

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

May 15, 2023

1. ROLL CALL

President Serventi called the meeting to order at 6:01 p.m. On roll call, the following commissioners were present: President Serventi, Commissioner McKenna, Commissioner Giuntini, and City Manager Ott. Commissioner Hunter was absent.

2. ORAL COMMUNICATIONS – NON-AGENDA (Public Comment)

None.

3. SPECIAL PRESENTATION

A. American Public Power Association (APPA) Reliable Public Power Provider (RP3) Award

Following a presentation by APPA Manager of Research & Development Ji Yoon Lee, General Manager Procos acknowledged staff members who were instrumental in helping AMP to achieve the APPA RP3 Diamond rating: Steve Gee, Andre Basler, Ernest Benjamin, Matt Gerry, and Jonathan Abrami. President Serventi also expressed his appreciation for staff. The fact that AMP was able to keep the power on during the extreme storms this past winter really showed the effort staff has put into keeping the system reliable and resilient.

4. CONSENT CALENDAR

A1. Minutes of the April 17, 2023, Budget Workshop Special Meeting of the City of Alameda Public Utilities Board

A2. Minutes of the April 17, 2023, Regular Meeting of the City of Alameda Public Utilities Board

B. Listing of Bills Paid – April 2023

C. Financial Report – March 2023

D. Treasurer's Report for the Month Ending March 31, 2023

E. By Motion, Authorize the General Manager to Issue a Purchase Order to Conrad Forest Products in an Amount Not to Exceed \$31,400 for 16 Utility Poles

Following a motion from Commissioner Giuntini and a second from Commissioner McKenna, the Board unanimously approved the consent calendar. City Manager Ott abstained from Items 4A1 and 4A2.

5. AGENDA ITEMS

A. For Information Only, GreatBlue Research Customer Survey Results

Following a presentation by GreatBlue Chief Executive Officer Michael Vigeant, President Serventi said he agrees that AMP needs to continue customer outreach, and part of this will be hiring additional account managers. General Manager Procos confirmed that AMP is looking into adding another account manager position in the future.

City Manager Ott asked if there would be follow up to the Board for items like communications and how AMP is working to address areas for improvement. General Manager Procos said that staff would provide follow up reports and added that, specifically on the matter of communications, the previous Communications Specialist left AMP several months ago and staff is working on filling that position, as well as others that are related to the recent reorganization.

Commissioner McKenna remarked that, given the high level of uncertainty in recent years, she felt AMP charting as well as it did says a lot about the staff that have been working with customers. Having done that work herself in the past, she added that she had never had a customer complain about a bill being too low and is inclined to interpret that metric with a grain of salt. She ended by congratulating AMP on the survey results.

B. For Information Only, Business Risk Quantification Report

Following a presentation by Energy Resource Analyst Midson Hay, President Serventi asked if there is anything else to be done to help mitigate risks apart from funding reserves, especially with emerging risks like wildfires and cyber threats. Mr. Hay reported that at its last Facilities Committee meeting, the Northern California Power Agency (NCPA) discussed wildfire mitigation strategies, which include implementing an automated wildfire watch system. Previously, it had someone on-call 24 hours to monitor facilities in addition to ongoing vegetation management. NCPA provides AMP with frequent updates on risk conditions.

General Manager Procos mentioned that he, President Serventi, and Commissioner McKenna traveled to DC two weeks ago and attended several meetings on topics like transmission and wildfire mitigation. While it is hard to know how effective legislative outreach is, it is important to stay in the game and that is something NCPA does really well. Making trips to DC and to Sacramento to have conversations with legislators is a critical, non-financial component to risk mitigation as it lays the groundwork for developing new pathways forward.

C. Provide Update on Projects under the Northern California Power Association Portfolio and, By Motion, Direct Staff to Not Participate in Plans to Repower Combustion Turbine (CT) Project Number Two

Following a presentation by Supervisor – Energy Resources Alan Harbottle, Commissioner McKenna asked if the Other Operating Costs for repower included fuel. Mr. Harbottle said that it included fuel, labor, and other ongoing maintenance. Commissioner McKenna asked if the operating cost shown was for the project to be continually powered under natural gas and not hydrogen. Mr. Harbottle confirmed that was so.

President Serventi asked what will happen to the repower project if AMP decides not to continue with it and other NCPA members decide they do not want to step into that gap. Mr. Harbottle responded that while it is likely the project would not be able to continue if that were the case, there does appear to be enough interest from other members to avoid that outcome. There are utilities, like Santa Clara, that are growing so rapidly that they really need that kind of capacity. General Manager Procos added that he also thinks there will be a lot of interest in the repower project, given there are a number of entities that need resources and are more favorable to the use of natural gas. In the unlikely scenario no other members agree to take on AMP's part of the project, staff would return to the Board and have a conversation about re-engaging.

President Serventi asked if AMP would be able to shed the decommissioning cost if the project gets repowered. Mr. Harbottle said that he has talked to NCPA about that, and he thinks AMP has a good negotiating position as a member of the original unit, with ownership in any residual value. General Manager Procos noted that it is a ratepayer asset and as such, AMP will do its best to get the most value out of the project. President Serventi said that he did not have a problem walking away from the project because it does not align with AMP and the City's overall goals. He would rather wait to see what can be done with the two CTs on the island. Based on conversations with the Port of Oakland and the Department of Energy, the Port is looking to develop a hydrogen facility, as shippers move to create a hydrogen gateway using vessels that are fueled by hydrogen in a facility with equipment also fueled by hydrogen. If that develops properly, it could provide a push to change the CTs in Alameda over to hydrogen, as well.

City Manager Ott asked Mr. Harbottle to go over the three reasons he mentioned in the presentation for not participating in the repower. The first reason is emissions. Given AMP's commitment to clean energy, the project would contribute little to its current energy portfolio. The second reason is that AMP has exceeded its resource adequacy because of load decline. Typically, the goal is to be hedged against load and not above load. The third reason is that, given gradual decline and hydrogen costs, there is no guarantee it would remain in the money for the life of the project.

Following a motion from Commissioner McKenna and a second from Commissioner Giuntini, the Board unanimously approved the item.

6. GENERAL MANAGER'S REPORT

General Manager Procos announced that the electric vehicle (EV) chargers in front of the AMP Service Center re-opened to the public earlier that day. The chargers are free, fast, and provide a critical resource for multi-family and low-income customers. He thanked the staff involved, including the field crew and Support Services team, for their work to get the chargers replaced and back online.

AMP held its second annual EV Expo at South Shore on April 29th, which was co-sponsored with Cool the Earth. Over 160 Alamedans visited the Expo and attendees were able to learn about a variety of EV models and get details from experienced EV owners. Several AMP staff members volunteered their time on the weekend to answer questions about rebates and charging opportunities in Alameda. He thanked Heather Heinbaugh, Chris Ferrara, Jarrod Juanitas, Jonathan Abrami, Kurt McDonald, and Thai Ly for helping out at the event.

The cable rejuvenation project has been completed. This was for two undersea cables, one going to Coast Guard Island and the other to Bay Farm. It was a very complicated project and AMP's Engineering and Operations division did a lot of hard work to make it happen. Staff was at the site almost 24/7 for one part of the project due to some complications. These efforts speak to the APPA RP3 Diamond rating and AMP's reliability in staying on top of critical maintenance projects.

7. CITY COUNCIL COMMUNICATIONS

City Manager Ott reported that the City Council held a budget workshop a couple weeks ago. Final City budget approval will be voted on at the June 20th Council meeting. There have also been workshops held on the City's Strategic Plan and the next phase is community and employee outreach. That will be happening over the next two to four weeks. There is a web page with a survey to provide feedback on the vision and priority areas for the City.

8. BOARD COMMUNICATIONS

None.

9. ORAL COMMUNICATIONS – NON-AGENDA (Public Comment)

None.

10. ADJOURNMENT

President Serventi adjourned the meeting at 7:13 p.m.