

**San Joaquin Valley Power Authority  
Minutes  
Regular Board Meeting  
February 28, 2008**

Minutes of the February Regular Meeting of the Board of Directors (Board) of the San Joaquin Valley Power Authority (Authority) held February 28, 2008, at Washington School Cafeteria, Kingsburg, California.

Authority Board Chair Thomas Haglund, City of Hanford, called the meeting to order at 2:00 p.m.

**ROLL CALL**

Board Chair Haglund requested the official roll call of Authority Board Members.

**MEMBERS PRESENT**

CITY OF CLOVIS

Alternate Director Robert Ford

CITY OF CORCORAN

Director Ron Hoggard

CITY OF DINUBA

Alternate Director Dan Meinert

CITY OF HANFORD

Director Thomas J. Haglund

CITY OF KERMAN

Director Ron Manfredi

CITY OF KINGSBURG

Director Don Pauley

KINGS COUNTY

Alternate Director Deb West

CITY OF LEMOORE

Director Jeff Briltz

CITY OF PARLIER

Director Lou Martinez

CITY OF REEDLEY

Alternate Director Rocky Rogers arrived at 2:25 after roll call

CITY OF SANGER

Alternate Director John Mulligan

CITY OF SELMA

Alternate Director Judy Bier

TULARE COUNTY

Absent

Margaret Clayton, Kings River Conservation District (KRCD), reported eleven (11) of the thirteen (13) Authority Member Agencies were present for a total of 70.83% voting shares under the Joint Powers Agreement (JPA). Adjusted to twelve (12) of the thirteen (13) Authority Member Agencies present for a total of 76.37% voting shares upon arrival of Reedley at 2:25 p.m.

## **OTHERS PRESENT**

Lisa Bischel, Madrid Salazar PR & Marketing  
Scott Blaising, Braun & Blaising, P.C.  
Margaret Clayton, Kings River Conservation District  
Melissa Hunter, Kings River Conservation District  
Shannon Koontz, Pacific Gas & Electric Company  
Jane Luckhardt, Downey, Brand LLP  
Patrick Mealoy, Navigant Consulting Inc.  
Toni Munoz-Woods, Kings River Conservation District  
David Orth, Kings River Conservation District  
Brian Thoburn, Southern California Edison  
Brian Trevarrow, Kings River Conservation District  
Cristel Tufenkjian, Kings River Conservation District

## **ADDITIONS TO OR DELETIONS FROM THE AGENDA**

There were no additions to or deletions from the agenda.

## **CONSENT CALENDAR**

It was moved by Director Don Pauley, City of Kingsburg, seconded by Director Ron Manfredi, City of Kerman, and approved on a voice vote (voting shares: 70.83% approved, 29.17% absent, 0% opposed) to approve the Consent Calendar, which consisted of Financial Statements for the month ending January 31, 2008.

## **PUBLIC PRESENTATIONS**

There were no public presentations.

## **APPROVAL OF MINUTES**

It was moved by Alternate Director Robert Ford, City of Clovis, seconded by Alternate Director Judy Bier, City of Selma, and approved on a voice vote (voting shares: 70.83% approved, 29.17% absent, 0% opposed) to adopt the Minutes of the January 24, 2008 Authority Regular Board Meeting as presented.

It was moved by Director Lou Martinez, City of Parlier, seconded by Alternate Director Robert Ford, City of Clovis, and approved on a voice vote (voting shares: 70.83% approved, 29.17% absent, 0% opposed) to adopt the Minutes of the February 14, 2008 Authority Workshop as presented.

## **REPORT FROM THE DIRECTORS**

Director Manfredi, City of Kerman, reported he had participated in meetings regarding organizing PG&E representatives and Fresno area managers to discuss issues relating to delays in distribution connections for electrical service.

Director Jeff Briltz, City of Lemoore, stated that he attended his first meeting as the Authority's representative to the San Joaquin Valley Clean Energy Organization (SJVCO) as well as participated in a teleconference. The primary focus of this organization is to develop sustainable funding then tackle projects. SJVCO will assist and be a partner in the application process for funding provided by agencies for energy savings.

## **KINGS RIVER CONSERVATION DISTRICT REPORT**

David Orth, General Manager of KRCD, turned the Regulatory Update over to Scott Blaising.

### Regulatory Update:

Petition to Modify – Joint and Several Liability: Scott Blaising, Braun and Blaising, provided a brief update on the Authority's filing of a Petition to Modify a previous CPUC Resolution in order to address the joint and several liability reference in the IOU service agreements. Mr. Blaising further reported that Marin County submitted a filing to the CPUC in support of our position. Mr. Blaising reported that this issue would be discussed further during Closed Session.

Security Bond – Mr. Blaising reported that on behalf of the Authority, he filed a response to PG&E's Application for Rehearing on the security bond amount of \$100,000 decision set by the CPUC.

Net Energy Metering: Mr. Blaising stated that CPUC Commissioner Peevy's proposed Decision on net energy metering issued January 15, 2008, is being held over at the present time for analysis by the Commission. Mr. Blaising reported that this issue would be discussed further during Closed Session.

Status of Agreements: Mr. Orth continued with his report, stating that the Electric Supply Agreement will be discussed later in the public hearing portion of this meeting.

### Resource Development:

Renewable Projects: Mr. Orth stated KRCD staff continues with contract negotiations with Clean Tech America to develop a solar facility. He also reported that Citigroup Energy is working to secure renewable generation.

Baseload Project: Mr. Orth reported that data discovery for the Community Power Plant is ongoing by the California Energy Commission (CEC). The CEC will hold its second field visit in Parlier on March 6, 2008, at 3 p.m.

Other: Mr. Orth also reported that Community Choice data testing by PG&E went smoothly and is complete. SCE will not proceed with its data testing until the service agreement is executed, and that agreement will not be signed until the joint and several matter is resolved. Mr. Orth also referenced two letters from the California Independent System Operator (CAISO) relating to generation issues in the greater Fresno area. Patrick Mealoy, Navigant Consulting, discussed two provided handouts which listed queued generation projects in the Fresno area and their current status.

## **PUBLIC HEARING – ESA/ERA**

Chair Haglund opened the Public Hearing at 2:25 p.m. Mr. Orth gave a PowerPoint presentation providing background on the CCA program and an overview of the Electric Supply Agreement (ESA) to the Board members and members of the public. Patrick Mealoy, Navigant, discussed aspects of the ESA including benefits, certainties, costs of power, new members, opt out percentages, load deviations, market price.

Mr. Orth stated that notices of this meeting and public hearing were distributed electronically to all parties who have asked to be on our notification list. Notices of public hearing were also published in The Fresno Bee and The Hanford Sentinel. Mr. Orth further stated that staff reports and analysis documents discussed at the February workshop were provided to PG&E and SCE through a public records request.

Members of the Board discussed various issues of the ESA and received clarification by Dave Orth and Patrick Mealoy, Navigant.

During Open Public Comments, Brian Thoburn, SCE, stated that SCE is still reviewing the ESA, but did have a couple of comments. Mr. Thoburn questioned whether certain matters pending before the CPUC, such as the joint and several liability issue, qualify as events constituting termination as defined in Section 18.2.7 and suggested clarification. Mr. Thoburn also stated that on Appendix A of the ESA, the definition of “on peak” differs from SCE’s definition. Copies of the SCE on peak definition were provided. Mr. Thoburn stated that SCE would like the opportunity to discuss any additional questions regarding technical issues with the Authority Board upon completion of their review.

Shannon Koontz, PG&E, stated that prior to the February 14, 2008 SJVPA workshop, John Nelson of PG&E sent an email to Dave Orth and Chair Haglund, raising several questions, and had also made comments at that workshop on behalf of PG&E. Ms. Koontz referred to questions that were asked through a Public Records Act request. She said the requested information was provided, but felt the information did not answer PG&E’s questions. Ms. Koontz also stated that a question asked of John Nelson by Director Pauley at the January 24, 2008 regular Board meeting, would be answered shortly.

There being no further members of the public who wanted to speak, Chair Haglund closed the Public Comment portion of the Public Hearing and thanked SCE and PG&E for their comments.

Chair Haglund reported further that the ESA and ERA are out for public review and comment. He stated there would be another public hearing, preferably during evening hours at a date to be set in the near future. Alternate Director Ford, City of Clovis, offered to host the next public hearing, as did Alternate Director Rogers, City of Reedley, and Director Manfredi, City of Kerman.

Chair Haglund closed the Public Hearing at 3:25 p.m.

**TULARE COUNTY WITHDRAWAL (Resolution 08-01)**

Mr. Orth reviewed the events of Tulare County’s letter to withdraw from the Authority. It was moved by Director Pauley, City of Kingsburg, seconded by Alternate Director Meinert, City of Dinuba, and approved on a voice vote (voting shares: 70.83% approved, 23.63% absent, 5.54% abstain, 0% opposed) to adopt Resolution 08-01, which waives the six months written notice requirement permitting Tulare County to withdraw from the Authority effective immediately.

**NEXT MEETING DATE**

The Authority Board established March 27, 2008 at 2:00 p.m. as the next regular meeting of the Board.

**CLOSED SESSION**

Pursuant to Government Code Sections 54956.9 (a) and (c), the Authority Board adjourned to Closed Session at 3:26 p.m. to confer with Legal Counsel on case C.07-06-025 Complaint of the Power Authority against PG&E, and regulatory matters requiring litigation before the CPUC.

**RECONVENE TO OPEN SESSION**

The Board reconvened into Open Session at 4:23 p.m. General Counsel Jane Luckhardt disclosed the Board met in Closed Session, an update was provided on matters stated on the agenda, and discussion and direction provided to staff and counsel with respect to those matters.

**ADJOURNMENT**

There being no further business, Board Chair Haglund adjourned the meeting at 4:25 p.m.

Respectfully submitted,

Secretary

/  
/