



SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

Board of Directors Meeting

Thursday, April 17, 2025



Appointment of Officer

Assistant Secretary



EXECUTIVE DIRECTOR REPORT

Working Group Update

Presentation by Randy Howard NCPA

Daniel E Garcia | *Executive Director*



Randy Howard, General Manager,
Northern California Power Agency

CONSENT CALENDAR

A. Minutes of the Board of Directors Meeting

- Regular Meeting Minutes: March 20, 2025

B. Receive and File:

1. FY 24-25 Q2 Budget-to-Actual Variance Report
2. Finance Committee Meeting Minutes: March 3, 2025
3. Monthly Investment Report: February 2025
4. SCPPA A&G Budget Comparison Report: February 2025
5. FY 24-25 Q2 Financial Report
6. 2024 San Juan Reclamation Annual Funding Status Report
7. 2024 San Juan Decommissioning Annual Funding Status Report
8. Palo Verde Report: March 2025
9. Magnolia Power Project Operations Report: March 2025
10. Federal Legislative Report: March 2025

CONSENT CALENDAR CONTINUED..

C. Resolution 2025-012

Approval of Amendment No. 3 to a Master Professional Services Agreement with Eagle Systems International, Inc DBA Synergy Companies to increase the Not-to-Exceed Amount by \$4,000,000 and add additional energy efficiency measures

D. Resolution 2025-013

Approval of Amendment No. 1 to the Phase II Renewable Agreement between the Authority and the City of Colton to increase the Not-to-Exceed Amount by \$250,000



FINANCE REPORT

Aileen Ma | *Chief Financial &
Administrative Officer*

CANYON POWER PROJECT BOND REFINANCING

CANYON BOND REFINANCING

- ▶ Project Participant: Anaheim
- ▶ Outstanding project bonds:

Series	Structure	Outstanding	Optional Redemption	Mandatory Tender
2020 Series A	Fixed-Rate Tax-Exempt	\$54,285,000	7/1/2025	
2020 Series B	Fixed-Rate Taxable	\$27,360,000	7/1/2025	
2020 Series C	Fixed-Rate Tender	\$88,245,000		7/1/2025
2022 Series B	VRDBs with Fixed Payer Swap	\$71,090,000	Any Time	

CANYON BOND REFINANCING

- ▶ Financing plan
 - ▶ Refinance 2020 Series A and C
 - ▶ Combination of fixed rate tax-exempt and fixed-rate tender
- ▶ Estimated costs of issuance

Firm	Role	Estimated Fees
Norton Rose Fulbright	Bond/Disclosure Counsel	\$ 180,000
Nixon Peabody	Tax Counsel	50,000
PFM Financial Advisors	Financial Advisor	85,000
U.S. Bank	Trustee	13,000
S&P Global	Rating Agency	76,500
Fitch Ratings	Rating Agency	95,000
ImageMaster	Printer	3,500
TBD	Verification Agent	2,500
Contingency		5,000
Estimated Cost of Issuance		<u>\$ 510,500</u>

CANYON BOND REFINANCING

- ▶ Anticipated financing schedule
 - ▶ Pricing - Late April
 - ▶ Closing - Mid-May
- ▶ April 7th - Finance Committee recommendation
- ▶ Recommendation
 - ▶ Adopt Resolution No. 2025-014 authorizing the issuance of refunding revenue bonds and the execution and delivery of various agreements relating to the issuance of refunding revenue bonds


THANK YOU




ASSET MANAGEMENT

CHARLES GUSS | *Senior Asset Manager*

GUADALUPE ROBLES | *Senior Utility Analyst*



SCPPA FY 2024- 2025 Q2 Project Budget-to-Actual Variance Report

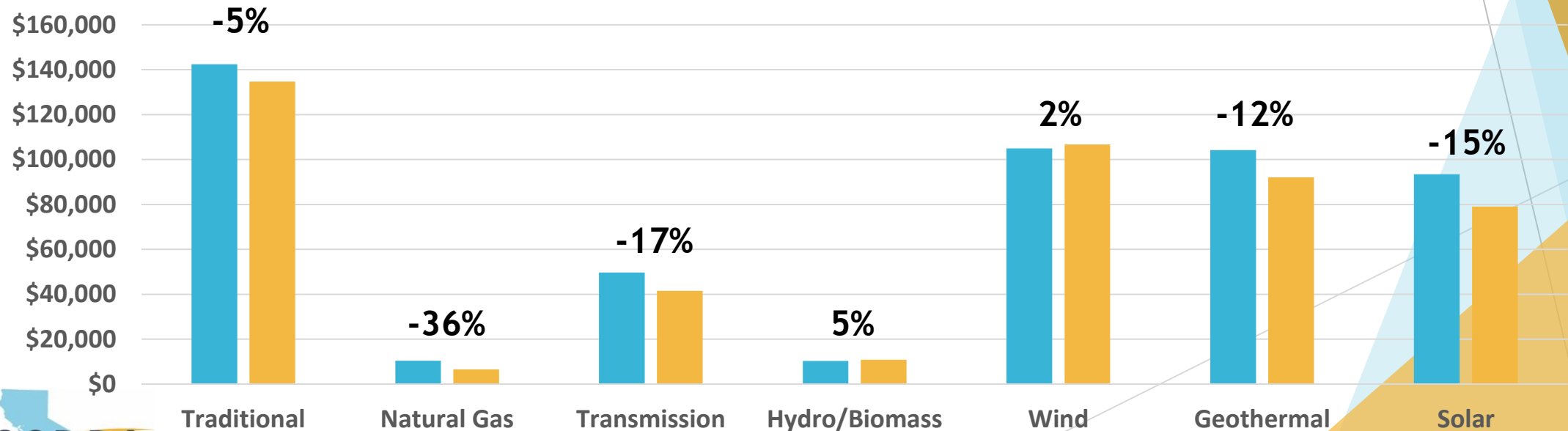


FY 2024-2025 Q2 Project Budget Variance Report

Project Type	Budget	Actual	Difference	% Variance
Traditional	\$ 142,395	\$ 134,653	\$ (7,742)	-5%
Natural Gas	\$ 10,349	\$ 6,579	\$ (3,770)	-36%
Transmission	\$ 49,680	\$ 41,481	\$ (8,199)	-17%
Hydro/Biomass	\$ 10,302	\$ 10,860	\$ 558	5%
Wind	\$ 104,960	\$ 106,724	\$ 1,764	2%
Geothermal	\$ 104,250	\$ 92,122	\$ (12,128)	-12%
Solar	\$ 93,406	\$ 79,038	\$ (14,368)	-15%
Total	\$ 515,342	\$ 471,457	\$ (43,885)	-9%

\$/MWh Budget	\$/MWh Actual
\$ 50.98	\$ 49.06
NA	NA
NA	NA
\$ 91.44	\$ 109.32
\$ 85.08	\$ 86.49
\$ 78.69	\$ 75.30
\$ 58.79	\$ 65.99

■ Budget ■ Actual



Mead-Adelanto Project High-Voltage Direct Current (HVDC) Upgrade Feasibility Study



Mead-Adelanto Project High-Voltage Direct Current (HVDC) Upgrade Feasibility Study

- ▶ Mead Adelanto Project (MAP) - 500-kV alternating current (AC) transmission line from the Adelanto Substation to Marketplace Substation
- ▶ StarTrans (participant and co-owner) requests to upgrade line to a direct current (DC) to increase capacity from 1,291 MW to about 3,200 MW
- ▶ MAP Operating Agreement allows consideration of upgrade request through completion of a feasibility study at requestor's expense
- ▶ SCPPA Request for Proposals (RFP)
 - ▶ Issued August 2, 2024 and closed on September 4, 2024
 - ▶ Completed by MAP Technical Review Committee (TRC)
 - ▶ Power Engineers, Inc.

Mead-Adelanto Project High-Voltage Direct Current (HVDC) Upgrade Feasibility Study

- ▶ Professional Services Agreement (PSA) - SCPPA and Power Engineers
 - ▶ Not to Exceed \$750,458 plus 10% Contingency
 - ▶ Power Flow Base Case and HVDC Model,
 - ▶ System Planning Studies,
 - ▶ High-level Cost Estimate and Schedule, and
 - ▶ Assessment of Converted MAP DC Voltage and Transfer Capability
 - ▶ Recommended by MAP Project Coordinating Committee on April 14, 2025
- ▶ Funding Agreement - SCPPA and StarTrans
 - ▶ Pay full costs and indemnify SCPPA for entering PSA
 - ▶ Requires up-front payment
 - ▶ Allows for suspension of work for non-payment
 - ▶ Participants interested in joining MAP HVDC Upgrade would reimburse StarTrans for their share of cost



RECOMMENDATION: Approval of Resolutions 2025-015 2025-016

Authorizes Approval of the PSA with Power Engineers
for MAP HVDC Upgrade Feasibility Study, and

Authorizes Approval of Funding Agreement with
StarTrans



Thank You



PROGRAM DEVELOPMENT

MARIO DE BERNARDO | *Government Affairs Director*

BRANDON CZWORNIAK | *Utility Analyst*

ELECTRIC VEHICLE CHARGING STATION DEMAND MANAGEMENT AND RELATED SUPPORT SERVICES RFP

PURPOSE

- Procurement of *Electric Vehicle (EV) Charging Station Demand Management and Related Support Services* designed to allow SCPPA Members to manage and operate the digital and administrative side of their EV charging network.

RESPONSES

- SCPPA Received **Eleven (11) Proposals** in Response to the Solicitation

EVALUATION PROCESS

- Evaluated by Staff of Burbank, Colton and Glendale
- Final Selection Based on RFP Scoring



ELECTRIC VEHICLE CHARGING STATION DEMAND MANAGEMENT AND RELATED SUPPORT SERVICES RFP

RECOMMENDED AWARD



ZEVTRON

EVGATEWAY, LYNKWELL & ZEVTRON

RESOLUTION 2025-017, 2025-018, 2025-020

PRODUCT & SERVICE OFFERINGS

- Provide ability to dynamically adjust charging speeds based on grid demand
- Provide ability to set time-of-use pricing to encourage off peak charging.
- Provide real time charging station monitoring
- Provide billing and payment processing
- Provide data reports and analytics

EVGATEWAY, LYNKWELL & ZEVTRON

RESOLUTION 2025-017, 2025-018, & 2025-020

CONTRACT TYPE:

- Master Professional Services Agreement

AMOUNT NOT TO EXCEED:

- \$250,000 over the three-year term of the Agreement

TERM:

- 3 Years with 3-Year Extension Option
- April 17, 2025 - April 17, 2028

PARTICIPATING MEMBERS:

- Burbank, Colton and Glendale
- Other Members can participate as each may choose*

RECOMMENDATION

APPROVAL OF RESOLUTIONS

- ***2025-017 -SCPPA Master Professional Services Agreement with EvGateway***
- ***2025-018 -SCPPA Master Professional Services Agreement with Lynkwell***
- ***2025-020 -SCPPA Master Professional Services Agreement with Zevtron***



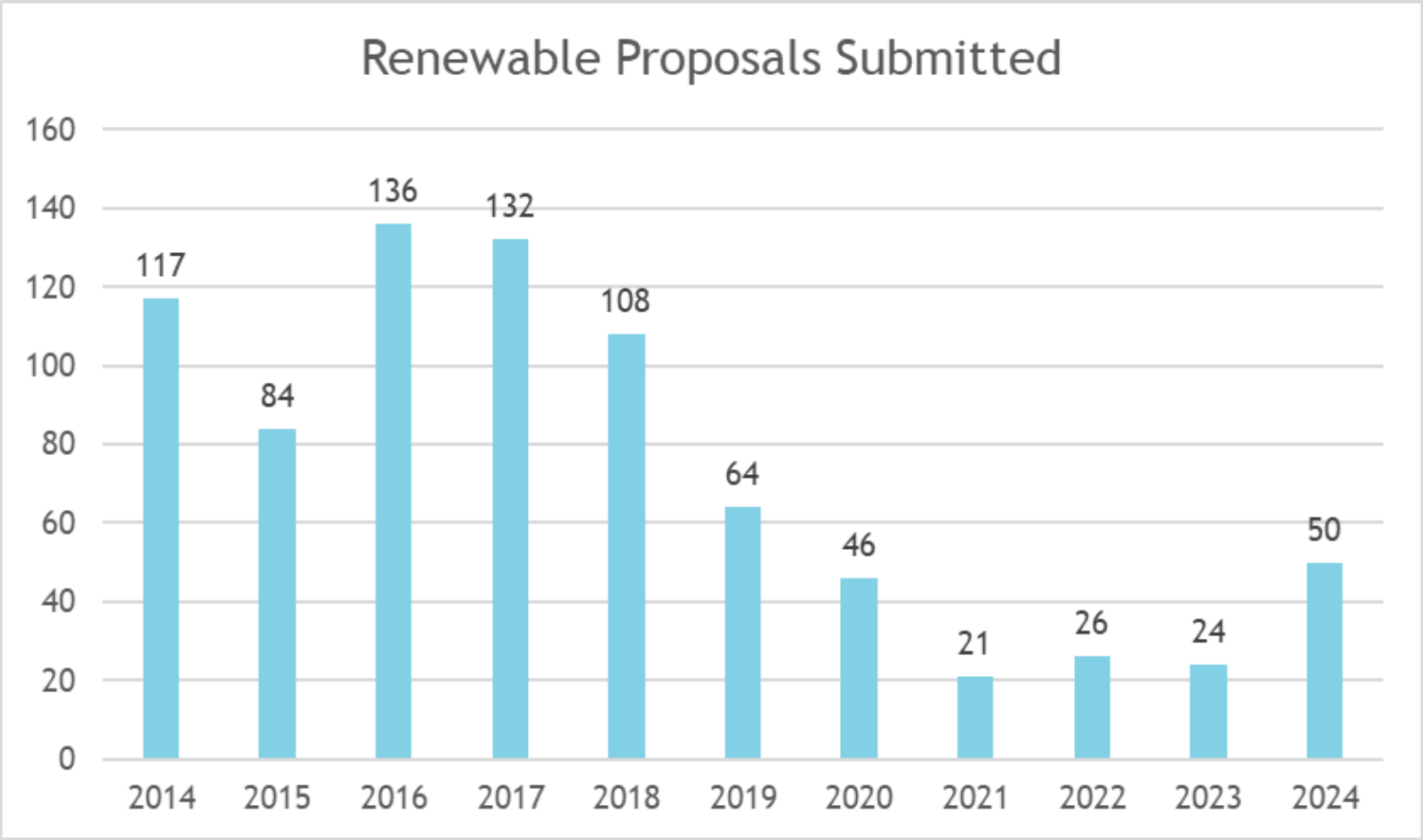
SCPPA

PROJECT DEVELOPMENT

RANDY KRAGER | *Sr. Project Development Manager*

JOHN QUAN | *Principal Utility Analyst*

Renewable Proposals (2014-2024)



2025 Risks Inhibiting RFP Proposal Submittals and Negotiations

▶ Risks for Buyer

- ▶ Increased Contract Price
- ▶ Future Amendments
- ▶ Delays in COD
- ▶ Risks of Terminating Effective Contracts
- ▶ Meeting Compliance
- ▶ FCDS (Deliverability) Awards and Delays
- ▶ Limited Staff Resources

▶ Risks for Seller

- ▶ Tariffs impose increased costs (Equipment- Panels, BESS, Transformers, etc.)
- ▶ Competition for Suppliers (other Developers, Tech Companies)
- ▶ IRA Elimination or haircut scares
- ▶ Financing issues from Lenders
- ▶ Interconnection Delays from TOs

QUESTIONS ???



SCPPA

Amendment to SCPPA Conflict of Interest Code

CHRISTINE GODINEZ | *General Counsel*

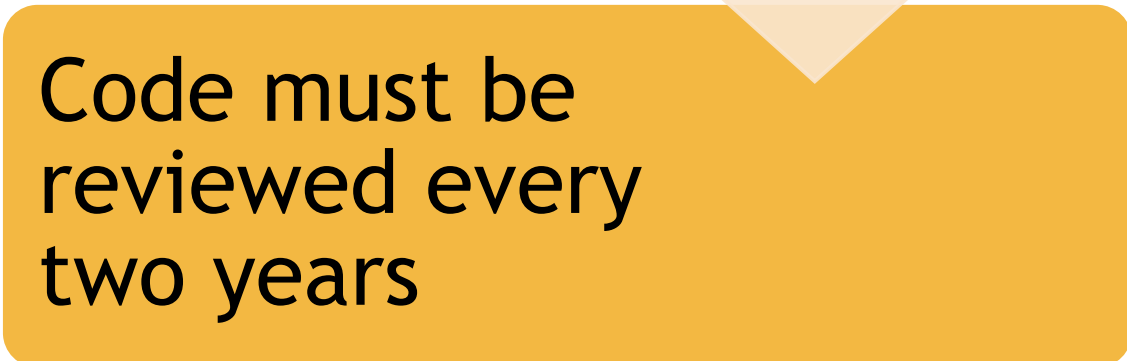
ARMANDO ARBALLO | *Assistant General Counsel*

Requirements

Required by
Political Reform
Act



Code must be
reviewed every
two years



SCPPA Conflict of Interest Code

Based on model conflict of interest code

Identifies designated positions

Identifies disclosure categories

Prohibits gifts beyond specified dollar threshold

Prohibits receipt of honoraria

Disqualifies individuals from making or participating in decisions in which they/ their immediate family have a financial interest.

Amendment Timeline

2019

SCPPA approved amended conflict of interest code.

2020

SCPPA confirmed with FPPC that no amendment necessary.

2022

SCPPA determined that its conflict of interest code required amendment.

2022 - present

SCPPA engaged with FPPC to amend conflict of interest code.

February 11, 2025

FPPC preliminary approved proposed amended code.

Feb. 18 - April 4, 2025

SCPPA held a public comment period.
No comments made. No public hearing requested.

Next steps:

Amended code subject to further FPPC approval and effective on thirtieth day following such approval.

Proposed Changes to Code

Update

- *List of designated positions to reflect current employee classifications.
- *Disclosure categories for certain designated positions.

Add

- *SCPPA Investment Committee and Board of Director alternates as officials who manage public investment
- *Canyon Project Management Committee to the list of designated positions.

Conflict of Interest Code

<u>Designated Positions</u>	<u>Disclosure Categories</u>
Director, Government Affairs	1-7
General Counsel	1-7
Senior Assistant General Counsel	1-7
Assistant General Counsel	1-7
Technical Manager	1-7
Principal Utility Analyst	1-4
Senior Utility Analyst	1-4
Senior Utility Accountant	1-6
Utility Analyst	1-4
Utility Accountant	1-6
Government Affairs Manager	1-7
Policy Analyst	1-4
Administrative Services Manager	1
Administrator (All levels)	1
Canyon Project Management Committee	1-6
Consultants/New Positions	*

Conflict of Interest Code (Disclosure Categories)

Category 1: Investments and business positions in business entities and sources of income, including the receipt of gifts, loans, and travel payments from entities that provide services, including consulting services or supplies, materials, machinery, or equipment of the type utilized by the Authority.

Category 2: Investments and business positions in business entities and sources of income, including the receipt of gifts, loans, and travel payments from entities that are public or private electric utility companies or other companies which supply power to the Authority.

Category 3: Investments and business positions in business entities and sources of income, including the receipt of gifts, loans, and travel payments from entities that design, build, manufacture, sell, distribute or service equipment of the type that is either presently utilized by electric power suppliers or that is used by the federal, state, or local government or by private industry in research designed to refine or develop new methods of electrical power generation.

Category 4: Investments and business positions in business entities and sources of income, including the receipt of gifts, loans, and travel payments, from entities of the type that engage in land development, construction, or the acquisition, sale, lease or rental of real property, including but not limited to, real estate firms, title companies, escrow companies, appraisal services, survey firms, engineering services and consulting firms.

Category 5: Investments and business positions in business entities and sources of income, including the receipt of gifts, loans, and travel payments, from entities of the type that are engaged in the business of insurance, including, but not limited to, insurance companies, carriers, holding companies, underwriters, brokers, solicitors, agents, adjusters, claims managers and actuaries.

Category 6: Investments and business positions in business entities and sources of income, including the receipt of gifts, loans, and travel payments, from entities or persons who have filed a claim, or have a claim pending, against the Authority.

Category 7: All interests in real property located within the limits of the service territory of any public agency that is a member of the Authority. Real property outside the state of California is not required to be disclosed.

Conflict of Interest Code

Recommendation:

- ▶ Adopt Resolution No. 2025-019 approving the Amended Conflict of Interest Code for the Southern California Public Power Authority



GOVERNMENT AFFAIRS

MARIO De BERNARDO | *Director, Government Affairs*

ELISABETH de JONG | *Manager, Regulatory Affairs*

NATALIE SEITZMAN | *Manager, Legislative Affairs*

Federal Update

Tax Bill

- **Republicans Pass Budget Plan**
 - House: 216-214
 - Senate: 51-48
- **Lays Groundwork for Filibuster-Proof Tax Bill**
- **Intent**
 - Extend 2017 Tax Cuts Set to Expire
 - Implement Trump's Domestic Agenda
 - Cut Federal Spending
- **Fiscal Fight Ahead on Details**
 - Moderate Republicans vs Fiscal Hawks



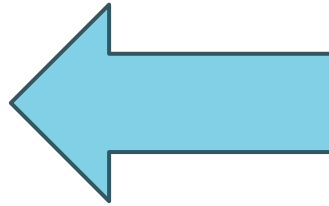
Donald J. Trump ✓
@realDonaldTrump

Congratulations to the House on the passage of a Bill that sets the stage for one of the Greatest and Most Important Signings in the History of our Country. Among many other things, it will be the Largest Tax and Regulation Cuts ever even contemplated. MAKE AMERICA GREAT AGAIN!

Slim Republican Margins

Senators by Party

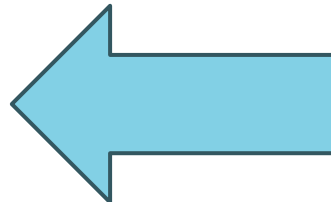
R Republicans	53
D Democrats	47
Includes 2 Independents who caucus with the Democrats	
<hr/>	
Total Seats	100



Senate:
3 Vote GOP Margin

Representatives by Party

R Republicans	220
D Democrats	213
Vacancies	2
<hr/>	
Total Seats	435



House:
2 Vote GOP Margin

Tax-exempt Muni Bonds

- **Tax-exempt Muni Bonds at Risk**
- **SCPPA's April 1 Letter**
 - Repeal Would Costs Customers 5X More Than New Federal Revenue
- **Legislators Urge Support of Tax-Exempt Muni Bonds**
 - 7 Financial Services Committee Leaders (April 11)
 - 24 House Reps & Dems (April 4th Letter)

House Financial Services chair emerges as tax-exemption champion

By [Caitlin Devitt](#) April 15, 2025, 12:22 p.m. EDT 2 Min Read



ITC/PTC/Direct Pay

- **GOP Considering Repeal of Inflation Reduction Act**
- **House Freedom Caucus**
 - “White House committed to...targeting the ‘Green New Scam’ IRA tax credits...”
- **GOP Legislators Urge Support of Federal Energy Tax Incentives**
 - 21 House Republicans (March 9th Letter)
 - 4 Senate Republicans (April 9th Letter)
 - Several More GOP Support Behind the Scenes
- **Letters Don’t Create “Red Line,” Call for Thoughtful Approach**



Executive Orders

“Protecting American Energy from State Overreach”

- Reiterates Trump’s Focus on Oil, Natural Gas, Coal, Hydropower, Geothermal, Biofuel, Critical Minerals, and Nuclear Energy Resources
- Asserts US Energy Dominance Threatened by State Climate Laws
- Directs US Attorney General to Target State Laws that are Illegal



Executive Orders



President Signs 3 Orders on Coal

- ▶ 2-Year Pause on Biden Mercury& Toxic Air Emissions Standards
- ▶ Directs DOE to Retain Power Plants in At-Risk Regions
- ▶ Stop Laws that Seek to Transition Nation Away from Coal

DOE Funding Cuts

- **A Leaked DOE List Shows Significant Cuts to 100s of Projects**
- **Includes Cuts to Blue States H2 Hubs**
- **Senate Dems Demand Briefing from DOE Secretary**
- **House Dems Demands Investigation by DOE Inspector General**



Department of Government Efficiency

The people voted for major reform.



State Regulatory Update

California State Auditor Report

- State Auditor Releases Report on IOUs' Energy Efficiency Programs (3/18)
- Overall Finding:
 - “Without Improving Oversight, the Benefits of Energy Efficiency Programs May Not Be Worth Their Cost to Ratepayers.”



California
STATE AUDITOR

California State Auditor Report

“When we reviewed the Total Resource Cost (TRC) of utilities’ program portfolios from 2012 through 2022, we found that they were rarely cost-effective.”

Example:

The TRC Calculation for One SoCalGas Residential Efficiency Program:

Benefits: \$29.8 million

- This value reflects the benefit to the utility of reduced costs to supply energy, such as purchasing fuel to generate electricity, but excludes benefits to participants.

Costs: \$42.6 million

- Includes costs to the utility, such as \$1.6 million for administration, and net costs to participants, totaling \$15.6 million.

TRC (Benefits Divided by Costs): 0.7

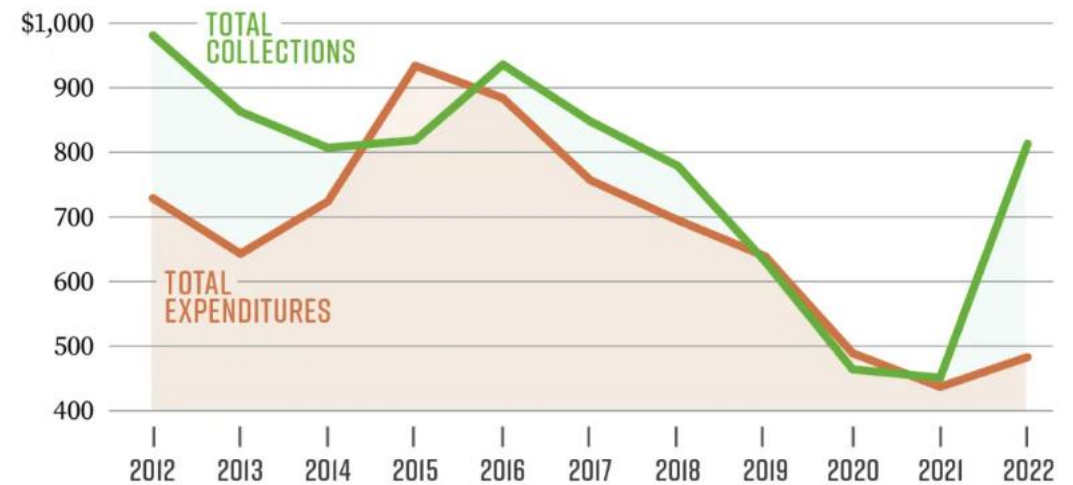
*A TRC value of 1 or greater means that an efficiency program is cost-effective

California State Auditor Report

IOUs EE spending declined by ~ 50%

- \$900M (2015), \$480M (2022)
- Significant unspent funds in 2022
- SCE had trouble soliciting third-party implementers for some of its programs.
- IOUs have exhausted more straightforward energy savings approaches
- EE opportunities lessened because of increased state building and appliance standards

Utility Collections and Expenditures for Efficiency Programs Diverged in 2022
(in Millions of Dollars)



California State Auditor Report

Key Recommendations

- **The Legislature should**

- Consider amending state law to require the CPUC to eliminate funding for chronically underperforming efficiency programs

- **The CPUC should**

- Monitor the energy-savings performance of IOU program portfolios
- Proactively identify EE programs that are underperforming and eliminate them
- Adjust its cost benefit analysis to account for participants' non-energy benefits

Status Update on Advanced Clean Fleets

► Regulatory Update

- AB 1594 Rulemaking Paused
- CARB: *“Don’t want to get close to line of compromising emergency response”*
- Technical POU fleet meetings with CARB

► Legislative Update

- SB 496 (Hurtado)
 - Creates Appeals Committee, Exempts Vehicles Used in Emergencies
 - Strong Signals that Bill Won’t Pass
- May Senate Budget Hearing

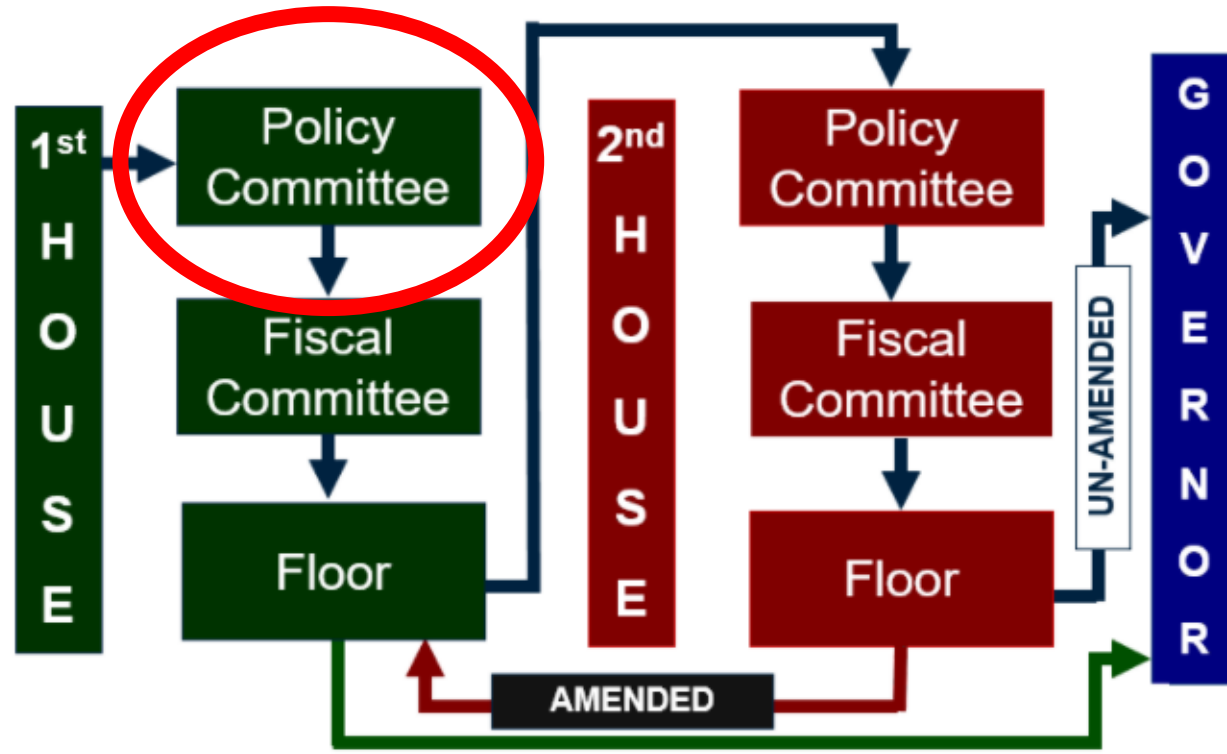


State Legislative Update

State Legislative Calendar

Legislative Process

"How a Bill Becomes a Law"



Notable Dates:

April 10-21: Spring Recess

May 2: Last day for policy committees to hear fiscal bills

Cap-and-Trade Update

► This Week:

- Big 3 Commit to Cap & Trade Reauthorization This Year
- “Double down on state’s critical cap-and-trade program in face of federal threats”

► SCPPA Discussion Draft

- Extends C&T to 2045
- Focus on Protecting Ratepayers
- Protect Pre-2030 Allowances
- Requires Allocated Allowances Post-2030



Pathways Initiative

- [SB 540 \(Becker\)](#)
 - Allows CAISO and the IOUs to use markets under an independent organization subject to various requirements
 - Participation is voluntary and can be withdrawn
 - Sponsors: IBEW, NRDC, Environmental Defense Fund
 - POU Supporters: NCPA and CMUA
 - Opposition: past CPUC President Loretta Lynch, grassroots environmentalists
- **Options**
 1. Remain Neutral, be prepared to oppose if amended
 2. Sign on to POU Supporters' "support if *not* amended" position

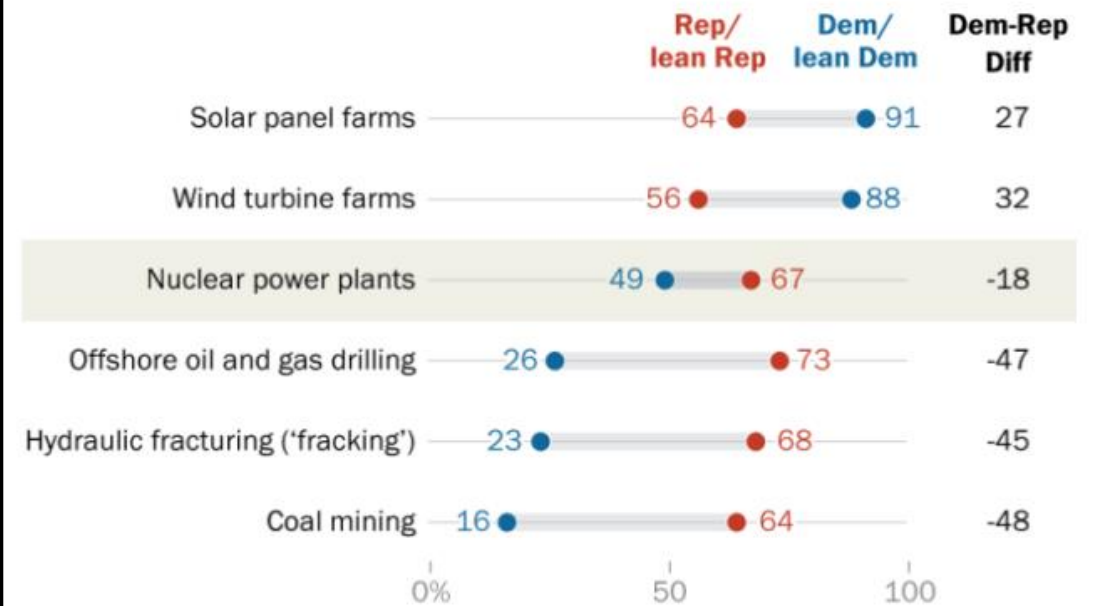


Small Modular Reactor

- [AB 305 \(Arambula\)](#)
 - Exempts small modular reactors up to 300 megawatts per unit from California's nuclear power moratorium.
 - Public Opinion is Shifting on Nuclear
 - First Hearing on April 21st

Republicans and Democrats are less divided on nuclear power than on fossil fuel sources

*% who **favor** expanding each of the following sources of energy in the United States*



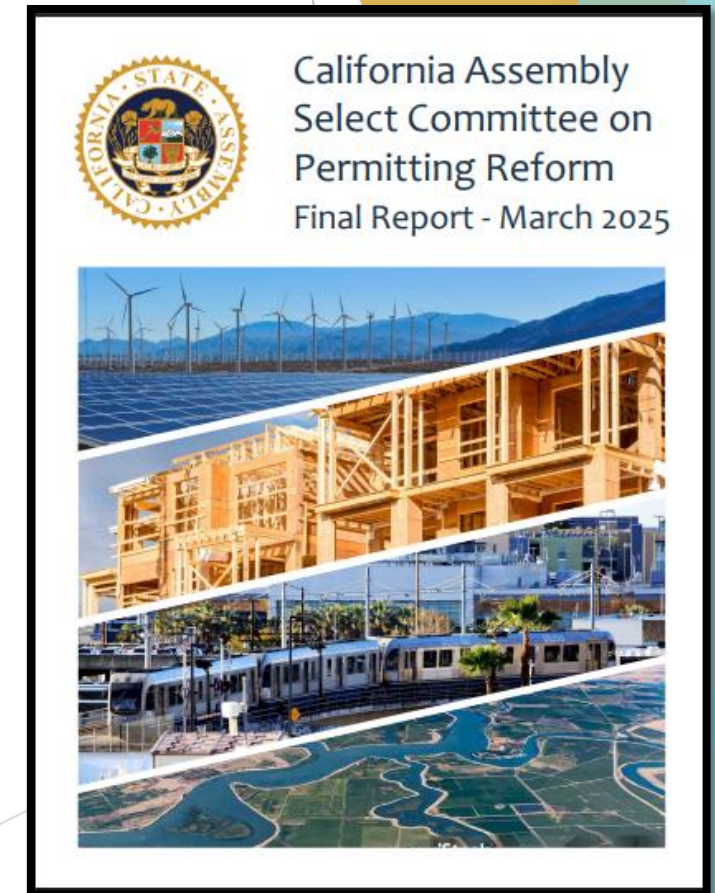
Note: Respondents who gave other responses or did not give an answer are not shown.

Source: Survey of U.S. adults conducted May 13-19, 2024.

PEW RESEARCH CENTER

Momentum for Permitting Reform

- **Asm. Buffy Wicks (D-Oakland) Focused on CEQA Reform**
 - Chair -- Appropriations Committee Chair
 - Chair -- Select Committee on Permitting Reform
- **Permitting Reform Report (March 2025)**
 - Best Practices
 - Housing Permitting Reforms
 - Energy Permitting Reforms
 1. Improve Centralized Permitting at CEC
 2. Facilitate Conversion of Fallowed Ag Land
 3. Standardize Permitting for Batteries
 4. Exempt Reconductoring from Certain CPUC Permitting
 5. Facilitate Alignment Between Permitting Agencies



Momentum for Permitting Reform



This 100

Process has gotten in the way of progress. It's too damn hard to build anything in CA, which has made our beautiful state too expensive.

CA needs a total shift in mindset & meaningful, thoughtful policy reform.

Appreciate the perspective of [@ezraklein](#) & [@dkthomp](#):

