

**Sustainable Energy Advisory Board (SEAB)  
October 8, 2015  
Meeting No. 112**

**MINUTES**

**MEMBERS PRESENT:**

Julia Brown – At Large Member	Douglas Kot (Vice Chair) – Building Industry
John Bumgarner (Chair) – Solar Industry	Jay Powell – Environmental Advocate
Jack Clark – Center for Sustainable Energy	Eddie Price – At Large Member Alternate #1
Sean Karafin – At Large Member	Eric Scheidlinger – At Large Alternate #2

**MEMBERS ABSENT:**

Jason Anderson – Business Community	Andrew McKercher – Labor Organization
Jerry Butkiewicz – San Diego Gas & Electric	

**I. Call to Order**

Chair John Bumgarner called the meeting to order at 10:00 A.M.

**II. Introductions**

Dave Weil introduced Mike Ferry from the Center for Sustainable Energy who will be leading the “Duck Curve” and the CCA discussions. Also introduced were Tom Brill from SDG&E representing Jerry Butkiewicz in a non-voting capacity and Bill Powers who will be providing a presentation on Protect Our Communities' Community Choice Aggregation report.

**III. Approval of Agenda and Adoption of the Minutes**

*Motion by Jay Powell to adopt the revised minutes for September 10th; seconded by Eddie Price.  
Motion passed unanimously.*

**IV. Announcements**

John Bumgarner noted that he is working with the Mayor's Office on the proposed Municipal Code changes. A letter formally transmitting the changes to the Mayor and Council will be prepared.

Dave Weil commented that the Ridgehaven building just received its 17<sup>th</sup> Energy Star certification,. John Bumgarner also noted Allison Whitelaw's contribution to the original certification of the building.

**V. Non-Agenda Public Comment**

Julia Brown commented that she felt the CAP comment letter was a very collaborative process. John Bumgarner also stated that he will follow up with Doug regarding the revisions to the CAP EIR letter based on the comments received from Jay Powell.

**VI. Feedback on Social Media & Brown Act**

Fritz Ortlieb, Deputy City Attorney provided further information regarding social media and the Brown Act. He advised that the Board stay away from discussing board business in social media. Jay Powell commented that members of the Board not present should also be made aware of this advice.

**XIII. Legislative and City Update – *Item taken out of order***

Dave Weil stated the City is moving forward with a project to install solar at 25 City sites. The goal is to complete the project before the NEM cap is reached and the ITC expires.

Jay Powell asked that Board be notified when these types of projects are going to City Council or Committees.

Fritz Ortlieb gave an update on the status of the NEM proceedings and current schedule. Jay Powell asked for clarification regarding the City's role. Fritz Ortlieb replied that the City is a party to the proceeding and can provide further comments if warranted.

Several Board members indicated that work force development and job creation should be included in conjunction with the City's solar projects. Dave Weil responded the City was working with SunEdison to promote local jobs and use local workforce. John Bumgarner asked that there be follow up regarding this topic.

## **VII. Work Plan Discussion and Committee Presentation**

The Board reviewed the draft presentation for the Environment Committee. It was recommended that a bullet noting the SEAB's ongoing support to staff be included. It was also noted that the Chair and Dave Weil will be meeting with the Mayor's Office to discuss the Municipal Code changes. It is anticipated that the presentation will be given at the November Committee meeting, but timing will depend on the docket and discussions with the Mayor's Office.

Jay Powell commented that rather than calling it "Duck Curve" in the Work Plan that it should be called "Distributed Energy Resources Grid Integration."

It was also noted that the Work Plan only goes through February because much of the Work Plan revolves around CAP adoption. Once the CAP is approved the Work Plan will be revisited. It was also noted that the Chair will be looking for direction from the Environment Committee when the Work Plan is presented to them.

## **VIII. Counterpoint to "Duck Curve" Analysis**

Mike Ferry, Center for Sustainable Energy provided an overview on the "Duck Curve," alternatives to the "Duck Curve" and methods to minimize the impact of the Duck Curve. Tom Brill provided SDG&E's perspective, stating that SDG&E's goal is to focus on using price signals so that market will automatically adjust. Jay Powell also noted that the utility infrastructure needs to be improved to handle distributed energy resources and that the utilities need to be more involved in incorporating distributed energy resources into the legacy infrastructure. Economic development and jobs also need be a consideration.

## **IX. City Comments on Rate Design Window**

Fritz Ortlieb provided a summary rate design window proceeding, which is now closed. SDG&E's primary position was to change the peak time of use period in response to the effects of the Duck Curve. The City and others argued that this discussion more appropriately belonged in the General Rate Case and the CPUC agreed. The human factor in getting people to change when they use electricity and the need for new technologies to help with this was also discussed.

## **X. CCA Comment and Discussion**

Mike Ferry, Center for Sustainable Energy's (CSE) discussed their role in assisting the City with its evaluation of Community Choice Aggregation (CCA) through a City funded feasibility study that will

include validation of POC's report and a more comprehensive analysis of the issues, including the Power Charge Indifference Adjustment (PCIA). CSE will assist the City in developing that study by providing technical assistance, project support and subject matter expertise. CSE will operate as an extension of City staff and help to facilitate an open and transparent evaluation process as the City moves forward. CSE will track regulatory developments, facilitate meetings, gather stakeholder input from organizations in the community, provide a list of qualified vendors, assist City staff in developing the Request for Proposals as well as reviewing and disseminating the results of the study. Between now and December stakeholder input will be gathered with release of the RFP anticipated for January 2016, so that the study can start in spring 2016 with completion summer 2016 followed by stakeholder and community review and comment.

Bill Powers, representing Protect Our Communities (POC) provided a presentation on their Community Choice Aggregation Report. During the presentation he provided some of the recent history of local power generation and deregulation, as well as the regions past study of Community Choice Aggregation and a summary of other successful CCAs that have been adopted in the state. He also discussed the economics identified in the POC report, as well as the need for the City's study to validate the POC report pro forma. He noted that the uniqueness of San Diego is that the City is about 50% of SDG&E's load.

He went on to note that the City's study will need to look closely at how the PCIA cost is determined and how its benchmark is calculated. The City's consultant should also develop a suite of alternatives to deal with this issue. The City study might also need to look at the cost's SDG&E paid for renewable energy contracts to determine their reasonableness.

After the presentation there were questions regarding the PCIA, including whether or not this was a set value and were the other CCAs being affected by PCIA issues. Bill Powers responded that this is a large issue for the other CCAs, with PG&E proposing a doubling of the PCIA, further noting that the PCIA can be recalculated every year. There was also a question regarding the need for new data from SDG&E, and if the City was ready to request new data. Bill Powers commented that there would probably not be much change in the load pattern but that it might be good to have more recent data. Fritz Ortlieb commented that the City's consultant would need to be included in any new non-disclosure agreement for the study. Tom Brill also responded that SDG&E would be glad to provide any requests for a factual response to questions so that all have factual information as the study moves forward.

Mike Ferry stated that the next step is to engage the CCA working group as soon as possible so that any recommendations can be presented at the November 12<sup>th</sup> Board Meeting. To accomplish this it was recommended that the working group meet at least once and possibly twice before the next Board meeting. It was also recommended that the November 12 SEAB meeting be used for taking public comment.

There was further discussion as to what the role and objectives of the CCA Working Group would be, timing of the RFP, the need for a new data request as well as a revisiting of the CCA guiding principles previously developed by the Board. It was also noted that the process should be open and transparent. Also, the CCA Working should help evaluate if questions need to be submitted to SDG&E that might be more informative than simply asking for data.

During further discussion it was agreed that public comment would be taken during the November SEAB meeting. If needed there could also be a special meeting of the SEAB between the November and December meetings for discussion of the input provided by the public, with the goal of using the December Board meeting to make any final recommendations to the City regarding the RFP. Jay Powell indicated that he would be willing to convene the Working Group.

There was also a request that additional guidance on the rules regarding the utilities role in the process be provided. Tom Brill stated that SDG&E's role is to support the process by responding to questions so that the Board has the best, most factual information possible. It was recommended that information on what the utilities can legally do be provided at a future meeting so that it can be entered formally into the record.

#### **XI. New Business**

John Bumgarner stated that there should be at least one or two Working Group meetings before the November meeting with the goal of having a summary of recommendations at the November meeting. Additionally, it was agreed that the November meeting would include a CAP update, City and Legislative update, a summary of the rules regarding SDG&E's participation in the CCA discussion and time for public input on the CCA process.

#### **XII. Suggested Topics/Guests for Upcoming Meetings**

*Not discussed.*

#### **XIV. Adjourn**

John Bumgarner adjourned the meeting at 12:10 P.M.

**Note: An audio recording of this meeting is available upon request.**