

City of San Diego
Sustainable Energy Advisory Board (SEAB)
September 14, 2017
Meeting No. 135

MINUTES

ATTENDANCE ROSTER

MEMBERS PRESENT:

Sean Karafin – At Large Member
Douglas Kot (Vice Chair) – Building Industry
Andrew McKercher – Labor Organization
Jay Powell – Environmental Advocate
Eric Scheidlinger – At Large Member Alt. #2

MEMBERS ABSENT:

Jason Anderson – Business Community
Julia Brown (Chair) – At Large Member
Hanna Grene – CSE (Regional Energy)
Eddie Price – At Large Member Alternate #1

VACANT SEATS:

Vacant – Solar Power System Manufacturer/Installer
Vacant – San Diego Gas & Electric Representative

I. Call to Order

Quorum met. Douglas Kot called the meeting to order at 10:09A.M.

II. Introductions

No public introductions.

III. Announcements

No announcements.

IV. Non-Agenda Public Comment

None.

V. Action Items

1. Approval of Agenda and Adoption of Minutes

**MOTION* Andrew McKercher made motion to adopt minutes from August 10 meeting #134 and approve agenda of meeting #135. Jay Powell seconded, with amended accepted that vacant board seats be notated on the minutes. Motion passed 4-0-1. Eric Scheidlinger abstained due to his absence from meeting #134.*

VI. Informational Items

1. Climate Action Plan Update

No updates.

2. Legislative, Regulatory, and City Updates

Aaron Lu explained the voting privileges/rights/capacities of Alternate board members. He also explained the process for an Alternate member to become a Regular member.

Douglas Kot mentioned that the SEAB was supposed to give a presentation to the Environment Committee today, but that it had been rescheduled for September 29. Julia Brown will present.

Aaron Lu provided information on four pieces of legislation:

AB-A13, AB-726, SB-100, and SB-618

- AB-A13 and AB-726: Provisions authorizing the transformation of the independent system operator into a combined California independent system operator – with other neighboring States’ systems for regionalization of the western grid. Bills also require electric corporations to procure tax advantage renewable resources before deadlines.
- SB-100: RPF requirement of 60% by 2030 and a policy by the State to supply 100% of retail sales of GHG free energy by 2045.
- SB-618: Reinstates current law for load-serving entities having to file integrated resource plans with the California Public Utilities Commission.

Fritz Ortlieb, City Attorney discussed the General Rate Case – Phase II. SDG&E’s time of use will commence peak period at 4:00PM instead of 3:00PM. For metered street lighting, this will be on a wattage-based use rate. Residential time of use planned to phase in effective beginning 2019.

Sean Karafin asked for follow-up regarding the En Banc letter previously sent to the Mayor.

Douglas Kot inquired about the status of solar installations at City facilities. Jack Clark explained that approximately 1/3 of the projects, which are set up as PPAs are completed. Vendors building the sites are Onyx and Helix.

3. Continue Discussion on Pathways to 100% Renewable Energy by 2035: Community Choice Aggregation Feasibility Study

Douglas Kot opened the forum for public comment and requested that comments be limited to two minutes each.

Two public comments received.

Sebastian Sarria (Climate Action Campaign) spoke in favor of CCA formation. He also provided a letter to the Board.

Cynthia Wootton (Sierra Club / concerned citizen) spoke in favor of CCA formation.

Douglas Kot thanked commenters.

Jay Powell requested that City Staff make public comments to the City Sustainability website available through a link on the SEAB’s website. Jack Clark responded and stated that the comments are being received on a daily basis. These comments will be made available to the Board and posted on the website as soon as information is available.

Andrew McKercher inquired about the CCA study and the RPS mandate. He asked how the study might be impacted if the mandate was raised from the current 50% to 60%. Jack Clark advised that the study be developed with all the available information at the time, which included the 50% mandate. When there are changes due to legislation, the City could revisit the study.

Douglas Kot referenced table 35 and minimum performance results. He noted three primary categories of the study: 1.) Environmental 2.) Financial 3.) Economic.

Within the *environmental* category, he cited four subcategories:

- 1.) Greenhouse Gas | Emissions Reductions
- 2.) Renewables Percentage
- 3.) Local Distributed Generation
- 4.) Energy Efficiency Demand Response Deployment

Of those four, two were deemed not in the scope of the feasibility study contract. He further explained the time frame within the CCA study and its relevance to the Board as well as the Climate Action Plan (CAP).

Andrew McKercher questioned the validity of the time period scenarios within the CCA study. He suggested the need for set time targets. Board members discussed.

Aaron Lu further explained the Greenhouse Gas | Emissions Reductions subcategory of the CCA Feasibility Study and how its time line could be used as a relative time line for setting other target time periods of the study.

Jay Powell added that the projections in tables within the study might evolve and need to be revised as time passes. He stated that the ultimate goal overall was to reach 100% renewable energy by 2035, however there may be changes in circumstances or information available along the way that must be accounted for as they occur.

Board members discussed the necessity to work out the details as they arise and to essentially look at the broader, bigger picture and the importance of assessing whether or not to implement a CCA within the San Diego region.

Sean Karafin interjected with an argument about current status quo comparison of energy dependency and the lack of that comparison within the CCA Feasibility Study. The current and projected trend lines of energy dependency was discussed amongst Board members.

Douglas Kot referenced figure 43 of page 76 of the study that projects out the current trend line of SDG&E RPS procurement, which are above the RPS standards that intersect with the CCA Feasibility Study trend lines by 2030 at roughly 60%. Board members discussed in further detail discerning between a minimum criteria and the interactive financial effects of meeting the CCA Feasibility Study's goals.

Board members continued discussion of the CCA Feasibility Study and the next steps to follow implementation, if indeed the choice to go forward with the next steps for implementation of a CCA agreed upon. Jack Clark offered up the pragmatic approach of prioritization of the various elements of implementation of a CCA. Board member discussed the theoretical next steps moving forward after implementation.

Economic impact on markets and jobs related to the solar industry and solar power storage were discussed. Andrew McKercher referenced the CCA Feasibility Study and the use of a Power Purchase Agreement (PPA). The question of whether the CCA Feasibility Study was

based upon a PPA was discussed. The issue of purchasing from local entities rather than non-local entities was brought up. The cost effectiveness and feasibility of smaller scale implementation was discussed.

Douglas Kot announced that the dialogue would need to be structured around the possibility of a task group to dive deeper in the understanding of the contents of the CCA Feasibility Study so to make intelligent comments and recommendations to the City Council and Mayor regarding its implementation or not. For next month's meeting, the decision would need to be made as for the recommendation of the CCA Feasibility Study and at next month's meeting; the issue of financial and economic goals should be discussed.

Administrative note: Board requested that Jay Powell's comments previously submitted regarding achievement of the 100% Renewable Energy goal and other comments posted to the Sustainability website be distributed to the rest of the Board for review before the recommendation decision is made at next month's meeting. It was requested whether Sempra Services Corporation had been solicited to provide written comments to the SEAB and if they have comments that are posted to the Sustainability website.

Eric Scheidlinger and Douglas Kot agreed that it was imperative for all Board members to take the time necessary to thoroughly read the entirety of the CCA Feasibility Study before the next meeting to intelligently make an informed decision as to whether or not recommend the implementation of a CCA for San Diego.

4. Additional Economic Development from 100% Renewable Energy Presentation

Ty Tosdal provided a presentation of the Economic Development from 100% Renewable Energy to the Board. Questions and answers followed between Ty Tosdal and the Board members.

Administrative note: A copy of the Power Point Presentation will be made available to City Staff to distribute to all board members and posted to the SEAB website.

5. New Business

November's SEAB meeting currently scheduled for November 9th (the second Thursday of the month) needs to be rescheduled to either November 2nd (first Thursday of the month) or November 16th (third Thursday of the month). The SEAB meeting for October 12th will proceed as regularly scheduled.

6. Suggested guests/presentations/tours for future meetings

- i. Continue Discussion on Pathways to 100% Renewable Energy by 2035
- ii. Reports on status of Municipal Energy Strategy and Energy Conservation Ordinances

VII. Adjourn

Meeting adjourned at 11:57A.M.

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