

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

January 23, 2023

1. ROLL CALL

President Serventi called the meeting to order at 6:00 p.m. On roll call, the following commissioners were present: President Serventi, Vice President McKenna, Commissioner Giuntini, Commissioner Hunter, and City Manager Ott.

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

None.

3. SPECIAL PRESENTATION

None.

4. CONSENT CALENDAR

A1. Minutes of the December 12, 2022, Regular Meeting of the City of Alameda Public Utilities Board

A2. Minutes of the December 29, 2022, Special Emergency Meeting of the City of Alameda Public Utilities Board

B. Listing of Bills Paid – December 2022

C. Financial Report – November 2022

D. Treasurer’s Report for the Month Ending November 30, 2022

E. By Motion, Approve Amendment #2 to Service Provider Agreement PS 04-19-04 with Granicus LLC to Extend the Term of the Agreement to October 31, 2024, for a Not-to-Exceed Amount of \$101,499.51

F. By Motion, Approve a Task Order Through the Northern California Power Agency Support Services Program for an Agreement with SpryPoint Services Inc. for Asset and Workflow Management Software Services for a Not-To-Exceed Amount of \$250,000 and a Term of Five Years

G. By Motion, Authorize the General Manager to Extend the Term of the Professional Services Agreement PS-09-21-01 with SynchroGrid LLC through October 31, 2023, With No Additional Compensation

- H. By Motion, Authorize the General Manager to Issue a Purchase Order to Anixter with Eaton ISG in an Amount Not to Exceed \$591,100 for 15 kilovolt class, Solid Dielectric Pad-Mounted Vacuum Cubicle Switchgear with Vacuum Fault Interrupter Taps, Per Material Specification No. MS 11-22-01
- I. By Motion, Requiring Four-Fifths Vote, Delegate Authority to the General Manager to Sole Source the Purchase of Landis+Gyr Advanced Metering Infrastructure Meter Equipment from Carlson Sales Metering Solutions LLC in an Amount Not to Exceed \$35,600
- J. By Motion, Requiring Four-Fifths Vote, Authorize the General Manager to Sole Source the Purchase of the Platinum Supervisory Control and Data Acquisition Support Plan from Survalent Technology for a Term of Three Years in an Amount Not to Exceed \$90,000
- K. By Resolution, Recommend that the City Council Adopt a Resolution Amending the Electric Utility Professionals of Alameda (EUPA) Salary Schedule to Reflect a New Salary for the Supervisor-Customer Resources and the Supervisor-Energy Resources, Amending the Alameda Municipal Power Unrepresented (AMPU) Compensation Plan to Reflect a New Salary for Assistant General Manager-Customer & Energy Resources and Chief Utility Technology Officer, and Approve Workforce Changes

General Manager Procos pulled Item 4K.

Following a motion from Commissioner McKenna and a second from Commissioner Giuntini, the Board unanimously approved the balance of the Consent Calendar. President Serventi abstained from Item 4A2 and City Manager Ott abstained from Items 4A1 and 4A2.

Human Resources Director Jessica Romeo gave a presentation for Item 4K.

Commissioner Hunter thanked Ms. Romeo and staff for their work on the presentation. She asked what the recruitment process would look like for the newly allocated positions and if there is potential risk of losing talent if existing staff must reapply for jobs similar to their current roles.

Ms. Romeo explained that the Civil Service Board does allow for promotional recruitments which are open only to City employees with six or more months of full-time employment with the City, and taking that into account there are few City employees who would have the necessary qualifications for those positions. There has not been an instance where the City has lost a staff member in a similar role.

Following a motion from Commissioner McKenna and a second from Commissioner Hunter, the Board unanimously approved Item 4K.

5. AGENDA ITEMS

A. By Motion, Accept Alameda Municipal Power's Load Forecast for Fiscal Year 2024

Following a presentation by Senior Energy Resource Analyst Alan Harbottle, Commissioner McKenna wanted to talk more about expenses outpacing revenue growth. She said it made sense that electric vehicle (EV) charging would be off peak load and that AMP could flatten the load curve with customers charging their EVs overnight. However, with electrification, customers can be using all electrical appliances at any time, on or off peak. She asked if the expectation is that customers who are electrifying are also going to go on a time of use (TOU) rate, in which case the price signal from AMP would once again be to not use peak period power.

Mr. Harbottle responded that EV charging can easily be moved off peak, but with electrification, it's going to depend more on the individual appliances. Things like space heating and water heating can be done off peak, while something like cooking could present more difficulty in being shifted. However, the larger amounts of electricity in those scenarios would be from space heating and water heating, so while AMP is projecting an on peak increase with electrification, a lot of that load can be moved to off peak hours.

Commissioner McKenna added that while it's impossible to know how many customers will be returning to work in person, a five day in person week is unlikely. That would mean people working from home could be using space heaters and water heaters, which would create a fair amount of on peak load. Mr. Harbottle said that he would need to look a little closer at load shapes, but that, as far as residential total sales go, these have already reverted to pre-pandemic levels.

Commissioner Hunter said she had a similar set of questions to Commissioner McKenna. She specifically addressed the bar chart showing the load modifiers and asked why there was no bar for energy storage. Mr. Harbottle said that the chart was presented from an energy perspective so there wouldn't be much impact from energy storage.

Commissioner Hunter commented that it is interesting to see the growth of load modifiers. She was curious about load shapes in the typical 24-hour period and how that could inform thinking about rates or even potentially demand and response (DR) programs moving forward, to leverage the load modifiers to flatten out the peak. The intention being to hopefully provide a win-win situation for both the utility and the customer, where the utility would get a relief from the peak and the customers would have the opportunity to save money in switching to off peak. She said the electric vehicle time of use (EV-TOU) rate is a great start, but given the growth in load modifiers, there is the potential to look at an expansion of that TOU rate or something like a DR program.

Mr. Harbottle echoed her sentiment that the EV-TOU is a good entry point and good foundation. As AMP sees increasing peaks, there will be a continued need to manage how some of the load modifiers enter into the grid. There is more rate strategic thinking to do, especially over the next five years.

General Manager Procos added that at next month's meeting, staff will present a TOU rate review to the Board to give an update on that program. At that point, there can be a more robust discussion about some of the other points raised. AMP is doing a cost-of-service study and will potentially be bringing that to the Board in April. As part of that study, staff will be looking at load shapes. Municipal utilities do this kind of study on a regular basis, and it has been some time since AMP has done one. An updated study can highlight changes in terms of how peak heavy different customer classes are, which will inform how to allocate costs. Commissioner Hunter said that she would find it really interesting to see load shapes by customer class.

Commissioner Giuntini asked why there was a significant change in load forecast from the 2022 likely compared to the 2023 and 2024. Mr. Harbottle explained that when AMP hit 345 in 2021, there was still a lot of learning to do with COVID. The forecast was a little over-optimistic in fiscal year 2022 about how fast certain customers would rebound. In 2022, it was expected that residential would drop back down to normal and commercial would come back, a little bit slower. Those two things were quite off for 2022; ultimately those actuals were reflected in the 2023 forecast. There is still quite a bump from 338 to 348, but things still seem to be on target. Those changes really come down to uncertainty in COVID response.

Commissioner McKenna also expressed an interest in seeing load shapes by customer class, particularly moving forward with electrification, and how those forecasted load shapes could look a year or two from now. The more data, the better.

President Serventi asked what factors could drive the forecast to the high scenario instead of low or most likely. Mr. Harbottle said there are certain categories that have higher uncertainty and higher impact. For instance, there are good numbers for EV adoption, but AMP has yet to see a big impact on load, leading to adjustments needing to be made to things like mileage and off-island charging. Another one of the big categories is home retrofit electrification. New construction electrification ultimately does not have that big of an impact, but the adoption rate of home retrofit electrification makes a big difference, depending on the number of homes that are done in a year. Lastly, commercial new development is another category with a wide variable in impact. A lot of Alameda's new tenants are biotech-oriented and have a high usage profile, but there are also a number of vacant buildings looking for tenants or picking up tenants with lower intensity usage applications. As a result, there are high and low estimates for those commercial buildings and that is reflected in the range of forecasted scenarios.

President Serventi noted that with respect to residential sales, the modifier of energy efficiency seems to grow quite a bit towards 2028. He asked if that is realistic, or if it

has already reached the peak of where energy efficiency and residential areas would be. Looking at the General Manager's Report, there doesn't appear to be a lot of additional uptakes on the residential side. Mr. Harbottle answered that part of that modifier is factoring in codes and standards energy efficiencies. From a programmatic perspective, it is not that large, but every time a customer purchases a new appliance, they are getting a more efficient unit, so that is the kind of savings that shows in the chart.

President Serventi wondered how the wet year will play out on the resource side in terms of rates for the next year. Mr. Harbottle said that this will show up in the Pro Forma in March with the first power cost budget estimates. He added the disclaimer that likely the majority of the hydro revenues will come in through June and will hit the tail end of the current fiscal year, with a smaller percentage flowing into next fiscal year. So the wet year will cushion the end of this fiscal year and put AMP and hydro facilities in a great position for the Summer.

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

6. GENERAL MANAGER'S REPORT

General Manager Procos announced that this year, as part of AMP's annual Public Power Week celebration, employees raised just over \$1,100 for Alameda Women's Shelter for move-in kits, which consist of basic necessities to help families that are rebuilding after being unhoused. Donations included cleaning supplies, kitchen supplies, a microwave, bedding, and bath supplies. General Manager Procos and Commissioner McKenna presented the check to the Women's Shelter and a photo of the presentation is on AMP's Facebook page. The fundraiser was a great showing from AMP's employees.

In December and January, the region observed storms with roughly a foot of rain each month and a daily maximum over 3 inches. In Alameda, wind speeds reached up to 25 mph with gusts up to 40 mph during several storm events. On January 3, the City of Alameda activated its Emergency Operations Center (EOC) to prepare for the impacts of yet another storm approaching and AMP staff participated in these EOC activities. On January 4, Governor Newsom declared a state of emergency for California in response to the storms, mobilizing state agencies such as the Governor's Office Emergency Services and the National Guard.

AMP monitored the weather closely around the clock and had staff on standby as needed to respond to possible system issues. Staff also monitored AMP facilities for surface and groundwater intrusion and pumped as necessary. While other utilities in the state had tens of thousands of customers without power, AMP's system had very few interruptions. This in turn allowed other City departments to keep their operations running, such as pump stations and emergency services. AMP carried customers through the severe weather events and kept the lights on. In addition, AMP staff responded to many calls

from citizens, police, fire, and Public Works, and assisted with street and private trees and downed communication cables. General Manager Procos congratulated staff for their work during the storm and also for putting AMP in this strong position with a truly resilient system.

AMP facilities have been experiencing an increase in attempted thefts and break-ins over the last month or so. Several manhole covers were removed at the base and some attempted copper thefts have occurred. There was also a possible break-in at one of the substations and an entry at the riser station on the Oakland side. AMP has notified Alameda Police Department and staff will be meeting with them at the end of the month to strategize.

President Serventi thanked General Manager Procos and AMP staff for doing such a great job during the recent storms. The results demonstrated for him the importance of Alameda having its own utility. City Manager Ott echoed these comments and extended her appreciation to General Manager Procos and AMP staff for how hard they worked and how well they communicated with her office and coordinated with other City departments.

7. CITY COUNCIL COMMUNICATIONS

City Manager Ott was welcomed by President Serventi for her first meeting with the Board. She said she looks forward to participating and would welcome any feedback the other Board members have about the kind of updates they would like to receive.

The City Council approved a decarbonization plan on January 17. AMP was very involved in developing the plan and staff was on hand at the meeting to answer questions. There were quite a few comments from the community, including concerns about shifting to electrification and whether or not AMP has the capacity for that. AMP staff did a great job of responding to those questions, and ultimately the City Council moved forward with the item.

City Manager Ott noted that the decarbonization plan does not commit the City Council to taking certain actions or adopting certain policies, but rather serves as a roadmap to move the City in the direction of decarbonization and will help to leverage funding from state and federal sources. It was a great collaboration with AMP and the rest of the City and community members.

City Manager Ott and General Manager Procos have spoken about bringing in presenters from other City departments to provide overviews for the Board on projects in the development pipeline at future meetings.

8. BOARD COMMUNICATIONS

None.

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

None.

10. ADJOURNMENT

President Serventi announced that in December, a member of the AMP family was lost due to a sudden illness. Roger Yang started his employment with AMP in 2015 as the Support Services Manager and was recently promoted to Senior Energy Resource Analyst in January of last year. With this promotion, Roger had found the perfect job for himself as he very much enjoyed analyzing spreadsheets and solving complex problems. And he was very good at it. He was a person of high standards who worked hard his whole life without fanfare to provide for his family. Family was the most important thing to Roger and he leaves behind a teenage daughter and numerous extended family members. Roger was a dedicated employee with a great sense of humor and a valued member of the AMP family and he will be missed. As we begin this new year, it is important to remember that life is precious and to cherish the time we have together as much as possible. With that, General Manager Procos and President Serventi agreed it would be fitting to close the meeting in Roger's memory.

President Serventi adjourned the meeting at 6:56 p.m.