

**DRAFT MINUTES OF THE REGULAR MEETING
CITY OF ALAMEDA PUBLIC UTILITIES BOARD MEETING**

July 15, 2019

1. ROLL CALL

President McCormick called the meeting to order at 7 p.m. On roll call, the following commissioners were present: President McCormick, Commissioner Serventi, Commissioner Gould, Commissioner Giuntini and City Manager Levitt.

2. ORAL COMMUNICATIONS – NON AGENDA (Public Comment)

William Morrison, an Alameda resident and representative of Fernside Homeowners Association, said the Public Utilities Board (Board) is not listening to an Alameda constituency that prioritizes affordability and reliability ahead of carbon-footprint impacts.

3. ELECTION OF OFFICERS

With a motion from Commissioner Giuntini and a second from City Manager Levitt, the Board unanimously approved the following slate of officers:

The Board re-elected Ann McCormick to the position of president, and Jerry Serventi to the position of vice president. The general manager was re-elected to the position of secretary of the Board.

Commissioner Serventi agreed to serve as the Board's Northern California Power Agency (NCPA) representative. (Serving as NCPA representative is not an elected position.)

4. SPECIAL PRESENTATION

The Board presented a check for \$11,195 to the Alameda Education Foundation for the Power Up for Learning Program. The check represents funds collected from AMP customers in fiscal year 2019 to support technology education for Alameda public school students.

5. CONSENT CALENDAR

A1. Minutes – Special Meeting – June 17, 2019

A2. Minutes – Regular Meeting – June 17, 2019

B. Listing of Bills Paid – June 2019

C. Financial Report – May 2019

D. Treasurer’s Report for the Month Ending May 31, 2019

E. For Information Only, Review of Alameda Municipal Power’s Community Sponsorships for Fiscal Year 2019

F. By Motion, Requiring Four-Fifths Vote, Authorize the General Manager to Sole Source Annual Customer Satisfaction Surveying to RKS Consulting in an Amount Not to Exceed \$29,500 per Professional Services Agreement PS 04-19-03

G. By Motion, Accept the Revised 2017 and 2018 Power Source Disclosure Program Annual Report and Power Content Label for Alameda Municipal Power’s Product 1 to the California Energy Commission

H. By Motion, Authorize the General Manager to Revise Alameda Municipal Power’s Purchasing Policy, Administration Instruction No. 11, to Update for Changes to Division 2, Part 3, Article 3 of the Public Contract Code for Alternative Procedures for Public Projects

Two commissioners pulled items from the consent calendar: President McCormick pulled item 5E, and Commissioner Gould pulled item 5H. With a motion from Commissioner Serventi and a second from Commissioner Giuntini, the Board approved the balance of the consent calendar.

President McCormick addressed item 5E, saying that it has been awhile since the Board has reviewed policies for community sponsorships. She suggested that staff bring the policies to the Board so they can be refreshed.

General Manager Procos said he would be happy to bring the item back to the Board.

Commissioner Gould said he was concerned about item 5H because it would allow staff to approve construction projects valued at higher bidding thresholds without Board approval. The item weakens the Board’s influence on the utility, he said.

General Manager Procos said the proposed changes would make AMP consistent with standards from the state of California and other agencies.

Staff added that capital improvement projects go before the Board multiple times each year.

President McCormick asked for the date of the last update to the purchasing policy. Staff responded that the purchasing policy was updated 15 to 20 years ago.

City Manager Levitt asked Commissioner Gould if he had specific concerns. Commissioner Gould said his concern was not specific, but a general impression that the Board would have less influence.

With a motion from Commissioner Giuntini and a second from Commissioner Serventi, the Board unanimously approved items H and E.

6. AGENDA ITEMS

A. For Information Only, Review Results of Alternate Rate Analysis for Electric Vehicle Owners

William Morrison, an Alameda resident and representative of Fernside Homeowners Association, said there is a paucity of information available for customers to determine whether they can make a difference in managing their loads.

Alameda resident Doug Linney asked the Board if it was concerned about a potential load jump at 11 p.m.

AMP consultant Greg Hamm said that it would be unlikely to see a load jump at that time with the current population. However, AMP should test it during the pilot.

General Manager Procos said the numbers don't show dramatic savings. However, AMP is trying to incentivize more EVs, and an EV rate could encourage customers to buy an electric car rather than a car with an internal combustion engine.

Commissioner Gould said the EV rate should be looked at in the context of the city of Alameda's Climate Action and Resiliency Plan and climate emergency declaration. He said he favored option C.

AMP consultant Greg Hamm said he looked at revenue neutrality in his study. He noted that the proposal was a voluntary rate.

President McCormick said that revenue neutrality was important for her. There are different ways to provide incentives, she said, but subsidizing rates would take AMP backwards.

The Board can incentivize behavior in a revenue-neutral way through rates, she said. In addition, there are other means and other funds in which to offer EV incentives.

City Manager Levitt said that he viewed option B as more focused on climate action than option C.

Noting that it is a voluntary rate, AMP consultant Greg Hamm said that if AMP's education and communication program works well, AMP customers who cannot move their charging hours will not volunteer, while customers who can move their hours will participate. There will probably be, at least in the short run, a slight negative revenue impact, he said.

Commissioner Serventi asked about the length of the proposed pilot and how many customers would be targeted to participate in it.

AMP is considering a timeline for the pilot of a minimum of six months up to a year, staff said. A 1-year timeline would allow staff to collect data across all seasons. Staff does not have a specific number in mind for the number of potential participants at this time.

Staff added that additional results from the study on the impacts of implementing option C show that it does not lead to the behavior change.

Commissioner Serventi asked: If a customer volunteers for the rate but then finds that it doesn't work to shift the charging time, can he or she leave the program quickly?

General Manager Procos said that AMP doesn't want to set up a program that negatively impacts customers.

President McCormick said the option B 24-hour rate is about 20 cents. The delta between the old and the new depends on where the customer is at in the tiers.

Commissioner Gould said the option B 50-cent rate scares him and will scare customers.

President McCormick asked if the Board would look at the specifics of the proposed pilot program in December. General Manager Procos confirmed.

President McCormick asked staff to address how customers would be able to access and use their advanced metering infrastructure (AMI) data.

Staff is developing a tool that will provide AMI data to certain customers. Staff added that customers will be able to use the tool and see their past usage before they sign up for the EV rate.

City Manager Levitt asked for information on option A.

AMP consultant Greg Hamm said that option A can provide some benefit to customers. However, it doesn't save AMP enough for the utility to afford to move a lot of money to the customers and still stay revenue neutral.

President McCormick said that if AMP wants to change customer behavior and account for the climate action plan, AMP should consider being more bold in the pilot.

She added that she appreciates that the proposed EV rate is a pilot, though, because storage will be a real game-changer when it is cost effective.

Commissioner Gould asked if the proposed incentives include the existing discount.

AMP consultant Greg Hamm said that customers who sign up for the rate would receive benefit from the rate, not the rate plus the discount.

President McCormick asked if the Board had provided enough input to staff for next steps.

General Manager Procos said that he heard general support for option B. It will be key for staff to work with customers to provide education on the rate.

President McCormick said she would like to hear more input from customers on an EV rate.

The Board did not vote because the item was presented for informational purposes only.

7. GENERAL MANAGER'S REPORT

A. General Manager's Report – June 2019

General Manager Procos congratulated Commissioner Giuntini on her reappointment by the Alameda City Council to the Public Utilities Board. He also praised AMP's crews for their 16 hours of hard work during the July 4 power outage on Webster Street.

8. COUNCIL COMMUNICATIONS

City Manager Levitt updated the Board on City Council meetings related to the climate action plan. He also noted that the playground at Woodstock Park was burned in a fire.

9. BOARD COMMUNICATIONS

President McCormick welcomed Commissioner Giuntini back to the Board.

Commissioner Serventi thanked staffers for their work on the July 4 event. He also noted that he was asked to be on the executive committee of NCPA.

10. ORAL COMMUNICATIONS – NON-AGENDA ITEMS

None

11. ADJOURNMENT

President McCormick adjourned the meeting at 8:44 p.m.