

Board Policy Committee Meeting and Special SMUD Board of Directors Meeting

Date: Wednesday, December 1, 2021

Time: Scheduled to begin at 5:30 p.m.

Location: Virtual Meeting (online)

AGENDA

BOARD POLICY COMMITTEE MEETING AND SPECIAL SMUD BOARD OF DIRECTORS MEETING

Wednesday, December 1, 2021

Scheduled to begin at 5:30 p.m.

Zoom Webinar Link: [Join SMUD Board Policy Committee Meeting Here](#)

Webinar/Meeting ID: 160 260 7988

Passcode: 676294

Phone Dial-in Number: 1-669-254-5252 or 1-833-568-8864 (Toll Free)

Pursuant to Government Code section 54953(e) and the Emergency Board Meeting Procedures adopted by the SMUD Board of Directors, the regular Board meeting and other public meetings are currently conducted solely via virtual (online/teleconference) meeting to align with state, local, and federal guidelines for the containment of the coronavirus.

Live video streams and indexed archives of meetings are available at:
http://smud.granicus.com/ViewPublisher.php?view_id=16

Members of the public may register to provide verbal comments at an upcoming Board or Committee meeting by emailing a request to speak to PublicComment@smud.org. Please include the date of the meeting, name, and topic or agenda item the requestor wishes to speak on. The request may also be submitted while the meeting is in progress during the standard time for the agenda item or topic. **Pre-registration is strongly encouraged by no later than 3:00 p.m. on the day of the meeting.**

Members of the public may provide written public comments on a specific agenda item or on items not on the agenda (general public comment) by submitting comments via e-mail. Comments may be submitted to PublicComment@smud.org and will be placed into the record of the meeting.

Members of the public that are listening to or watching the live stream of a Committee meeting and wish to comment on a specific agenda item as it is being heard may submit their comments, limited to 250 words or less, to PublicComment@smud.org, noting the agenda item number in the subject line. The Committee Chair may read comments for items on the agenda into the record, in his discretion, based upon such factors as the length of the agenda or the number of e-mail comments received. General public comment for items not on the agenda will not be read into the record but will be provided to the Board and placed into the record of the Board meeting if it is received within two hours after the meeting ends.

This Committee meeting is noticed as a joint meeting with the Board of Directors for compliance with the Brown Act. In order to preserve the function of the Committee as advisory to the Board, members of the Board may attend and participate in the discussions, but no Board action will be taken. The Policy Committee will review, discuss and provide the Committee's recommendation on the following:

9. Heidi Sanborn Summary of Committee Direction.
Discussion: 1 minute

Pursuant to Resolution No. 20-06-08 adopted on June 18, 2020, Emergency Board Meeting Procedures are in effect:

Members of the public may make either a general public comment or comment on a specific agenda item by submitting comments via email. Comments may be submitted to PublicComment@smud.org. Comments will be provided to the Board and placed into the record of the Committee meeting if it is received within two hours after the meeting ends.

Members of the public that are listening or watching the live stream of a Board meeting and wish to comment on a specific agenda item as it is being heard, may submit their comments, limited to 250 words or less, to PublicComment@smud.org. The Board Committee Chair may read the comments into the record, in her discretion, based upon such factors as the length of the agenda or the number of email comments received.

Comments will be provided to the Board and placed into the record of the Committee meeting if it is received within two hours after the meeting ends.

*Members of the public may register to provide verbal comments at an upcoming Board or Committee meeting by emailing a request to speak to PublicComment@smud.org. Please include the date of the meeting, name, and topic or agenda item the requestor wishes to speak on. The request may also be submitted while the meeting is in progress during the standard time for the agenda item or topic. **Pre-registration is strongly encouraged by no later than 3:00 p.m. on the day of the meeting.***

ADA Accessibility Procedures: Upon request, SMUD will generally provide appropriate aids and services leading to effective communication for qualified persons with disabilities so that they can participate equally in this virtual meeting. If you need a reasonable auxiliary aid or service for effective communication to participate, please email Toni.Stelling@smud.org, or contact by phone at (916) 732-7143, no later than 48 hours before this virtual meeting.

SSS No. LEG 2021-0152

BOARD AGENDA ITEM

STAFFING SUMMARY SHEET

Committee Meeting & Date
 Policy Committee – 12/01/21
 Board Meeting Date
 December 9, 2021

TO					TO							
1.	Claire Rogers				6.							
2.	Jennifer Davidson				7.							
3.	Stephen Clemons				8.							
4.	Brandy Bolden				9.	Legal						
5.	Farres Everly				10.	CEO & General Manager						
Consent Calendar		<input checked="" type="checkbox"/>	Yes	No <i>If no, schedule a dry run presentation.</i>		Budgeted		<input checked="" type="checkbox"/>	Yes	No <i>(If no, explain in Cost/Budgeted section.)</i>		
FROM (IPR) Steve Lins				DEPARTMENT Legal				MAIL STOP B406	EXT. 6274	DATE SENT 11/16/21		

NARRATIVE:

Requested Action: Accept the monitoring report for **Strategic Direction SD-11, Public Power Business Model.**

Summary: The attached 2021 annual monitoring report provides the Board with a status report of legislation and regulations that impact SD-11, Public Power Business Model. This core value was established to support public power and preserve local decision making.

Board Policy: Strategic Direction SD-11, Public Power Business Model
(Number & Title)

Benefits: Receive input and opportunity to make corrections, additions, or changes if necessary.

Cost/Budgeted: N/A

Alternatives: N/A

Affected Parties: SMUD and Board of Directors

Coordination: Government Affairs and Legal Department

Presenter: Steve Lins, Deputy General Counsel and Director of Government Affairs

Additional Links:

SUBJECT Monitoring Report – Strategic Direction SD-11, Public Power Business Model	ITEM NO. <i>(FOR LEGAL USE ONLY)</i>
--	--------------------------------------

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

SACRAMENTO MUNICIPAL UTILITY DISTRICT

OFFICE MEMORANDUM

TO: Board of Directors

DATE: November 22, 2021

FROM: Claire Rogers *CR 11/22/21*

**SUBJECT: Audit Report No. 28007348
Board Monitoring Report; SD-11: Public Power Business
Model**

Audit and Quality Services (AQS) received the SD-11 *Public Power Business Model* 2021 Annual Board Monitoring Report and performed the following:

- A review of the information presented in the report to determine the possible existence of material misstatements;
- Interviews with report contributors and verification of the methodology used to prepare the monitoring report; and
- Validation of the reasonableness of a selection of the report's statements and assertions.

During the review, nothing came to AQS' attention that would suggest the SD Board Monitoring report did not fairly represent the source data available at the time of the review.

CC:

Paul Lau



Board Monitoring Report 2021 SD-11, Public Power Business Model

1. Background

Strategic Direction [11](#), Public Power Business Model states that:

Supporting and strengthening the public power business model is a core value. Local decision making and flexibility are essential to effective and responsible local governance. Community-owned utilities are primarily accountable to their customers, not stockholders. Community citizens have a direct voice in public power decisions.

Preservation of this business model is vital to ensure public power systems continue to provide innovative solutions tailored to best meet the needs of their customers and communities.

2. Executive Summary

SMUD is in compliance with SD-11.

The SD-11 monitoring report updates the Board on our efforts to insulate SMUD from issues that may impact our local governance and provide the Board with a final status report on 2021 issues impacting this strategic directive. SMUD's interests are advanced in the legislative and regulatory arenas to the greatest extent possible. For instance, SMUD meets with key federal and state officials, both elected and appointed, with the driving purpose of educating them on the impact of new and existing policy.

State Legislative. SMUD had several victories this year in the California Legislature that advanced the public power business model to ensure local decision making and flexibility. SMUD and other publicly owned utilities secured funding in the state budget to help our customers with unpaid utility bills. SMUD ensured flexibility for eligibility and prioritization of funding and will receive over \$41 million to assist our customers with unpaid bills due to the COVID 19 pandemic.

SMUD also worked to defeat problematic bills including:

- A bill that set the wheels in motion for the state to procure energy to serve its own load [Assembly Bill (AB) 1161];
- A bill that would have required publicly owned utilities (POUs) to pay for the removal of all vegetation we maintain if the landowner requests it and required the Office of Energy Infrastructure Safety to determine messaging on customer communications for vegetation management [Senate Bill (SB) 396]; and,

- A bill that would have established more stringent shot clocks for pole attachments, imposed new remedy requirements, limited attachment fees, and more (SB 556).

SMUD also supported three resolutions that highlight the important work of SMUD, special districts, and POU's: Senate Concurrent Resolution (SCR) 51 in recognition of SMUD for our 2030 Zero Carbon Plan, SCR 49 in recognition of Public Power Week, and Assembly Concurrent Resolution (ACR) 17 in recognition of Special Districts Week.

State Regulatory. SMUD staff participated in numerous workshops and regulatory proceedings at the California Air Resources Board (CARB), the California Energy Commission (CEC) and the California Public Utilities Commission (CPUC) throughout the year.

At the CEC, SMUD staff actively contributed to the ongoing Load Management Standard rulemaking, the revisions to Title 20 Energy Data Collection proceeding, and the development of the 2021 Integrated Energy Policy Report.

SMUD staff also participated in the 2022 Energy Code Rulemaking including revisions to Community Solar, a breadth of Clean Transportation Funding Programs and Investment Planning regulatory activities, and implementation of tasks pursuant to new data collection requirements.

Further, SMUD staff is participating in a variety of Electric Vehicle Charging Infrastructure and Workforce proceedings, and Environmental Justice discussions, a joint focus of the CEC, CARB, CPUC, and the Governor's Office of Business and Economic Development (GO-Biz).

At CARB, staff participated in proceedings to develop the Scoping Plan Update, transportation electrification programs like the Advanced Clean Fleets (ACF) suite of regulations, and the revised gas-insulated equipment sulfur hexafluoride (SF₆) regulations, which is currently in review by the Office of Administrative Law (OAL). All these regulatory proceedings are ongoing, and at least several are likely to extend into 2022.

Federal. Through the testimony of Paul Lau before Congress earlier this year, SMUD announced its goal to achieve absolute zero carbon emissions from its generation portfolio by 2030. Addressing the Select Committee on the Climate Crisis, Paul explained SMUD's experience fostering economic development via climate action highlighting local workforce development initiatives enabled by decisions made within the Sacramento Community.

On the legislative front, SMUD staff focused much of 2021 on advocating an array of climate and energy grant programs and provisions in the Infrastructure Investment and

Jobs Act and the proposed Build Back Better Act. In the recently enacted Infrastructure Investment and Jobs Act, SMUD supported robust funding for grid resilience, cybersecurity enhancements, and electric vehicle charging infrastructure. In the pending Build Back Better Act, SMUD is calling for the long-term extension and expansion of energy tax credits. In a legislative victory, SMUD worked to include a provision in both the House and Senate proposals that would allow public power utilities to receive refundable direct payments of the energy tax credits.

Outside of the legislative arena, SMUD filed comments to the Department of Energy's (DOE) Request for Information (RFI) on Integrating Electric Vehicles onto the Electric Grid. SMUD through the Large Public Power Council, American Public Power Association and other trade Associations (Associations) also submitted joint comments to DOE's Supply Chain RFI.

In the regulatory arena, in partnership with two coalitions (the National Coalition for Advanced Transportation and the Energy Strategy Group), SMUD filed joint comments on the U.S. Environmental Protection Agency's (EPA) greenhouse gas (GHG) standards for light duty vehicles, model years (MY) 2023-2026. SMUD, along with a group of seven other major utilities, filed a brief in opposition to the Supreme Court taking up for review the D.C Circuit's decision to strike down the Affordable Clean Energy (ACE) rule. With the Court's recent approval to hear the case, SMUD and its coalition partners will be supporting the Department of Justice's defense of EPA's legal authority to regulate greenhouse gas emissions from emitting sources.

Community Choice Aggregators. This year, SMUD provided services for three Community Choice Aggregator (CCA) clients – East Bay Community Energy (EBCE) in Alameda County, Valley Clean Energy Alliance (VCE) in Yolo County, and Silicon Valley Clean Energy (SVCE) in Santa Clara County. CCAs are local governments situated in the service territory of an incumbent investor-owned utility (IOU) that want greater local control over their electricity rates and more access to renewable energy. SMUD's mission is strongly aligned with the CCA model, which has core goals of local decision making, customer/community focus, and environmental stewardship. Serving CCAs supports the public power model and provides a new revenue source for SMUD to help fund investments necessary to modernize the grid and expand offerings to our customers.

Western Energy Imbalance Market (EIM) and Extended Day-Ahead Market (EDAM). SMUD continues to see significant benefits with its participation in the California Independent System Operator Corporation's (CAISO) EIM since joining in 2019 through the Balancing Authority of Northern California (BANC). On March 25, 2021, the remaining BANC Balancing Authority Area (BAA) footprint joined the EIM. This broader BANC resource participation has resulted in greater economic benefits and a better ability to integrate and manage intermittent resources within the BANC footprint.

the EIM real-time framework to the CAISO's day ahead market under the CAISO's EDAM initiative. After pausing the initiative for approximately a year following the summer 2020 heatwave outages, the CAISO recently restarted the EDAM initiative, this time with renewed focus and broader stakeholder participation, with hopes of launching EDAM in 2024. SMUD views EDAM as an important step forward in the evolution of Western energy markets and it aligns well with SMUD's 2030 Zero Carbon Plan goals.

As SMUD's Strategic Plan indicates, internal and external factors are driving our business and shaping our business model. Legislative and regulatory uncertainty continues to be a threat to the Public Power Business Model SD-11. SMUD takes positions on legislation and regulations based on the Board's Strategic Direction.

3. Additional Supporting Information

Local decision making and flexibility are essential to effective and responsible local governance. High priority 2021 issues were as follows:

- Funding for utility customer arrears
- Defending against expensive requirements for POUs related to vegetation management and pole attachments, among other issues
- Wildfire funding
- Recognizing SMUD's 2030 Zero Carbon Plan through a Senate Concurrent Resolution
- Electric vehicle funding
- CEC proceeding on building standards
- CEC implementation of efficiency benchmarking expansion and more detailed data collection requirements
- CARB proceeding to modify the SF6 regulations
- Legislation pending in Congress to restore the cost-savings benefits of advance refunding (refinancing) municipal bonds.
- Inclusion in pending Reconciliation bill of direct refundability of federal renewable energy tax incentives
- Conveyed SMUD priorities to Congressional and White House staff for Clean Electricity Performance Program
- Preparation and submittal of SMUD's Utility Security Plan to the CPUC
- Extended Day-Ahead Market (EDAM) development

4. Challenges:

SMUD continues to face prescriptive legislative and regulatory mandates for carbon reduction, renewable energy, wildfire planning, and resource planning, in part because of the State's robust climate change goals. The heat waves in 2020 that resulted in rotating outages in the CAISO territory led to legislative action in the form of storage mandates and/or changes to resource adequacy and planning requirements. Changes

to Cap-and-Trade are also on the horizon. SMUD will continue to advocate for the advancement of transportation and building electrification. Transportation electrification has been a priority for this Administration, with Governor Newsom’s executive order to require that all new cars and passenger trucks sold in California be zero-emission vehicles by 2035. Finally, SMUD continues to monitor CPUC proceedings that may attempt to assert jurisdiction over POUs (e.g., maintenance and access to SMUD’s electric facility database).

5. Recommendation

It is recommended that the Board accept the Monitoring Report for SD-11.

6. Appendices

CCAs

SMUD ventured into providing services to CCAs in California to diversify our revenue sources in a way that is consistent with supporting public power and environmental goals in California. SMUD is providing (VCE with call center, billing and data management, wholesale energy, and consulting services. SMUD is supporting EBCE with call center and billing and data management services through 2024. SMUD also provides program design, development, administration and marketing services to SVCE.

These CCAs allow their customers to access many of the same public power benefits that SMUD and other POUs have provided millions of Californians. SMUD is leveraging our approximately 75 years of experience as a utility, staff expertise, and existing systems to provide skilled services to CCAs, generating new revenue and strengthening SMUD’s ability to provide cost effective public power service to our customers.

There are currently over 20 active CCAs in California, representing nearly half of the state, and many more that are emerging or investigating the feasibility of starting a new CCA.

State Legislation that Impacted SD-11

AB 1161 (E. Garcia): Procurement for State Buildings

AB 1161 is a bill that directed the Department of Water Resources (DWR) to procure zero carbon energy to offset the energy use of state buildings.

SMUD Position: Oppose

Status: Two-year bill; bill did not pass this year, but it is eligible to move next year.

Staff Comment: The bill links new power projects built by DWR with the energy use in state buildings, which is a very unfavorable precedent and could have had a profound impact on our public power business model. The bill was also unnecessary – under SMUD’s 2030 Zero Carbon Plan, all state buildings in our territory will be served by zero carbon resources, not to

mention all Department of General Service buildings in our territory are already served by SolarShares and Greenergy.

SB 129 and AB 135 (Budget): Funding for Utility Customer Arrears

The state budget, SB 129, included nearly \$1 billion in funding for unpaid energy bills (both gas and electric). Once funding was secured in the budget, there were many details on how the funds would be distributed and to whom, all to be included in a subsequent budget trailer bill, the implementing language of budget appropriations. SMUD and other POU's advocated for these funds to be distributed in an efficient manner that maintains as much discretion for utilities as possible to ensure our customers impacted by the COVID-19 pandemic receive assistance. SMUD will receive \$41,369,318 in funding to assist our customers with unpaid bills due to the pandemic.

SMUD Position: Support
Status: Passed and signed by Governor

Staff Comment: Since many customers have been unable to pay their SMUD bills due to significant economic impacts stemming from the COVID-19 pandemic, this funding was the top priority for SMUD at the legislature. SMUD worked closely with a coalition of other POU's through our trade association, the California Municipal Utilities Association (CMUA), to advocate tirelessly for this funding. We are now in the implementation phase of receiving the funding.

SB 396 (Dahle): Vegetation Management

SB 396 would have required POU's to pay to remove any felled trees from the high fire threat district if the landowner requests they be hauled from their property. Currently, SMUD works with the landowner on allocating costs for tree removal, as the tree is the property of the landowner. The bill also required the Office of Energy Infrastructure Safety to develop standardized content for communications with customers.

SMUD Position: Expressed concerns; CMUA opposed
Status: Two-year bill; bill did not pass this year, but it is eligible to move next year.

Staff Comment: This bill would have had significant cost implications for our customers and by standardizing our customer content, would have interfered with local governance and how we communicate with our customers. SMUD worked with our trade association, CMUA, to lodge our concerns on this bill and it ultimately stalled, becoming a two-year bill.

SB 556 (Dodd): Pole Attachments

Another concerning bill that was defeated was SB 556 (Dodd). This bill sailed through the Legislature, but it was ultimately vetoed by the Governor. SB 556 applied new 5G pole attachment rules for streetlight and traffic signal poles, impacting both cities and POU's. Specifically, the bill would have established more stringent timelines for review of the

application to attach (shot clocks), imposed new remedy requirements, limited attachment fees, and more.

SMUD Position: Concerns, worked through CMUA who had an oppose position

Status: Vetoed by Governor

Staff Comment: SMUD owns streetlight poles and would have been directly impacted by the bill. Earlier versions of the bill would have applied the new rules to utility poles, but, due to advocacy from the POU community, its scope was narrowed during the legislative process. In vetoing the bill, Governor Newsom said the bill would have restricted “the ability of local governments and publicly-owned electric utilities to regulate the placement of small wireless facilities on public infrastructure and limit the compensation that may be collected for use of these public assets.” The defeat of this legislation helps to preserve the public power business model.

AB 229 (Holden) – Security Guards

Among other provisions regarding use-of-force training, this bill would have prohibited security guards from carrying or using a firearm or baton unless the security guard is an employee of a private patrol operator licensee. This bill would have unintentionally prohibited SMUD’s security guards, who are not employed by a private patrol company, from being able to carry a weapon.

SMUD Position: Watch

Status: Passed and signed by Governor (provisions that impacted SMUD were removed)

Staff Comment: SMUD met with the author’s office to explain our concerns and was able to expediently secure amendments that carve out employees of the state or a political subdivision of the state, which includes SMUD.

Resolutions

There were three resolutions this year that assisted in bolstering the public power business model. Resolutions are largely symbolic – they express the will of the Legislature and do not have the force or effect of law. SCR 49 designated the first full week of October each year as “Public Power Week,” to honor public power utilities and our contributions to our customers and communities. ACR 17 designated “Special Districts Week” from May 16, 2021, to May 22, 2021, commending special districts’ work. As both a public power utility and special district, these resolutions will remind the Legislature of the good work we do for our customers and community.

Finally, Senator Pan and Assemblymember Cooley authored a resolution, SCR 51, commending SMUD for setting the most ambitious carbon reduction goal of any large utility in the country and applauding SMUD’s commitment to finding innovative ways to reach our zero carbon goal without impacting reliability or rates (beyond inflation). This is great recognition for SMUD and our Board’s tremendous vision for the future, as well as the public power business model.

SMUD Position: Support
Status: All three resolutions passed.

AB 758 (Nazarian): Rate Reduction Bonds

AB 758 enables POU's to issue rate reduction bonds to finance or refinance utility projects. The bill was sponsored by CMUA.

SMUD Position: Support
Status: Passed and signed by Governor

Staff Comment: While it is unclear if SMUD will need to utilize this financing tool, expanded its availability to other POU's advances the public power business model.

AB 361 (Rivas): Open Meetings – Teleconferencing

AB 361 creates statutory exemptions to the Brown Act's teleconferencing requirements during a state or local emergency, until January 1, 2024. The bill took effect immediately as an urgency bill.

SMUD Position: Watch
Status: Passed and signed by Governor

Staff Comment: This creates added flexibility for local governance.

State Regulation that Impacted SD-11

2022 Building Energy Code

The 2022 Energy Code will improve upon the 2019 Energy Code for newly constructed buildings, additions, and alterations, and will apply to building permit applications submitted on or after January 1, 2023.

The 2022 Energy Code is essential to California in that it supports the state's clean energy goals, policies, and mandates. The 2022 Energy Code will increase the deployment of on-site renewable energy generation, reduce GHG emissions from new buildings (building decarbonization), reduce growth in energy demand, increase energy demand flexibility, and ensure that California buildings are as energy efficient as technically feasible and cost effective.

Status: On August 11, 2021, the Commission unanimously voted to adopt the 2022 Energy Code. The code is the first in the nation to include highly efficient electric heat pump technology as a baseline for new homes and small commercial buildings. This is an important step forward towards all-electric buildings in the state of California. SMUD was generally supportive of staff proposals throughout the pre-rulemaking, and we supported the CEC adopting an all-electric baseline for the 2022 Energy Code for

residential and commercial buildings. While SMUD did not oppose the Community Solar opt-out provision included in the 2022 Energy Code, SMUD is concerned that the inclusion of the opt-out will discourage prospective program administrators from entering the market.

Advanced Clean Fleets (ACF) Regulations

The ACF rulemaking is part of a comprehensive strategy to achieve a zero-emission truck and bus fleet by 2045 everywhere feasible, and significantly earlier for market segments such as public fleets. The Draft Regulation for Public Fleets Requirements introduces the following zero-emission vehicle (ZEV) purchasing requirements that will apply when SMUD adds vehicles to its fleet. Compliance will be assessed based on the purchase orders we make each calendar year, not the model year of the vehicle or placed-in-service date:

- 50% of vehicle purchases in calendar year (CY) 2024-2026 must be ZEVs.
- 100% of vehicle purchases in CY 2027 and beyond must be ZEVs.
- Until 2035, near-zero EVs (NZEVs) may be purchased if no ZEV is available.
- Up to 25% of vehicles (by body type) may be exempted from the ZEV requirement only if 75% of the same body type is ZEV.

Status: SMUD staff is in discussions with CMUA, the California Electric Transportation Coalition (CalETC), and the IOUs to collaborate on a unified ZEV implementation proposal for CARB's consideration given that the concepts included in the current draft ACF regulation is highly problematic. We recommended that rather than differentiating between Public and High Priority/Federal Fleets, CARB should consider a regulatory structure that caters to the distinct ZEV implementation challenges of small/medium fleets and large fleets respectively.

SMUD is recommending that CARB consider a ZEV implementation methodology similar to existing CARB regulatory structures that allow for more organic internal combustion engine (ICE) to ZEV replacements like a Fleet Average approach. A Fleet Average approach will enable fleet owners the flexibility to decide how best to manage their fleets, based on community requirements and available technologies, to meet annual ZEV targets set by CARB. A Fleet Average approach to ZEV acquisitions may also prevent wasteful stranding of existing assets. SMUD averages 12 to 15 years for total fleet turnover. Our average fleet age is approximately 10 years old. A Fleet Average approach will allow us to replace our dirtiest, least efficient vehicles earlier and faster, while avoiding the added expense of stranding assets by replacing vehicles that have not yet reached the end of their useful life.

Staff expects to bring its recommendations to the CARB Board by late summer or early fall 2022.

Load Management Standard (LMS) Rulemaking

The LMS Rulemaking will expand on efforts to increase efficiency and demand flexibility in California's electricity grid. The standard has been in statute since 1978 and requires

the state's three IOUs, the Los Angeles Department of Water and Power (LADWP) and SMUD to develop marginal cost-based rates. The goal of the 2020 rulemaking is to form the foundation for a statewide system that automates the creation of hourly and sub-hourly costs or signals that can be used by end-use automation to provide real-time demand flexibility on the grid.

SMUD staff has taken a balanced approach in this proceeding. We recognize from a strategy standpoint that as an industry this is a direction that will be part of the toolset for utilities, including SMUD, for the future. Further, we need to consider how our input into this process is not just focused on the burden of trying to implement the standard but provided in a way to address the intended outcomes.

Status: CEC staff released the draft Staff Analysis of Potential Amendments. On August 25, 2021, SMUD submitted informal joint comments (a combined effort between Los Angeles Department of Water and Power and SMUD with input from Southern California Edison). We recommended language to provide additional clarity to the proposed Standards, including the following:

- Clarification that POU Board of Directors have sole or final rate-approving authority.
- June 30, 2023 deadline (vs. March 30, 2023) to present a recommended approach for implementing hourly or sub-hourly marginal cost-based rates, voluntary pilot rate, or tariff to rate-approving body.
- Additional options of "pilot rate" tariff or program.
- December 31, 2024 deadline to perform evaluation of marginal-cost based rate offering and voluntary pilot rate, tariff, or program and present to rate-approving body.
- Implementation, if a utility deems appropriate, by June 30, 2025 or according to a schedule established by the rate-approving body.

We also shared our comments with PG&E and SDG&E staff, and they have been generally supportive of our approach. Additionally, the California Community Choice Association (CalCCA) have indicated they are supportive of our comments as well, although a formal position would have required review by the CalCCA Regulatory Committee which could not have been accomplished by the comment deadline.

Opening of a formal rulemaking and 45-Day Language are expected in the first quarter of 2022 with adoption of the LMS by the second quarter of 2022.

Data Reporting Policies

Last year, the CEC adopted modifications to its Title 20 data collection regulations that would require significantly more detailed reporting from SMUD about solar generators, storage systems, and customer electricity loads. SMUD had argued for a significant reduction in the data that is being requested.

Status: The data filing of generator data down to the smallest photovoltaic (PV) system happened in January and July of 2021, and SMUD continues to work out small kinks in the submittal process. Compliance with the detailed interval meter data was postponed; SMUD submitted three years' worth of disaggregated demand data in February 2021, after the protocols for data structure and data submittal and data security were established.

On August 6, 2021, the Commission adopted the Express Terms document (official revisions) of proposed amendments to Title 20, Chapter 3 (Energy Data Collection). The new regulations to Public Resource Code, Title 20, on data collection will support implementation of SB 350 (De Leon, 2015) and improve California Energy analytics. These regulations will modify existing efforts by the CEC to combine all prime mover technologies of electric generation (including wind) under the same regulations. Currently, wind reporting regulations are authorized under a separate set of regulations. Additionally, the regulations limit the collection of water data to those power plants that are rated 50 megawatts (MW) and larger in total nameplate capacity. Consolidating the wind reporting requirements into the same regulation as other electric generation resources will streamline the reporting process.

Solano Wind Project

In preparation for developing the Solano 4 Wind Project (which will repower Solano 1 as well as develop new turbines on additional land within the Solano Wind Resource Area), SMUD applied on April 6, 2021 for an advisory determination from the Solano County Airport Land Use Commission (ALUC) that the Project is consistent with the Travis Air Force Base Land Use Compatibility Plan, but the ALUC, on May 20, 2021, made a finding that the Project was not consistent with the Travis Plan. The finding was based on a purportedly significant level of interference with Travis's radar system, despite the Federal Aviation Administration, Department of Defense, and Travis Air Force Base itself determining that the Project would not pose significant adverse impacts.

On August 19, 2021, SMUD's Board certified the environmental impact report and approved the Project; adopted a finding of overriding considerations; made findings in support of a decision to overrule the decision by the ALUC, determining unanimously that the Project is consistent with the State Aeronautics Act, a power granted under the Act to local agencies; found there is no feasible alternative to the Project, which trigger an exemption from transmission-related zoning ordinances for the Project. The administrative record contains robust substantial evidence in support of these decision.

Solano County filed a legal challenge to the Board's decision. The evidentiary support for the Project approval is strong, the Project is important for State and SMUD climate change goals, poses no significant impact on the Travis Air Force Base radar system, and the Board's actions on this Project reaffirm and support the public power business model. Staff expects the case to be decided in SMUD's favor in 2022.

Delta Water and Hydro Impacts

Two substantial Delta planning processes could potentially affect energy available for SMUD's purchase from the Central Valley Project (CVP) and flows within the Upper American River Project (UARP) watershed: the Bay–Delta Water Quality Control Plan (Bay–Delta Plan), and the Delta Conveyance Project (successor to the WaterFix Project, which was in turn successor to the Bay Delta Conservation Plan).

Phase 2 of the Bay–Delta Plan is ongoing and could potentially affect SMUD by increasing the volume of water required for outflow into the Bay (Phase 3 would, if carried out, implement Phase 2 through modifications to water rights). A substantial change in Delta outflow and tributary flow requirements could, among other things, have a major impact on the timing of hydroelectric energy generation. The State Water Resources Control Board (SWRCB) staff released a draft of one of the Phase 2 documents identifying an environmental need for significantly more outflows (in short, 35 to 75% of all water is allegedly needed for outflow with staff recommending 45 to 65%). Governor Newsom requested that the SWRCB explore negotiation of voluntary agreements with water purveyors in lieu of imposing a strict plan. Work on the voluntary agreements process ceased during the last part of the Trump administration and has been slow and sporadic since President Biden took office.

Although the earlier, two-tunnel Delta conveyance Water Fix Project was cancelled and its environmental documents rescinded in 2019, the Department of Water Resources (DWR) quickly relaunched the project as a one-tunnel option, renamed Delta Conveyance Project. The environmental review process is in its early stages: the Notice of Preparation was released in January 2020 but the expected Draft Environmental Impact Report has not yet followed. The project would involve building one new intake and a tunnel to complement the historical diversion of water through the Delta channels for the State Water Project (SWP), and potentially the CVP as well. Using the tunnels would be part of an effort to maintain or even increase Delta watershed exports to Southern and Central California. Proponents have claimed the project would help reduce the historical impacts of the South of Delta pumps on special status fish species, though modeling by Northern California interests suggests the reduced impacts have not been proven and in fact the opposite could be true. If provided by the CVP, power for the estimated 10-year construction effort and long-term operations would come out of supplies otherwise sold to public power contractors, the single largest share of which goes to SMUD under an existing long-term contract (which will be succeeded a new contract). Changes in the timing of the energy generation due to the project are as yet unclear.

Staff Comment: SMUD is working closely with a coalition of water interests to evaluate the impacts of the Bay–Delta Plan and the Delta Conveyance Project to understand the implications for power generation and SMUD's water rights and hopefully agree upon a voluntary agreement substitute for a regulated process.

Federal Legislation that Impacted SD-11

Tax Policy

As a municipal utility, SMUD relies on municipal bonds to finance infrastructure, and therefore has continued to advocate for maintaining the longstanding tax exemption for municipal bond interest. The 2017 tax reform law preserved the general exemption, but removed it for advance refunding bonds, which are used to effectively refinance an original bond. SMUD has worked individually and through coalitions like Municipal Bonds for America, APPA, and the Alliance to Save Energy's 50X50 Commission to restore the exemption for advance refunding bonds.

Bipartisan bills in both the House and Senate have been proposed that would restore advanced refunding. In addition, a provision to restore advance refunding was included in the bond financing title of an early House version of the Build Back Better Act. However, the Build Back Better framework released in late October omitted the advance refunding provision and is unlikely to be replaced in future versions.

Pole Attachments

Municipal utilities are exempt from federal regulation of pole attachments under Section 224 of the Federal Communications Act. However, in September 2018 the Federal Communications Commission (FCC) issued a declaratory order and ruling reinterpreting other sections of the law to impose fee limits and timelines on pole attachment applications. APPA challenged the legality of this order, and the Northwest Public Power Association (NWPPA) filed an amicus brief in June 2019. On August 12, 2020, the 9th circuit rejected APPA's challenge and the 9th circuit has denied en banc review of this decision. APPA is considering next steps. SMUD has expressed to its delegation concerns about this federal intrusion, noting that it has developed pole attachment agreements with telecom carriers. Rep. Anna Eshoo (D-CA) introduced legislation in January 2019 to nullify the FCC's order, and Senator Dianne Feinstein (D-CA) sponsored similar legislation in the Senate in June 2019. Since introduction, the bills gained 59 and 8 Democratic co-sponsors, respectively, but failed to gain bipartisan support or traction in either chamber, and have not been reintroduced in the current congressional session.

Appropriations

As has been customary for many years, Congressional appropriators failed to pass yearly funding bills before the end of the fiscal year (Sept 30). In early August, the Senate Appropriations Committee passed 3 out of 12 funding bills for FY22 – the Energy and Water, Agriculture, and Military Construction bills – but none have been considered by the full Senate. Though the House passed a number of FY22 bills in June, momentum stopped as the end of the fiscal year approached. Shortly before midnight on Sept. 30, Congress passed a Continuing Resolution until Dec. 3

Spent Nuclear Fuel Removal

As in recent years, the House and Senate appropriations bills have harmonized language around spent fuel. The bills would allocate \$20 million for spent fuel and authorize the Department of Energy to create one or more interim storage facilities, with priority for fuel from permanently shut down facilities. However, there has been no

change in the broader political dynamic that has caused congressional leaders to strip the funding and authorization from the final package.

Federal Regulatory Issues that Impacted SD-11

Federal Energy Regulatory Commission (FERC) Order 1000

SMUD participates in Order 1000 regional transmission planning through WestConnect, a regional planning entity that is comprised of member transmission providers (both jurisdictional and non-jurisdictional transmission providers) with service areas consisting of all or portions of eleven states. WestConnect members work collaboratively to jointly plan transmission facilities, assess stakeholder and market needs and develop cost-effective enhancements to the western wholesale electricity market.

In 2015, FERC accepted WestConnect's withdrawal rights for non-jurisdictional transmission providers such as SMUD. Accordingly, if costs are allocated for particular transmission projects that are unacceptable, the non-jurisdictional transmission provider has a right to withdraw from the cost allocation determination. El Paso Electric, a WestConnect jurisdictional transmission provider, has appealed FERC's decision in the 5th Circuit Court of Appeals contending that a non-jurisdictional's decision not to accept cost allocation for a project will cause free-ridership. However, the jurisdictional transmission providers have worked with the non-jurisdictionals to develop a revised WestConnect structure that addresses the jurisdictionals' free-ridership concern, while at the same time, retaining the important ability for non-jurisdictional transmission providers to withdraw from cost allocation. The updated structure will be filed at FERC in the coming months, and if FERC accepts the changes to WestConnect, El Paso will dismiss its lawsuit.

Meanwhile, this past summer, FERC issued an Advanced Notice of Proposed Rulemaking: Building for the Future Through Electric Regional Transmission Planning and Cost Allocation and Generator Interconnection (ANOPR) seeking comments on the potential need for reforms or revisions to existing regulations (including Order 1000) to plan the grid for the future. SMUD worked with the Large Public Power Coalition (LPPC), APPA and the Transmission Agency of Northern California (TANC) to develop separate comments in response to the ANOPR. FERC also hosted a technical conference with industry experts to discuss certain issues in the ANOPR. We will continue to monitor the rulemaking to ensure our public power interests are represented.

EIM and EDAM

SMUD has a direct interest in finding long-term solutions to the challenges posed by the integration of intermittent resources, such as wind and solar. One solution has been the development of a western EIM operated by the CAISO. In general, the EIM is a sub-hourly energy platform that automatically clears and dispatches the lowest cost electricity available to serve demand on a real-time basis.

SMUD received authorization from the BANC Commission and SMUD's Board to participate in the EIM, and SMUD launched in spring of 2019 under what is referred to

as “Phase 1” of BANC’s EIM participation.

SMUD has successfully participated in the EIM since go-live on April 3, 2019, providing operational flexibility and financial net benefits to date. Several of the remaining BANC members, the Modesto Irrigation District and the cities of Redding and Roseville, along with WAPA – Sierra Nevada Region (which resides in the BAA but is not a member of BANC) joined the EIM on March 25, 2021 under what is referred to as BANC EIM “Phase 2.” This broader BANC resource participation in EIM has resulted in greater economic benefits and a greater ability to integrate and manage intermittent resources within the BANC BAA.

Given the success of EIM, the CAISO, with the support of SMUD and BANC, as well as other EIM participants, launched a stakeholder initiative in 2019 to develop an extension of the EIM real time framework to the CAISO’s day ahead market, referred to as the EDAM. Like EIM, EDAM would broaden the access to regional resources for the reliable integration of renewable resources, only over a longer (day ahead) time horizon, and participation is voluntary. The CAISO paused the EDAM initiative for approximately a year while it made market enhancements for summer 2021 to address deficiencies observed during the summer 2020 heatwave outages. The CAISO recently relaunched the EDAM initiative, bringing in broader stakeholder participation, with hopes of launching participation in early 2024. While a handful of EIM Entities have begun to question the feasibility of an EDAM, SMUD and other EIM Entities believe EDAM is an important step forward in the evolution of Western energy markets and intermittent resource integration by allowing participants to decommit less efficient resources in the day ahead timeframe, as opposed to only in the shorter real time window. Thus, EDAM aligns well with SMUD’s 2030 Zero Carbon Plan goals. Moreover, like EIM, EDAM remains a voluntary market, allowing SMUD the added flexibility of pivoting later, should better options arise in the future.

SSS No. GA 21-054

BOARD AGENDA ITEM

STAFFING SUMMARY SHEET

Committee Meeting & Date Policy – 12/01/2021
Board Meeting Date N/A

TO				TO			
1.	Steve Lins	6.					
2.	Jennifer Davidson	7.					
3.	Stephen Clemons	8.					
4.	Brandy Bolden	9.	Legal				
5.	Farres Everly	10.	CEO & General Manager				
Consent Calendar	Yes	<input checked="" type="checkbox"/>	No <i>If no, schedule a dry run presentation.</i>	Budgeted	Yes	<input checked="" type="checkbox"/>	No <i>(If no, explain in Cost/Budgeted section.)</i>
FROM (IPR) Lawrence Luong		DEPARTMENT Government Affairs		MAIL STOP B404	EXT. 6130	DATE SENT 11/17/2021	

NARRATIVE:

Requested Action: Provide the Board an informational briefing on federal legislative activities.

Summary: SMUD's federal lobbyist, Elizabeth Whitney of Meguire Whitney, will brief the Board on the year-end Federal Legislative Report.

Board Policy: *(Number & Title)* The federal legislation and policies SMUD tracks affect overlapping Strategic Directions including the following: Competitive Rates (SD-2), Access to Credit Markets (SD-3), Reliability (SD-4), Environmental Leadership (SD-7), Resource Planning (SD-9), Public Power Business Model (SD-11), and Information Management and Security (SD-16).

Benefits: Informs the Board on federal legislative issues.

Cost/Budgeted: There is no budgetary impact for this request.

Alternatives: Choose not to receive the annual update.

Affected Parties: Board of Directors and all SMUD Departments

Coordination: Executive Office, Board Office and Government Affairs

Presenter: Elizabeth Whitney, Managing Principal, Meguire Whitney

Additional Links:

SUBJECT Annual Legislative Presentation	ITEM NO. <i>(FOR LEGAL USE ONLY)</i>
---	--------------------------------------

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.



Elizabeth K. Whitney has spent over fifteen years in and around the federal government, focusing on energy policy. Ms. Whitney has managed the boutique government relations firm Meguire Whitney since 2017, building on six years at Morgan Meguire. There she represented clients in meetings with Congress, the Commodity Futures Trading Commission, EPA, and FERC, as well as participated on clients' behalf in coalitions.

On Capitol Hill, Ms. Whitney was the Senior Legislative Assistant to Rep. Bart Gordon (D-TN), then-Chairman of the House Science Committee and a senior member of the House Energy and Commerce Committee. She advised Chairman Gordon on energy and environmental issues before that committee and worked closely with Science Committee staff on energy and environment initiatives. In addition, she managed appropriations, budget and tax issues, financial services, and transportation for Chairman Gordon, and served as his liaison to the centrist Blue Dog Coalition. She came to Capitol Hill in 2007 as an aide to Rep. Zack Space (D-OH), handling appropriations and transportation, among other issues.

She was a co-founder of the Women's Congressional Staff Association, for which she was named "Congressional Staffer of the Year" along with her co-founders by Women in Government Relations. Prior to her time on Capitol Hill, she was a Government Affairs Associate at the American Public Works Association. There, she managed a federal grant from the U.S. EPA educating water utilities on environmental management practices. She began her career at the University of Michigan's state government relations office.

Ms. Whitney holds a B.A. in Communication from Muhlenberg College (2004), an M.A. in Political Management from George Washington University (2008), and a J.D. from Georgetown University Law Center (2015). She is a member of the Maryland State Bar.

BOARD AGENDA ITEM

STAFFING SUMMARY SHEET

Committee Meeting & Date Policy – 12/01/21
Board Meeting Date December 9, 2021

TO				TO			
1.	Jennifer Davidson	6.					
2.	Stephen Clemons	7.					
3.	Brandy Bolden	8.					
4.	Farres Everly	9.	Legal				
5.		10.	CEO & General Manager				
Consent Calendar	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No <i>If no, schedule a dry run presentation.</i>		Budgeted	<input checked="" type="checkbox"/> Yes	No <i>(If no, explain in Cost/Budgeted section.)</i>	
FROM (IPR) Laura Lewis		DEPARTMENT Executive Office			MAIL STOP B308	EXT. 6123	DATE SENT 11/23/21

NARRATIVE:

Requested Action: Make determination pursuant to Government Code section 54953(e) to continue meetings via virtual (online/teleconference) meeting for the next 30 days.

Summary: Pursuant to Executive Order N-29-20 issued on March 17, 2020, and Executive Order N-35-20 issued on March 21, 2020, as well as the Emergency Board Meeting Procedures adopted by this Board via Resolution No. 20-06-08 on June 18, 2020, this Board has conducted regular Board meetings and other public meetings via remote (online/teleconference) meetings.

Executive Order N-08-21 was issued on June 11, 2021, to phase out various Executive Orders issued in response to the COVID-19 (coronavirus) pandemic, including the temporary authority allowing local agency bodies to hold remote meetings under N-29-20. Under this Order, the temporary authority expired on September 30, 2021.

On September 16, 2021, Governor Newsom signed Assembly Bill 361 (AB 361), which became effective immediately upon signature, containing language similar to the Governor’s previous Executive Orders that eased Brown Act requirements to allow local agencies to meet remotely. AB 361 allows meetings to continue to be conducted by teleconference, similar to the process used during the current COVID-19 pandemic, but only when there is a declared state of emergency that makes it unsafe to meet in person.

On July 29, 2021, the Sacramento County Public Health Officer issued an Order, effective July 30, 2021, finding the significantly more transmissible Delta variant of the SARS-CoV-2 virus has become the predominant strain in the County of Sacramento, and directing all individuals in the County to wear a face covering indoors in workplaces and public settings regardless of vaccination status. This Order is currently in effect.

On September 28, 2021, the Sacramento County Public Health Office issued a Teleconferencing Recommendation for public meetings stating it is an effective and recommended social distancing measure to facilitate participation in public affairs and encourage participants to protect themselves and others from COVID-19.

It would be impractical to ensure all public meeting attendees are vaccinated and have appropriate face coverings that are worn correctly.

By Resolution 21-10-01 adopted on October 12, 2021, Resolution No. 21-10-03 adopted on October 21, 2021, and Resolution No. 21-11-05 adopted on November 18, 2021, this Board has previously made findings to continue to hold regular Board meetings and other public meetings via solely virtual (online/teleconference) format.

Staff’s recommendation is to continue to hold regular Board meetings and other public meetings via solely virtual (online/teleconference) meeting and continue to monitor developments related to the COVID-19

pandemic. Pursuant to Government Code section 54953(e), this Board must make findings every 30 days that conditions warrant continuing to meet virtually instead of in-person.

Board Policy: Governance Process GP-3, Board Job Description – j) Take such other actions as may be required by law.
(Number & Title)

Benefits: Making the determination to continue remote meetings will allow for efficient conduct of SMUD business.

Cost/Budgeted: Contained in Business Unit budget for internal labor.

Alternatives: Take no action and comply with all original Brown Act requirements.

Affected Parties: SMUD, Board of Directors, Public

Coordination: Executive Office, Board Office, Legal Department, Information Technology, Communications

Presenter: Joe Schofield, Deputy General Counsel

Additional Links:

SUBJECT

Make Determination to Continue Online/Teleconference Meetings

ITEM NO. *(FOR LEGAL USE ONLY)*

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

SFA COMMISSION AGENDA ITEM

Sacramento Municipal Utility District Financing Authority STAFFING SUMMARY SHEET

Committee Meeting & Date Policy – 12/01/21
Board Meeting Date December 9, 2021

TO	TO
1. Jennifer Davidson	6.
2. Stephen Clemons	7.
3. Brandy Bolden	8.
4. Farres Everly	9. Legal
5.	10. CEO & General Manager

Consent Calendar	<input checked="" type="checkbox"/>	Yes	No <i>If no, schedule a dry run presentation.</i>	Budgeted	<input checked="" type="checkbox"/>	Yes	No <i>(If no, explain in Cost/Budgeted section.)</i>
FROM (IPR) Laura Lewis	DEPARTMENT Executive Office			MAIL STOP B308	EXT. 6123	DATE SENT 11/11/21	

NARRATIVE:

Requested Action: Make determination pursuant to Government Code section 54953(e) to hold meetings virtually (online/teleconference) for the next 30 days.

Summary: On September 16, 2021, Governor Newsom signed Assembly Bill 361 (AB 361), which became effective immediately upon signature. AB 361 allows meetings to be conducted by teleconference without the standard Brown Act limitations, similar to the process used pursuant to Executive Orders earlier in the COVID-19 pandemic, but under AB 361, that authority exists only when there is a declared state of emergency that makes it unsafe to meet in person.

On July 29, 2021, the Sacramento County Public Health Officer issued an Order, effective July 30, 2021, finding the significantly more transmissible Delta variant of the SARS-CoV-2 virus has become the predominant strain in the County of Sacramento, and directing all individuals in the County to wear a face covering indoors in workplaces and public settings regardless of vaccination status. This Order is currently in effect.

On September 28, 2021, the Sacramento County Public Health Office issued a Teleconferencing Recommendation for public meetings stating it is an effective and recommended social distancing measure to facilitate participation in public affairs and encourage participants to protect themselves and others from COVID-19.

It would be impractical to ensure all public meeting attendees are vaccinated and have appropriate face coverings that are worn correctly.

Staff’s recommendation is to hold SFA meetings via solely virtual (online/teleconference) meeting and continue to monitor developments related to the COVID-19 pandemic. Pursuant to Government Code section 54953(e), this Commission must make findings every 30 days that conditions warrant continuing to meet virtually instead of in-person, though given the Commission’s infrequent meeting schedule, the Commission will not be asked to make these findings until the Commission’s next meeting, assuming the State of Emergency is still in effect at that time.

Board Policy: Governance Process GP-3, Board Job Description – j) Take such other actions as may be required by law. *(Number & Title)*

Benefits: Making the determination to continue remote meetings will allow for efficient conduct of SMUD business.

Cost/Budgeted: Contained in Business Unit budget for internal labor.

Alternatives: Take no action and comply with all original Brown Act requirements.

Affected Parties: SFA Commission, SMUD, Public

Coordination: Executive Office, Board Office, Legal Department, Information Technology, Communications

Presenter: Joe Schofield, Deputy General Counsel

Additional Links:

SUBJECT

Make Determination to Hold Meetings via Online/Teleconference Meeting

ITEM NO. (FOR LEGAL USE ONLY)

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

NCGA1 COMMISSION AGENDA ITEM

**Northern California Gas Authority Number 1
STAFFING SUMMARY SHEET**

Committee Meeting & Date Policy – 12/01/21
Board Meeting Date December 9, 2021

TO	TO
1. Jennifer Davidson	6.
2. Stephen Clemons	7.
3. Brandy Bolden	8.
4. Farres Everly	9. Legal
5.	10. CEO & General Manager

Consent Calendar	<input checked="" type="checkbox"/>	Yes	No <i>If no, schedule a dry run presentation.</i>	Budgeted	<input checked="" type="checkbox"/>	Yes	No <i>(If no, explain in Cost/Budgeted section.)</i>
FROM (IPR) Laura Lewis	DEPARTMENT Executive Office			MAIL STOP B308	EXT. 6123	DATE SENT 11/23/21	

NARRATIVE:

Requested Action: Make determination pursuant to Government Code section 54953(e) to hold meetings virtually (online/teleconference) for the next 30 days.

Summary: On September 16, 2021, Governor Newsom signed Assembly Bill 361 (AB 361), which became effective immediately upon signature. AB 361 allows meetings to be conducted by teleconference without the standard Brown Act limitations, similar to the process used pursuant to Executive Orders earlier in the COVID-19 pandemic, but under AB 361, that authority exists only when there is a declared state of emergency that makes it unsafe to meet in person.

On July 29, 2021, the Sacramento County Public Health Officer issued an Order, effective July 30, 2021, finding the significantly more transmissible Delta variant of the SARS-CoV-2 virus has become the predominant strain in the County of Sacramento, and directing all individuals in the County to wear a face covering indoors in workplaces and public settings regardless of vaccination status. This Order is currently in effect.

On September 28, 2021, the Sacramento County Public Health Office issued a Teleconferencing Recommendation for public meetings stating it is an effective and recommended social distancing measure to facilitate participation in public affairs and encourage participants to protect themselves and others from COVID-19.

It would be impractical to ensure all public meeting attendees are vaccinated and have appropriate face coverings that are worn correctly.

Staff’s recommendation is to hold NCGA1 meetings via solely virtual (online/teleconference) meeting and continue to monitor developments related to the COVID-19 pandemic. Pursuant to Government Code section 54953(e), this Commission must make findings every 30 days that conditions warrant continuing to meet virtually instead of in-person, though given the Commission’s infrequent meeting schedule, the Commission will not be asked to make these findings until the Commission’s next meeting, assuming the State of Emergency is still in effect at that time.

Board Policy: Governance Process GP-3, Board Job Description – j) Take such other actions as may be required by law. *(Number & Title)*

Benefits: Making the determination to continue remote meetings will allow for efficient conduct of SMUD business.

Cost/Budgeted: Contained in Business Unit budget for internal labor.

Alternatives: Take no action and comply with all original Brown Act requirements.

Affected Parties: NCGA1 Commission, SMUD, Public

Coordination: Executive Office, Board Office, Legal Department, Information Technology, Communications

Presenter: Joe Schofield, Deputy General Counsel

Additional Links:

SUBJECT

Make Determination to Hold Meetings via Online/Teleconference Meeting

ITEM NO. (FOR LEGAL USE ONLY)

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

NCEA COMMISSION AGENDA ITEM

**Northern California Energy Authority
STAFFING SUMMARY SHEET**

Committee Meeting & Date Policy – 12/01/21
Board Meeting Date December 9, 2021

TO	TO
1. Jennifer Davidson	6.
2. Stephen Clemons	7.
3. Brandy Bolden	8.
4. Farres Everly	9. Legal
5.	10. CEO & General Manager

Consent Calendar	<input checked="" type="checkbox"/>	Yes	No <i>If no, schedule a dry run presentation.</i>	Budgeted	<input checked="" type="checkbox"/>	Yes	No <i>(If no, explain in Cost/Budgeted section.)</i>
FROM (IPR) Laura Lewis	DEPARTMENT Executive Office			MAIL STOP B308	EXT. 6123	DATE SENT 11/23/21	

NARRATIVE:

Requested Action: Make determination pursuant to Government Code section 54953(e) to hold meetings virtually (online/teleconference) for the next 30 days.

Summary: On September 16, 2021, Governor Newsom signed Assembly Bill 361 (AB 361), which became effective immediately upon signature. AB 361 allows meetings to be conducted by teleconference without the standard Brown Act limitations, similar to the process used pursuant to Executive Orders earlier in the COVID-19 pandemic, but under AB 361, that authority exists only when there is a declared state of emergency that makes it unsafe to meet in person.

On July 29, 2021, the Sacramento County Public Health Officer issued an Order, effective July 30, 2021, finding the significantly more transmissible Delta variant of the SARS-CoV-2 virus has become the predominant strain in the County of Sacramento, and directing all individuals in the County to wear a face covering indoors in workplaces and public settings regardless of vaccination status. This Order is currently in effect.

On September 28, 2021, the Sacramento County Public Health Office issued a Teleconferencing Recommendation for public meetings stating it is an effective and recommended social distancing measure to facilitate participation in public affairs and encourage participants to protect themselves and others from COVID-19.

It would be impractical to ensure all public meeting attendees are vaccinated and have appropriate face coverings that are worn correctly.

Staff’s recommendation is to hold NCEA meetings via solely virtual (online/teleconference) meeting and continue to monitor developments related to the COVID-19 pandemic. Pursuant to Government Code section 54953(e), this Commission must make findings every 30 days that conditions warrant continuing to meet virtually instead of in-person, though given the Commission’s infrequent meeting schedule, the Commission will not be asked to make these findings until the Commission’s next meeting, assuming the State of Emergency is still in effect at that time.

Board Policy: Governance Process GP-3, Board Job Description – j) Take such other actions as may be required by law. *(Number & Title)*

Benefits: Making the determination to continue remote meetings will allow for efficient conduct of SMUD business.

Cost/Budgeted: Contained in Business Unit budget for internal labor.

Alternatives: Take no action and comply with all original Brown Act requirements.

Affected Parties: NCEA Commission, SMUD, Public

Coordination: Executive Office, Board Office, Legal Department, Information Technology, Communications

Presenter: Joe Schofield, Deputy General Counsel

Additional Links:

SUBJECT

Make Determination to Hold Meetings via Online/Teleconference Meeting

ITEM NO. (FOR LEGAL USE ONLY)

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

SSS No. BOD 2021-018

BOARD AGENDA ITEM STAFFING SUMMARY SHEET

Committee Meeting & Date Policy Committee – 12/01/21
Board Meeting Date N/A

TO	TO
1. Jennifer Davidson	6.
2. Stephen Clemons	7.
3. Brandy Bolden	8.
4. Farres Everly	9. Legal
5.	10. CEO & General Manager

Consent Calendar		Yes	<input checked="" type="checkbox"/>	No <i>If no, schedule a dry run presentation.</i>	Budgeted	<input checked="" type="checkbox"/>	Yes	No <i>(If no, explain in Cost/Budgeted section.)</i>
-------------------------	--	------------	-------------------------------------	--	-----------------	-------------------------------------	------------	---

FROM (IPR) Heidi Sanborn / Donna Lofton	DEPARTMENT Board Office	MAIL STOP B307	EXT. 5079	DATE SENT 11/15/21
--	----------------------------	-------------------	--------------	-----------------------

NARRATIVE:

Requested Action: Allow the Board Members an opportunity to discuss committee membership and chairs for 2022.

Summary: This discussion will cover appointments for the four Board committees including chairs, vice chairs, and member and the SMUD - Sacramento Tree Foundation 2 x 2 representatives.

Board Policy: *(Number & Title)* This discussion supports Governance Process GP-6, Role of the Board President, which states that the Board President will appoint committee chairs and members of standing committees.

Benefits: This discussion will prepare the Board’s committee structure and memberships for the upcoming year.

Cost/Budgeted: There is no budgetary impact for this informational item.

Alternatives: Not select new chairs or members for the committees at this time.

Affected Parties: Board of Directors

Coordination: Special Assistant to the Board

Presenter: Brandon Rose, Board Vice President

Additional Links:

SUBJECT Committee Membership 2022	ITEM NO. <i>(FOR LEGAL USE ONLY)</i>
---	--------------------------------------

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

SSS No.
BOD 2021-019

BOARD AGENDA ITEM

STAFFING SUMMARY SHEET

Committee Meeting & Date Policy Committee – 12/01/21
Board Meeting Date N/A

TO	TO
1. Jennifer Davidson	6.
2. Stephen Clemons	7.
3. Brandy Bolden	8.
4. Farres Everly	9. Legal
5.	10. CEO & General Manager

Consent Calendar		Yes	<input checked="" type="checkbox"/>	No <i>If no, schedule a dry run presentation.</i>	Budgeted	<input checked="" type="checkbox"/>	Yes	No <i>(If no, explain in Cost/Budgeted section.)</i>
FROM (IPR)	DEPARTMENT			MAIL STOP	EXT.	DATE SENT		
Heidi Sanborn / Donna Lofton	Board Office			B307	5079	11/15/21		

NARRATIVE:

Requested Action: Allow the Board of Directors an opportunity to discuss committee topics they would like to have agendized on the 2022 Work Plan.

Summary: The Board will brainstorm committee topics they would like to have on the 2022 Board Work Plan.

Board Policy: *(Number & Title)* Governance Process GP-4, Agenda Planning, states that in December each year the Board will develop a list of topics and issues that it wishes to explore in the coming year. This committee topics discussion supports this governance process.

Benefits: Having an opportunity to hear which agenda topics the Directors would like to have on the 2022 Work Plan will help staff prepare agendas that are relevant and in line with the Directors' preferences.

Cost/Budgeted: There is no budgetary impact for this informational item.

Alternatives: Not discuss committee topics at this time.

Affected Parties: Board of Directors

Coordination: Special Assistant to the Board

Presenter: Brandon Rose, Board Vice President

Additional Links:

SUBJECT	ITEM NO. (FOR LEGAL USE ONLY)
COMMITTEE TOPICS 2022	

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

SSS No. BOD 2021-001

BOARD AGENDA ITEM

STAFFING SUMMARY SHEET

Committee Meeting & Date Policy 2021
Board Meeting Date 2021

TO	TO
1. Jennifer Davidson	6.
2. Stephen Clemons	7.
3.	8.
4.	9. Legal
5.	10. CEO & General Manager

Consent Calendar		Yes	<input checked="" type="checkbox"/>	No <i>If no, schedule a dry run presentation.</i>	Budgeted		Yes		No <i>(If no, explain in Cost/Budgeted section.)</i>
FROM (IPR) Nancy Bui-Thompson / Donna Lofton	DEPARTMENT Board Office				MAIL STOP B307	EXT. 5079	DATE SENT 12/22/2020		

NARRATIVE:

Requested Action: Enable the Board of Directors and Executive Staff an opportunity to review the Board Work Plan.

Summary: The Board President reviews the Board Work Plan at the Policy Committee meeting to ensure a genda items support the work of the Board.

Board Policy: This review of the work plan supports GP-6 Role of the Board President which states that the Board President shall give progress reports on the Board's work plan.
(Number & Title)

Benefits: Reviewing the Work Plan allows the Board members and Executive staff to make changes to the Work Plan and Parking Lot items as necessary.

Cost/Budgeted: N/A

Alternatives: Not review the Work Plan at this time

Affected Parties: Board and Executive staff

Coordination: Donna Lofton

Presenter: Nancy Bui-Thompson, Board President

Additional Links:

SUBJECT Board Work Plan	ITEM NO. (FOR LEGAL USE ONLY)
--------------------------------	-------------------------------

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

SSS No. BOD 2021-004

BOARD AGENDA ITEM

STAFFING SUMMARY SHEET

Committee Meeting & Date Policy 2021
Board Meeting Date N/A

TO	TO
1. PaulLau	6.
2. JenniferDavidson	7.
3.	8.
4.	9. Legal
5.	10. CEO & General Manager

Consent Calendar	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No	<i>If no, schedule a dry run presentation.</i>	Budgeted	<input type="checkbox"/>	Yes	No	<i>(If no, explain in Cost/Budgeted section.)</i>
-------------------------	--------------------------	------------	-------------------------------------	-----------	--	-----------------	--------------------------	------------	-----------	---

FROM (IPR) Heidi Sanborn / Donna Lofton	DEPARTMENT Board Office	MAIL STOP B307	EXT. 5079	DATE SENT 12/22/20
--	----------------------------	-------------------	--------------	-----------------------

NARRATIVE:

Requested Action: Provide a summary of committee direction from the Board to Staff.

Summary: During a Board discussion at the January 2017 Policy Committee, the Board requested having an on-going opportunity to do a wrap up period at the end of each committee meeting to summarize various Board member suggestions and requests that were made at the meeting in an effort to make clear the will of the Board. The Committee Chair will summarize Board member requests that come out of the committee presentations for this meeting.

Board Policy: GP-4 Agenda Planning states the Board will focus on the results the Board wants the organization to achieve.
(Number & Title)

Benefits: Having an agendized opportunity to summarize the Board’s requests and suggestions that arise during the committee meeting will help clarify what the will of the Board.

Cost/Budgeted: N/A

Alternatives: Not summarize the Board’s requests at this meeting.

Affected Parties: Board of Directors and Executive Staff

Coordination: Donna Lofton, Special Assistant to the Board

Presenter: Heidi Sanborn, Policy Committee Chair

Additional Links:

SUBJECT Summary of Committee Direction	ITEM NO. (FOR LEGAL USE ONLY)
---	-------------------------------

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.