

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

February 26, 2018

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 Deaton, Commissioner Giuntini and City Manager Keimach.

2. ORAL COMMUNICATIONS – NON AGENDA (Public Comment)

Alameda resident Nick deVries complimented AMP's implementation of smart meters in Alameda, and praised a community solar program in El Paso, Texas.

Alameda resident Mark Posner said that he has faced difficulties obtaining a city permit for his home battery storage unit. President McCormick noted that the permit would be from the city's planning department, and it would behoove Alameda Municipal Power (AMP) to work closely with the department to move the project forward.

Kevin Good, an Alameda solar energy installer, said that the Public Utilities Board (Board) should consider a net energy metering (NEM) successor program other than AMP's eligible renewable generation (ERG) program.

3. SPECIAL PRESENTATION

Consulting group RKS presented a survey of AMP's commercial customers. Following the presentation, Commissioner Deaton asked when customers were surveyed. The consultant responded that the survey was administered from Oct. 25 - Nov. 17, 2017.

Commissioner Deaton asked whether the survey results were impacted by AMP's power outage at Alameda Point that affected the USS Hornet. Staff responded that customers may have been thinking of the July 4 outage when they took the survey.

Commissioner Giuntini said that customers had said they didn't receive good communication regarding the outage.

President McCormick said that she looks forward to leveraging the feedback from the survey and finding ways to do better.

Commissioner Serventi asked General Manager Procos if staff would roll the information from the survey into the strategic plan.

General Manager Procos said that the timing of the customer survey aligns well with the strategic plan. He noted that he expects that branding will be part of the strategic plan.

President McCormick said that differentiating AMP from community choice aggregators (CCAs) would present a branding challenge.

4. CONSENT CALENDAR

A1. Minutes – Special Meeting – January 22, 2018

A2. Minutes – Regular Meeting – January 22, 2018

B. Listing of Bills Paid – January 2018

C. Financial Report – December 2017

D. Treasurer’s Report for the Month Ending January 31, 2018

E. By Motion, Authorize the General Manager to Extend the Vavrinek, Trine, Day & Co. Contract Agreement for Audit Services through Fiscal Years 2018 and 2019

With a motion from Commissioner Deaton and a second from Commissioner Giuntini, the Board unanimously approved the consent calendar.

5. AGENDA ITEMS

A. Accept Alameda Municipal Power’s SB 1037 Energy Efficiency Report for FY 2017

Following a staff presentation, City Manager Keimach asked questions about the total resource cost (TRC) cost-effectiveness test. Staff responded that the TRC is an outdated measure.

President McCormick said that the SB 1037 report is a regulatory obligation. Many of the rules regarding the calculations for the report have come from the investor-owned utilities in a very different regulatory process. She said she wanted to emphasize that the data in AMP’s SB 1037 report are tremendously conservative.

She said that AMP doesn’t communicate enough about the money that customers are saving on their bills as a result of participating in AMP programs.

Commissioner Serventi suggested that AMP publish on its website the amount of money that customers save by participating in the utility’s energy efficiency programs.

Commissioner Deaton added that participating customers save money in the long term.

With a motion from Commissioner Serventi and a second from Commissioner Deaton, the Board approved the report.

B. For Information Only, Update on Fiscal Year 2018 Capital Improvement Plan (CIP) Projects

Following a staff presentation, City Manager Keimach said that the Alameda City Council will be considering an amendment to the city's disposition and development agreement with the developer at Site A.

Addressing the capital improvement plan (CIP) projects, City Manager Keimach said a high percentage of many CIP projects, in general, are not completed due to staffing resources and other issues that come up. She said that the percentage of CIP projects that AMP achieved is a good percentage.

President McCormick said that AMP's report showed that the utility is trending in the right direction. AMP's work with advanced metering infrastructure (AMI) is a highlight, she said.

Commissioner Serventi asked whether the staffing issues were addressed.

General Manager Procos said that AMP has a new engineering and operations assistant general manager, and has filled a variety of positions in engineering and operations, as well as in other areas of the organization. AMP is almost fully staffed, he said.

Commissioner Serventi said he doesn't have a problem with the entire CIP program not being accomplished. But he asked whether AMP's inability to accomplish part of the program has impacted AMP's ability to do work. For example, it would be a failure if developers were slowed in their work due to AMP's inability to accomplish CIP projects.

General Manager Procos said that AMP has not experienced those situations.

C. For Information Only, Update on the Underground Utility District (UUD) Program

Alameda resident Ruth Abbe, representing Community Action for a Sustainable Alameda, asked how the undergrounding program would address sea level rise. She also asked how the repair of the city's storm drains would relate to the undergrounding program.

Commissioner Deaton mentioned that one of the Northern California Power Agency's (NCPA) members has faced a problem with small cell installations on poles in the context of undergrounding.

President McCormick said she would be interested in the forecast of the undergrounding fund.

Staff responded that the undergrounding fund is about \$10 million. If AMP undergrounds the two districts, the cost will be \$12 million, staff said. The project will be carried out in phases.

By doing the undergrounding project in phases, AMP will have adequate funds, staff said. AMP is accumulating undergrounding funds each year.

General Manager Procos said that AMP is coordinating with Public Works and other city departments, as well as with other utilities that use the poles.

Addressing the topic of the water table, staff said that AMP is considering making the trench wider and shallower. AMP is not putting transformers or switches underground, staff said.

President McCormick said AMP needs to account for the resiliency the system will need in a changing environment.

Commissioner Serventi said it's important to remind the public that the District Nominating Board used specific criteria to decide on the recommended districts.

6. GENERAL MANAGER'S REPORT

A. General Manager's Report: January 2018

General Manager Procos updated the Board on the background of Andre Basler, the new engineering and operations assistant general manager.

He also told the Board that NCPA is refinancing hydro bonds, which would result in savings.

President McCormick said it was great to see the uptick in Alameda Green participants. She also noted that it was great to see that the contract with Silicon Valley Power has started.

6. COUNCIL COMMUNICATIONS

City Manager Keimach updated the Board on the proposed infrastructure bond, and how the City Council did not vote on it.

7. BOARD COMMUNICATIONS

Commissioner Deaton said that part of NCPA's recent legislative and regulatory committee meeting focused on establishing a budget for next year. The budget is lower, she said. As NCPA is bringing in more associate members, it can spread the cost across more people. NCPA also brought legal services in house, lowering costs.

9. ORAL COMMUNICATIONS – NON-AGENDA ITEMS

10. ADJOURNMENT

President McCormick adjourned the meeting at 8:53 p.m.