE customers within OCPA’s service area receive information describing the Program prior to enrollment and have multiple opportunities to choose to remain full requirement (“bundled”) customers of SCE, in which case they are not be enrolled. Thus, participation in the Program is completely voluntary; however, customers, as provided by law, are automatically enrolled according to the anticipated phase-in schedule (later described in Chapter 5) unless they affirmatively elect to opt-out.

Implementation of the Program enables customers within OCPA’s service area to take advantage of the opportunities granted by Assembly Bill 117 (“AB 117”), the Community Choice Aggregation Law. OCPA’s primary objectives in implementing this Program are to provide cost-competitive electric service, promote economic development, reduce electric sector greenhouse gas emissions (“GHG”) within the OCPA service territory, stimulate renewable energy development, implement distributed energy resources, promote energy efficiency and demand reduction programs, and sustain long-term rate stability for residents and businesses through local control. The prospective benefits to consumers include stable and competitive electric rates, increased renewable and other low GHG emitting energy supplies, and the opportunity for public participation in OCPA’s operations.

California Public Utilities Code § 366.2 provides the relevant legal authority for OCPA to become a CCA and invests the CPUC with the responsibility for establishing the cost recovery mechanism that must be in place before customers can begin receiving electrical service through the Program. The CPUC has registered OCPA as a CCA and ensures compliance with basic consumer protection rules. The Public Utilities Code requires that an Implementation Plan be adopted at a duly noticed public hearing and that it be filed with the CPUC. OCPA will comply with all these directives.

On November 25, 2024, at a duly noticed public hearing, the OCPA Board considered and adopted this Amendment No. 2, through Resolution No. 9938. The CPUC has established the methodology that will be used to determine the cost recovery mechanism, and the incumbent utilities have approved tariffs for the cost recovery mechanism. Finally, the City of Fountain Valley has adopted an Ordinance to implement a CCA program through its participation in OCPA and has adopted a resolution adopting OCPA’s joint powers agreement. With each of these milestones accomplished, OCPA submits this Amendment No. 2 to the CPUC.

Organization of this Implementation Plan

The content of this Amendment No. 2 complies with the statutory requirements of AB 117. As required by Public Utilities Code § 366.2(c)(3), Amendment No. 2 details the process and consequences of aggregation and provides OCPA’s statement of intent for implementing the Program that includes the following:

- Universal access;
- Reliability;
- Equitable treatment of all customer classes; and
- Any requirements established by State law or by the CPUC concerning aggregated service.

The remainder of this Amendment No. 2 is organized as follows:

Chapter 2: Aggregation Process
Chapter 3: Organizational Structure
Chapter 4: Start-Up Plan & Funding
Chapter 5: Program Phase-In
Chapter 6: Load Forecast & Resource Plan
Chapter 7: Financial Plan
Chapter 8: Rate setting
Chapter 9: Customer Rights and Responsibilities
Chapter 10: Procurement Process
Chapter 11: Contingency Plan for Program Termination
Appendix: OCPA Joint Powers Agreement

The requirements of AB 117 are cross-referenced to Chapters of Amendment No. 2 in the following table.

Table 1
AB 117 Cross References

AB 117 REQUIREMENT	IMPLEMENTATION PLAN CHAPTER
Statement of Intent	Chapter 1: Introduction
Process and consequences of aggregation	Chapter 2: Aggregation Process
Organizational structure of the program, its operations and funding	Chapter 3: Organizational Structure Chapter 4: Start-Up Plan & Funding Chapter 7: Financial Plan
Disclosure and due process in setting rates and allocating costs among participants	Chapter 8: Rate Setting
Rate setting and other costs to participants	Chapter 8: Rate Setting Chapter 9: Customer Rights and Responsibilities
Participant rights and responsibilities	Chapter 9: Customer Rights and Responsibilities
Methods for entering and terminating agreements with other entities	Chapter 10: Procurement Process
Description of third parties that will be supplying electricity under the program, including information about financial, technical and operational capabilities	Chapter 10: Procurement Process
Termination of the program	Chapter 11: Contingency Plan for Program Termination

Chapter 2 - Aggregation Process

Introduction

This Chapter describes the background leading to the development of this Amendment No. 2, and describes the process and consequences of aggregation, consistent with the requirements of AB 117.

Beginning in 2018, the City of Irvine began investigating formation of a CCA, pursuant to California state law, with the following objectives: 1) provide cost-competitive electric services; 2) promote local economic development; 3) reduce GHG emissions related to the use of electric power within the County; and 4) increase the use of renewable energy resources relative to the incumbent utility (SCE). A technical feasibility study for a CCA Program serving the City of Irvine was completed in January 2020.

After nearly 11 months of collaborative work by representatives of the Members plus independent consultants, local experts and stakeholders, OCPA was formed on November 20, 2020 for purposes of implementing the Program. In 2021, the CPUC certified the original OCPA Implementation Plan, and in 2022 the CPUC certified Amendment No. 1. OCPA completed its registration process and began serving loads in 2022. The City of Fountain Valley adopted its ordinance on November 5, 2024 and joined OCPA on November 25, 2024 with an anticipated service launch date of October 1, 2026. Businesses and residents within the City of Fountain Valley are currently served by SCE. Subsequently, OCPA's Board of Directors (Board) approved this Amendment No. 2 through a duly noticed public hearing, complying with the standards stated in California Public Utilities Code § 366.2. OCPA is continuing discussions with additional jurisdictions regarding membership in the JPA. This Amendment No. 2 will be updated if and when additional members join OCPA.

The Program represents a culmination of planning efforts that are responsive to the expressed needs and priorities of the citizenry and business community within the OCPA Members. OCPA plans to offer choices to eligible customers through the creation of innovative programs for voluntary purchases of renewable energy, net energy metering to promote customer-owned renewable generation, energy efficiency, demand responsiveness to promote reductions in peak demand, distributed energy generation, customized pricing options for larger energy users, and support of local renewable energy projects through offering of a standardized power purchasing agreement or Feed-In Tariff. The analysis contained in this Amendment No. 2 does not include non-residential Direct Access customers as it is assumed that customers taking Direct Access service from a competitive electricity provider will continue to remain with their current provider.

Process of Aggregation

Before they are enrolled in the Program, prospective OCPA customers receive two written notices in the mail from OCPA that will provide information needed to understand the Program's terms and conditions of service, and explain how customers can opt-out of the Program, if desired. All

customers that do not follow the opt-out process specified in the customer notices are automatically enrolled, and service begins at their next regularly scheduled meter read date no later than thirty days following the date of automatic enrollment, subject to the service phase-in plan described in Chapter 5. Non-residential Direct Access and Standby customers are not automatically enrolled. The initial enrollment notices were provided to the first phase of customers in February 2022. Initial enrollment notices are provided to subsequent customer phases consistent with statutory requirements and based on schedule(s) determined by OCPA. These notices will be sent to customers in subsequent phases twice within 60 days of automatic enrollment.

Customers enrolled in the Program continue to have their electric meters read and are billed for electric service by both the distribution utility (SCE). The electric bills for Program customers show separate charges for generation procured by OCPA as well as other charges related to electricity delivery and other utility charges assessed by SCE.

After service initiation, customers have approximately 60 days (two billing cycles) to opt-out of the OCPA Program without penalty and return to the incumbent utility. OCPA customers are advised of these opportunities via the distribution of two additional enrollment notices provided within the first two months of OCPA service. Customers that opt-out between the initial cutover date and the close of the post enrollment opt-out period are responsible for Program charges for the time they were served by OCPA but are not otherwise subject to any penalty for leaving the program. Customers that have not opted-out within thirty days of the fourth enrollment notice are deemed to have elected to become a participant in the Program and to have agreed to the Program's terms and conditions, including those pertaining to requests for termination of service, as further described in Chapter 9.

Consequences of Aggregation

Rate Impacts

OCPA customers pay the generation charges incurred and set by OCPA and no longer pay the costs of SCE generation. Customers enrolled in the Program are subject to the Program's terms and conditions, including responsibility for payment of all Program charges as described in Chapter 9.

OCPA's rate setting policies described in Chapter 8 establish a goal of providing rates that are competitive with the projected generation rates offered by the incumbent utility. OCPA will establish rates sufficient to recover all costs related to operation of the Program, and actual rates are adopted and approved by the Board after public hearings and input.

Program rates are established following approval of OCPA's annual budget, reflecting final costs from the OCPA Program's energy supplier(s). OCPA's rate policies and procedures are detailed in Chapter 8. Information regarding Program rates are disclosed along with other terms and conditions of service in the pre-enrollment and post-enrollment notices sent to potential customers.

Once OCPA gives definitive notice to SCE that it will commence service to an area, OCPA customers will generally not be responsible for costs associated with the incumbent utility’s future electricity procurement contracts or power plant investments. Certain pre-existing generation costs and new generation costs that are deemed to provide system-wide benefits continue to be charged by the incumbent utility to Program customers through separate rate components, such as the Cost Responsibility Surcharge and the New System Generation Charge. These charges are shown in the incumbent utility’s electric service tariffs, which can be accessed from the SCE website, and the costs are included in charges paid by SCE and bundled customers as well as CCA and Direct Access customers.¹

Local Economic Development Impacts

The indirect effects of creating the Program include the effects of increased commerce, and disposable income. The technical feasibility study completed for OCPA included an input-output (“IO”) analysis that analyzed indirect effects of implementing a CCA. The IO model turns on the assumption that forming a CCA will lead to lower energy rates for customers. Three types of impacts are analyzed in the IO model. These are described below.

Local Investment – OCPA may choose to implement programs to incentivize investments in local distributed energy resources (“DER”). Participants in OCPA may pursue local clean DER. These resources can be behind the meter or community projects where several customers participate in a centrally located project (e.g., “community solar”). This demand for local renewable resources will lead to an increase in the manufacturing and installation of DER, and lead to an increase in employment in the related manufacturing and construction sectors.

Increased Disposable Income – OCPA retail rates may be lower than SCE rates creating more disposable income for individuals and greater revenues for businesses. These cost savings could then lead to more investment by individuals and businesses for personal or business purposes. This increase in spending could result in increased employment for multiple sectors such as retail, construction, and manufacturing.

Environmental and Health Impacts – With the creation of a CCA, such as OCPA, other non-commerce indirect effects will occur. These may be environmental, such as improved air quality or improved human health due to the CCA potentially utilizing more renewable energy sources versus continuing use of traditional energy sources which may have a greater GHG footprint.

Renewable Energy Impacts

A second consequence of the Program will be a likely increase in the proportion of energy generated and supplied by renewable resources. The OCPA Resource Plan (“Plan”) includes procurement of renewable energy sufficient to meet California’s prevailing renewable energy procurement mandate for all enrolled customers. Program customers also have the opportunity to participate in a 100 percent renewable supply option and a middle tier option that contains a

¹ For investor-owned utility (IOU) bundled service customers, the Power Charge Indifference Adjustment element of the Cost Responsibility Surcharge is contained within the tariffed Generation rate. Other elements of the Cost Responsibility Surcharge are set forth in the IOU’s tariffs as separate rates/charges paid by all customers (with limited exceptions).

renewable energy content between the base product and the 100 percent renewable supply option. To the extent that customers choose a higher renewable energy option, the renewable content of OCPA's aggregate supply portfolio will further increase. Initially, requisite renewable energy supply will be sourced through one or more power purchase agreements. Over time, however, OCPA will likely consider independent development of new local renewable generation resources. OCPA seeks to establish a resource portfolio that encourages the use and development of cost-effective local renewable and distributed energy resources.

Energy Efficiency Impacts

A third consequence of the Program will be an anticipated increase in energy efficiency program investments and activities. The existing energy efficiency programs administered by the incumbent utility are not expected to change as a result of OCPA Program implementation. OCPA customers will continue to pay the public benefits surcharges to SCE, as applicable, which will fund energy efficiency programs for all customers, regardless of generation supplier.

The energy efficiency investments ultimately planned for the Program, as described in Chapter 6, will follow OCPA's successful application for and administration of requisite program funding (from the CPUC) to independently administer energy efficiency programs within its service territory. Such programs will be in addition to the level of investment that would continue in the absence of OCPA-administered energy efficiency programs. Thus, the Program has the potential for increased energy savings and a further reduction in emissions due to expanded energy efficiency programs.

Chapter 3 – Organizational Structure

This Chapter provides an overview of the organizational structure of OCPA and its proposed implementation of the Program. Specifically, the key agreements, governance, management, and organizational functions of OCPA are outlined and discussed below.

Organizational Overview

On November 20, 2020, OCPA formed establishing a Board of Directors of elected officials appointed by the Members. The Board is responsible for establishing Program policies and objectives and overseeing OCPA's operation. On January 12, 2021, the Board appointed a Chief Executive Officer ("CEO") to manage the operation of OCPA in accordance with policies adopted by the Board. The CEO appoints staff and contractors to manage OCPA's activities. These activities include support services (administration, finance and IT), marketing and public affairs (community outreach, key account management and customer advocacy), supply acquisition (energy trading, contract negotiation and system development), and legal and government affairs.

Governance

The Program is governed by the Board, which includes two appointed designees from the City of Irvine (initially) and one appointed designee for each of the other Members. OCPA is a joint powers authority created on November 20, 2020 and formed under California law. The Members of OCPA include municipalities of Buena Park, Fullerton, and Irvine, all located within Orange County and all of which have elected to allow OCPA to provide electric generation service within their respective jurisdictions. The City of Fountain Valley also recently joined OCPA.

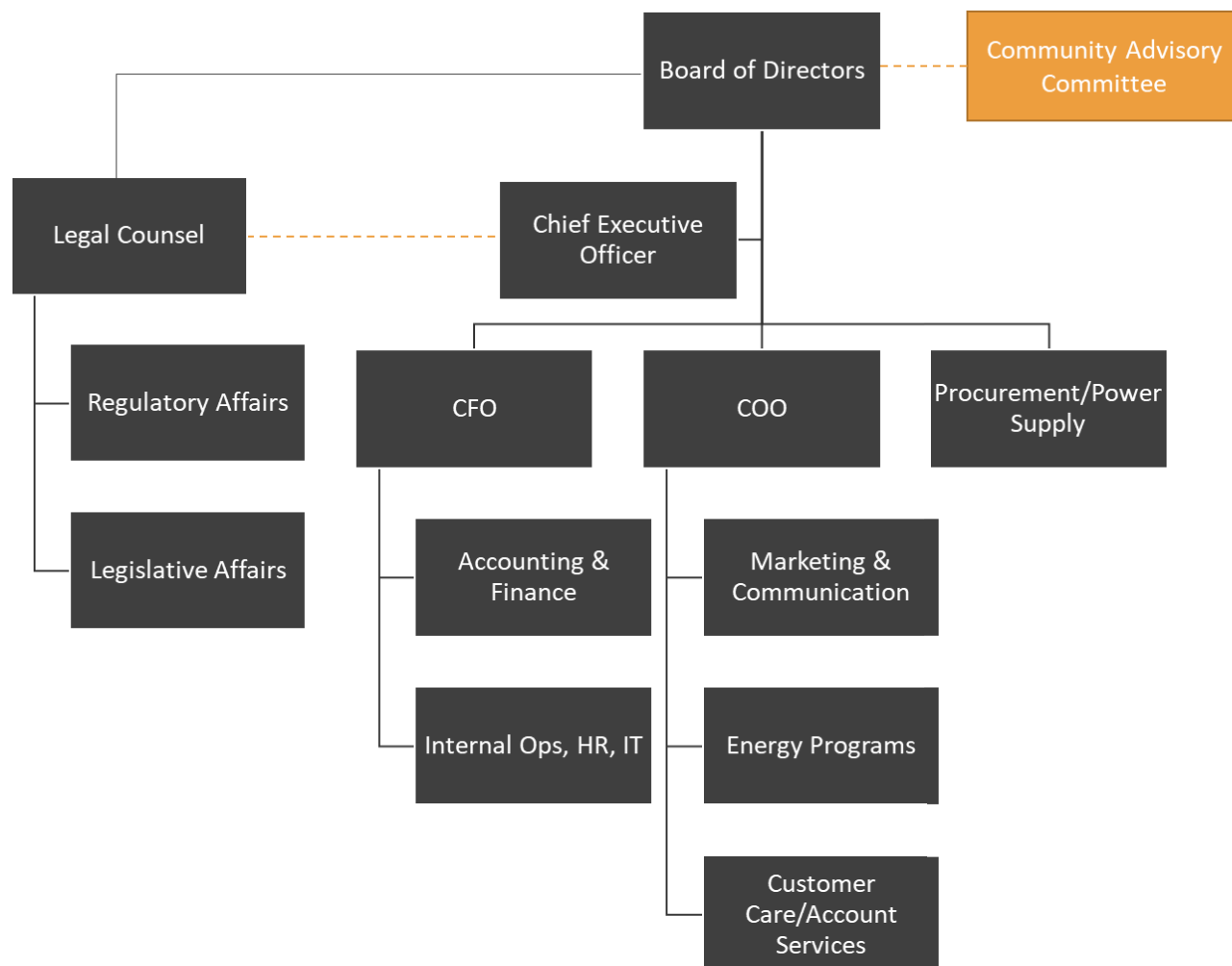
The Board's primary duties are to establish program policies, approve rates and provide policy direction to the CEO, who has general responsibility for program operations, consistent with the policies established by the Board. The Board has elected a Chair and Vice Chair and has established a Community Advisory Committee. The Board may also establish an Executive Committee, Finance Committee or other committees, as needed, to address issues that require greater expertise in particular areas. OCPA may also form various standing and ad hoc committees, as appropriate, which would have responsibility for evaluating various issues that may affect OCPA and its customers, and would provide analytical support and recommendations to the Board in these regards.

Management

The Board has appointed a CEO, who has management responsibilities over functional areas of Administration & Finance, Marketing & Public Affairs, Power Resources & Energy Programs, and Government Affairs as well as OCPA's General Counsel. In performing the obligations to OCPA, the CEO may utilize a combination of internal staff and/or contractors. Certain

specialized functions needed for Program operations, namely the electric supply and customer account management functions described below, may be performed initially by third-party contractors. The organization chart below illustrates the management structure of OCPA.

Table 2
Organization Chart for OCPA



Major functions of OCPA that will be managed by the CEO are summarized below.

Administration

OCPA's CEO is responsible for managing the organization's human resources and administrative functions and will coordinate with the Board, as necessary, with regard to these functions. The functional area of administration will include oversight of employee hiring and termination, compensation and benefits management, identification and procurement of requisite office space and various other administrative issues.

Finance

The CEO is also responsible for managing the financial affairs of OCPA, including the development of an annual budget, revenue requirement and rates, managing and maintaining cash flow requirements, arranging potential bridge loans as necessary, and other financial tools.

Revenues via rates and other funding sources (such as a rate stabilization fund, when necessary) must, at a minimum, meet the annual budgetary revenue requirement, including recovery of all expenses and any reserves or coverage requirements set forth in loan covenants or other agreements. OCPA will have the flexibility to consider rate adjustments within certain ranges, administer a standardized set of electric rates, and may offer optional rates to encourage policy goals such as economic development or low-income support programs, provided that the overall revenue requirement is achieved.

OCPA may also offer customized pricing options such as dynamic pricing or contract-based pricing for energy intensive customers to help these customers gain greater control over their energy costs. This would provide such customers – mostly larger energy users within the commercial sector – with greater rate-related flexibility than what is currently available.

OCPA's finance function will be responsible for arranging financing necessary for any capital projects, preparing financial reports, and ensuring sufficient cash flow for successful operation of the Program. The finance function will play an important role in risk management by monitoring the credit of energy suppliers so that credit risk is properly understood and mitigated. In the event that changes in a supplier's financial condition and/or credit rating are identified, OCPA will be able to take appropriate action, as would be provided for in the electric supply agreement(s).

Marketing & Public Affairs

The marketing and public affairs functions include general Program marketing and communications as well as direct customer interface ranging from management of key account relationships to call center and billing operations. OCPA will conduct Program marketing to raise consumer awareness of the Program and to establish the OCPA "brand" in the minds of the public, with the goal of retaining and attracting as many customers as possible into the Program. Outgoing communications will also promote the Programs. Additionally, OCPA will communicate with key policy makers at the state and local level, community business and opinion leaders, and the media.

In addition to general Program communications and marketing, a significant focus on customer service, particularly representation for key accounts, will enhance the Program's ability to differentiate itself as a highly customer-focused organization that is responsive to the needs of the community. OCPA also operates a customer call center designed to field customer inquiries and routine interaction regarding customer accounts.

The customer service function also encompasses management of customer data. Customer data management services include retail settlements/billing-related activities and management of a customer database. This function processes customer service requests, and administers customer enrollments and departures from the Program and maintains a current database of enrolled customers. This function coordinates the issuance of monthly bills through the incumbent utility billing process and tracks customer payments. Activities include the electronic exchange of usage, billing, and payments data between SCE and OCPA, tracking of customer payments and accounts receivable, issuance of late payment and/or service termination notices (which would return affected customers to bundled service), and administration of customer deposits in accordance with credit policies of the Program.

The customer data management services function also manages billing-related communications with customers, customer call centers, and routine customer notices. The Program has initially contracted with a third-party that has demonstrated the necessary experience and administers an appropriate customer information system to perform the customer account and billing services functions.

Power Resources & Energy Programs

The Program must plan for meeting the electricity needs of its customers utilizing resources consistent with its policy goals and objectives as well as applicable legislative or regulatory mandates. The Program's long-term resource plans (addressing the 10 to 20-year planning horizon) will comply with California law and other pertinent requirements of California regulatory bodies. OCPA may develop and administer complementary energy programs that may be offered to Program customers, including green pricing, energy efficiency, net energy metering, feed-in-tariff or local resource portfolios, and various other programs that may be identified to support the overarching goals and objectives of OCPA.

The Program develops Integrated Resource Plans ("IRP") that meet program supply objectives and balances cost, risk and environmental considerations. IRPs are planning documents used by electric utilities to produce least cost resource planning by looking at both supply-side (solar, market) and demand-side (energy efficiency) resources. Such IRP's also conform to applicable requirements imposed by the State of California. IRP efforts by OCPA make maximum use of demand side energy efficiency, distributed generation and demand response programs as well as traditional supply options which rely on structured wholesale transactions to meet customer energy requirements. The Program's IRP will be updated and adopted by the Board on a biennial basis.

Electric Supply Operations

Electric supply operations encompass the activities necessary for wholesale procurement of electricity to serve the Program's customers. These highly specialized activities include the following:

- *Electricity Procurement* – assemble a portfolio of electricity resources to supply the electric needs of Program customers.
- *Risk Management* – application of standard industry techniques to reduce exposure to the volatility of energy and credit markets, and insulate customer rates from sudden changes in wholesale market prices.
- *Load Forecasting* – develop load forecasts, both long-term for resource planning and short-term for the electricity purchases and sales needed to maintain a balance between hourly resources and loads.
- *Scheduling Coordination* – scheduling and settling electric supply transactions with the California Independent System Operator (“CAISO”).

OCPA has contracted with experienced and financially sound third-party energy services providers to perform all electric supply operations for the Program. These requirements include the procurement of energy, capacity and ancillary services, scheduling coordinator services, short-term load forecasting and day-ahead and real-time electricity trading.

Local Energy Programs

A key focus of the Program will be the development and implementation of local energy programs, including energy efficiency programs, distributed generation programs (*i.e.*, behind the meter solar or community projects), and other energy programs responsive to community interests. These programs are likely to be phased in during the first several years of Program operations. The implementation of such programs will follow the attainment of requisite funding sources.

OCPA will administer energy efficiency, demand response and distributed generation programs that can be used as cost-effective alternatives to procurement of supply-resources. OCPA will attempt to consolidate existing demand-side programs into the Program and leverage the structure to expand energy efficiency offerings to customers throughout its service territory, including the CPUC application process for third party administration of energy efficiency programs and use of funds collected through the existing public benefits surcharges paid by OCPA customers. In 2021, OCPA began the process to obtain CPUC funds for energy efficiency programs.

Governmental Affairs & General Counsel

The Program will require ongoing regulatory and legislative representation to manage various regulatory compliance filings related to resource plans, resource adequacy, compliance with California’s Renewables Portfolio Standard (“RPS”), and overall representation on issues that will impact OCPA, its Members, and customers. OCPA will maintain an active role at the CPUC, the California Energy Commission, CAISO, the California Legislature and, as necessary, the Federal Energy Regulatory Commission.

In coordination with the CEO and Board, OCPA has retained outside legal assistance in the areas of general counsel and regulatory advice/engagement to support the Program’s administrative operations and governance, review contracts, monitor regulatory proceedings and provide overall legal support related to the various activities within the Program.

Chapter 4 – Start-Up Plan & Funding

This Chapter presents OCPA's plans for the start-up period, including necessary expenses and capital outlays. The start-up period is defined as the period where OCPA requires financing for Program implementation. The start-up period is split into pre-launch and post-launch expenses. The pre-launch period began January 1, 2021 and ends on March 31, 2022 when began service to customers. Pre-launch expenses include overhead and notification for program implementation. Post launch financing includes working capital and annual debt repayment. As described in the previous Chapter, OCPA may utilize a mix of staff and contractors in its Program implementation.

Start-Up Activities

OCPA has completed all start-up activities needed to begin operation. The initial Program start-up activities included the following:

- Hire staff and/or contractors to manage implementation (partially complete)
- Identify qualified suppliers (of requisite energy products and related services) and negotiate supplier contracts (partially complete)
 - Electric supplier and scheduling coordinator
 - Data management provider (if separate from energy supply)
 - Define and execute communications plan
 - Customer research/information gathering
- Media campaign (ongoing)
 - Key customer/stakeholder outreach
 - Informational materials and customer notices
- Customer call center (ongoing)
- Post CCA bond and complete requisite registration requirements (complete)
- Pay utility service initiation, notification and switching fees (ongoing)
- Perform customer notification, opt-out and transfers (ongoing)
- Conduct load forecasting (complete and ongoing)
- Establish rates (in process)
- Legal and regulatory support (ongoing)
- Financial management and reporting (ongoing)

Other costs related to starting up the Program were the responsibility of the Program's contractors (and are assumed to be covered later by any fees/charges imposed by such contractors). These may include capital requirements needed for collateral/credit support for electric supply expenses, customer information system costs, electronic data exchange system costs, call center costs, and billing administration/settlements systems costs.

Staffing and Contract Services

Personnel in the form of OCPA staff or contractors have been added incrementally to match workloads involved in implementing the Program, managing contracts, and initiating customer outreach/marketing. During the start-up period, personnel requirements include the CEO, a General Counsel, Chief Financial Officer (“CFO”) and other personnel needed to support regulatory, procurement, finance, and communications activities.

For budgetary purposes, it was assumed that 5-10 full-time equivalents (staff or contracted professional services) would be supporting the above listed activities and would be engaged during the initial start-up period. Additional staff and/or contractors may be retained, as needed, to support the roll-out of additional value-added services (*e.g.*, efficiency projects) and local generation projects and programs.

Capital Requirements

The start-up of the Program required capital for three major functions: (1) staffing and contractor costs; (2) deposits and reserves; and (3) working capital. Based on the Program’s anticipated start-up activities and phase-in schedule, a total need of \$42.75 million was identified to support the aforementioned functions. The finance plan in Chapter 7 provides some additional detail regarding OCPA’s expected capital requirements and general Program finances.

Related to OCPA’s initial capital requirement, this amount covers staffing and contractor costs during start-up and pre-start-up activities, including direct costs related to public relations support, technical support, and customer communications. Requisite deposits and operating reserves are reflected in the initial capital requirement, including the following items: 1) operating reserves to address anticipated cash flow variations (as well as operating reserve deposits that will likely be required by OCPA’s power supplier(s)); 2) requisite deposit with the CAISO prior to commencing market operations; and 3) SCE financial security requirements.

Operating revenues from sales of electricity are remitted to OCPA approximately sixty days after the initial customer launch. This lag is due to SCE’s standard meter reading cycle of 30 days and a 30-day payment/collections cycle. OCPA requires working capital to support electricity procurement and costs related to program management. This is included in OCPA’s initial capital requirements.

Financing Plan

OCPA’s initial capital requirement has been provided via a combination of cash contributions from the City of Irvine and loans from a conventional financial institution. These loans will be repaid by OCPA no later than 2027. The Program will recover the principal and interest costs associated with the start-up funding via retail generation rates charged to Program customers.

Chapter 5 – Program Phase-In

OCPA will roll out its service offering to customers over the course of the following phases:

Phase 1 – Four Cities² All Non-Residential Accounts (April 1, 2022) - Complete

Phase 2 – Four Cities Residential Accounts (October 1, 2022) - Complete

Phase 3 – City of Fountain Valley: All Accounts (October 1, 2026)

This approach provides the Program with the ability to initiate its activities with sufficient economic scale before building to full Program integration for an expected customer base of approximately 245,000 accounts.

The Program began service on April 1, 2022 to approximately 39,000 larger commercial and industrial customers, comprised of all non-residential accounts within the four Cities. Net energy metering accounts were phased into OCPA at the time of their annual true-up.

Additional Members Roll-Out

Additional cities can join OCPA if approved by the OCPA Board. This leaves room for OCPA to expand its territory. An updated Implementation Plan will be submitted to the CPUC, if any new members join the Program, however, load will not be served until the year following the filing, in accordance with the Resource Adequacy Proceeding and Resolution E-4907.

New Residential and Non-Residential Customers

For any new customers moving into the OCPA service territory after it has begun servicing load, OCPA intends to provide service to all customer classes (*i.e.*, residential, commercial, and NEM customers) within one billing cycle. However, if a customer moved into the OCPA region prior to April 1 or October 1 launch, the Program began to service the load-based upon the timelines stated above.

² Four Cities refers to the Cities of Buena Park, Fullerton, Huntington Beach, and Irvine. Note that Huntington Beach withdrew from OCPA, and its customers exited the OCPA program in 2024.

Chapter 6 – Load Forecast & Resource Plan

Introduction

This Chapter describes the planned mix of electric resources that will meet the energy demands of Program customers using a diversified portfolio of electricity supplies. Several overarching policies govern the Resource Plan (“Plan”) and the ensuing resource procurement activities that will be conducted in accordance with the Plan. These key policies are as follows:

- The Program will manage a diverse resource portfolio to increase control over energy costs and maintain competitive and stable electric rates.
- The Program will seek to increase use of renewable energy resources and distributed energy resources in order to reduce reliance on fossil-fueled electric generation for purposes of reducing electric sector GHG emissions.
- The Program will apply for the administration of energy efficiency program funding to help customers reduce energy costs through enhanced customer energy efficiency, distributed generation, and other demand reducing programs.
- The Program will benefit the area’s economy through lower electric bills and investment in local infrastructure, energy projects and energy programs.

The Program’s initial resource mix includes a proportion of renewable energy meeting California’s prevailing RPS procurement mandate. As the Program moves forward, incremental renewable supply additions will be made based on resource availability as well as economic goals of the Program to achieve increased renewable energy content over time.

OCPA’s commitment to renewable generation adoption may involve both direct investment in new renewable generating resources, partnerships with other public power developers/operators and purchases of renewable energy from third party suppliers.

The Plan described in this Chapter would accomplish the following:

- Procure energy through one or more contracts with experienced, financially stable energy suppliers sufficient to offer three distinct resource portfolio rate tariffs: 1) 100 percent renewable energy; 2) renewable energy equal to the RPS requirement; and 3) a mid-tier option between the RPS and 100 percent renewable energy.
- Choose the default option into which customers will be enrolled when service begins. After enrollment, customers will be allowed to participate in any of the three available resource portfolio options.
- Continue increasing renewable energy supplies over time to meet or exceed RPS mandates, subject to resource availability and economic viability.
- Actively pursue energy efficiency projects and programs using Program revenues, and/or other third-party funding in collaboration with the other efficiency program administrators in the region. Additionally, if OCPA is successful in applying for administration of public funding to support locally administered efficiency programs, it will even more robustly work to reduce net electricity purchases within the region.

- Encourage distributed renewable generation in the local area through the offering of a net energy metering tariff, a possible standardized power purchase agreement or “Feed-In Tariff,” and other creative, customer-focused programs targeting increased access to local renewable energy sources.

The Program complies with regulatory rules applicable to California load serving entities. The Program arranges for the scheduling of sufficient electric supplies to meet the demands of its customers. The Program adheres to capacity reserve requirements established by the CPUC and the CAISO designed to address uncertainty in load forecasts and potential supply disruptions caused by generator outages and/or transmission contingencies. These rules also ensure that physical generation capacity is in place to serve OCPA’s customers. In addition, OCPA is responsible for ensuring that its resource mix contains sufficient production from renewable energy resources needed to comply with the statewide RPS (38.5 percent in 2022, increasing to 60 percent by 2030). The Program will continue to meet or exceed all the applicable regulatory requirements related to resource adequacy and the RPS.

Resource Plan Overview

To meet the aforementioned objectives and satisfy the applicable regulatory requirements pertaining to OCPA’s status as a California load serving entity, the Plan includes a diverse mix of power purchases, renewable energy, distributed energy, new energy efficiency programs, demand response and distributed generation. A diversified Plan minimizes risk and volatility that can occur from overreliance on a single resource type or fuel source, and thus increases the likelihood of rate stability. The ultimate goal of the Plan is to reduce electric sector GHG emissions while offering competitive generation rates to Program customers. The planned power supply is initially comprised of power purchases from third party electric suppliers and, in the longer-term, may also include renewable generation assets owned or controlled by OCPA.

Once the Program operations are fully mature, OCPA may begin evaluating opportunities for investment in renewable generating assets, subject to then-current market conditions, statutory requirements, financial constraints and regulatory considerations. Any renewable generation owned by OCPA or controlled under long-term power purchase agreement with a power developer, could provide a portion of the Program’s electricity requirements on a cost-of-service basis. A cost-of-service basis means that the cost of power is based on the variable cost to operate the generation asset. Depending upon market conditions and, importantly, the applicability of tax incentives for renewable energy development, electricity purchased under a cost-of-service arrangement can be more cost-effective than purchasing renewable energy from third-party developers. This option will allow the Program to pass on cost savings to its customers through more competitive generation rates. Any investment decisions will be made following thorough environmental reviews and in consultation with qualified financial and legal advisors and approval by the Board.

As an alternative to direct investment, OCPA may consider partnering with an experienced power developer and could enter into a long-term (10 years or more) power purchase agreement that

would support the development of new renewable generating capacity. Such an arrangement could be structured to reduce the Program’s operational risk associated with capacity ownership while providing its customers with all renewable energy generated by the facility under contract. This option may be attractive as it works to achieve increasing levels of renewable energy supply and competitive rate levels for its customers.

The Program will over time integrate conventional supply-side resources (solar, market, etc.) with programs that will help customers reduce their energy costs through improved energy efficiency and other demand-side measures. As part of its IRP, the Program will actively pursue, promote, and ultimately administer a variety of customer energy efficiency programs that can cost-effectively displace supply-side resources.

The Program’s indicative Plan for the years 2022 through 2031 is summarized in the following Table 3. Subject to the availability of funds, a sizable percentage of the conventional resources reflected in Table 3 may be displaced with GHG-free resources.

Table 3
Orange County Power Authority
Proposed Resource Plan (GWh)

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
OCA Demand (GWh)										
Retail Demand	1,602	2,801	2,322	2,116	2,134	2,308	2,393	2,417	2,443	2,474
Distributed Generation	0	0	0	0	0	2	2	5	7	10
Energy Efficiency	0	0	0	0	0	3	3	6	12	12
Losses and UFE	96	168	139	127	128	138	143	144	145	147
TOTAL DEMAND	1,698	2,969	2,461	2,243	2,262	2,451	2,542	2,572	2,608	2,643
OCA Supply (GWh)										
Total Renewable Resources	617	1,157	1,022	988	1,080	1,237	1,311	1,384	1,460	1,513
Total Conventional Resources	1,081	1,812	1,440	1,255	1,182	1,214	1,231	1,188	1,148	1,130
TOTAL SUPPLY	1,698	2,969	2,461	2,243	2,262	2,451	2,542	2,572	2,608	2,643
Energy Open Position	0	0	0	0	0	0	0	0	0	0

Load Forecast

The Program’s load forecast is developed based on customer and consumption data provided by SCE and OCPA’s data manager. Program participation rates were originally assumed to be 95 percent for residential, lighting, and agricultural customers, and 90 percent for commercial and

industrial customers and have since been updated based on actual customer enrollments. Hourly load profiles are applied to customer rate classes and summed up to develop Program system loads by month and hour. The electric sales forecast and load profile is affected by customer phase in schedules. OCPA's phase in schedule and assumptions regarding customer participation rates are discussed below.

Customer Participation Rates

Customers are automatically enrolled in the Program unless they opt-out during the customer notification process. The Program anticipates a 90-95 percent enrollment of SCE bundled service customers into the Program, based on its own experience with its completed enrollment phases and reported opt-out rates for the other CCAs in California. It is assumed that new and existing non-residential Direct Access ("DA") customers will continue to remain with their current electricity supplier.

The Program participation rate is not expected to vary significantly among customer classes, in part due to the fact that the Program offers three distinct resource portfolio tariffs that will address the needs of cost-sensitive customers as well as the needs of both residential and business customers that prefer a highly renewable energy product.

Customer Forecast

Once customers enroll in each phase, they are switched over to service by OCPA on their regularly scheduled meter read date over an approximately thirty-day period. The estimated number of accounts by rate class is shown in Table 4 below.

Table 4
Orange County Power Authority
Eligible Retail Service Accounts¹
Not Adjusted for Participation Rates

OCPA Customers	Phase 1 April 2022 Total Eligible Accounts	Phase 2 October 2022 Total Eligible Accounts	Phase 3 October 2026 Total Eligible Accounts
Residential	--	265,785	73,857
Small Commercial	29,468	29,468	18,347
Medium Commercial	5,203	5,203	46,894
Large Commercial	405	405	22,886
Industrial	164	164	31,131
Street Lighting & Traffic	3,455	3,455	3,162
Agricultural & Pumping	165	165	1,841
Total	38,859	304,644	198,118

1. Before assumed participation rates are applied.

OCPA assumes that customer growth will generally offset customer attrition (opt-outs) over time, resulting in a relatively stable customer base over the noted planning horizon. OCPA believes that its assumptions regarding the offsetting effects of growth and attrition are reasonable in consideration of the historical customer growth within OCPA's service area and the potential for

continuing customer opt-outs following mandatory customer notification periods. The forecast of service accounts (customers) served by the Program for each of the next ten years is shown in Table 5.

Table 5
Orange County Power Authority
Retail Service Accounts (End of Year)¹

OCPA Customers	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Residential	197,884	208,115	151,451	152,602	169,873	171,164	172,465	173,775	175,096	176,426
Small Commercial	24,919	25,071	17,579	17,712	19,782	19,932	20,084	20,236	20,390	20,545
Medium Commercial	4,230	4,234	3,316	3,342	3,720	3,749	3,777	3,805	3,834	3,863
Large Commercial	313	315	266	268	286	288	291	293	295	297
Industrial	97	99	125	126	133	134	135	136	137	138
Street Lighting & Traffic	2072	2,715	2,548	2,568	2,758	2,780	2,801	2,822	2,844	2,865
Agricultural & Pumping	24	105	71	72	90	91	92	94	95	96
Total	229,515	240,549	175,356	176,690	196,643	198,139	199,644	201,161	202,690	204,230

1. After assumed participation rates are applied.

Sales Forecast

OCPA's forecast of GWh sales reflects the roll-out and customer enrollment schedule shown above. Annual energy requirements are shown below in GWh.

Table 6
Orange County Power Authority
Annual Energy Requirements (GWh) 2022 to 2031

OCPA Energy Requirement (GWh)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Retail Energy	1,602	2,801	2,322	2,116	2,190	2,385	2,403	2,426	2,453	2,474
Losses and UFE	96	168	139	127	131	143	144	146	147	148
Total Load Requirement	1,698	2,969	2,461	2,243	2,322	2,528	2,547	2,572	2,600	2,622

Capacity Requirements/Resource Adequacy

The CPUC's Resource Adequacy standards applicable to the Program require a demonstration one year in advance that the Program has secured physical capacity for 90 percent of its projected peak loads for each of the five months May through September, plus a minimum 15 percent reserve margin. On a month-ahead basis, OCPA must demonstrate 100 percent of the peak load plus a minimum 15 percent reserve margin.

Prior to 2023, a portion of the Program's capacity requirements were required to be procured locally from the SCE area as defined by the CAISO; however, a Central Procurement Entity ("CPE") has

A detailed map of California illustrating its major cities, highways, and geographical regions. The state's outline is shown in grey. Major cities are labeled in black text, while regional names like "North Coast/North Bay", "Greater Bay Area", "Greater Fresno", "LA Basin", and "San Diego" are highlighted in red. Highways are depicted as blue lines, with some specific routes like "Path 44" and "Highway 99" noted. Geographical features such as "Lake Tahoe", "Sierra Nevada", and "Central Valley" are shaded in light blue or green. The map also shows the Pacific Ocean to the west and south, and the Mexican border to the south. A scale bar at the bottom right indicates distances in miles (0 to 200).

The Program is also required to demonstrate that a specified portion of its capacity meets certain operational flexibility requirements under the CPUC and CAISO's flexible resource adequacy framework. The estimated forward resource adequacy requirements for 2022 through 2024 are

CHAPTER 6 – Load Forecast & Resource Plan

shown in the following tables.⁴

Table 8
Orange County Power Authority
Peak Demand Forecast (MW)
2022 to 2027

Month	2022	2023	2024	2025	2026	2027
January		448	352	293	303	330
February		433	410	306	317	345
March		437	376	302	313	341
April	319	487	380	311	322	351
May	339	468	378	281	291	317
June	352	626	450	434	449	489
July	391	674	494	465	481	524
August	423	719	559	461	477	519
September	394	747	634	515	533	581
October	692	626	478	408	422	460
November	530	484	350	303	313	341
December	522	567	360	298	308	336

The Program strives to ensure that sufficient reserves are procured to meet its peak load at all times. The Program's projected annual resource adequacy or capacity requirements are shown in the following table.

Table 9
Orange County Power Authority
Capacity Requirements (MW)
2022 to 2031

Demand (MW)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Retail Demand	653	704	598	545	551	555	558	562	566	570
Losses and UFE	39	42	36	33	33	33	33	34	34	34
Total Net Peak Demand	692	747	634	578	584	588	591	595	600	604
Reserve Requirement (%)	0	0	0	0	0	0	0	0	0	0
Capacity Reserve Requirement	104	119	108	98	99	100	100	101	102	103
Capacity Requirement Including Reserve	796	866	741	676	683	688	691	696	702	707

The Program coordinates with SCE and appropriate state agencies to manage the transition of

⁴ The figures shown are estimates. OCPA's resource adequacy requirements will be subject to modification due to application of certain coincidence adjustments and resource allocations relating to utility demand response and energy efficiency programs, as well as generation capacity allocated through the Cost Allocation Mechanism. These adjustments are addressed through the CPUC's resource adequacy compliance process.

responsibility for resource adequacy from SCE to OCPA during the Program’s phase-in. For system resource adequacy requirements, the Program makes month-ahead showings for each month that OCPA plans to serve load, and load migration issues are addressed through the CPUC’s approved procedures. OCPA works with the California Energy Commission and CPUC prior to commencing service to customers to ensure it meets its applicable resource adequacy obligations through its agreements with its chosen electric suppliers.

On April 20, 2022 OCPA received a citation in the amount of \$1,962,845.20 for year-ahead Resource Adequacy deficiencies covering July-September 2022⁵ and a citation in the amount of \$415,406 for its month-ahead deficiency covering September 2022 on September 16, 2022.⁶ OCPA appealed both citations but later withdrew its appeals⁷ and paid the citations timely within 30 days.⁸ On April 24, 2023 OCPA received a citation in the amount of \$147,408 for a system year-ahead deficiency covering August 2023,⁹ but OCPA was able to procure sufficient RA to cure this deficiency during its month-ahead compliance filing and the issue was resolved.¹⁰

On June 29, 2023 CPUC issued D.23-06-029¹¹ which established rules regarding expansion for CCA programs that had experienced RA deficiencies. The decision established that a CCA program which had a system RA deficiency within the prior two calendar years must first be in RA compliance for two calendar years prior to submitting an implementation plan to expand.¹² The decision also stated that only RA deficiencies which were accrued after the effective date of the decision apply to this requirement. The first year-ahead deficiencies affected by the new rule are the 2024 year-ahead RA filings due on October 31, 2023, and the first month-ahead deficiencies affected by this rule are the September 2023 month-ahead RA filings. The decision published the table below to more clearly explain the rule.

⁵ Citation E-4195-0116.

⁶ Citation E-4195-0125.

⁷ Appeal K.22-05-017, filed May 20, 2022 and withdrawn December 12, 2023; Appeal K.22-10-024, filed October 31, 2022 and withdrawn December 12, 2023.

⁸ Resolution ALJ-453 issued January 25 2024; Resolution ALJ-454, issued March 21, 2024.

⁹ Citation E-4195-0134.

¹⁰ Resolution ALJ-451, issued January 25, 2024

¹¹ July 5, 2023 effective date.

¹² Decision 23-06-029, ordering paragraph 9, page 137.

System RA Deficiencies That Apply to the LSE Expansion Requirement	
Year Plus 1 (Y+1)	Year that an LSE elects to expand
Year 0 (Y0)	Year that an LSE files its April load forecast
Year Minus 1 (Y-1)	(1) Month-Ahead deficiencies apply (2) Year-Ahead deficiency (for Y0) applies *Note: CCA Implementation Plans for Y+1 are filed by Dec 31 of Y-1.
Year Minus 2 (Y-2)	(1) Month-Ahead deficiencies apply (2) Year-Ahead deficiency (for Y-1) applies, unless Year-Ahead deficiency is cured in the Month-Ahead timeframe in Y-1

Year 0 is the year when the binding load forecast is filed. Here, Year 0 is 2025. Under the formula, any year-ahead deficiencies in Year Minus Two (2023) would apply. However, the decision states that if the YARA was cured prior to the month-ahead, then the YA deficiency doesn't prevent expansion. The rule also states that the first year-ahead deficiencies to be applied are for the 2024 YARA filing that was due on October 31, 2023, and the first MARA filing for September 2023.

OCPA received the following RA deficiency citations:

1. Citation E-4195-0116 (\$1,962,845): **System YARA – July, August and September 2022**; Flexible RA – September and October 2022 (YARA deadline was Oct. 31, 2021; citation issued April 20, 2022) (Appeal K.22-05-017)
2. Citation E-4195-0125 (\$415,406): **System MARA – September 2022**; Flexible RA – Sept. 2022 (MARA deadline was July 8, 2022; citation issued on September 16, 2022) (Appeal K.22-10-024)
3. Citation E-4195-0134 (\$147,408): **System YARA – August 2023** (YARA deadline was Oct. 31, 2022; citation issued April 24, 2023) (Appeal K.23-05-019)

OCPA's system RA deficiencies for Q3 2022 and Aug. 2023 pre-date when deficiencies first apply under the rule. Even if the formula was to apply, OCPA cured its August 2023 MA deficiency, meaning the YA would not apply.

Because OCPA's RA deficiencies occurred prior to the effective date of the decision and prior to the 2023 year-ahead and month-ahead RA compliance filing windows, OCPA's ability to expand is not impacted by the 2-year rule. OCPA is in compliance with all applicable rules established by D.23-06-029. OCPA paid all citations timely within 30 days of resolution. OCPA has been in full RA compliance since 2023, and will continue to be in full compliance for 2025.

Renewables Portfolio Standard (“RPS”) Energy Requirements

Basic RPS Requirements

As a CCA, OCPA is required by law and CPUC regulations to procure a minimum percentage of its retail electricity sales from qualified renewable energy resources. For purposes of determining the Program’s renewable energy requirements, the same standards for RPS compliance that are applicable to all load serving entities are generally applicable to the Program.

California’s RPS requires the Program to purchase a minimum of 60 percent renewable energy by 2030. OCPA will also adopt an IRP in compliance with SB 350. OCPA understands that various details related to this planning requirement are continuing to be developed, and OCPA intends to monitor and participate, as appropriate, in pertinent proceedings to promote the preparation and submittal of a responsive planning document. Furthermore, OCPA will ensure that all long-term renewable energy contracting requirements, as imposed by SB 350, will be satisfied through appropriate transactions with qualified suppliers and will also reflect this intent in ongoing resource planning and procurement efforts.

In September of 2018, SB 100 was signed into law. This bill calls for all electricity supplies in the State to be “carbon-free” by 2045. The legislation is important for all load serving entities (“LSE”) in that it tightens the RPS targets even from SB 350. The overall targets in SB 100 are as follows:

- 50 percent eligible renewable energy by 2026
- 60 percent eligible renewable by 2030
- 100 percent carbon free by 2045 (note “carbon-free” vs. “renewable”).

Table 10 summarizes the various California targets.

Table 10
California Renewable Portfolio Standards and Greenhouse Gas Mandates

Target Date:	2017	2020	2026	2030	2045
RPS Goal	20%	33%	50%	60%	100% ¹
Year Passed	2002 (SB 1078)	2011 (SB 21X)	2018 (SB 100)	2018 (SB 100)	2018 (SB 100)

¹ 100 percent carbon free, 60 percent renewable.

For the purposes of meeting the RPS, what qualifies a resource as renewable varies by the resource’s location and type of contract. Resources which have their first point of interconnection or are delivered directly to the California grid (Balancing Authorities within California) and are contracted for by the LSE as energy bundled with their renewable energy credits (“RECs”) qualify as Portfolio Content Category 1 (“PCC1”) resources. Resources which sell energy and RECs together but are not necessarily connected to the California grid and not delivered simultaneously (*i.e.*, the energy may be “shaped” into flat blocks of power) qualify as PCC2 resources. RECs sold independently of the energy produced qualify as PCC3 resources.

OCPA's Renewables Portfolio Standards Requirement

OCPA's annual RPS procurement requirements, as specified under California's RPS program, are shown in Table 11 below. When reviewing Table 11, it is important to note that OCPA projects increases in energy efficiency savings as well as increases in locally situated distributed generation capacity, resulting in only a slight upward trend in projected retail electricity sales.

Table 11
Orange County Power Authority
Minimum RPS Requirements (GWh)¹
2022 to 2031

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Retail Sales	1,602	2,801	2,322	2,116	2,190	2,385	2,403	2,426	2,453	2,474
Renewable Energy Purchase	617	1157	1022	988	1080	1240	1314	1390	1472	1484
% Current Year Retail Sales	38.50%	41.30%	44.00%	46.70%	49.30%	52.00%	54.70%	57.30%	60%	60%
65% Long-Term Contracts	721	1261	1045	952	986	1073	1081	1092	1104	1113

1. This table shows the minimum RPS requirements for OCPA projected loads. Note that Table 3 values differ because those values are based on the planned renewable purchases which are greater than the state mandate.

Purchased Power

Power purchased from power marketers, public agencies, generators, or utilities will be a significant source of supply during the first several years of OCPA Program operation. OCPA initially contracted to obtain all of its electricity from third party electric providers under various power supply agreements, and the supplier(s) are responsible for procuring the specified resource mix, including the Program's desired quantities of renewable energy, to provide a stable and cost-effective resource portfolio for the Program.

Renewable Resources

OCPA will initially secure necessary renewable power supply from third-party electric suppliers. OCPA makes direct purchases of renewable energy from energy marketers and renewable energy facility owners, and may eventually utilize energy from renewable generation developed and owned by OCPA. Future renewable energy projects will be identified in responses to the Program's ongoing renewable energy solicitations, unsolicited proposals, or discussions with other agencies. Renewable projects that are located virtually anywhere in the western U.S. can be considered as long as the electricity is deliverable to the CAISO control area, as required to meet the Commission's RPS rules and any additional guidelines ultimately adopted by OCPA. The costs of transmission access and the risk of transmission congestion costs are important factors to be considered in the bid evaluation process if the delivery point is outside of OCPA's load zone, as defined by the CAISO.

Energy Efficiency

OCPA's energy efficiency goals will reflect a commitment to increasing energy efficiency within its service area, expanding beyond the savings achieved by the incumbent utility's current programs. To promote the achievement of this goal, OCPA is in the process of completing the CPUC application process for third party administration of energy efficiency programs and use of funds collected through the existing public benefits surcharges paid by OCPA customers. To the extent that OCPA is successful in this application process, it will seek to maximize end-use customer energy efficiency by facilitating customer participation in existing utility programs as well as by forming new programs that will displace OCPA's need for traditional electric procurement activities. Additional details related to OCPA's energy efficiency plan will be developed once the Program is underway.

Demand Response

Demand response programs provide incentives to customers to reduce demand upon request by the load serving entity (*i.e.*, OCPA), reducing the amount of generation capacity that must be maintained as reserves. Demand response programs can be cost effective alternatives to procured capacity that would otherwise be needed to comply with California's resource adequacy requirements. These programs also provide rate benefits to customers who have the flexibility to reduce or shift consumption for relatively short periods of time when generation capacity is most scarce. Like energy efficiency, demand response can be a win/win proposition, providing economic benefits to the electric supplier as well as customer service benefits.

SCE offers several demand response programs to its customers, and the Program intends to recruit those customers that have shown a willingness to participate in utility programs into similar programs offered by OCPA. OCPA may also adopt a demand response program that enables it to request customer demand reductions during times when capacity is in short supply or spot market energy costs are exceptionally high.

Appropriate limits on customer curtailments, both in terms of the length of individual curtailments and the total number of curtailment hours that can be called should be included in the Program's demand response design. It will also be important to establish a reasonable measurement protocol for customer performance of its curtailment obligations and deploy technology to automate customer notifications and responses. Performance measurement should include establishing a customer specific baseline of usage prior to the curtailment request from which demand reductions can be measured. The Program may utilize experienced third-party contractors to design, implement and administer its demand response programs.

Distributed Generation

Consistent with the Program’s policies and the state’s Energy Action Plan, clean distributed generation is a component of the IRP. The Program will work to promote deployment of photovoltaic (“PV”) plus storage systems within OCPA’s service territory, with the goal of optimizing the use of the available incentives that are funded through current utility distribution rates and public benefits surcharges. OCPA also plans to implement a net energy metering program and possibly a feed-in-tariff to promote local investment in distributed generation.

There are clear environmental benefits and strong customer interest in distributed PV systems. To support such systems, the Program may provide direct financial incentives from revenues funded by customer rates to further support use of solar power or other renewable resources within the local area. Due to the increasing penetration of solar PV in California’s energy mix, the Program will also consider incentives for behind the meter solar plus storage projects.

OCPA’s net energy metering program allows participating customers to sell excess energy produced by customer-sited renewable generating sources to OCPA. Such a program is consistent with principles identified in Assembly Bill 920 (“AB 920”), which directed the CPUC to establish and implement a compensation methodology for surplus renewable generation produced by net energy metered facilities located within the service territories of California’s large investor-owned utilities, including SCE. OCPA may choose to offer enhanced compensation structures, relative to those implemented as a result of AB 920, as part of the direct incentives that may be established to promote distributed generation development within OCPA’s service area. To the extent that incentives offered by OCPA improve project economics for its customers, it is reasonable to assume that the penetration of distributed generation within OCPA’s service area would increase.

Chapter 7 – Financial Plan

This Chapter examines the cash flows expected during the start-up and customer phase-in period of the Program and identifies the anticipated financing requirements. It includes estimates of Program start-up costs, including necessary expenses and capital outlays. It also describes the requirements for working capital and long-term financing for the potential investment in renewable generation, consistent with the Plan contained in Chapter 6.

Description of Cash Flow Analysis

OCA's cash flow analysis estimates the level of capital that will be required during the start-up and phase-in period. The analysis focuses on the Program's costs and revenues and specifically accounts for the phased enrollment of Program customers described in Chapter 5.

Cost of CCA Program Operations

The first category of the cash flow analysis is the Cost of CCA Program Operations. To estimate the overall costs associated with CCA Program Operations, the following components were taken into consideration:

- Electricity Procurement
- Ancillary Service Requirements
- Grid Management and other CAISO Charges
- Scheduling Coordination
- Exit Fees
- Staffing and Professional Services
- Data Management Costs
- Administrative Overhead
- Billing Costs
- SCE Financial Security Requirements ("FSR")
- Pre-Start-Up Cost
- Debt Service

Revenues from CCA Program Operations

The cash flow analysis provides estimates for revenues generated from CCA operations or from electricity sales to customers. In determining the level of revenues, the analysis assumes the customer phase-in schedule described herein, and assumes that the Program charges a standard, default electricity tariff similar in rate design as the generation rates of the incumbent utility for each customer class and optional 100 percent and mid-tier renewable energy tariff, both at a premium reflective of incremental renewable power costs. More detail on Program rates can be found in Chapter 8. Projected revenues assume no rate discount compared with the incumbent utility's generation rates.

Cash Flow Analysis Results

The results of the cash flow analysis provide an estimate of the level of capital required for the Program to move through the start-up and phase-in periods. This estimated level of capital is determined by examining the monthly cumulative net cash flows (revenues from CCA operations minus cost of CCA operations) based on assumptions for payment of costs or other cash requirements (*e.g.*, deposits) by OCPA, along with estimates for when customer payments will be received. This identifies what level of cash flow is available in terms of a surplus or deficit.

The cash flow analysis identifies funding requirements in recognition of the potential lag between revenues received and payments made during the phase-in period. The estimated financing requirements for the start-up and phase-in period, including working capital needs associated with all three phases of customer enrollments, was determined to be \$42.75 million. This \$42.75 million will be covered via a loan from the City of Irvine and external financing already authorized with a commercial bank.

CCA Program Implementation Pro Forma

In addition to developing a cash flow analysis which estimates the level of working capital required to move OCPA through full CCA phase-in, a summary pro forma analysis that evaluates the financial performance of the Program is shown below. The difference between the cash flow analysis and the CCA pro forma analysis is that the pro forma analysis does not include a lag associated with payment streams. In essence, costs and revenues are reflected in the month in which service is provided. All other items, such as costs associated with Program operations and rates charged to customers remain the same. Cash provided by financing activities are shown in the pro forma analysis as are the payments for associated debt service.

The results of the pro forma analysis are shown in the following tables. In particular, the summary of Program start-up and phase-in addresses projected Program operations for the period beginning January 2021 through December 2031.¹³

¹³ Costs projected for staffing & professional services and other administrative & general relate to energy procurement, administration of energy efficiency and other local programs, generation development, customer service, marketing, accounting, finance, legal and regulatory activities necessary for program operation.

TABLE 12
ORANGE COUNTY POWER AUTHORITY
10-YEAR PROFORMA

(\$ in thousands)	Projection FY2024/25	Projection FY2025/26	Projection FY2026/27	Projection FY2027/28	Projection FY2028/29	Projection FY2029/30	Projection FY2030/31	Projection FY2031/32	Projection FY2032/33	Projection FY2033/34
Period Ending Jun 30										
REVENUE AND OTHER SOURCES										
Revenue - Electricity Base	296,009	337,659	393,735	399,569	351,522	337,174	354,163	389,691	378,127	382,018
Revenue - Smart Choice Premium	4,833	4,769	4,919	4,904	4,940	4,977	4,931	5,422	5,263	5,316
Revenue - 100% Renewable Premium	20,584	20,283	21,189	21,401	21,562	21,723	21,521	23,666	22,968	23,203
Less: Uncollectible Accounts	(5,625)	(6,347)	(7,347)	(7,453)	(6,615)	(6,368)	(6,284)	(6,914)	(6,709)	(6,778)
Net Revenue - Electricity	315,801	356,363	412,496	418,422	371,409	357,507	374,331	411,865	399,648	403,759
Investment and Miscellaneous Income	3,016	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400
Total Net Revenue and Other Sources	318,817	358,763	414,896	420,822	373,809	359,907	376,731	414,265	402,048	406,159
EXPENDITURES AND OTHER USES										
CURRENT EXPENDITURES										
Cost of Energy	297,223	336,555	338,616	401,324	352,981	337,691	353,478	389,929	376,559	379,879
Data Manager	1,923	2,245	2,654	2,775	2,850	2,927	2,956	2,985	3,015	3,045
Utilities Service Fees	579	703	708	714	719	722	721	724	755	376
Staffing Costs	6,504	7,458	8,234	9,050	9,906	10,806	11,454	12,141	12,870	13,642
Contract Services	1,607	1,476	935	1,013	991	1,016	1,036	1,057	1,078	1,100
Legal Services	652	599	628	661	697	697	711	725	740	754
Marketing and Customer Enrollment	2,013	1,829	1,920	2,014	2,114	2,217	2,261	2,307	2,353	2,400
Other G&A	1,563	1,476	1,495	1,520	1,552	1,582	1,614	1,646	1,679	1,713
Energy Programs	831	1,250	1,500	1,750	2,000	2,250	2,500	2,750	3,000	3,250
	312,895	353,590	356,690	420,822	373,809	359,907	376,731	414,265	402,048	406,159
DEBT SERVICE										
Interest costs - nonoperating	106	72	18	0	0	0	0	0	0	0
Finance costs - Principal	0	0	3,257	0	0	0	0	0	0	0
Total Expenditures and Other Uses	313,001	353,662	359,965	420,822	373,809	359,907	376,731	414,265	402,048	406,159
Net Income Surplus/(Deficit)	5,816	5,101	54,931	0	0	0	(0)	0	0	0
Reserve Balance:										
Adjusted Ending balance	80,436	85,537	140,468	140,468	140,468	140,468	140,468	140,468	140,468	140,468
% of operating expenses	31%	29%	44%	37%	42%	43%	41%	38%	39%	38%

The surpluses achieved during this period serve to build the Program’s net financial position and credit profile, and to provide operating reserves for the Program in the event that operating costs (such as power purchase costs) exceed collected revenues for short periods of time. In addition, financial surpluses could be used to provide a Program generation rate discount, increase renewable and GHG-free resource purchases, accumulate additional cash reserves and/or fund customer programs. The priority for using these surplus proceeds will be determined by the Board.

OCPA Financing

The Program has already secured financing from the City of Irvine and a commercial bank. After start-up, subsequent capital requirements will be funded internally from the Program’s accrued financial reserves. The anticipated financing approach is described below.

CCA Program Start-up and Working Capital

As previously discussed, the anticipated start-up and working capital requirements for the Program are \$42.75 million. This amount is dependent upon the electric load served by the Program, actual energy prices, payment terms established with the third-party supplier and Program rates. This \$42.75 million will be refined during the start-up period as these variables become known. Once the Program is up and running, all costs would be recovered from customers through retail rates.

Renewable Resource Project Financing

OCPA may consider project financings for renewable resources, likely local wind, solar, biomass or geothermal as well as energy efficiency projects. These financings would only occur after a sustained period of successful Program operation, and after appropriate project opportunities are identified and subjected to appropriate environmental review. OCPA’s ability to directly finance projects will likely require a track record of successful Program operations demonstrating strong underlying credit to support the financing.

In the event that such financing occurs, funds would include any short-term financing for the renewable resource project development costs, and financing would likely extend over a 20- to 30-year term. The security for such financing would be the revenue from sales to the retail customers of the Program.

Chapter 8 – Rate Setting, Program Terms and Conditions

Introduction

This Chapter describes the initial policies proposed for OCPA in setting its rates for electric aggregation services. These include policies regarding rate design, rate objectives and provision for due process in setting Program rates. Program rates are ultimately approved by the Board. OCPA would retain authority to modify Program policies from time to time at the Board's discretion.

Rate Policies

OCPA will establish rates sufficient to recover all costs related to operation of the Program, including any reserves that may be required as a condition of financing and other discretionary reserve funds that may be approved by the Board. As a general policy, rates will be uniform for all similarly situated customers enrolled in the Program throughout the service area.

The primary objectives of the rate setting plan are to set rates that achieve the following:

- Rate competitive tariff option including a proportionate quantity of renewable energy meeting California's prevailing renewable energy procurement mandate
- 100 percent renewable energy supply option and mid-tier renewable energy supply option
- Allow individual Members to choose the default energy supply option into which their customers will be enrolled
- Allow customers to participate in any of the three energy supply options after enrollment
- Rate stability
- Equity among customers in each tariff
- Customer understanding
- Revenue sufficiency

Each of these objectives is described below.

Rate Competitiveness

OCPA's primary goal is to offer its customers competitive rates for electric services relative to the incumbent utility. As planned, the value provided by the Program will also include options for a higher proportion of renewable energy and reduced GHG emissions relative to the incumbent utility, enhanced energy efficiency and customer programs, community focus, local investment and control. OCPA currently plans to offer customers rates that are competitive to SCE bundled rates. Final rates for the launch phase will be subject to final power price bids.

As previously discussed, the Program will offer increased renewable energy supply to program customers, relative to SCE, by offering three distinct rate tariffs. The initial renewable energy

content provided under the Program’s base tariff will meet California’s prevailing renewable energy procurement mandate, and OCPA will endeavor to increase this percentage on a going forward basis, subject to operational and economic constraints. The Program will also offer its customers a mid-tier and 100 percent renewable energy tariff, which will supply participating customers with reflective renewable energy supply at rates equal to the procurement cost for those portfolios.

Participating qualified low- or fixed-income households, such as those currently enrolled in the California Alternate Rates for Energy (“CARE”) program, will be automatically enrolled in the standard tariff and will continue to receive related discounts on monthly electricity bills through the incumbent utility.

Rate Stability

The Program will offer stable rates by hedging its supply costs over multiple time horizons and by including longer-term renewable energy supplies that exhibit stable costs. OCPA will attempt to maintain general rate design parity with the incumbent utility, or less, to ensure that Program rates are not drastically different from the competitive alternative.

Equity Among Customer Classes

The Program’s initial rates will be set based on the rates offered by the incumbent utility, subject to final power price bids. The level of rates will depend upon the default product chosen by the Member. Rate differences among customer classes will reflect the rates charged by the incumbent utility as well as differences in the costs of providing service to each class. Rates may also vary among customers within the major customer class categories, depending upon the specific rate designs adopted by the Board.

Customer Understanding

The goal of customer understanding involves rate designs that are relatively straightforward so that customers can readily understand how their bills are calculated. This not only minimizes customer confusion and dissatisfaction but will also result in fewer billing inquiries. Customer understanding also requires rate structures to reflect rational rate design principles (*i.e.*, there should not be differences in rates that are not justified by costs or by other policies such as providing incentives for conservation).

Revenue Sufficiency

Program rates must collect sufficient revenue from participating customers to fully fund the Program’s annual budget. Rates will be set to collect the adopted budget based on a forecast of electric sales for the budget year. Rates will be adjusted as necessary to maintain the ability to fully recover all of costs of the Program, subject to the disclosure and due process policies described later in this Chapter. To ensure rate stability, funds available in the Program’s rate stabilization fund may be used from time to time to augment operating revenues.

Rate Design

The Program will initially match the rate structures from SCE standard rates to avoid the possibility that customers would see significantly different bill impacts as a result of changes in rate structures. In 2020 SCE began to move bundled residential customers toward default time-of-use (“TOU”) rates. The Program rates implemented at launch were based on default SCE TOU rates.

Custom Pricing Options

OCPA may work to develop specially-tailored rate and electric service products that meet the specific load characteristics or power market risk profiles of larger commercial and industrial customers. This will allow such customers to have access to a wider range of products than is currently available with the incumbent utility and potentially reduce the cost of power for these customers. Some examples of potential custom pricing options are rates that are based on an observable market index (*e.g.*, CAISO prices) or fixed priced contracts of various terms.

Net Energy Metering

Customers with on-site generation eligible for net metering from the incumbent utility are offered a net energy metering rate from OCPA. Net energy metering allows for customers with certain qualified solar or wind distributed generation to be billed on the basis of their net energy consumption. OCPA plans to pay customers for excess power produced from net energy metered generation systems in accordance with the rate designs adopted by the Board.

Disclosure and Due Process in Setting Rates and Allocating Costs among Participants

Initial Program rates were adopted by the Board following the establishment of the first year’s operating budget prior to initiating the customer notification process. Subsequently, OCPA prepares an annual budget and corresponding customer rates. Any proposed rate adjustment will be made by the Board and ample time will be given to affected customers to provide comment on the proposed rate changes.

After proposing a rate adjustment, the Program will furnish affected customers with a notice of its intent to adjust rates. The notices may be issued via separate mail to affected customers, as part of the regular billing and/or placed on the various social media options. The notice will provide a summary of the proposed rate adjustment and will include a link to the Program’s website where information will be posted regarding the amount of the proposed adjustment, a brief statement of the reasons for the adjustment and the mailing address of OCPA to which any customer inquiries relative to the proposed adjustment, including a request by the customer to receive notice of the date, time and place of any hearing on the proposed adjustment, may be directed.

Chapter 9 – Customer Rights and Responsibilities

This Chapter discusses customer rights, including the right to opt-out of the OCPA Program and the right to privacy of customer usage information, as well as obligations customers undertake upon agreement to enroll in the CCA Program. All customers that do not opt out within 30 days of the fourth enrollment notice will have agreed to become full status program participants and must adhere to the obligations set forth below, as may be modified and expanded by the Board from time to time. OCPA retains authority to modify program policies from time to time at its discretion.

Customer Notices

At the initiation of the customer enrollment process, a total of four notices are provided to customers describing the Program, informing them of their opt-out rights to remain with utility bundled generation service and containing a simple mechanism for exercising their opt-out rights. The first notice is mailed to customers approximately sixty days prior to the date of automatic enrollment. A second notice is sent approximately thirty days later. OCPA uses its own mailing service for requisite enrollment notices rather than including the notices in SCE monthly bills. This is intended to increase the likelihood that customers will read the enrollment notices, which may otherwise be ignored if included as a bill insert. Customers may opt out by notifying OCPA using the Program's designated telephone-based or internet opt-out processing service. Should customers choose to initiate an opt-out request by contacting SCE, as applicable, they are transferred to the Program's call center to complete the opt-out request. Consistent with CPUC regulations, notices returned as undelivered mail are treated as a failure to opt out, and the customer is automatically enrolled.

Following automatic enrollment, at least two addressed notices are mailed to customers within the first two billing cycles (approximately sixty days) after OCPA service commences. Opt-out requests made on or before the sixtieth day following start of Program service result in customer transfer to bundled utility service with no penalty. Such customers are obligated to pay charges associated with the electric services provided by OCPA during the time the customer took service from the Program, but they are otherwise not subject to any penalty or transfer fee from OCPA.

Customers who establish new electric service accounts within the Program's service area are automatically enrolled in the Program and have sixty days from the start of service to opt out if they so desire. Such customers are provided with two enrollment notices within this sixty-day post enrollment period. Such customers also receive a notice detailing the Program's privacy policy regarding customer usage information. OCPA has the authority to implement entry fees for customers that initially opt out of the Program, but later decide to participate.

Termination Fee

Customers that are automatically enrolled in the Program can elect to transfer back to SCE without penalty within the first two months of service. After this free opt-out period, customers are allowed to terminate their participation but may be subject to payment of a Termination Fee.

Customers that relocate within OCPA's service territory have OCPA service continued at their new address. If a customer relocating to an address within OCPA's service territory elects to cancel OCPA service, the Termination Fee could be applied. Program customers that move out of OCPA's service territory are not subject to the Termination Fee. If deemed applicable by OCPA, SCE would collect the Termination Fee from returning customers as part of OCPA's final bill to the customer.

For illustrative purposes, OCPA Termination Fees could be set at \$5 per residential account and \$25 per non-residential account. Actual fee amounts and requirements to impose Termination Fees are subject to a final determination by the Board.

If adopted, the Termination Fee would be clearly disclosed in all enrollment notices sent to customers during the sixty-day period before automatic enrollment and following commencement of service. The fee could also be changed prospectively by OCPA subject to applicable customer noticing requirements.

Customers electing to terminate service after the initial notification period are transferred to their incumbent utility on their next regularly scheduled meter read date if the termination notice is received a minimum of fifteen days prior to that date. Such customers are also liable for the nominal reentry fees imposed by SCE and would be required to remain on bundled utility service for a period of one year, as described in the utility CCA tariff.

Customer Confidentiality

OCPA maintains policies covering confidentiality of customer data that are fully compliant with the required privacy protection rules for CCA customer energy usage information, as detailed within Decision 12-08-045. OCPA will maintain the confidentiality of individual customer data including service addresses, billing addresses, telephone numbers, account numbers and electricity consumption, except where reasonably necessary to conduct business of OCPA or to provide services to customers, including but not limited to where such disclosure is necessary to (a) comply with the law or regulations; (b) enable OCPA to provide service to its customers; (c) collect unpaid bills; (d) obtain and provide credit reporting information; or (e) resolve customer disputes or inquiries. OCPA will not disclose customer information for telemarketing, e-mail or direct mail solicitation. Aggregate data may be released at OCPA's discretion.

Responsibility for Payment

Customers are obligated to pay Program charges for service provided through the date of transfer including any applicable Termination Fees. Pursuant to current CPUC regulations, OCPA is not able to direct that electricity service be shut off for failure to pay OCPA bills. However, the incumbent utility has the right to shut off electricity to customers for failure to pay electricity bills, and SCE Electric Rule 23 mandates that partial payments are to be allocated pro rata between the incumbent utility and the CCA. In most circumstances, customers would be returned to utility service for failure to pay bills in full and customer deposits (if any) would be withheld in the case of unpaid bills. The incumbent utility would attempt to collect any outstanding balance from customers in accordance with their Electric Rules and the related CCA Service Agreement.

The process is for two late payment notices to be provided to the customer within 30 days of the original bill due date. If payment is not received within 45 days from the original due date, service is transferred to the utility on the next regular meter read date, unless alternative payment arrangements have been made. Consistent with the CCA tariffs, service cannot be discontinued to a residential customer for a disputed amount if that customer has filed a complaint with the CPUC and that customer has paid the disputed amount into an escrow account.

Customer Deposits

Under certain circumstances, OCPA customers may be required to post a deposit equal to the estimated charges for two months of CCA service prior to obtaining service from the Program. A deposit may be required for an applicant who previously had been a customer of SCE or OCPA and whose electric service has been discontinued by SCE or OCPA during the last twelve months of that prior service arrangement as a result of bill nonpayment. Such customers may be required to reestablish credit by depositing the prescribed amount. Additionally, a customer who fails to pay bills before they become past due (Discontinuance and Restoration of Service), and who further fails to pay such bills within five days after presentation of a discontinuance of service notice for nonpayment of bills, may be required to pay said bills and reestablish credit by depositing the prescribed amount. This rule will apply regardless of whether or not service has been discontinued for such nonpayment.¹⁴ Failure to post deposit, as required, would cause the account service transfer request to be rejected, and the account would remain with the incumbent utility.

¹⁴ A customer whose service is discontinued by OCPA is returned to the incumbent utility's generation service.

Chapter 10 - Procurement Process

Introduction

This Chapter describes OCPA's initial procurement policies and the key third party service agreements by which OCPA obtains operational services for the Program. OCPA retains authority to modify Program policies from time to time at its discretion.

Procurement Methods

OCPA has and will continue to enter into agreements for a variety of services needed to support program development, operation and management. OCPA will generally utilize competitive procurement methods for services but may also utilize direct procurement or sole source procurement, depending on the nature of the services to be procured. Direct procurement is the purchase of goods or services without competition when multiple sources of supply are available. Sole source procurement is generally to be performed only in the case of emergency or when a competitive process would be an idle act.

OCPA utilizes competitive solicitation processes to enter into agreements with entities providing electrical services for the Program. Agreements with entities that provide professional legal or consulting services, and agreements pertaining to unique or time sensitive opportunities, may be entered into on a direct procurement or sole source basis at OCPA's discretion. Authority for terminating agreements will generally mirror the authority for entering into such agreements.

Key Contracts

Electric Supply Contracts

OCPA initiated service using supply contracts with qualified providers to supply sufficient electric energy resources to meet the Program's customer demand as well as applicable resource adequacy requirements, ancillary and other necessary services. OCPA periodically completes additional solicitations to supplement its energy supply and/or to replace contract volumes provided under the original contracts. OCPA begins such procurement sufficiently in advance of contract expiration so that the transition from the initial supply contracts occurs smoothly, avoiding dependence on market conditions existing at any single point in time.

OCPA has contracted with a certified Scheduling Coordinator to schedule loads and resources to meet Program customer demand and a Power Management Coordinator to help with longer-term power supply needs. OCPA may designate the Schedule Coordinator and/or Power Management Coordinator to be responsible for day-to-day energy supply operations of the Program and for managing the predominant supply risks for the term of all power contracts. The Scheduling Coordinator and Power Management Coordinator work to ensure OCPA meets renewable energy mandates as well as resource-specific mandates such as the storage requirement.¹⁵ Finally, the Schedule Coordinator and Power Management Coordinator work to ensure OCPA's compliance with all applicable resource adequacy and regulatory requirements imposed by the CPUC or FERC.

¹⁵ Assembly Bill 2514 requires LSEs to procure energy storage targets by 2020

Data Management Contract

OCPA's data manager provides the retail customer services of billing and other customer account services (electronic data interchange or EDI with SCE, billing, remittance processing and account management). A single contractor has been selected to perform all of the data management functions.

The data manager is responsible for the following services:

- Data exchange with SCE
- Technical testing
- Customer information system
- Customer call center
- Billing administration/retail settlements
- Settlement quality meter data reporting
- Reporting and audits of utility billing

Utilizing a third party for account services eliminates a significant expense associated with implementing a customer information system.

OCPA has completed its competitive solicitation process and retained a data manager and customer call center services consultant.

Chapter 11 – Contingency Plan for Program Termination

Introduction

This Chapter describes the process to be followed in the case of Program termination. In the unexpected event that OCPA would terminate the Program and return its customers to the incumbent utility's service, the proposed process is designed to minimize the impacts on its customers and the incumbent utility. The proposed termination plan follows the requirements set forth in SCE's tariffs governing service to CCAs. OCPA retains authority to modify program policies from time to time at its discretion.

Termination by OCPA

OCPA will offer services for the long term with no planned Program termination date. In the unanticipated event that OCPA decides to terminate the Program, each of its Members would be required to adopt a termination ordinance or resolution and provide adequate notice to OCPA consistent with the terms set forth in the JPA Agreement. Following such notice, the Board would vote on Program termination subject to voting provisions as described in the JPA Agreement. In the event that OCPA affirmatively votes to proceed with JPA termination, OCPA would disband under the provisions identified in its JPA Agreement.

After any applicable restrictions on such termination have been satisfied, notice would be provided to customers six months in advance that they will be transferred back to the incumbent utility. A second notice would be provided during the final sixty days in advance of the transfer. The notice would describe the applicable distribution utility bundled service requirements for returning customers then in effect, such as any transitional or bundled portfolio service rules.

It is anticipated that one year of advance notice would be provided to the incumbent utility and the CPUC before transferring customers, and OCPA would coordinate the customer transfer process to minimize impacts on customers and ensure no disruption in service. Once the customer notice period is complete, customers would be transferred *en masse* on the date of their regularly scheduled meter read date.

OCPA will post a bond or maintain funds held in reserve to pay for potential transaction fees charged to the Program for switching customers back to distribution utility service. Reserves would be maintained against the fees imposed for processing customer transfers ("FSR"). The Public Utilities Code requires demonstration of insurance or posting of a bond sufficient to cover reentry fees imposed on customers that are involuntarily returned to distribution utility service under certain circumstances. The cost of re-entry fees is the responsibility of the energy services provider or the community choice aggregator, except in the case of a customer returned for default or because its contract has expired. OCPA will post financial security in the appropriate amount as part of its registration materials and will maintain the financial security in the required amount, as necessary.

Termination by Members

Pursuant to the OCPA JPA Agreement, a Party may withdraw its membership in OCPA, effective as of the beginning of OCPA's fiscal year, by giving no less than one hundred eighty (180) days advance written notice of its election to do so. Notice must be provided to OCPA and each member Party. Withdrawal of a Party requires an affirmative vote of the Party's governing board. A Party that withdraws from OCPA may be subject to certain continuing liabilities as described in the OCPA JPA Agreement. The withdrawing Party and OCPA must execute and deliver all further instruments and documents, and take any further actions as may be reasonably necessary to effectuate the orderly withdrawal of such Party.

An OCPA member Party may be terminated for material non-compliance with provisions of the OCPA JPA upon a two-thirds vote of the entire Board (excluding the vote of the Party subject to possible termination). Prior to any vote to terminate a Party, written notice of the proposed termination and the reason(s) for such termination shall be delivered to the Party whose termination is proposed at least 30 days prior to the regular Board meeting at which such matter shall first be discussed as an agenda item. The Party subject to termination shall have the opportunity at the next regular Board meeting following the expiration of the 30-day notice period to respond to any reasons and allegations that may be cited as a basis for termination. The Party's response shall be evaluated at a public meeting prior to a vote regarding termination. A Party that has had its membership in the OCPA terminated may be subject to certain continuing liabilities, as described in the OCPA JPA Agreement.

Appendix – OCPA Joint Powers Agreement Signed by Fountain Valley, and Fountain Valley Resolution and Ordinance to Join OCPA

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ORANGE COUNTY POWER AUTHORITY JOINT POWERS AGREEMENT

This Joint Powers Agreement (“**Agreement**”), effective as of the date specified in Section 1.2, below, which is November 20, 2020 (“**Effective Date**”) is made and entered into pursuant to the Joint Exercise of Powers Act (California Government Code § 6500 *et seq.*) relating to the joint exercise of powers among the parties set forth in Exhibit A. All parties that execute this Agreement prior to December 31, 2020 shall be designated individually as “**Founding Party**” and collectively as “**Founding Parties**”. All cities, counties, or other public agencies added as parties to this agreement after December 31, 2020 shall be designated individually as “**Additional Party**” and collectively “**Additional Parties**”. The term “**Party**” refers individually to any Founding Party or Additional Party, and the term “**Parties**” refers collectively to the Founding Parties and the Additional Parties.

RECITALS

A. In 2002, Assembly Bill 117 (Stat. 2002, Ch. 838, codified at Public Utilities Code Sections 218.3, 366, 394, 394.25, 331.1 366.2, and 381.1) was signed into law allowing customers to aggregate their electrical loads as members of their local community with public agencies designated as community choice aggregators, and allowing such public agencies to aggregate the electrical load of interested consumers within their jurisdictional boundaries and purchase electricity on behalf of those consumers.

B. In 2006, Assembly Bill 32 (Stat. 2006, Ch. 488, codified at Health and Safety Code Sections 38500 *et seq.*), known as the Global Warming Solutions Act, was signed into law, mandating a reduction in greenhouse gas emissions to 1990 levels by 2020.

C. In 2015, Senate Bill 350 (Stat. 2015, Ch. 547, codified at Health and Safety Code Section 44258.5; Labor Code Section 1720; Public Resources Code Sections 25302.2, 25310, 25327 and 25943; and Public Utilities Code Sections 237.5, 337, 352, 359, 365.2, 366.3, 399.4, 399.11, 399.12, 399.13, 399.15, 399.16, 399.18, 399.21, 399.30, 454.51, 454.52, 454.55, 454.56, 701.1, 740.8, 740.12, 9505, 9620, 9621, 9622, and Article 17 (commencing with Public Utilities Code Section 400)) was signed into law, mandating a reduction in greenhouse gas emissions to 40 percent below 1990 levels by 2030 and to 80 percent below 1990 levels by 2050.

D. In 2018, Senate Bill 10 (Stat. 2018, Ch. 312, codified at Public Utilities Code sections 399.11, 399.15, 399.30, and 454.53) was signed into law, directing that the Renewables Portfolio Standard to be increased to 60 percent renewables by 2030 and establishing a policy for eligible renewable energy resources and zero-carbon resources to supply 100 percent of electricity retail sales to California end-use customers by 2045.

E. The Parties each hold various powers under California law, including, but not limited to, the power to purchase, supply, and aggregate electricity for themselves and customers within their jurisdictions in accordance with Public Utilities Code Sections 333.1 and 366.2; they are therefore properly empowered to enter into this Agreement under the Joint Exercise of Powers Act (Government Code Section 6500 *et seq.*, the “**Act**”).

F. The purposes for entering into this Agreement are more fully specified in subsection 1.4 below, but principally consist of the study, promotion, development, funding, financing, purchasing, conduct, operation, and management of energy, energy efficiency and conservation, and other energy-related and community choice aggregation programs (the “CCA Program”), through which the following objectives may be advanced: (a) reducing greenhouse gas emissions related to the use of power throughout the Parties’ jurisdictions and neighboring regions; (b) providing electric power and other forms of energy to customers at a competitive cost; (c) carrying out programs for ratepayers of all income levels to reduce energy consumption; (d) stimulating and sustaining the local economy by developing local jobs in renewable and conventional energy; and (e) promoting long-term electric rate stability, energy security and reliability for residents through local control of electric generation resources.

G. The Founding Parties desire to establish a separate public agency, known as the Orange County Power Authority (“**Authority**”), under the Act and consistent with Assembly Bill 117, in order to collectively implement the CCA Program, and to exercise any powers common to the Authority’s members to further these purposes.

H. The Parties have each adopted an ordinance electing to participate as a group in a community choice aggregation program through the Authority, as authorized by California Public Utilities Code § 366.2(a)(12)(B).

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions hereinafter set forth, it is agreed by and among the Parties as follows:

SECTION 1. FORMATION OF AUTHORITY

1.1 Creation of Agency. Pursuant to the Act there is hereby created a public entity to be known as The Orange County Power Authority. Pursuant to Section 6507 of the Act, the Authority is a public agency separate from the Parties. The jurisdiction of the Authority shall be all territory within the geographic boundaries of the Parties; however, the Authority may, as authorized under applicable law, undertake any action outside such geographic boundaries as is necessary to accomplish its purpose.

1.2 Effective Date and Term. This Agreement shall become effective and the Authority shall exist as a separate public agency on the date this Agreement is executed by at least two Parties. The Authority shall continue to exist, and this Agreement shall be effective, until this Agreement is terminated in accordance with this Agreement, subject to the rights of a Party to withdraw from the Authority.

1.3 Parties. The names, particular capacities, and addresses of the Parties are shown on Exhibit A, as it may be amended from time to time.

1.4 Purpose. The purpose of this Agreement is to establish an independent public agency in order to exercise powers common to each Party to implement the CCA Program, and to

exercise all other powers necessary and incidental to accomplishing this purpose. This Agreement authorizes the Authority to provide opportunities by which the Parties can work cooperatively to create economies of scale and implement sustainable energy initiatives that reduce energy demand, increase energy efficiency, provide consumer choice and cost savings, and advance the use of clean, efficient, and renewable resources in the region for the benefit of all the Parties and their constituents, including, but not limited to, establishing and operating a CCA Program (collectively, the “**Purpose**”). The Parties intend for this Agreement to be used as a contractual mechanism by which they are authorized to participate in the CCA Program and achieve the Purpose. The Parties intend that other agreements shall define the terms and conditions associated with the implementation of the CCA Program and any energy programs approved by the Authority.

SECTION 2. POWERS OF AUTHORITY

2.1 Powers. The Authority shall have all powers common to the Parties and such additional powers accorded to it by law. The Authority is authorized, in its own name, to exercise all powers and do all acts necessary and proper to carry out the provisions of this Agreement and fulfill its Purpose, including, but not limited to, each of the following powers:

2.1.1 Serve as a forum for the consideration, study, and recommendation of energy services for the CCA Program;

2.1.2 To make and enter into any and all contracts to effectuate the purpose of this Agreement, including, but not limited to, those relating to the purchase or sale of electrical energy or attributes thereof, and related service agreements;

2.1.3 To employ agents and employees, including, but not limited to, engineers, attorneys, planners, financial consultants, and separate and apart therefrom to employ such other persons, as it deems necessary;

2.1.4 To acquire, contract, manage, maintain, and operate any buildings, works, or improvements, including, but not limited to, electric generation resources;

2.1.5 To acquire property by eminent domain, or otherwise, except as limited by Section 6508 of the Act, and to hold or dispose of property;

2.1.6 To lease or license any property;

2.1.7 To sue and be sued in its own name;

2.1.8 To incur debts, liabilities, and obligations, including, but not limited to, loans from private lending sources pursuant to its temporary borrowing powers, such as California Government Code § 53850 *et seq.* and authority under the Act;

2.1.9 To form subsidiary or independent corporations or entities, if appropriate, to carry out energy supply and energy conservation programs, or to take advantage of legislative or regulatory changes;

2.1.10 To issue revenue bonds and other forms of indebtedness;

2.1.11 To apply for, accept, and receive all licenses, permits, grants, loans, or other assistance from any federal, state, or local agency;

2.1.12 To submit documentation and notices, register, and comply with orders, tariffs, and agreements for the establishment and implementation of the CCA Program and other energy and climate change programs;

2.1.13 To adopt rules, regulations, policies, bylaws, and procedures governing the operation of the Authority;

2.1.14 To receive loans, gifts, contributions, and donations of property, funds, services, and other forms of financial assistance from persons, firms, corporations, and any governmental entity;

2.1.15 To make and enter into service agreements relating to the provision of services necessary to plan, implement, operate and administer the CCA Program and other energy programs, including the acquisition of electric power supply and the provision of retail and regulatory support services;

2.1.16 To receive revenues from sale of electricity and other energy-related programs;

2.1.17 To partner or otherwise work cooperatively with other CCAs on the acquisition of electric resources, joint programs, advocacy and other efforts in the interests of the Authority; and

2.1.18 To the extent not specifically provided in this Agreement, to exercise any powers authorized by the member agencies to achieve the Authority's objectives and such further powers not specifically mentioned herein, but common to Parties, and authorized by the California Government Code.

2.2 Additional Powers to be Exercised. In addition to those powers common to each of the Parties, the Authority shall have those powers that may be conferred upon it by law and by subsequently enacted legislation.

2.3 Manner of Exercising Powers. The powers specified in subsections 2.1 and 2.2 shall be exercised by the Board (as defined in subsection 3.1, below), unless otherwise delegated to a committee of the Board or the Chief Executive Officer of the Authority in accordance with a Board adopted policy or action. All such powers shall be exercised in the manner set forth in this Agreement.

2.4 Limitation on Exercise of Powers: The powers of the Authority are subject to the restrictions upon the manner of exercising power possessed by the City of Irvine, California and

any other restrictions on exercising the powers of the Authority that may be adopted by the Authority's Board of Directors.

SECTION 3: GOVERNANCE

3.1 General Governance; Board of Directors. The governing body of the Authority shall be a Board of Directors ("**Board**") consisting of one director for each Party appointed in accordance with subsection 3.2, except the City of Irvine whose governing body shall appoint two directors (the "**Irvine Directors**"). Notwithstanding the foregoing, the governing body of the City of Irvine shall appoint one director upon the full satisfaction and repayment of the Capital Loan, as defined in subsection 5.5.

3.2 Appointment of Directors. The governing body of each Party shall appoint and designate in writing the Director(s) who shall be authorized to act for and on behalf of the Party on matters within the powers of the Authority. The governing body of each Party shall also appoint and designate in writing an alternate Director(s) who may vote in matters when the regular Director is absent from a Board meeting. The governing bodies of the Founding Parties may, in their sole discretion, elect to appoint their respective Director(s) prior to the Effective Date, in which case such appointment(s) to the Board shall take effect on the Effective Date. The persons appointed and designated as the regular Director and the alternate Director shall be a member of the governing body of the Party when appointed.

3.3 Terms of Office. Each regular and alternate Director shall serve a term of four years. If at any time a vacancy occurs on the Board, a replacement shall be appointed by the governing body to fill the position of the previous Director within ninety (90) days of the date that such position becomes vacant. Replacement Directors shall serve until the scheduled expiration of the four year term of the Board member that they replace.

3.4 Quorum. A majority of the Directors of the entire Board shall constitute, and is necessary to constitute, a quorum, except that less than a quorum may adjourn a meeting from time to time in accordance with law.

3.5 Powers of the Board of Directors. The Board may exercise all the powers enumerated in this Agreement and shall conduct all business and activities of the Authority consistent with this Agreement and any bylaws, operating procedures, and applicable law.

3.6 Executive Committee. The Board shall establish an executive committee consisting of a smaller number of Directors upon the Authority's membership consisting of nine or more members. The initial members of the executive committee shall be the Directors of the Founding Members with the chair of the Board serving as chair of the Executive Committee.

3.7 Committees. The Board may establish committees as the Board deems appropriate to assist the Board in carrying out its functions and implementing the purposes of this Agreement. In accordance with subsection 2.3, the Board may delegate to any committees that consist solely of Board members any of the powers specified in subsection 2.1, except for the power to acquire property by eminent domain specified in subsection 2.1.5. Committees that include or consist of non-Board members shall be advisory only.

3.8 Director Compensation. The Board shall adopt policies establishing compensation attendance at Board and Committee meetings and work performed by each Director on behalf of the Authority as well as policies for the reimbursement of expenses incurred by each Director; provided that in no instance shall the per meeting or per day compensation be less than the compensation provided to directors of the Orange County Sanitation District.

3.9 Voting by the Board of Directors.

3.9.1 Equal Vote. Each Director or participating alternate shall have one vote. Except as provided for in Sections 3.9.2, 3.9.3 and 3.9.4, action of the Board on all matters shall require an affirmative vote of a majority of all Directors who are present at the subject meeting (“**Equal Vote**”).

3.9.2 Voting Shares Vote. Immediately after (and during the same Board Meeting as) an affirmative or tie Equal Vote, two or more Directors shall have the right to request and conduct a Voting Shares Vote (defined below) to reconsider that action approved by the Equal Vote. In the event of a Voting Shares Vote where the City of Irvine appoints two Directors to the Board and one or more Irvine Directors requests a Voting Shares Vote, a Party other than the City of Irvine must constitute the second Director for purposes of having the right to request and conduct a Voting Shares Vote. A “yes” vote on the Voting Shares Vote shall be a vote to reverse and reject the Equal Vote; a “no” vote on the Voting Shares Vote shall be a vote to affirm the Equal Vote. For Voting Shares Votes, votes shall be weighted as described in subsection 3.9.3. A “yes” vote on a Voting Shares Vote shall require (i) for votes requiring a majority under subsection 3.9.1, more than fifty percent (50%) of the voting shares of all Directors voting; (ii) for votes requiring a supermajority of two-thirds under this Agreement, sixty-seven percent (67%) or more of the voting shares of all Directors voting; and (iii) for votes requiring a supermajority of three quarters under this Agreement more than seventy-five percent (75%) of the voting shares of all Directors voting. All votes taken pursuant to this subsection 3.9.2 shall be referred to as a “**Voting Shares Vote**.” If a Voting Shares Vote yields a “no” vote, the legal effect is to affirm the Equal Vote with respect to which the Voting Shares Vote was taken. If the Voting Shares Vote succeeds, the legal effect is to nullify the Equal Vote with respect to which the Voting Shares Vote was taken. If the underlying Equal Vote was a tie, the Voting Shares Vote replaces that tie vote. No action may be taken solely by a Voting Shares Vote without first having taken an Equal Vote.

3.9.3 Voting Shares Formula. When a Voting Shares Vote is requested by two or more Directors, voting shares of each Director shall be determined by the following formula:

$$(\text{Annual Energy Use}/\text{Total Annual Energy}) \times 100$$

For purposes of this formula (a) “**Annual Energy Use**” means (i) for the first two years following the Effective Date, the annual electricity usage, expressed in kilowatt hours (“**kWh**”), within the jurisdiction of the Party appointing the Director(s) and (ii) following the second anniversary of the Effective Date, the annual electricity usage, expressed in kWh, of accounts within the jurisdiction of the Party appointing the Director(s) that are served by the Authority, and (b) “**Total Annual Energy**” means the sum of all Parties’ Annual Energy Use. The initial values for Annual Energy

use are designated in Exhibit B and the initial voting shares are designated in Exhibit C. Both Exhibit B and Exhibit C shall be adjusted annually as soon as reasonably practicable after January 1 of each year, but no later than March 1 of each year, subject to the approval of the Board. Voting shares attributable to Irvine shall be divided equally between the Irvine Directors.

3.9.4 Special Voting.

3.9.4.1 Two-Thirds Supermajority Votes. An affirmative vote of two-thirds of the Directors of the entire Board shall be required to take any action on the following (i) issuing or repayment of bonds loans or other forms of debt; (ii) adding or removing Parties on or after January 1, 2021; (iii) amending or terminating this Agreement or adopting or amending the bylaws of the Authority; and (iv) terminating the CCA Program.

3.9.4.2 Three-Fourths Supermajority Votes. An affirmative vote of three-fourths of the Directors of the Board shall be required to initiate any action for eminent domain and no eminent domain action shall be approved within the jurisdiction of a Party without the affirmative vote of such Party's Director (or both Irvine Directors, if applicable, in the case of eminent domain action within the City of Irvine).

3.9.4.3 Advance Notice of Special Voting. At least thirty (30) days advance written notice to the Parties shall be provided for all special voting items under subsection 3.9.4.1 and/or subsection 3.9.4.2. Such notice shall include a copy of all substantive documents necessary to meaningfully deliberate and consider the proposed vote (e.g., any proposed amendment to this Agreement or the bylaws of the Authority). The Authority shall also provide prompt written notice to all Parties of the action taken, which shall include any resolution, ordinance, rule, policy, agreement, filing or other operative document (if any) adopted or approved by the Board.

3.10 Officers.

3.10.1 Chair and Vice Chair. The Directors shall select from among themselves a Chair and a Vice-Chair. The Chair shall be the presiding officer of all Board meetings. The Vice-Chair shall serve in the absence of the Chair. The term of office of the Chair and Vice-Chair shall continue until the expiration of the office of the Directors serving in such positions. There shall be no limit on the number of terms held by the Chair and the Vice-Chair. The office of either the Chair or Vice-Chair shall be declared vacant and a new selection shall be made if: (i) the person serving dies, resigns, or becomes legally unable to fulfill his or her duties, or (b) the Party that appointed the Chair or Vice-Chair withdraws from the Authority pursuant to the provisions of this Agreement.

3.10.2 Secretary. The Secretary shall be responsible for keeping the minutes of all meetings of the Board and all other official records of the Authority.

3.10.3 Treasurer/Auditor. In accordance with California Government Code § 6505.5, the Board shall appoint a qualified person to act as the Treasurer and a qualified person to act as the Auditor, neither of whom need be members of the Board. The Treasurer

and the Auditor shall possess the powers of, and shall perform those functions required of them by California Government Code §§ 6505, 6505.5, and 6505.6, and by all other applicable laws and regulations and amendments thereto.

3.11 Meetings. The Board shall provide for its regular meetings, the date, hour, and place of which shall be fixed by resolution of the Board. Regular, adjourned, and special meetings shall be called and conducted in accordance with the provisions of the Ralph M. Brown Act, California Government Code § 54950 *et seq.*

3.12 Chief Executive Officer. The Board shall appoint a Chief Executive Officer. The Chief Executive Officer shall be the chief administrative officer of the Authority, and shall be Secretary of the Board. The powers and duties of the Chief Executive Officer shall be those delegated and/or assigned to the Chief Executive Officer by duly adopted action of the Board.

3.13 Additional Officers and Employees. The Board shall have the power to authorize such additional officers and assistants as may be necessary and appropriate, including retaining one or more administrative service providers for planning, implementing, and administering the CCA Program. Such officers and employees may also be, but are not required to be, officers and employees of the Parties.

3.14 Bonding Requirement. The officers or persons who have charge of, handle, or have access to any property of the Authority shall be the members of the Board, the Treasurer, the Executive Director, and any such officers or persons to be designated or empowered by the Board. Each such officer or person shall be required to file an official bond with the Authority in an amount which shall be established by the Board. Should the existing bond or bonds of any such officer be extended to cover the obligations provided herein, said bond shall be the official bond required herein. The premiums on any such bond attributable to the coverage required herein shall be the appropriate expenses of the Authority.

3.15 Audit. The records and accounts of the Authority shall be audited annually by an independent certified public accountant with the final audit completed within six months of the fiscal year end, and copies of such audit report shall be filed with the State Controller, and each Party no later than fifteen (15) days after receipt of said audit by the Board.

3.16 Privileges and Immunities from Liability. All of the privileges and immunities from liability, exemption from laws, ordinances and rules, all pension, relief, disability, workers' compensation, and other benefits which apply to the activities of officers, agents, or employees of a public agency when performing their respective functions shall apply to the officers, agents, or employees of the Authority to the same degree and extent while engaged in the performance of any of the functions and other duties of such officers, agents, or employees under this Agreement. None of the officers, agents, or employees directly employed by the Authority shall be deemed, by reason of such employment to be employed by the Parties (or any of them).

SECTION 4: ADDITIONAL PARTIES AND IMPLEMENTATION OF CCA PROGRAM

4.1 Additional Parties. An incorporated city or county, or other public agency as authorized by California Public Utilities Code § 331.1, may become a member of the Authority and a Party to this Agreement upon satisfaction of the following:

4.1.1 Adoption of a resolution by the governing body of the proposed additional party approving the Agreement, and requesting participation and an intent to join the Authority;

4.1.2 Adoption by the Board of a resolution authorizing participation of the proposed additional party;

4.1.3 Satisfaction of any additional conditions as established by the Board or applicable laws or regulations; and

4.1.4 Execution of the Agreement by the proposed additional party.

4.2 Continuing Participation. The Parties acknowledge that participation in the CCA Program may change by the addition or withdrawal or termination of a Party. The Parties agree to participate in good faith with additional members as may later be added. The Parties also agree that the withdrawal or termination of a Party shall not affect the enforceability of this Agreement as to the remaining Parties, or the remaining Parties' continuing obligations under this Agreement.

4.3 Implementation of CCA Program. The Authority shall cause to be prepared an implementation plan meeting the requirements of California Public Utilities Code § 366.2 ("**Implementation Plan**") and any applicable regulations of the California Public Utilities Commission ("**CPUC**"). The Board shall approve the Implementation Plan prior to it being filed with the CPUC. The Authority, acting by and through the Board, shall take all such steps as are necessary and appropriate to implement the Implementation Plan and the CCA Program in a manner consistent with this Agreement.

4.4 Power Supply. The Board will establish power supply options for the Authority. The Authority's power supply options will include, but not be limited to, renewable and GHG-free base product that is equivalent to the minimum required by law. Each Party may select its power supply base product for the ratepayers in its jurisdiction. Each Party shall also have the flexibility to achieve its climate goals without impeding any other Party from doing the same.

4.4 Authority Documents. The Parties acknowledge and agree that the operations of the Authority will be implemented through various program documents and regulatory filings duly adopted by the Board, including, but not limited to, bylaws, an annual budget, and plans and policies related to the CCA Program. The Parties agree to abide by and comply with the terms and conditions of all such Authority documents that may be approved or adopted by the Board.

4.5 Termination of CCA Program. Nothing contained in this Agreement shall be construed to limit the discretion of the Authority to terminate the implementation or operation of

the CCA Program at any time, so long as such termination is in accordance with any applicable requirements of state law and the voting procedures specified in subsection 3.9.4.1, above.

SECTION 5: FINANCIAL PROVISIONS

5.1 Fiscal Year. The Authority's fiscal year shall be twelve (12) months commencing July 1 of each year and ending June 30 of the succeeding year.

5.2 Treasurer. The Treasurer for the Authority shall be the depository for the Authority. The Treasurer of the Authority shall have custody of all funds and shall provide for strict accountability thereof in accordance with California Government Code § 6505.5 and other applicable laws. The Treasurer shall perform all of the duties required in California Government Code § 6505 *et seq.* and all other such duties as may be prescribed by the Board.

5.3 Depository & Accounting. All funds of the Authority shall be held in separate accounts in the name of the Authority and not commingled with the funds of any Party or any other person or entity. Disbursement of such funds during the term of this Agreement shall be accounted for in accordance with generally accepted accounting principles applicable to governmental entities and pursuant to California Government Code § 6505 *et seq.* and other applicable laws. There shall be a strict accountability of all funds. All revenues and expenditures shall be reported regularly to the Board. The books and records of the Authority shall be promptly open to inspection by the Parties at all reasonable times.

5.4 Budget. The Board shall establish the budget for the Authority, and may from time to time amend the budget to incorporate additional income and disbursements that might become available to the Authority for its purposes during a fiscal year.

5.5 City of Irvine Initial Funding of Authority. The Authority shall, concurrent with the execution of this Agreement, enter into an agreement that covers repayment to the City of Irvine of (i) funding and collateral provided by the City of Irvine to the Authority to facilitate start-up and launch costs for the Authority and the CCA Program, and (ii) costs incurred by the City (including staff, consultant, and legal expenses, and associated allocated overhead and administrative expenses) in connection with the study and analysis of the CCA, the formation of the Authority, and the creation of the Implementation Plan (the "**Capital Loan Agreement**" or the "**Capital Loan**"). The Capital Loan shall be repaid from customer charges for electrical services to the extent permitted by law when the CCA Program becomes operational. The form of the Capital Loan Agreement is attached hereto as Exhibit D. The Authority shall enter into the Capital Loan Agreement so long as its final form is substantially consistent with the form attached as Exhibit D.

5.6 No Requirement for Contributions or Payments. Except as otherwise specified herein, the Parties are not required under this Agreement to make any financial contributions or payments to the Authority, and the Authority shall have no right to require such a contribution or payment.

5.6.1 Notwithstanding subsection 5.6, the Board may adopt a membership fee to be paid by Additional Parties upon entering into the Agreement, which

membership fee shall be established (if at all) by the Board and may cover a reasonable estimate of the transactional and other costs incurred by the Authority in processing the addition of the Additional Party to the Authority.

5.6.2 Notwithstanding subsection 5.6, the Authority and a Party may mutually and voluntarily enter into an agreement to provide the following: (i) contributions of public funds for the purposes set forth in this Agreement; (ii) advances of public funds for the purposes set forth in this Agreement, such advances to be repaid as provided by such written agreement; or (iii) its personnel, equipment or property.

5.6.3 For the avoidance of doubt, nothing in this Agreement requires, nor shall the Authority for any reason ever require, that any Party adopt any local tax, assessment, fee or charge for the benefit of the Authority.

5.7 Obligations of the Authority. Unless otherwise agreed by the Parties, the debts, liabilities, and obligations of the agency shall not be the debts, liabilities, and obligations, either jointly or severally, of the members of the agency. A Party may, in its sole discretion, agree to assume one or more of the debts, liabilities, and obligations of the Authority if, and only if, such Party, with the approval of its governing body, agrees in writing to assume any such debts, liabilities, or obligation of the Authority.

SECTION 6: WITHDRAWAL AND TERMINATION

6.1 Right to Withdraw.

6.1.1 Right to Withdraw Prior to March 1, 2021. Except for the City of Irvine, a Party may withdraw from the Authority for any reason and without liability or cost prior to March 1, 2021 upon providing the Authority fifteen (15) days advance written notice.

6.1.2 Right to Withdraw After March 1, 2021. Except for the withdrawal provided for in Section 6.1.1, a Party may withdraw its membership in the Authority, effective as of the beginning of the Authority's fiscal year, by giving no less than one hundred eighty (180) days advance written notice of its election to do so, which notice shall be given to the Authority and each Party. Withdrawal of a Party shall require an affirmative vote of the Party's governing board. A Party that withdraws from the Authority pursuant to this subsection may be subject to certain continuing liabilities as described in this Agreement. The withdrawing Party and the Authority shall execute and deliver all further instruments and documents, and take any further actions as may be reasonably necessary to effectuate the orderly withdrawal of such Party.

6.2 Involuntary Termination. This Agreement may be terminated with respect to a Party for material non-compliance with provisions of this Agreement upon a two-thirds vote of the entire Board (excluding the vote of the Party subject to possible termination) taken in accordance with subsection 3.9.4.1. Prior to any vote to terminate this Agreement with respect to a Party, written notice of the proposed termination and the reason(s) for such termination shall be delivered

to the Party whose termination is proposed at least thirty (30) days prior to the regular Board meeting at which such matter shall first be discussed as an agenda item. The written notice of proposed termination shall specify the particular provisions of this Agreement that the Party has allegedly violated with supporting documentation. The Party subject to possible termination shall have the opportunity at the next regular Board meeting following the expiration of the thirty-day (30) day notice period to respond to any reasons and allegations that may be cited as a basis for termination. The Party's response shall be evaluated at a public meeting prior to a vote regarding termination. A Party that has had its membership in the Authority terminated may be subject to certain continuing liabilities, as described in subsection 6.3. If the Board votes to terminate a Party's membership in the Authority, the effective date of the termination shall be scheduled by the Board, in its reasonable discretion, to ensure adequate time for the transition of the terminated Party's CCA Program customers to another electricity provider. The Parties expressly intend, agree and acknowledge that a Board action to terminate a Party's membership in the Authority shall be upheld so long as it is not arbitrary and capricious, and is supported by substantial evidence.

6.3 Continuing Liability; Refund. Upon a withdrawal of a Party under subsection 6.1.2 or involuntary termination of a Party under subsection 6.2, the Party shall be responsible for any claims, demands, damages, or liabilities attributable to the Party through the effective date of its withdrawal or involuntary termination. Such Party also shall be responsible liable to the Authority for (a) any damages, losses, or costs incurred by the Authority which result directly from the Party's withdrawal or termination, including, but not limited to, costs arising from the resale of capacity, electricity, or any attribute thereof no longer needed to serve such Party's load, and removal of customers from the CCA Program resulting from the withdrawal or termination of the Party; and (b) any costs or obligations associated with the Party's participation in any program in accordance with the program's terms, provided such costs or obligations were incurred prior to the withdrawal of the Party. Except as otherwise specified, such Party shall not be responsible for any claims, demands, damages, or liabilities commencing or arising after the effective date of the Party's withdrawal or involuntary termination. From and after the date a Party provides notice of its withdrawal or is terminated, the Authority shall reasonably and in good faith seek to mitigate any costs and obligations to be incurred by the withdrawing or terminated Party under this subsection through measures reasonable under the circumstances; provided, however, that this obligation to mitigate does not impose any obligation on the Authority to transfer any cost or obligation directly attributable to the membership and withdrawal or termination of the withdrawing or terminated Party to the ratepayers of the remaining Parties. Further the liability of the withdrawing or terminated Party shall be based on actual costs or damages incurred by the Authority and shall not include any penalties or punitive charges imposed by the Authority. The Authority may withhold funds otherwise owing to the Party or may require the Party to deposit sufficient funds with the Authority, as reasonably determined by the Authority, to cover the Party's liability for the costs described above. The withdrawing or terminated Party agrees to pay any such deposit determined by the Authority in consultation with a third party audit firm. Any amount of the withdrawing or terminated Party's funds held on deposit with the Authority above that which is required to pay any liabilities or obligations shall be returned to that Party. In the implementation of this subsection 6.3, the Parties intend, to the maximum extent possible, without compromising the viability of ongoing Authority operations, that any claims, demands, damages, or liabilities covered hereunder, be funded from the rates paid by CCA Program customers located within the

service territory of the withdrawing Party, and not from the general fund of the withdrawing Party itself. The liability of a withdrawing Party under this subsection shall be only to the Authority and not to any other Party.

6.4 Termination of Agreement. This Agreement may be terminated by vote of the Board in accordance with subsection 3.9.4.1, or by mutual agreement of all the Parties approved by majority votes of their respective governing bodies. provided, however, that this subsection shall not be construed as limiting the rights of a Party to withdraw in accordance with Section 6.

6.5 Disposition of Authority Assets Upon Termination of Agreement. Upon termination of this Agreement, any surplus money or assets in possession of the Authority for use under this Agreement, after payment of all liabilities, costs, expenses, and charges incurred by the Authority, shall be returned to the then-existing Parties in proportion to the contributions made by each.

SECTION 7: MISCELLANEOUS PROVISIONS

7.1 Dispute Resolution. The Parties and Authority shall make efforts to settle all disputes arising out of or in connection with this Agreement. Before exercising any remedy provided by law, a Party or Parties and the Authority shall engage in nonbinding mediation in the manner agreed to by the Party or Parties and the Authority. In the event that nonbinding mediation does not resolve a dispute within one hundred twenty (120) days after the demand for mediation is made, any Party or the Authority may pursue any all remedies provided by law.

7.2 Liability of Directors, Officers, and Employees. The Directors, officers, and employees of the Authority shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to this Agreement. No current or former Director, officer, or employee will be responsible for any act or omission by another Director, officer, or employee. The Authority shall defend, indemnify, and hold harmless the individual current and former Directors, officers, and employees for any acts or omissions in the scope of their employment or duties in the manner provided by California Government Code § 995 *et seq.* Nothing in this subsection shall be construed to limit the defenses available under the law to the Parties, the Authority, or its Directors, officers, or employees.

7.3 Indemnification. The Authority shall acquire such insurance coverage as the Board deems necessary to protect the interests of the Authority, the Parties, and the Authority's ratepayers. The Authority shall indemnify, defend, and hold harmless the Parties and each of their respective board members or council members, officers, agents, and employees, from any and all claims, losses, damages, costs, injuries, and liabilities of every kind to the extent arising directly or indirectly from the conduct, activities, operations, acts, and omissions of the Authority under this Agreement.

7.4 Assignment. The rights and duties of a Party may not be assigned or delegated without the advance written consent of all other Parties. Any attempt to assign or delegate such rights or duties without express written consent of all other Parties shall be null and void. This Agreement shall inure to the benefit of, and shall be binding upon, the successors and assigns of the Parties. This subsection does not prohibit a Party from entering into an independent agreement

with another entity regarding the financing of that Party's contributions to the Authority (if any), or the disposition of proceeds which that Party receives under this Agreement, so long as such independent agreement does not affect, or purport to affect, the rights and duties of the Authority or the Parties under this Agreement.

7.5 Severability. If any part of this Agreement is held, determined, or adjudicated to be illegal, void, or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.

7.6 Further Assurances. Each Party agrees to execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary to effectuate the purposes of this Agreement.

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

7.8 Notices. Any notice authorized or required to be given pursuant to this Agreement shall be validly given if served in writing either personally, by deposit in the United States mail, first class postage prepaid with return receipt requested, or by a recognized courier service to the addresses specified on Exhibit A. Notices given (a) personally or by courier service shall be conclusively deemed received at the time of delivery and receipt and (b) by mail shall be conclusively deemed given 48 hours after the deposit thereof (excluding Saturdays, Sundays and holidays) if the sender receives the return receipt. All notices shall be addressed to the office of the clerk or secretary of the Authority or Party, as the case may be, or such other person designated in writing by the Authority or Party. Notices given to one Party shall be copied to all other Parties. Notices given to the Authority shall be copied to all Parties.

[Signature to Follow on Next Page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as evidenced by the signatures below

MEMBER AGENCY:

CITY OF IRVINE

By: Marianna Marysheva
Name: Marianna Marysheva
Title: Interim City Manager
Dated: 11/20/2020, 2020

Approved as to Form:

Jeffrey Melching
City Attorney

Approved as to Form:

Ryan Baron
Special Counsel

CITY OF FULLERTON

By: _____
Name:
Title:
Dated: _____, 2020

Approved as to Form:

City Attorney

CITY OF BUENA PARK

By: Aaron France
Name: Aaron France
Title: Interim City Manager
Dated: December 15, 2020

Approved as to Form:

[Signature]
City Attorney

ATTEST:

Adria M. Jimenez, MMC
ADRIA M. JIMENEZ, MMC
CITY CLERK



IN WITNESS WHEREOF, the parties hereto have executed this Agreement as evidenced by the signatures below

MEMBER AGENCY:

CITY OF IRVINE

By: _____

Name:

Title:

Dated: _____, 2020

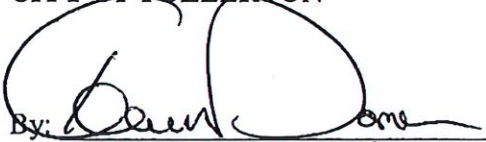
Approved as to Form:

City Attorney

Approved as to Form:

Special Counsel

CITY OF FULLERTON

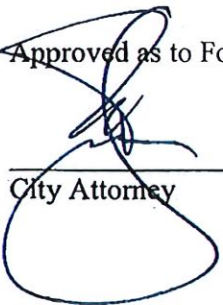
By: 

Name: Kenneth A. Damer

Title: City Manager

Dated: 11-20, 2020

Approved as to Form:



City Attorney

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as evidenced by the signatures below

MEMBER AGENCY:

CITY OF IRVINE

By: _____
Name: _____
Title: _____
Dated: _____, 2020

Approved as to Form:

City Attorney

Approved as to Form:

Special Counsel

CITY OF FULLERTON

By: _____
Name: _____
Title: _____
Dated: _____, 2020

Approved as to Form:

City Attorney

CITY OF HUNTINGTON BEACH

Mayor

City Clerk

REVIEWED AND APPROVED

City Manager

Approved as to Form

City Attorney


IN WITNESS WHEREOF, the parties hereto have executed this Agreement as evidenced by the signatures below

MEMBER AGENCY:

CITY OF IRVINE

By: _____
Name: _____
Title: _____
Dated: _____, 2020

CITY OF LAKE FOREST

By:  _____
Name: Neeki Moatazedi
Title: Mayor
Dated: December 15, 2020

**EXHIBIT A
LIST OF PARTIES**

Founding Members:

City of Irvine
1 Civic Center Plaza
Irvine, CA 92606

City of Fullerton
303 W. Commonwealth Ave.
Fullerton, CA 92832

City of Huntington Beach
2000 Main Street
Huntington Beach, CA 92648

City of Buena Park
6650 Beach Blvd.
Buena Park, CA 90622

City of Lake Forest
25550 Commercentre Dr.
Suite 100
Lake Forest, CA 92630

EXHIBIT B
ANNUAL ENERGY USAGE BY JURISDICTION

	2019 Annual Load GWh¹
City of Buena Park ²	450
City of Fullerton	676
City of Huntington Beach	1,046
City of Irvine	1,937
City of Lake Forest	459
Total	4,569

1. Annual energy usage is preliminary data and has not been validated by Southern California Edison (SCE) at the time of execution of the Agreement. This Exhibit will be updated without requiring an amendment of the Agreement upon SCE validation of the data.
2. City's 2019 annual load is an estimated value that may change pending preliminary and validated data from SCE.

EXHIBIT C
PARTY VOTING SHARES

	Estimated Voting Share¹
City of Buena Park	9.8%
City of Fullerton	14.8%
City of Huntington Beach	22.9%
City of Irvine	42.4%
City of Lake Forest	10.0%
Total	100.0%

1. Estimated Voting Share is based on Exhibit B (Annual Energy Usage by Jurisdiction). Annual energy usage is preliminary data and has not been validated by Southern California Edison (SCE) at the time of execution of the Agreement. This Exhibit will be updated without requiring an amendment of the Agreement upon SCE validation of the data.

EXHIBIT D
FORM OF CAPITAL LOAN AGREEMENT

**AGREEMENT BETWEEN THE CITY OF IRVINE AND THE ORANGE COUNTY
POWER AUTHORITY FOR THE ADVANCE OF FUNDS FOR IMPLEMENTATION
OF A COMMUNITY CHOICE ENERGY PROGRAM**

This Agreement, effective _____ (“Effective Date”), is by and between the CITY OF IRVINE, a municipal corporation and charter city (“City”), and the ORANGE COUNTY POWER AUTHORITY, a California joint powers authority (“Authority”), for the purpose of stating the terms for an advance of funds from the City to be repaid to City by the Authority as provided herein. City and Authority shall be referred to individually as a “Party” collectively as the “Parties.”

RECITALS

- A. On _____, the Authority was formed by participating Orange County cities, including the City, to administer a community choice aggregation (“CCA”) program within the jurisdictional boundaries of its members in Orange County.
- B. Prior to formation of the Authority, the City funded a feasibility study, peer review, and other activities necessary to evaluate the feasibility and implementation of a CCA program. The City also funded certain costs to form the Authority and implement the CCA program for itself and the Authority’s founding members.
- C. As expressly stated in that certain document entitled, *Orange County Power Authority Joint Powers Agreement*, at Section 5.5, which is incorporated herein by this reference, it was agreed upon by the parties thereto that the City would be reimbursed by the Authority for all costs regarding the feasibility and implementation of the CCA program, contingent upon the Authority’s launch of the CCA program.
- D. The City estimates that its costs to study, form and implement the Authority are \$250,000, which include, but are not limited to, costs for its feasibility study, peer review, City staffing, legal costs, member and stakeholder outreach, and formation of the Authority (“Formation Costs”).
- E. The City estimates that the Authority will need approximately \$2,500,000 for working capital to pay for implementation costs through a projected launch of the CCA program in 2022 (“Pre-Launch Costs”).
- F. The City further estimates that the Authority will need up to an additional \$8,000,000 to \$20,000,000 in the form of a credit facility for operational support and power procurement as well as other cash flow needs, and that any such credit facility may require cash collateral from an Authority member between \$2,000,000 to \$5,000,000 (“Launch Costs”).

G. The Parties desire to enter into this Agreement to document the Authority's repayment obligations to the City for all such funds expended on behalf of, or in support of, the formation of the Authority and implementation of the CCA program.

AGREEMENT

NOW THEREFORE, in consideration of their mutual promises and obligations, the Parties hereby agree as follows:

1. **City Loan to the Authority.**

1.1. **Formation Costs.** The Authority acknowledges that the City has expended certain City funds toward Formation Costs and agrees to reimburse the City for such costs in an amount not to exceed \$250,000 dollars, subject to the repayment provisions herein.

1.2. **Pre-Launch Costs.** The City agrees to loan the Authority Pre-Launch Costs in the amount of \$2,500,000 by January 1, 2021, which shall be used by the Authority for working capital costs associated with the Authority's launch, anticipated in 2022.

1.3. **Launch Costs.** The City agrees to post the necessary cash collateral, not to exceed \$5,000,000, in order for the Authority to secure a credit facility for its Launch Costs for additional working capital associated with power procurement and operational support ("**Credit Agreement**"). The City will also provide a loan for Launch Costs if needed by the Authority should a Credit Agreement be unavailable or insufficient to cover the Authority's working capital needs. The terms and conditions of any City loan to the Authority for Launch Costs (excluding the cash collateral requirement above) shall be negotiated and agreed upon in an amendment to this Agreement, subject to the reasonable approval of the Parties. The Authority shall provide the City with the Authority's *pro forma* demonstrating the amount needed for the aforementioned City loan.

1.4. **City Loan Amount.** Formation Costs, Pre-Launch Costs, and Launch Costs shall be collectively referred to herein as "**City Loan Amount.**"

2. **Repayment; Interest.**

2.1. **Repayment Date.** The Authority shall repay the City Loan Amount to City, plus interest, no later than the repayment date, which shall be January 1, 2027. The Parties acknowledge that they may modify the Repayment Date for the Launch Costs in an amendment to this Agreement depending on the terms and conditions of the Credit Agreement.

2.2. **Interest Rate.** In accordance with subsection 2.3, interest shall be paid on all outstanding portions of the City Loan Amount that bear interest. The interest rate on any outstanding amount shall be calculated according to the sum of the following calculation of each respective quarter:

Principal x Quarterly Interest Rate x (No. of Days in Quarter/No. of Days in Year)

Where “Principal” is the relevant funding of the City Loan Amount as described herein; “Quarterly Interest Rate” is the gross earnings for the respective quarter as reported in the City of Irvine Treasurer’s monthly investment report found on the Treasurer’s website <https://www.cityofirvine.org/administrative-services-department/investment-policies-and-reports> “No. of Days in Quarter” is the sum of days of each month that make up each respective quarter; and “No. of Days in Year” is 365, except in leap years, in which the number of days in the year shall be 366.

The City Loan Amount shall bear interest as follows:

- a. Formation Costs shall bear no interest whatsoever and shall be repaid to City as reimbursement for out-of-pocket expenses by the Repayment Date.
- b. Pre-Launch Costs shall bear interest beginning January 1, 2021 through the Repayment Date as estimated and set forth on Exhibit A, attached hereto.
- c. Launch Costs for the City’s collateral associated with the Credit Agreement shall bear interest beginning on the effective date of the Credit Agreement. Launch Costs for amendment to this Agreement, as set forth in subsection 1.3, through the Repayment Date.

In the event the City Loan Amount, along with any and all interest owed pursuant to this Section 2, are not repaid by the Repayment Date, any such amounts that remain outstanding shall accrue interest at the rate specified by law for prejudgment interest.

3. City Liability; Hold Harmless; Indemnification.

3.1 City Liability. The Authority acknowledges and agrees that by lending said funds to the Authority, the City does not assume any debt, liability, obligation, or duty whatsoever with respect to the Authority’s operations, liabilities, business, or transactions.

3.2. Hold Harmless/Indemnification. The Authority shall hold harmless, indemnify and defend the City, its elected officials, officers, employees, and agents from and against any and all claims, suits or actions of every kind which arise out of the performance or nonperformance of the Authority’s covenants, responsibilities, and obligations under this Agreement, and which result from the negligent or wrongful acts of the Authority or its board members, officers, employees, or agents. City shall hold harmless, indemnify and defend the Authority, its board members, officers, employees and agents from and against any and all claims, suits or actions of any kind which arise out of the performance or non-performance of the City’s covenants, responsibilities and obligations under this Agreement and which result from the negligent or wrongful acts of the City or its elected officials, officers, employees or agents. In the event of concurrent negligence of the City, its officer or employees, and the Authority, its officers and employees, the liability for any and all claims for injuries or damages to persons

and/or property or any other loss or costs which arise out of the terms, conditions, covenants or responsibilities of this Agreement shall be apportioned according to the California theory of comparative negligence.

4. General Provisions.

4.1. Audit. Prior to January 1, 2023, the City may audit the Authority's expenditure of Pre-Launch Costs to confirm that such expenditures have been made consistent with the purposes of this Agreement.

4.2. Waiver. The waiver by City or Authority of any term, covenant, or condition herein contained shall not be deemed to a waiver of such term, covenant, or condition or any subsequent breach of the same or any other term, covenant, or condition herein contained.

4.2. Successors and Assigns/Assignment. The terms of this Agreement shall apply and bind the heirs, successors, executors, administrators and assigns of the Parties. No Party may assign this Agreement without the express written consent of the other Party, which shall not be unreasonably withheld.

4.3. Entirety/Amendment. This Agreement contains the entire understanding between the Parties relating to the obligations of the Parties described herein. No provision of this Agreement may be amended or added to except by an agreement in writing signed by the Parties or their respective successors in interest. This Agreement shall not be effective or binding until fully executed by both Parties.

4.4. Venue & Choice of Law. This Agreement shall be governed by and construed under the laws of the State of California. In the event of any legal action to enforce or interpret this Agreement, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California.

4.5. Independent Entities. This Agreement is by and between two independent entities and is not intended to and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture, joint employer, or association.

4.6. Authority to Execute Agreement. The Parties each warrant that they have the authority to execute this Agreement and that all actions have occurred, and all necessary approvals or consents have been obtained to allow each party to enter into this Agreement.

4.7. Notices. All notices provided for herein shall be in writing and shall be delivered to the appropriate parties as provided below:

For City: Attn: City Manager
City of Irvine
1 Civic Center Plaza
Irvine, CA 92606

For Authority: TBD

IN WITNESS WHEREOF, Authority and City have executed this Agreement on the date set forth below.

CITY OF IRVINE

Date: 11/20/2020

By: Marianna Marykova

Title: Interim City Manager

Approved as to Form:

Jeffrey Melching
City Attorney

ORANGE COUNTY POWER AUTHORITY

Date: _____

By: _____

Title: _____

Approved as to Form:

General Counsel

EXHIBIT A
PRE-LAUNCH COSTS INTEREST SCHEDULE

Loan Borrower	Orange County Power Authority	
Loan Amount/Pre-Launch	\$2,500,000	
Loan Start Date	1/1/2021	
Loan Maturity Date	1/1/2027	
Estimated Interest Rate	1.75%	See Note on Interest Rate

	Period Interest	Cumulative Interest
3/31/2021	10,787.67	\$10,787.67
6/30/2021	10,907.53	21,695.21
9/30/2021	11,027.40	32,722.60
12/31/2021	11,027.40	43,750.00
3/31/2022	10,787.67	54,537.67
6/30/2022	10,907.53	65,445.21
9/30/2022	11,027.40	76,472.60
12/31/2022	11,027.40	87,500.00
3/31/2023	10,787.67	98,287.67
6/30/2023	10,907.53	109,195.21
9/30/2023	11,027.40	120,222.60
12/31/2023	11,027.40	131,250.00
3/31/2024	10,877.73	142,127.73
6/30/2024	10,877.73	153,005.46
9/30/2024	10,997.27	164,002.73
12/31/2024	10,997.27	175,000.00
3/31/2025	10,787.67	185,787.67
6/30/2025	10,907.53	196,695.21
9/30/2025	11,027.40	207,722.60
12/31/2025	11,027.40	218,750.00
3/31/2026	10,787.67	229,537.67
6/30/2026	10,907.53	240,445.21
9/30/2026	11,027.40	251,472.60
12/31/2026	11,027.40	\$262,500.00
Pre-Launch Loan		\$2,500,000.00
Total Due 1/1/2027		\$2,762,500.00

Note: Interest Rate is based on the average of last six months of interest earned on the City's investment portfolio.

First Amendment to OCPA JPA Agreement

FIRST AMENDMENT TO THE ORANGE COUNTY POWER AUTHORITY JOINT POWERS AGREEMENT

This First Amendment ("First Amendment") to that certain Orange County Power Authority Joint Powers Agreement ("Agreement") dated November 20, 2020, by and between the Parties set forth in Exhibit A to Agreement is effective as of February 9, 2021. Under the Agreement, the Parties are sometimes referenced individually as a "Founding Party" and collectively the "Founding Parties."

RECITALS

A. The Orange County Power Authority is a joint powers authority established on November 20, 2020 and organized under the Joint Exercise of Powers Act (Government Code § 6500 *et seq.*).

B. The Founding Parties desire to extend the right of a Founding Party under Section 6.1.1 of the Agreement to with withdraw without financial penalty until April 1, 2021.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions hereinafter set forth, it is agreed by and among the Parties as follows:

1. Right to Withdraw Prior to April 1, 2021. Section 6.1.1 of the Agreement is hereby deleted in its entirety and replaced with the following:

"6.1.1 Right to Withdraw Prior to April 1, 2021. Except for the City of Irvine, a Party may withdraw from the Authority for any reason and without liability or cost prior to April 1, 2021 upon providing the Authority fifteen (15) days advance written notice."

2. Right to Withdraw On or After April 1, 2021. Section 6.1.2 of the Agreement is hereby deleted in its entirety and replaced with the following:

"6.1.2 Right to Withdraw On or After April 1, 2021. Except for the withdrawal provided for in Section 6.1.1, a Party may withdraw its membership in the Authority on or after April 1, 2021, effective as of the beginning of the Authority's fiscal year, by giving no less than one hundred eighty (180) days advance written notice of its election to do so, which notice shall be given to the Authority and each Party. Withdrawal of a Party shall require an affirmative vote of the Party's governing board. A Party that withdraws from the Authority pursuant to this subsection may be subject to certain continuing liabilities as described in this Agreement. The withdrawing Party and the Authority shall execute and deliver all further instruments and documents, and take any further actions as may be reasonably necessary to effectuate the orderly withdrawal of such Party."

3. Definitions: Capitalized terms not defined herein shall have the meaning set forth in the Agreement.

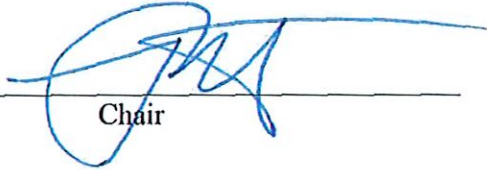
4. Full Force: Except as expressly set forth herein, the Agreement remains unmodified and in full force and effect.

[SIGNATURE ON FOLLOWING PAGE]

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

ORANGE COUNTY POWER AUTHORITY

By: _____

A handwritten signature in blue ink, appearing to be "J. H. Smith", written over a horizontal line.

Chair

Dated: _____

Approved as to Form:

By: _____

A handwritten signature in black ink, appearing to be "Barbara", written over a horizontal line.

General Counsel

Second Amendment to OCPA JPA Agreement

**SECOND AMENDMENT TO THE
ORANGE COUNTY POWER AUTHORITY
JOINT POWERS AGREEMENT**

This Second Amendment to that certain Orange County Power Authority Joint Powers Agreement, dated November 20, 2020, by and between the parties set forth in Exhibit A to the Agreement is effective as of October 25, 2022 (“**Second Amendment**”).

RECITALS

A. The Orange County Power Authority is a joint powers authority established on November 20, 2020 and organized under the Joint Exercise of Powers Act (Government Code section 6500 *et seq.*) as a separate public agency to collectively implement a community choice aggregation program and to exercise any powers common to the Authority’s members to further these purposes. On February 9, 2021, the Board of Directors approved the First Amendment to the Agreement extending the right of a Founding Party to withdraw under Section 6.1.1 of the Agreement until April 1, 2021.

B. The Board of Directors desires to amend the Agreement as follows:

1. Requires that a regular or alternate Director be a current elected member of the governing body of the Party;
2. Changes the terms of office for a regular and alternate Director to two (2) years;
3. Clarifies that a regular or alternate Director serves at the pleasure of the governing body that appointed the Director and can be removed at any time, with or without cause;
4. Change the terms of office for the Chair and Vice-Chair to one (1) year with annual elections thereafter beginning in December 2022; and
5. Changes the maximum vacancy period for a Director to forty-five (45) days.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions hereinafter set forth, it is agreed by and among the Parties as follows:

1. Amendment to the Agreement.

(a) Appointment of Directors. Section 3.2 of the Agreement is hereby amended and replaced in its entirety as follows:

“3.2 Appointment of Directors. The governing body of each Party shall appoint and designate in writing the Director(s) who shall be authorized to act for and on behalf of the Party on matters within the powers of the Authority. The governing body of each Party shall also appoint and designate in writing an alternate Director(s) who may vote in matters when the regular Director is absent from a Board meeting. The governing bodies of the Founding Parties may, in their sole discretion, elect to appoint their respective Director(s) prior to the Effective Date, in which case such appointment(s) to the Board shall take effect on the

Effective Date. The persons appointed and designated as the regular Director and alternate Director shall be a current elected member of the governing body of the Party.”

(b) Terms of Office. Section 3.3 of the Agreement is hereby amended and replaced in its entirety as follows:

“3.3 Terms of Office. Each regular or alternate Director shall serve a term of office of (2) years. A regular or alternate Director shall serve at the pleasure of the governing body of the Party that the regular or alternate Director represents and may be removed by such governing body at any time, with or without cause. If at any time a vacancy occurs on the Board, a replacement Director shall be appointed by the governing body to fill the position of the previous Director within forty-five (45) days of the date that such position becomes vacant. A replacement Director shall serve until the scheduled expiration of the term of office of the Director they replace.”

(c) Chair and Vice Chair. Section 3.10.1 is hereby amended and replaced in its entirety as follows:

“3.10.1 Chair and Vice-Chair. The Directors shall select from among themselves a Chair and a Vice-Chair. The Chair shall be the presiding officer of all Board meetings. The Vice-Chair shall serve in the absence of the Chair. Beginning at the first regular Board meeting in December 2022, the terms of office of the Chair and Vice-Chair shall be one-year with an election held annually. There shall be no limit on the number of terms held by the Chair and the Vice-Chair. The office of either the Chair or Vice-Chair shall be declared vacant and a new selection shall be made if: (i) the person serving dies, resigns, or becomes legally unable to fulfill his or her duties, or (b) the Party that appointed the Chair or Vice-Chair withdraws from the Authority pursuant to the provisions of this Agreement.”


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

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

[SIGNATURE ON FOLLOWING PAGE]


IN WITNESS WHEREOF, the Parties have hereby approved and executed this Second Amendment as of the date first written above.

ORANGE COUNTY POWER AUTHORITY

By: 
Michael Carroll, Chair
Orange County Power Authority

Dated: 11-18-22

Approved as to Form:

By: 
General Counsel
Orange County Power Authority

Third Amendment to OCPA JPA Agreement

**THIRD AMENDMENT TO THE
ORANGE COUNTY POWER AUTHORITY
JOINT POWERS AGREEMENT**

This Third Amendment to that certain Orange County Power Authority Joint Powers Agreement, dated November 20, 2020, by and between the parties set forth in Exhibit A to the Agreement is effective as of May 17, 2023 (“**Third Amendment**”).

RECITALS

A. The Orange County Power Authority is a joint powers authority established on November 20, 2020, and organized under the Joint Exercise of Powers Act (Government Code section 6500 *et seq.*) as a separate public agency to collectively implement a community choice aggregation program and to exercise any powers common to the Authority’s members to further these purposes.

B. On February 9, 2021, the Board of Directors approved the First Amendment to the Agreement extending the right of a Founding Party to withdraw under Section 6.1.1 of the Agreement until April 1, 2021.

C. On October 25, 2022, the Board of Directors approved the Second Amendment to the Agreement, relating to the qualifications of Directors and alternate Directors, setting Directors’ and Alternates’ terms of office at two (2) years, establishing the terms of office for the Chair and Vice Chair, and related changes.

D. The Board of Directors desires to amend the Agreement as follows:

1. Establish that the terms of office for regular and alternate Directors is two (2) years *or* until a successor is appointed;
2. Establish that vacancies in the offices of Chair and Vice Chair shall be filled at the next regular meeting of the Board or as soon as practicable thereafter, and that the new Chair and Vice Chair will perform the duties of the office for the remainder of the office’s term; and
3. Establish that the Board of Directors will appoint a qualified person who is not on the Board to serve as Secretary, and that such office will not automatically be held by the Chief Executive Officer.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions hereinafter set forth, it is agreed by and among the Parties as follows:

1. Amendments to the Agreement.

(a) Terms of Office. Section 3.3 of the Agreement is hereby amended and replaced in its entirety as follows:

“3.3 Terms of Office. Each regular or alternate Director shall serve a term of office of (2) years or until a successor is appointed. A regular or alternate Director shall serve at the pleasure of the governing body of the Party that the regular or alternate Director represents and may be removed by such governing body at any time, with or without cause. If at any time a vacancy occurs on the Board, a replacement Director shall be appointed by the governing body to fill the position of the previous Director within forty-five (45) days of the date that such position becomes vacant. A replacement Director shall serve until the scheduled expiration of the term of office of the Director they replace.”

(b) Chair and Vice Chair. Section 3.10.1 is hereby amended to add the following sentences at the end of the section:

“Upon a vacancy in the office of Chair or Vice Chair, the position shall be filled at the next regular meeting of the Board held after such vacancy occurs or as soon as practicable thereafter. Succeeding officers shall perform the duties normal to said offices for the remainder of the respective term.”

(c) Secretary. Section 3.10.2 of the Agreement is hereby amended and replaced in its entirety as follows:

“3.10.2 Secretary. The Board shall appoint a qualified person who is not on the Board to serve as Secretary. The Secretary shall be responsible for keeping the minutes of all meetings of the Board and all other official records of the Authority.”

(d) Chief Executive Officer. Section 3.12 of the Agreement is hereby amended and replaced in its entirety as follows:

“3.12 Chief Executive Officer. The Board shall appoint a Chief Executive Officer. The Chief Executive Officer shall be the chief administrative officer of the Authority. The powers and duties of the Chief Executive Officer shall be those delegated and/or assigned to the Chief Executive Officer by duly adopted action of the Board.”

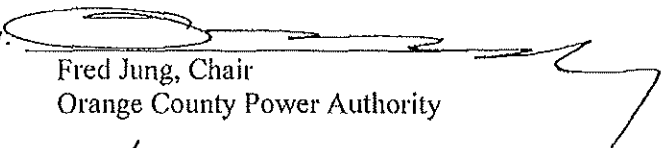
2. Capitalized Terms. Any capitalized terms not defined herein shall have the meanings set forth in the Agreement.

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

[SIGNATURE ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have hereby approved and executed this Third Amendment as of the date first written above.

ORANGE COUNTY POWER AUTHORITY

By: 
Fred Jung, Chair
Orange County Power Authority

Dated: 2/

Approved as to Form:

By: _____
General Counsel
Orange County Power Authority


IN WITNESS WHEREOF, the Parties have hereby approved and executed this Third Amendment as of the date first written above.

ORANGE COUNTY POWER AUTHORITY

By: _____
Fred Jung, Chair
Orange County Power Authority

Dated: _____


Approved as to Form:

By:  _____
General Counsel
Orange County Power Authority


Signature Page of the City of Fountain Valley Agreeing To Become a Party to the Orange County Power Authority Joint Powers Agreement

Pursuant to Fountain Valley City Council Resolution No. 9938, the City of Fountain Valley hereby agrees to become a Party to the Orange County Power Authority Joint Powers Agreement ("Agreement") dated November 20, 2020, as amended on February 9, 2021, October 25, 2022, and May 17, 2023 pursuant to Section 4.1 of the Agreement.


CITY OF FOUNTAIN VALLEY

By: 
Name: Glenn Grandis
Title: Mayor
Date: 10-17-2024

ATTEST:

By: 
Name: Rick Miller
Title: C i t y C l e r k

APPROVED AS TO FORM:


By:
Name: Colin Burns
Title: Attorney for the City

Note: The addition of the above-named entity as a Party to the Orange County Power Authority Joint Powers Agreement is subject to satisfaction of the conditions set forth in Section 4.1 of the Agreement and such other reasonable conditions as may be established by the Orange County Power Authority Board of Directors or applicable laws or regulations.

RESOLUTION NO. 9938

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
FOUNTAIN VALLEY, CALIFORNIA EXPRESSING INTENTION TO
JOIN THE ORANGE COUNTY POWER AUTHORITY AND
AUTHORIZING THE EXECUTION OF THE ORANGE COUNTY
POWER AUTHORITY JOINT POWERS AGREEMENT**

WHEREAS, the City of Fountain Valley has been actively investigating options to provide electric services to constituents within its jurisdiction with the intent of providing rate savings and consumer choice, encouraging adoption of renewable energy, reducing energy consumption, fostering local control, and providing Fountain Valley residents and businesses with alternatives to Southern California Edison Company ("SCE"); and

WHEREAS, on September 24, 2002, the Governor signed into law Assembly Bill 117 (Migden, 2002; codified at California Public Utilities Code § 366.2; hereinafter referred to as the "Act"), which authorizes any California city or county, whose governing body so elects, or cities or counties through a joint powers authority, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation (CCA); and

WHEREAS, on November 20, 2020, the Orange County Power Authority ("OCPA") was established as a joint powers authority pursuant to that certain document entitled *Orange County Power Authority Joint Powers Agreement*, as its been amended ("Joint Powers Agreement"); and

WHEREAS, the City of Fountain Valley is committed to the purposes of OCPA and desires to join the OCPA to act as a regional agency to promote the reduction of greenhouse gas emissions, provide electric power and other forms of energy to customers at a competitive cost, carry out programs for ratepayers of all income levels to reduce energy consumption, stimulate and sustain the local economy by developing local jobs in renewable and conventional energy, and promote long-term electric rate stability, energy security and reliability for residents through local control of electric generation resources; and

WHEREAS, electricity in Fountain Valley is currently generated and provided by SCE and there is not presently an alternative provider in the City; and

WHEREAS, the City finds it important that its customers – residents, businesses, and public facilities – have alternative choices to energy procurement beyond SCE; and

WHEREAS, in order to become a member of OCPA, Public Utilities Code section 366.2 requires the City to adopt an ordinance implementing a CCA program, which ordinance process is occurring concurrent with the adoption of this Resolution; and

WHEREAS, the Joint Powers Agreement requires the City Council adopt a resolution approving the Joint Powers Agreement and requesting participation in and an intent to join OCPA.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FOUNTAIN VALLEY, AS FOLLOWS:

Section 1. Membership in OCPA. Based upon the foregoing recitals, the City Council of the City of Fountain Valley requests participation in and an intent to join OCPA, elects to implement a Community Choice Aggregation program within the City's jurisdiction by and through its participation in OCPA, and hereby approves the Joint Powers Agreement. The City Manager is directed to execute the Joint Powers Agreement, and is authorized to take any and all other actions to effectuate the City's membership in OCPA.

Section 2. Severability. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Resolution for any reason is held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Resolution. The City Council hereby declares that it would have adopted this Resolution, and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

Section 3. Effective Date. This Resolution is effective immediately upon adoption by the City Council of the City of Fountain Valley.


The foregoing Resolution was introduced at a meeting of the City Council of the City of Fountain Valley held on October 1, 2024, by the following vote:

AYES:	Cunneen, Harper, Bui, Grandis
NOES:	Constantine
ABSENT:	None
ABSTAIN:	None

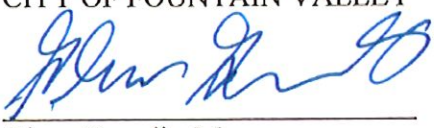
PASSED, APPROVED AND ADOPTED by the City Council of the City of Fountain Valley on this 1st day of October, 2024

AYES:	Cunneen, Harper, Bui, Grandis
NOES:	Constantine
ABSENT:	None
ABSTAIN:	None

ATTEST:


Rick Miller, City Clerk

CITY OF FOUNTAIN VALLEY


Glenn Grandis, Mayor

APPROVED AS TO FORM:
HARPER & BURNS LLP

will

Attorneys for the City
City of Fountain Valley

ORDINANCE NO. 1617

**AN ORDINANCE OF THE CITY FOUNTAIN VALLEY
AMENDING THE FOUNTAIN VALLEY MUNICIPAL CODE TO
AUTHORIZE PARTICIPATION IN THE COMMUNITY CHOICE
AGGREGATION PROGRAM IMPLEMENTED AND OPERATED
BY THE ORANGE COUNTY POWER AUTHORITY**

WHEREAS, the California Public Utilities Code under Chapter 2.3 of Division 1, Part 1 allows electric utility customers to aggregate their electric loads as members of their local community with community choice aggregators, where a community choice aggregator may be any city, county, or group of cities or counties who have elected to combine the loads of their programs through the formation of a joint powers agency established under Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the California Government Code; and

WHEREAS, the City of Fountain Valley has been investigating options to provide electric services to constituents within its service areas with the intent of achieving greater local involvement over the provisions of electric services, competitive electric rates, the development of clean, local renewable energy projects, reduced greenhouse gas emissions, and the wider implementation of energy conservation and efficiency projects and programs through a community choice aggregation (CCA) program; and

WHEREAS, the City Council of the City of Fountain Valley desires to join the Orange County Power Authority (OCPA), a joint powers authority with members consisting of the Cities of Buena Park, Fullerton, and Irvine, to act as a regional agency to promote the reduction of greenhouse gas emissions, provide electric power and other forms of energy to customers at a competitive cost, carry out programs for ratepayers of all income levels to reduce energy consumption, stimulate and sustain the local economy by developing local jobs in renewable and conventional energy, and promote long-term electric rate stability, energy security and reliability for residents through local control of electric generation resources; and

WHEREAS, the OCPA is authorized by this ordinance to implement and operate a CCA program within the City of Fountain Valley jurisdictional boundaries; and

WHEREAS, OCPA has established key CCA program goals of maximizing the use of local renewable resources while also providing competitive rates to customers. These goals are aimed at supporting local economic development as well as reducing the environmental impacts resulting from the use of electricity in a technically and economically feasible manner; and

WHEREAS, to analyze the feasibility of operating a CCA program that achieves these goals within the City of Fountain Valley, OCPA has procured independent technical support services to conduct the appropriate development and operational studies, including technical, financial and risk analyses, and has found that the City of Fountain Valley's membership in OCPA would result in net positive benefits; and

WHEREAS, participation in a CCA program implemented and operated by OCPA, rather than independently electing to become a community choice aggregator, will reduce the City's financial exposure from community choice aggregation, if any, because OCPA's joint power authority structure immunizes its member agencies from its debts, liabilities and obligations, and therefore the debts, liabilities and obligations of a CCA program, and allow greater economies of scale in procuring electricity and renewable energy; and

WHEREAS, electric customers have the right to opt out of the CCA program and continue to receive service from the existing utility under Public Utilities Code section 366.2; and

WHEREAS, under the OCPA CCA program structure, the City will have CCA program voting privileges on the OCPA Board of Directors as set out in the Orange County Power Authority Joint Powers Agreement, dated November 20, 2020, as amended.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF FOUNTAIN VALLEY, DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. Authorization to Implement a Community Choice Aggregation Program. Based upon the foregoing recitals, and in order to provide businesses and residents within the City with a choice of retail electricity providers, the City Council of City of Fountain Valley hereby elects to implement a community choice aggregation program within the City's jurisdiction by and through the Orange County Power Authority.

Section 2. Severability. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portion of this ordinance. The City Council of the City of Fountain Valley hereby declares that it would have passed this ordinance and every section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional or invalid.

Section 3. Effective Date. This ordinance shall take effect thirty (30) days after its passage.


PASSED, APPROVED, AND ADOPTED this 5th day of November, 2024

AYES: Cunneen, Harper, Bui, Grandis
NOES: Constantine
ABSENT: None
ABSTAIN: None



Glenn Grandis, Mayor

ATTEST:

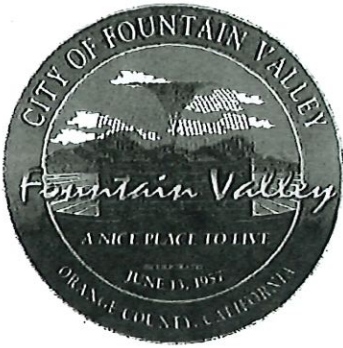


Rick Miller, City Clerk
APPROVED AS TO FORM

HARPER & BURNS LLP



Attorneys for the City
City of Fountain Valley



MINUTES OF THE
CITY COUNCIL/ SUCCESSOR AGENCY TO THE FOUNTAIN
VALLEY AGENCY
FOR COMMUNITY DEVELOPMENT/ FOUNTAIN VALLEY
HOUSING AUTHORITY
Regular Meeting 6:00 p.m.
Tuesday, October 1, 2024
Council Chambers

OPEN SESSION

CALL TO ORDER

6:00 p.m.

INVOCATION

Council Member Jim Cunneen

SALUTE TO THE FLAG

Council Member Ted Bui

CITY COUNCIL/SUCCESSOR AGENCY/HOUSING AUTHORITY/ ROLL CALL

Council Members Present: Constantine, Cunneen, Harper, Vice Mayor/Vice Chair Bui, Mayor/Chair Grandis

Council Members Absent:

ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS

None

CITY MANAGER / MAYOR UPDATE

City Manager Maggie Le provided her update.

Mayor Grandis provided his update.

PRESENTATIONS

- Advisory Committee for Persons with Disabilities Annual Awards - Presentation by ACPD Chair John Borack

Committee Chair John Borack recognized the recipients receiving the awards from the Committee for Persons with Disabilities.

- Presentation of Proclamation Supporting Breast Cancer Awareness Month – Presentation by Mayor Grandis

Mayor Grandis read the proclamation and invited Fire Chief Bill McQuaid to speak more about what the Fire Department does to honor Breast cancer Awareness month.

FIRST CITY COUNCIL/ SUCCESSOR AGENCY/ HOUSING AUTHORITY/ PUBLIC COMMENTS

(Unscheduled Matters Only)

Katie Watkins, Katy Wright and Rebecca Quist

CONSENT CALENDAR

Consent Calendar Items 1 – 3 and 6 - 9 were approved simultaneously. Item Numbers 4 and 5 were pulled by Council Members.

1. Waive the reading in full of all ordinances under consideration and direct the Mayor to read by titles only.

ACTION: Move to waive the reading in full of all ordinances under consideration and direct the Mayor to read by titles only.

MOTION: Constantine **SECOND:** Harper

AYES: Constantine, Cunneen, Harper, Bui, Grandis

NOES: None

ABSENT: None

ABSTAIN: None

2. Receive and File the Draft Minutes of the September 17, 2024 Regular City Council Meeting

ACTION: Move to Receive and File the Draft Minutes of the September 17, 2024 Regular City Council Meeting.

MOTION: Constantine **SECOND:** Harper

AYES: Constantine, Cunneen, Harper, Bui, Grandis

NOES: None

ABSENT: None

ABSTAIN: None

3. Approve the Register of Demands for the period of 9/7/2024 to 9/19/2024

ACTION: Move to Approve the Register of Demands for the period of 9/7/2024 to 9/19/2024.

MOTION: Constantine **SECOND:** Harper

AYES: Constantine, Cunneen, Harper, Bui, Grandis

NOES: None

ABSENT: None

ABSTAIN: None

4. Pulled by Council Member Patrick Harper

Second Reading and Adoption of an Ordinance to (1) Amend Fountain Valley Municipal Code 10.64.010 to establish regulations related to electrical bicycles and include definitions of E-bikes and similar conveyances; (2) Implement training and educational programs for E-bikes; (3) Amend Fountain Valley Municipal Code to include regulations for E-bikes in parks.

ACTION: Move to Approve the Second Reading and Adoption of an Ordinance to (1) Amend Fountain Valley Municipal Code 10.64.010 to establish regulations related to electrical bicycles and include definitions of E-bikes and similar conveyances; (2) Implement training and educational programs for E-bikes; (3) Amend Fountain Valley Municipal Code to include regulations for E-bikes in parks.

MOTION: Grandis **SECOND:** Bui

AYES: Constantine, Cunneen, Bui, Grandis

NOES: Harper

ABSENT: None

ABSTAIN: None

5. Pulled by Mayor Grandis

Second Reading and Adoption of an Ordinance Increasing Council Member Compensation

Public Comments: Anna Katsuki, Rudy Huebner, Katy Wright and Tracy Cameron Kuisel

ACTION: Move to Approve the Second Reading and Adoption of an Ordinance Increasing Council Member Compensation.

MOTION: Harper **SECOND:** Constantine

AYES: Constantine, Harper

NOES: Cunneen, Bui, Grandis

ABSENT: None

ABSTAIN: None

6. Second Read and Adoption of Code Amendment NO. 24-01 – An Amendment to the Fountain Valley Municipal Code (FVMC) SECTION 21.10.030 TABLE 2-6 21.15.030 TABLE 2-10, 21.90.020(1), 21.90.020(8), 21.90.020(16), 21.20.090(19), 21.90.020(20), 21.48.050, 21.30.08

ACTION: Move to Approve the Second Reading and Adoption of Code Amendment NO.

24-01 – An Amendment to the Fountain Valley Municipal Code (FVMC)
SECTION 21.10.030 TABLE 2-6 21.15.030 TABLE 2-10, 21.90.020(1),
21.90.020(8), 21.90.020(16), 21.20.090(19), 21.90.020(20), 21.48.050,
21.30.08.

MOTION: Constantine **SECOND:** Harper

AYES: Constantine, Cunneen, Harper, Bui, Grandis

NOES: None

ABSENT: None

ABSTAIN: None

7. Approval of Amendment #1 to Contract #1408 between Leifkes Consulting, LLC, and the City of Fountain Valley for the administration of the Community Development Block Grant - Home Improvement Program

ACTION: Move to Approve Amendment #1 to Contract #1408 between Leifkes Consulting, LLC, and the City of Fountain Valley for the administration of the Community Development Block Grant - Home Improvement Program

MOTION: Constantine **SECOND:** Harper

AYES: Constantine, Cunneen, Harper, Bui, Grandis

NOES: None

ABSENT: None

ABSTAIN: None

8. Home Improvement Program Policy Amendment – Increase Grant Amount

ACTION: Move to Approve the Home Improvement Program Policy Amendment – Increase Grant Amount.

MOTION: Constantine **SECOND:** Harper

AYES: Constantine, Cunneen, Harper, Bui, Grandis

NOES: None

ABSENT: None

ABSTAIN: None

9. Annual Report of the Planning Commission and the Planning Department Activities for FY 2023-24

ACTION: Move to Approve the Annual Report of the Planning Commission and the Planning Department Activities for FY 2023-24.

MOTION: Constantine **SECOND:** Harper

AYES: Constantine, Cunneen, Harper, Bui, Grandis
NOES: None
ABSENT: None
ABSTAIN: None

ADMINISTRATIVE ITEMS

- 10.** Orange County Power Authority Community Choice Aggregation Program and Membership Resolution

Public Comments: Mary Roberts, Chris Hilger, Tomas Castro, Vicki Johnson, Susan Sonne, Eric Lever, Dominic Benidelli, Emily Nguyen, Jake Comer, Vi Nguyen, Craig Preston, Aneesah Grayson

ACTION: Move to Approve the Orange County Power Authority Community Choice Aggregation Program and Membership Resolution

MOTION: Grandis **SECOND:** Cunneen

AYES: Cunneen, Harper, Bui, Grandis
NOES: Constantine
ABSENT: None
ABSTAIN: None

- 11.** Approve the City of Fountain Valley Fund Balance Reserve Policy

ACTION: Move to Approve the City of Fountain Valley Fund Balance Reserve Policy.

MOTION: Grandis **SECOND:** Bui

AYES: Constantine, Cunneen, Harper, Bui, Grandis
NOES: None
ABSENT: None
ABSTAIN: None

- 12.** Resolution in Support of Proposition 36, the Homelessness, Drug Addiction, and Theft Reduction Act on the November 5, 2024, General Election Ballot

ACTION: Move to Approve a Resolution in Support of Proposition 36, the Homelessness, Drug Addiction, and Theft Reduction Act on the November 5, 2024, General Election Ballot.

MOTION: Bui **SECOND:** Constantine

AYES: Constantine, Cunneen, Harper, Bui, Grandis
NOES: None
ABSENT: None

ABSTAIN: None

COUNCIL MEMBER ITEMS FOR FUTURE CONSIDERATION

Council Member Harper requested that the city explore the possibility of installing flashing lights at school crosswalks. Second by Mayor Grandis.

Mayor Grandis requested that candidates seeking election to City Council get written permission from commercial property owners to place their political signs on their property. Second by Council member Constantine.

Council Member Constantine requested that the city investigate creating a policy prohibiting candidates for City Council from placing campaign signs in neighboring cities. There was no second.

CITY COUNCIL/ SUCCESSOR AGENCY/ HOUSING AUTHORITY/ PUBLIC COMMENTS

(Unscheduled Matters Only)

None

CITY COUNCIL/SUCCESSOR AGENCY/HOUSING AUTHORITY AB 1234/GENERAL COMMENTS

Vice Mayor Bui

September 18	Attended the PCTA Board Meeting
September 21	Attended the Ed Arnold Volunteer of the Year Awards
September 22	Attended the Town Hall meeting hosted by Senator Janet Nguyen
September 23	Attended the ICSC Conference
September 26	Attended the Strategic Planning Session

Council Member Cunneen

September 21	Attended the 60 th Birthday for Mayor Grandis and the 8 th Annual Ed Arnold Volunteer of the year Scholarship Gala
September 26	Attended the Semi-Annual Strategic Planning Session and the Fountain Valley City Council Candidate Forum
September 28	Attended the Hyundai hope on Wheels 5k Color Run

Mayor Grandis

September 18	Attended the PCTA Board Meeting and then presented at the Fountain Valley High School GLOW Show
September 19	Attended the Community Foundation Board Meeting
September 20	Attended the Bell Game
September 21	Attended the Rotary Volunteer of the Year Award
September 22	Attended the Town Hall meetings for Elected Officials Roundtable and Senator Janet Nguyen
September 24	Attended the Boys and Girls Club Board Meeting
September 25	Attended the OC Sanitation Board of Directors Meeting
September 26	Attended the Strategic Planning Meeting and the Candidate Forum

September 28 Attended the Hyundai 5k fun run and color run
October 1 Attended a meeting with the Interim Police Chief regarding plans for the Police Department

Council Member Constantine

September 17 Enjoyed a to go order from Chipotle on Brookhurst, a fundraiser for the Friends of the Fountain Valley Library and much later, stopped in late in the evening for the 40th Anniversary Celebration at Silky Sullivan's.

September 19 Watched the "Livable California" Teleconference of California Governor Newsom signing legislation addressing homelessness and expanding affordable housing. Later, as the City of Fountain Valley's Trustee to the Orange County Mosquito and Vector Control District, I attended their monthly Board Meeting at the their District headquarters in Garden Grove. Later, I attended the Fountain Valley Community Foundation Grants Meeting, their monthly Board of Directors Meeting, and their Volunteer Meeting at Founders Village Senior and Community Center.

September 20 Stopped in at the Southern California Blood Bank Blood Drive, hosted by the City of Fountain Valley, in the Fountain Valley Recreation Center parking lot.

September 22 Stopped in at the "Community Town Hall" legislative and local update featuring California State Senator Janet Nguyen, Fountain Valley Mayor Glenn Grandis and Fountain Valley Vice Mayor Ted Bui at Founders Village Senior and Community Center. I was there briefly, till I learned from our Attorney for the City it was in my best interest to leave so there wouldn't be a Brown Act violation. Turns out, it was ok to stay, as the City did not host the Meeting.

September 24 Watched the Orange County Board of Supervisors Meeting on the County Orange's website.

September 26 Participated in the bi-annual Fountain Valley Strategic Planning Study Session Meeting at the Fountain Valley Recreation Center, then stopped in to the movie at the Fountain Valley Library. It was "Cinderella - 2015". In the evening, I attended the 2024 Fountain Valley Chamber of Commerce (City Council) Candidates Forum in Council Chambers, Fountain Valley City Hall. There 4 candidates: 2 incumbents and 2 others.

September 27 Stopped in the at the movie for senior citizens, "Ghostlight - 2024" at Founders Village Senior and Community Center.

September 28 Participated in the City Council welcoming of the crowd to the Hyundai Hope on Wheels 5K and Color Run at the Fountain Valley Sports Park. Another great event. This year, we had an increase of approximately 400 event participants...believe the near final number was 1,280.

September 30 Watched on Zoom, the "November 5, 2024, General Election: Your State Voter Information Guide Session 2: Make a Plan to Vote and Voter Resources" presented by the California Secretary of State Outreach.

Council Member Harper

September 4	Attended the Dutch Bros Ribbon Cutting
September 5	Attended the Legislative Breakfast
September 9	Attended the OCTA Board Meeting
September 10	Attended the Tri Ta event at the Senior Center
September 12	Attended the OCTA Transit Committee meeting
September 13	Attended the OCTA Street Car tour in Santa Ana
September 17-18	Attended the Legislative Advocacy trip with ACC-OC
September 23	Attended the OCTA Board meeting
September 24	Attended the ICSC Conference
September 25	Attended the OCTA Finance Committee meeting
September 26	Attended the Strategic Planning Session and the City Council Candidates Forum

ADJOURN THE MEETING OF THE CITY COUNCIL/SUCCESSOR AGENCY/HOUSING AUTHORITY

Mayor Grandis adjourned the meeting at 9:03 pm to the next Meeting of the Fountain Valley City Council on October 15, 2024 at 6:00 p.m., in the Fountain Valley Council Chambers, 10200 Slater Avenue, Fountain Valley.


Glenn Grandis, Mayor

Attest:


Rick Miller, City Clerk



MINUTES OF THE
CITY COUNCIL/ SUCCESSOR AGENCY TO THE FOUNTAIN
VALLEY AGENCY
FOR COMMUNITY DEVELOPMENT/ FOUNTAIN VALLEY
HOUSING AUTHORITY

Closed Session 5:15 p.m.
Study Session 5:45 p.m.
Regular Meeting 6:00 p.m.
Tuesday, November 5, 2024
Council Chambers

CLOSED SESSION

CALL TO ORDER

5:15 p.m.

PUBLIC COMMENTS

(Closed Session matters only)

1. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION

(Paragraph (1) of subdivision (d) of Section 54956.9)

Name of case: Anthony Clements v. City of Fountain Valley

The City Council voted 5-0 to approve the settlement agreement

2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Property: Boys & Girls Club: 17565 LOS ALAMOS ST., FOUNTAIN VALLEY CA 92708, 16400 BROOKHURST STREET, FOUNTAIN VALLEY, CA 92708 & 10200 SLATER AVE., FOUNTAIN VALLEY CA 92708

Agency negotiator: Maggie Le, City Manager; Omar Dadabhoy, Deputy City Manager-Community Development Director; Rob Frizzelle, Ryan Smith, Finance Director, Community Services Director, Scott Smith, Public Works Director, Colin Burns, Attorney for the City

Negotiating parties: Fountain Valley and Boys and Girls Club of HV

Under negotiation: Price and terms of payment

Mayor Grandis recused himself from this discussion

There was no reportable action taken.

STUDY SESSION

CALL TO ORDER

5:45 p.m.

PUBLIC COMMENTS

(Study Session matters only)

No public comments

1. Mile Square Park Lease Renewal - 16400 Brookhurst Street, Fountain Valley, CA 92708
– Presentation by Rob Frizzelle, Community Services Director

Rob Frizzelle presented the City Council with an update on the Mile Square Park lease extension and stated an action item would be brought back for them to approve on November 19th, 2024.

OPEN SESSION

CALL TO ORDER

6:00 p.m.

INVOCATION

Council Member Kim Constantine

SALUTE TO THE FLAG

Mayor Glenn Grandis

CITY COUNCIL/SUCCESSOR AGENCY/HOUSING AUTHORITY/ ROLL CALL

Council Members Present: Constantine, Cunneen, Harper, Vice Mayor/Vice Chair Bui, Mayor/Chair Grandis

Council Members Absent: None

ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS

None

CITY MANAGER / MAYOR UPDATE

City Manager Maggie Le provided her update.

Mayor Grandis provided his update.

PRESENTATIONS

- Presentation of a Proclamation Recognizing the Retirement of Police Canine “Perro” – Presented by Mayor Grandis

Mayor Grandis read the proclamation and presented it to Police Sergeant Bill Hughes.

- City of Kindness Recognition Presented to Kasie Hanley, Prem Balani and Mike White – Presentation by Mayor Grandis

Mayor Grandis recognized Kasie Hanley and Mike White and presented them with City of Kindness coins. He continued the presentation to Prem Balani as he was not available at this meeting.

FIRST CITY COUNCIL/ SUCCESSOR AGENCY/ HOUSING AUTHORITY/ PUBLIC COMMENTS
(Unscheduled Matters Only)

Michael Hohertz

CONSENT CALENDAR

Consent Calendar Items 1 – 4 and 6-7 were approved simultaneously. Item number 5 was pulled for discussion by Mayor Grandis.

1. Waive the reading in full of all ordinances under consideration and direct the Mayor to read by titles only.

ACTION: Move to waive the reading in full of all ordinances under consideration and direct the Mayor to read by titles only

MOTION: Constantine **SECOND:** Cunneen

AYES: Constantine, Cunneen, Harper, Bui, Grandis

NOES: None

ABSENT: None

ABSTAIN: None

2. Receive and File the Draft Minutes of the October 15, 2024 Regular City Council Meeting

ACTION: Move to waive the reading in full of all ordinances under consideration and direct the Mayor to read by titles only

MOTION: Constantine **SECOND:** Cunneen

AYES: Constantine, Cunneen, Harper, Bui, Grandis

NOES: None

ABSENT: None

ABSTAIN: None

3. Approve the Register of Demands for the period of 10/7/2024 to 10/24/2024

ACTION: Move to Approve the Register of Demands for the period of 10/7/2024 to 10/24/2024

MOTION: Constantine **SECOND:** Cunneen

AYES: Constantine, Cunneen, Harper, Bui, Grandis

NOES: None

ABSENT: None

ABSTAIN: None

4. Treasurer's Report for quarter ended September 30, 2024

ACTION: Move to Approve the Treasurer's Report for quarter ended September 30, 2024

MOTION: Constantine **SECOND:** Cunneen

AYES: Constantine, Cunneen, Harper, Bui, Grandis

NOES: None

ABSENT: None

ABSTAIN: None

5. Item Pulled by Mayor Grandis

Second Reading and Adoption of An Ordinance Authorizing Implementation of a Community Choice Aggregation Program

ACTION: Move to Approve the Second Reading and Adoption of An Ordinance Authorizing Implementation of a Community Choice Aggregation Program

Public Comments: Katy Wright, Vicki Johnson, Mike Rough, Walter Nobrega, Charles Jackson, Harvey Liss, Leston Trueblood, Matthew Langer, Sarah Rhee, Dee Fox, Tomas castro, Vi Nguyen, Chris Hilger, Angela Kim, Gil Nelsen, Anne Bettinger, Fred Jung, Farrah Khan, Danny Gray, Craig Preston

MOTION: Grandis **SECOND:** Cunneen

AYES: Cunneen, Harper, Bui, Grandis

NOES: Constantine

ABSENT: None

ABSTAIN: None

6. Approve a Side Letter with Dish Wireless L.L.C. for Removal of Wireless Facilities from SCE Tower at Harper Park

ACTION: Move to Approve a Side Letter with Dish Wireless L.L.C. for Removal of Wireless Facilities from SCE Tower at Harper Park

MOTION: Constantine **SECOND:** Cunneen

AYES: Constantine, Cunneen, Harper, Bui, Grandis

NOES: None

ABSENT: None

ABSTAIN: None

7. Fountain Valley Police Department Locker Room Improvement Project Update

ACTION: Move to Approve the Fountain Valley Police Department Locker Room Improvement Project Update

MOTION: Constantine **SECOND:** Cunneen

AYES: Constantine, Cunneen, Harper, Bui, Grandis

NOES: None

ABSENT: None

ABSTAIN: None

COUNCIL MEMBER ITEMS FOR FUTURE CONSIDERATION

CITY COUNCIL/ SUCCESSOR AGENCY/ HOUSING AUTHORITY/ PUBLIC COMMENTS

(Unscheduled Matters Only)

CITY COUNCIL/SUCCESSOR AGENCY/HOUSING AUTHORITY AB 1234/GENERAL COMMENTS

Vice Mayor Bui

Council Member Cunneen

October 16-17	Attended the Cal Cities Conference in Long Beach
October 17	Attended the Mayor's Breakfast
October 19	Attended the Mayor's Ball
October 29	Attended the celebration of Assembly Bill 1805 at Coastline Community College

Mayor Grandis

October 17	Attended the Mayor's Breakfast
October 18	Attended the Rocktober Concert
October 19	Attended the Mayor's Ball

Council Member Constantine

October 16	Attended the League of California Cities Annual Conference and Expo. I attended the "Understanding Public Service Ethics Laws and Principles AB1234" training and received my certificate for our City Clerk. Later, attended the Opening General Session with our City Manager, my fellow City Council Members, and other City staffers, then the "California Economic Forecast: Navigating Economic Trends" at the Long Beach Convention Center.
October 17	Attended the last Mayor's Breakfast of 2024 with presenter Elizabeth Andrade, Director of OC211 at UCI Health. Later, I stopped in at the Adult Yarncraft Group at the Fountain Valley Library, then attended the Fountain Valley Community

Foundation Grant and Board Meetings at Founders Village Senior and Community Center.

October 22 Watched the Orange County Board of Supervisors Meeting on the County of Orange website.

October 23 Stopped in at the Ethan Allen Elementary School Trunk or Treat event, then watched the Fountain Valley Measure HH Advisory Oversight Committee on Zoom.

October 24 Attended the "2024 Groundwater Adventure Tour" at the Orange County Water District, then the "Cholesterol, the Bad & the Ugly" Workshop at Founders Village Senior and Community Center.

October 25 Attended the State of the Orange County Sanitation District Luncheon at the Mile Square Golf Course Club House, then stopped in at the movie for senior citizens "The Idea of You - 2024" at Founders Village Senior and Community Center. In the evening, I stopped in at the Tamura Elementary School Fall Festival, then dined at Silky Sullivan's — first night of the World Series.

October 26 Attended the "Senior Experts: Premium Resources & Insights for 2024" it was an expo for senior citizens at Founders Village Senior and Community Center, then stopped in at the "Spooktacular Carnival at Fountain Valley Promenade 18279-18461 Brookhurst. A bit later, I attended a luncheon meeting and tour of Pacmin Studios with several fellow residents, then stopped in at "Harvest Festival" a Halloween event at Coastal Community Fellowship in the early evening.

October 27 Stopped in at the annual Mombie's performance event to Michael Jackson's "Thriller" — and this year it was outside the strip mall on Slater near Ward.

October 28 Stopped in at the Cornerstone Christian Fellowship Trunk-or-Treat event.

October 29 Watched the CalCities: Roundtable on Homeless Encampments on Zoom, then attended the Halloween Luncheon for senior citizens at Founders Village Senior and Community Center in which I assisted with judging the costume contest. It was lots of fun! Later, I did a to-go order from Panda Express benefitting the Friends of the Fountain Valley Library, then participated in the Spooky Love Local event at Black Angus.

October 30 As a Fountain Valley City Council Member, I participated in the "Unhoused Task Force" Ad Hoc Meeting at Fountain Valley City Hall.

October 31 Participated in the Halloween trick or treating field trip to City Hall by the Boys and Girls Club children next door.

November 1 Stopped by the "Dia de los Muertos Remembrance Wall Reveal and spoke with Christie and staff a few hours before the start of the activities at the Fountain Valley Recreation Center. In the evening, I did a to-go order benefitting Pediatric Cancer Research Foundation and Celebrating Carter" at Habit Burger & Grill.

November 2 Stopped in at the Holiday Boutique at Sports Basement. Later I stopped in at the grand opening for Bloom Again at 18794 Brookhurst in the center with Prehistoric Pets and Fortune Cookies. Such a great concept. Then I stopped in at the Eagle Forum of Orange County in which the presentation was "The Road to Restoring California" with retired Senator Mike Morrell at Huntington Valley Baptist Church.

November 3 Stopped in at the Aloha Fair Arts & Crafts Show in Huntington Beach, then stopped in at the Fount Church Grand Opening later in the day.

November 4 Delivered around the November, 2024 The Center Piece Founders Village Senior and Community Center Newsletter to Richard's Cookie Jar, Winchell's Donuts, Dunkin' Donuts, Lamppost Pizza, Palm Island, Parkview Estates, and Yong's Donuts.

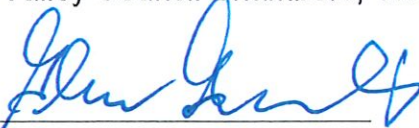
November 5 Watched the Orange County Board of Supervisors Meeting on the County of Orange website.

Council Member Harper

October 16-17 Attended the Cal Cities Conference in Long Beach
October 18 Attended the Rocktober Concert
October 19 Attended the Mayor's Ball
October 23 Attended the OCTA Finance Committee
October 28 Attended the OCTA Board Meeting
October 31 Attended the ACC-OC Presentation about Metro link
November 4 Attended the OCTA regional Transportation Planning Committee

ADJOURN THE MEETING OF THE CITY COUNCIL/SUCCESSOR AGENCY/HOUSING AUTHORITY

Mayor Grandis adjourned the meeting at 7:52 pm to the next Meeting of the Fountain Valley City Council on November 19, 2024 at 6:00 p.m., in the Fountain Valley Council Chambers, 10200 Slater Avenue, Fountain Valley.


Glenn Grandis, Mayor

Attest:


Rick Miller, City Clerk