



DRAFT

UTILITIES ADVISORY COMMISSION MEETING MINUTES OF MAY 3, 2017 SPECIAL MEETING

CALL TO ORDER

Chair Cook called the meeting to order at 12:15 p.m. Meeting of the Utilities Advisory Commission (UAC).

Present: Chair Cook, Vice Chair Danaher, Commissioner Schwartz, and Councilmember Filseth
Absent: Commissioners Johnston, Ballantine, Forssell, and Trumbull

Commissioner Cook said there was no quorum, but they would proceed with the meeting without the ability to take action. Commissioner Forssell was expected to arrive late.

Commissioner Forssell arrived at 12:43 p.m. and Chair Cook called the meeting to order (as noted in the minutes below during Item 3).

Present: Chair Cook, Vice Chair Danaher, Commissioners Schwartz and Forssell, and Councilmember Filseth
Absent: Commissioners Johnston, Ballantine, and Trumbull

ORAL COMMUNICATIONS

Utilities Inspector and City of Palo Alto Service Employees International Union Chapter Chair Lynn Krug spoke regarding the number of grievances emanating from Utilities Operations, Engineering, and Public Works Operations. She believed this could be improved by having a Human Resources representative at Elwell Court and the Municipal Services Center. She thanked management for stationing a Human Resources representative temporarily at Elwell Court, but recommended making this permanent. She believed making the change would help with employee morale. She also spoke regarding an ongoing vacancy in the Division Head of the Engineering Division. She said it was important that position be filled quickly by somebody with engineering expertise to ensure smooth operation of the Division.

Herb Borock spoke regarding the meeting procedures. He said it was inconsistent with the Brown Act to proceed with the UAC meeting without a quorum of Commissioners.

REPORTS FROM COMMISSION MEETINGS/EVENTS

None.

UTILITIES GENERAL MANAGER REPORT

General Manager and Assistant City Manager Ed Shikada delivered the General Manager's Report.

First Place Award for Most Solar Watts Per Customer

CPAU ranked first place on the Smart Electric Power Alliance (SEPA) Top 10 utility list for solar watts per customer connected to the grid in 2016. SEPA's 10th annual survey includes figures from 412 utilities across the country. CPAU ranked number one with 2,753 watts per customer installed in 2016. This is the fourth time Palo Alto has made SEPA's Top 10 list of utilities. Awards were announced last week at the Utility Solar Conference in Tucson, Arizona. Utilities Resource Planner Lindsay Joye delivered a presentation to conference attendees about the history of Palo Alto's solar programs and accomplishments leading up to this first place award. Congratulations to the entire team!

In addition to issuing awards for solar successes, SEPA provides research and technology resources for member utilities, including evaluation and analysis of industry trends. One recent contribution from SEPA is a white paper which Commissioner Schwartz shared with us about utilities' relationships with electric vehicle vendors, owners, and use of technologies to "manage" charging for effective electric load management. We shared a copy of this in a recent media update for the UAC.

Local Solar Projects

A number of activities are underway as part of the City's Local Solar Plan goal to generate 4% community-wide electricity from local solar projects by 2023. In addition to CLEAN project applications for solar PV on city garages, there is interest for installing solar arrays on parking lot carports at a number of non-city facilities. When these projects are fully built, the systems could generate 0.5% of the City's annual energy needs. Staff expects the program to be fully subscribed by the end of the year.

Staff is also evaluating the potential for a 500 kilowatt PV carport project at the municipal golf course parking lot which could possibly serve 100 to 200 residents and small businesses. Staff discussed the project feasibility with the Parks and Recreation Commission on April 25. Commissioners were generally supportive, but highlighted a number of topics that will require careful consideration to further develop the project idea. Some considerations include tree shading, reflective glare at the adjoining airport, incorporating a physical design that blends with the surroundings, potential impacts on attracting golf course patrons, and risk if the parking lot needs to be reconfigured within the 20-year life of the solar project. We expect to bring this discussion back to the UAC in June.

Earth Day Festival and Great Race for Saving Water

The City celebrated Earth Day on April 22 with the Great Race for Saving Water 5K fun run and walk and festival. This is the fourth year the City has hosted this family-friendly event to celebrate the environment, water resources, sustainability and climate action. This year saw the biggest turnout and was perhaps most successful in terms of number and variety of activities. In addition to partnering with the City of East Palo Alto, dozens of community and environmental groups, non-profits, businesses and student organizations gathered together to share resources for a healthy climate and healthy community. The City plans to host the event again on April 21 in 2018.

Upcoming Events and Workshops - Details and registration at cityofpaloalto.org/workshops

- Heat Pump Workshop with Passive House California: Wednesday, May 24, 3-6 pm
- Green Building, Lighting and Air Quality Workshop: Saturday, June 3, 9:30-noon

The July 5 UAC meeting date may be changed to avoid conflicts with the Independence Day holiday.

The Joint Study Session with the Council is scheduled for August 21.

Shikada also noted that this was Chair Cook's last UAC meeting since he had not sought reappointment. Chair Cook had been on the UAC since 2010. He thanked Chair Cook for his service. He said he would arrange with the City Council for a commendation at an appropriate time.

COMMISSIONER COMMENTS

None.

UNFINISHED BUSINESS

None.

AGENDA REVIEW AND REVISIONS

Chair Cook moved Agenda Item 3 to the beginning of the agenda, prior to Agenda Item 1.

NEW BUSINESS

ITEM 3: DISCUSSION: Discussion of Smart Grid Assessment and Development of Utility Technology Road Map and Implementation Plan

At 12:43, Commissioner Forssell arrived.

Chair Cook called the meeting to order.

Jeff Hoel said he wished that staff had specified in the report who had bid on the smart grid project and how they were selected. He said the Citizen's Advisory Commission he served on was a good resource to use. He said smart grid systems often needed more bandwidth than expected. Low latency was important, as well as reliability and security. Fiber was better than wireless in those areas. Any consultant selected should be able to assess those issues. The City of Chattanooga had done an excellent job with smart grid and the City should benchmark against that City's implementation.

Herb Borock listed several reports and surveys previously done in 2011 related to smart grid. RKS survey consultants had found the privacy and control were most important to consumers. Technology was also important. He said a Fiber to the Premise (FTTP) system provided better privacy and faster communication of data than wireless. People wanted to be informed about spikes in usage quickly. Back office functionality was also a major concern and would need to be upgraded to deliver the kinds of services customers would want from a smart grid system as compared to a system in place solely for billing purposes.

Commissioner Schwartz said she would also like to see the list of people who submitted bids. She asked where the UAC could see the results of the pilot projects.

Commissioner Schwartz asked about the results of the pilot projects and if there was any customer surveys done.

Senior Resource Planner Shiva Swaminathan said there were some internal assessments of the pilot projects, but it was not ready for presentation yet. One consultant task was to review this information and pull it together into a presentable format. The quarterly report was one place to see these types of updates. Swaminathan also mentioned that staff had also done some participants surveys interviews in the cents months and will be sharing that information.

Commissioner Schwartz asked whether the pilot had involved a customer portal.

Swaminathan said it did. There were three portals involved, provided by Utilismart. There was a consumer portal, a utility portal, and a network health portal. Customers could see their usage on an hourly basis.

Commissioner Schwartz said there were some people who said an hour was not a granular enough time scale for people to fully understand their usage.

Swaminathan said it was possible for people to independently disaggregate their usage using tools that connect to the zigbee radio in the meter, other than what the City provides in the portal, and some residents had done that.

Commissioner Schwartz said she thought that Utilitworks's proposal did not reflect the unique characteristics of the City of Palo Alto. She wondered if there was something she could review related to the Utiliworks contract that would shed light on the unique factors that would be faced by an implementation in Palo Alto.

General Manager Shikada said the Utiliworks contract was not under consideration by the UAC that night.

Commissioner Schwartz said that what was presented is a standard process to do such consulting work and wanted to understand what the consultant provided was different than those of communities such as Lodi, Riverside or Alameda.

Swaminathan said that staff invited four finalist consultants to make presentations in person, in Palo Alto, on how they would undertake the assignment for this community. The finalist was selection by staff was based on past qualification of the firm and their ability to meet the needs of this community as outlined by staff in the RFP and documents we had provided them.

Utilities Strategic Business Manager Dave Yuan said, as a member of the evaluation committee, what impressed him the most was their thought depth of experience and their through process to implement beta-version of the project over an 18 month period to test technology before mass deployment.

Commissioner Schwartz said that she was a consultant and that consultants can give something specific or generic, and what she was hearing was that this is the consultant process and we accepted it.

Assistant Director – Resource Management Jonathan Abendschein asked Commissioner Swartz if she could share her ideas about unique Palo Alto features that staff should consider as the evaluation gets underway with consultants.

Shikada said some of the key issues for him included technology risk management to implement systems across all three utilities, operational issues related to deployment and staffing.

Commissioner Schwartz mentioned that she was not looking for that, but will take the conversation off-line.

Commissioner Schwartz asked how staff planned to select the right CIS system without knowing for functional requirements for such systems.

Swaminathan pointed out that City is currently developing CIS specification in a separate process, currently underway with Plante Moran as consultants.

Yuan mentioned that MDM/AMI deployment was contemplated when developing the CIS specifications and that Utiliworks for a subcontractor helping under that assignment too.

Abendschein added the CIS specification also considered input from retail rates and operations, and cited solar PV net energy meter successor program as an example of thinking through of systems we need over the next decade.

Vice Chair Danaher suggested that some of the detailed questions about the specifications could be taken offline. He recommended there be some interim discussions on the topic of the smart grid before delivery of the final report.

Swaminathan agreed to the request of interim check-in with the Commission as the project proceeded.

Chair Cook asked whether anything significant had changed in the technology or how the technology was used since the last assessment was done.

Swaminathan said the devices had become more robust, but the functionality of the meters had not changed significantly. However, the number of applications available for use of smart meter data had grown significantly since the last assessment.

Chair Cook asked the same question Commissioners had asked in 2012, that is, whether there was a real value in the devices. Palo Altans appreciated having advanced technology available, but was the value there?

Swaminathan said there was clearly value in the capabilities a smart grid system could provide to the utility, as distributed energy resources like PV, EVs proliferate in the distribution grid.

Commissioner Forssell asked whether the cost of carbon was included in its cost benefit assessment of a smart grid system, and if so, what carbon price was used.

Swaminathan said the cost of carbon was included, and staff used the market price of carbon.

Commissioner Schwartz recommended using the voluntary Data Guard protocols, the DOE sponsored consumer energy data privacy program and vendor code of conduct, with the smart grid system from the start. It was a way to provide reassurance to members of the community that the utility was taking issues of privacy seriously.

Shikada appreciated the comment and said there was a directive from the City Council to develop a standard like this.

Commissioner Schwartz said the City was not on the vanguard of smart grid technology. The technology was well field-tested. If the City moved forward it would simply be moving into the mainstream.

ACTION: No Action.

ITEM 1: ACTION: Staff Recommendation that the Utilities Advisory Commission Recommend that the City Council Adopt the Proposed Operating and Capital Budgets for the Utilities Department for Fiscal year 2018

Utilities Strategic Business Manager Dave Yuan thanked Commissioners Forssell and Johnston for their review as part of the UAC Budget Subcommittee. He reviewed the timeline for the annual budget cycle. He discussed the proposed rate adjustments, including a 14% increase to electric rates, a 4% increase to gas rates related to the carbon neutral as plan, a 3% decrease to water rates resulting from the removal of drought surcharges, and a 3.5% CPI increase to EDF-1 fiber rates. No increase was proposed to sewer rates. He noted residential Refuse rates were increasing to balance residential and commercial rates with the cost of service, and Storm Drain rates were increasing in line with a recent voter-approved plan. He reviewed the City's residential utility bills for electric, gas, wastewater, and water services compared to other utilities. The total bill was 16% below the average of neighboring cities. He gave a summary of discretionary as compared to non-discretionary charges. These ranged from 29% to 37% for electric, gas, wastewater, and water services, and were 82% for fiber services. He talked about strategies to control costs. For example, staff had rebid capital projects that had come back with high costs. They had also investigated streamlining operations around staff vacancies. One example was combining the water and gas meter shops. Staff also worked to contain charges allocated to the City by external agencies. He talked about factors that affected costs, including increasing commodity costs, costs for capital replacement, and salaries and benefits costs, and decreasing customer usage. This had also resulted in decreasing rates of capital replacement. There were difficulties in filling positions.

Vice Chair Danaher said the issue of vacancies was an important one, though not within the purview of the UAC. It was part of the issue with capital replacement, and could degrade performance and lead to cost-ineffective business practices if we're unable to hire qualified staff. He said it would be good to think about the long-term implications of continuing reduced rates of capital replacement.

Yuan noted that the most recent gas main replacement project had come back with high costs and staff would review the bid and submit a budget change to address this.

Commissioner Schwartz asked what the UAC could do about these issues.

Shikada said there would have to be management review of issues at such as the increased gas main replacement costs. We would need to evaluate the bids more specifically. Right now this was primarily informational for the UAC. Salaries and benefits is an ongoing issue with Council.

Councilmember Filseth asked whether the information related to the gas main replacement project would be included in the Finance Committee meeting on May 18.

Shikada said the May 18 meeting would address rates and financial forecasts at a higher level. Some of these more detailed issues would be part of an ongoing management discussion.

Yuan listed some major initiatives planned for the year, including the Utilities Strategic Plan, the Downtown University CIP projects, the Carbon Neutral Plan for the gas utility, the Smart Grid Assessment, local solar generation projects coming online, and workforce development.

Chair Cook asked for public comment before beginning with reviews of the budgets for each utility.

Citizen Herb Borock commented on the fiber optic initiatives specifically on expansion of dark fiber opportunities and development of a work plan to support next generation broadband. At the April UAC meeting, Chief Information Officer Jonathan Reichental said the future was headings towards 5G and wireless instead of fiber-to-the premises and wired. I hope Policy and Services Committee and Council will have an opportunity to discuss and provide direction on the fiber initiatives.

Yuan reviewed the Electric Utility budget. He said the electric fund costs were increasing in part due to new renewable projects coming online. There were several capital projects being moved into FY 2018. He said a significant portion of the Calaveras debt service would be paid off by 2024, and the remainder by 2032. He discussed the CIP plan for the next five years. Some of the costs were backlogged from 2017. He noted a spike in FY 2020 related to smart grid projects. He highlighted several projects, including facility relocation for Caltrain and a project at Colorado Station. Major initiatives for the electric utility included replacing aging underground utility infrastructure, upgrading substation facilities, increasing the renewable energy in the City's portfolio, and continuing to implement cost-effective electrification projects.

Yuan reviewed the Fiber Utility budget. There are no significant changes to the fiber budget. The fiber optic system rebuild CIP is expected to be completed in 2018 to increase capacity at congestion points near Stanford Research Park and downtown areas.

Chair Cook asked staff what the impacts were of not keeping up with the capital improvement plan.

Shikada noted there have been issues in filling vacancies in the Engineering Division. He also noted there had been some delay in the Downtown water and gas projects to exercise due diligence to ensure minimal impact to University Avenue.

Chief Operating Officer Dean Batchelor said construction costs had been increasing, and staff had rebid projects, which resulted in delays. Staff would propose additional funding for the CIP program to enable continuing investment in the system.

Shikada said the pace of replacement had not decreased to the point of creating any kind of safety concern.

Batchelor noted that most ABS gas lines had been removed in a previous gas main replacement project. Staff was continuing on to begin replacing PVC gas mains.

Yuan reviewed the Gas Utility budget. He said the primary increase in the budgets were related to commodity costs, including increases to Pacific Gas and Electric (PG&E) transportation rates and costs related to implementation of the Carbon Neutral Gas Plan. The most notable CIP project was gas main replacement project 22, which would address University Avenue downtown as well as other locations. Another initiative for the gas utility was the cross-bore safety inspection program, which would cost roughly \$1 million per year for three years. This was due to a change in construction techniques decades ago from trenching to boring of new gas lines. This sometimes resulted in boring through sewer lines. This budget was to video inspect older and higher risk laterals with potential cross-bores.

Chair Cook asked if this was a one-time cost or ongoing cost.

Batchelor said it was a one-time cost. Staff's current practice when boring new services was to inspect any sewer lines for cross-bores at the time the install was done. This project was only to assess older high risk boring installations.

Yuan reviewed the Wastewater Collection Utility budget. There are no significant changes in the wastewater collection operating and capital budgets. Staff is not proposing any rate adjustment in FY 2018.

Yuan reviewed the Water Utility budget. He noted commodity costs were going up due to seismic rehabilitation of the Hetch Hetchy system. The five year CIP outlook included the University Downtown water line replacement, seismic upgrades to the City's reservoir system, as well as a study to assess the current configuration of the City's reservoirs to improve efficiencies and emergency response.

Yuan discussed staffing trends. He noted proposed additions to staff, including a Chief Operating Officer, replacing two hourly customer service representatives with a full-time Customer Service representative, reclassifying an Equipment Operator with a Cement Finisher, and combining the gas and water meter shops. He showed vacancy rates for the utilities, which was roughly 15% vacancy for most utilities. No significant changes in the vacancy rate had been seen over the previous several years.

Chair Cook thanked Commissioners Forssell and Johnston and Vice Chair Danaher for being a part of the UAC Budget Subcommittee and asked if they wanted to comment.

Vice Chair Danaher noted there had increasing hydroelectric power and asked whether there would be improvements to the budget outlook as a result.

Yuan confirmed there would be.

Commissioner Forssell noted that staff vacancies were a significant concern. She hoped the City did not find itself in the same position the following year, with the resulting operational issues such as CIP projects not being completed or postponed. She thought it was important that there may be rate impacts due to having to catch up on CIP projects in the future.

Yuan noted that not all projects are being postponed but some are continuing into the next budget cycle. Some projects are planned as multi-year projects.

Chair Cook asked about the status of the second transmission line into Palo Alto. It seemed to be taking a very long time to get the project done.

Shikada said that over the course of the previous year there had been several meetings with SLAC and Stanford University. There had been the need to give Stanford University some time to analyze possible ways to participate in the project. It was time to press the University soon about whether it made financial sense for them to participate. If they did not want to, the City could pursue an alternative project with PG&E.

Commissioner Schwartz said it was an important issue, and it was worth considering its priority relative to other utility projects.

Chair Cook asked how the utilities were doing with respect to the reserve guidelines.

Yuan said most utilities reserves were within guidelines. The electric utility reserves were slightly below guidelines, but good hydroelectric conditions were expected to improve the situation.

ACTION:

Commissioner Danaher moved to recommend that the City Council approve the Utilities Department FY 2018 Operating Budget proposal. Commissioner Forssell seconded the motion. The motion carried unanimously (4-0, with Chair Cook, Vice Chair Danaher and Commissioners Forssell and Schwartz voting yes and Commissioners Johnston, Ballantine and Trumbull absent).

Commissioner Danaher moved to recommend that the City Council approve the Utilities Department FY 2018 Capital Budget proposal. Commissioner Forssell seconded the motion. The motion carried unanimously (4-0, with Chair Cook, Vice Chair Danaher and Commissioners Forssell and Schwartz voting yes and Commissioners Johnston, Ballantine and Trumbull absent).

APPROVAL OF THE MINUTES

Commissioner Schwartz clarified that on page five of sixteen it said "she had seen a presentation by Commissioner McAllister." She corrected it to say that "she had seen a slide at the Renewables Rush conference." It turned out that the slide had been presented by Jay Andrew Murphy, Sr. Vice President of Strategic Planning at Edison International, rather than Commissioner McAllister, who was a CPUC commissioner rather than a CEC commissioner as had been stated in the minutes. She had obtained a similar slide and provided it to General Manager Shikada.

Commissioner Forssell asked whether she could vote to approve the minutes given that she had not been at the meeting. She knew her vote was needed for a quorum.

Senior Deputy City Attorney Jessica Mullan said it would be appropriate given Commissioner Forssell's access to materials from the meeting online.

Commissioner Schwartz moved to approve the minutes from the April 5, 2017 UAC meeting with the corrections noted previously. Commissioner Danaher seconded the motion. The motion carried unanimously (4-0, with Chair Cook, Vice Chair Danaher and Commissioners Forssell and Schwartz voting yes and Commissioners Johnston, Ballantine and Trumbull absent).

ITEM 2: ACTION: Staff Recommendation that the Utilities Advisory Commission Recommend that the City Council Declined to Set an Energy Storage System Target Due to Lack of Cost-effective Options

Senior Resource Planner Shiva Swaminathan said this was a reprise of a discussion related to storage and microgrids with the UAC in October 2016. AB 2514 required that every three years publicly owned utilities (POUs) are required to make a determination of whether it was cost-effective to set storage goals. The City had made a determination three years ago that such a goal was not cost-effective, and was recommending making the same determination at this time. Staff had reviewed thirteen value propositions for storage in Palo Alto. Many of the potential uses for storage had minimal value in Palo Alto, and the costs of storage still outweighed the benefits. However, staff recommended considering a pilot storage project within the next three years. The best projects would fulfill multiple roles, providing benefits to the customer, the distribution system, and the transmission system.

Chair Cook noted this was an action item recommending that the City not set a goal for installation of energy storage systems. He asked what the next steps were.

Swaminathan said that following the UAC recommendation staff would ask for Council's recommendation, and would then file the decision with the California Energy Commission (CEC).

Chair Cook asked whether staff anticipated any pressure from the CEC to adopt a goal.

Swaminathan said he did not, thought legislative action was always possible to require POUs to set a goal.

Shikada asked Swaminathan to discuss whether the City's assessment was in line with other POUs' assessments.

Swaminathan said most POUs had not set a goal. He said page four of the October 2016 report listed a number of POUs that had set goals. He said the few POU who had set storage goals had use cases that worked well for them specifically. For example, Redding Electric Utility had a hot climate and air conditioning load.

Shikada noted that other POUs had unique circumstances. For example, Silicon Valley Power (Santa Clara) had obtained grant funding that enabled installation of storage. Cost-effectiveness was the standard for setting the goal.

Commissioner Schwartz noted that she had learned that week that PG&E had a program to offer storage and renewable generation incentives to its customers. This would be happening in neighboring cities, which could lead to Palo Altans not understanding why these programs were

not available in Palo Alto. She said it was important to be able to explain the reasons and communicate well with the public. She said it would be good to explore having other programs that reduced barriers, such as an improved permitting process, as a substitute for these programs. It was possible to facilitate storage in Palo Alto without paying customers. She asked staff to articulate the reasons that storage was not ready in Palo Alto when PG&E found it ready.

Swaminathan said the PG&E programs, such as the Small Generation Incentive Program (SGIP), were not intended to be cost-effective. They were intended to transform the market.

Abendschein said as a very large utility with a large rate base, PG&E could afford to engage in market-transformational programs that would not be affordable or effective in a small utility like Palo Alto. It was more compelling to engage in other programs to reduce barriers for people who wanted to voluntarily install storage.

Commissioner Schwartz said the small rate base and difficulty of funding those programs sounded reasonable, and it was important to communicate that effectively and let people know what options they had to take voluntary action on their own and what the City was doing to facilitate that.

Swaminathan said that some storage had been installed in Palo Alto voluntarily and there had been some efforts to improve processes. A pilot program was planned to help the utility learn more about how to integrate this sort of technology.

Commissioner Schwartz noted that any pilot should have a different flavor than other pilot projects. It should not be something like a double-blind study, but rather a learning experience. For example, the Fire Department might find they have specific issues to be aware of when responding to a fire at a house with a storage system.

Swaminathan agreed. He also said it would be useful to learn about how storage projects could be used to dispatch services into the California Independent System Operator (CAISO).

Commissioner Schwartz said that was an interesting possibility and thought it would be useful to also include other controllable loads like water heaters in that type of a pilot.

Vice Chair Danaher asked whether technologies like storage and smart grid would be considered in the strategic plan.

Shikada said smart grid would require organizational planning. He said storage was an example of one technology in the wide range of new technologies that would need to be planned for in the strategic plan.

Swaminathan said he also thought the strategic plan could also influence the City's strategy by determining what role the utility would play in this type of technology integration, which would inform the projects the utility took on.

ACTION: Commissioner Schwartz made a motion to recommend that Council adopt the staff recommendation to decline setting a target for energy storage, but to also encourage exploration and facilitation of ways to encourage investment by members of the community.

Vice Chair Danaher proposed a friendly amendment to the wording, modifying it to “encourage exploration and facilitation of budget neutral ways to encourage investment.”

Commissioner Schwartz agreed.

Commissioner Forssell seconded the motion. The motion passed unanimously (4-0, with Chair Cook, Vice Chair Danaher and Commissioners Forssell and Schwartz voting yes and Commissioners Johnston, Ballantine, and Trumbull absent)

ITEM 4. DISCUSSION: 2017 Utilities Strategic Plan Progress Report

General Manager and Assistant City Manager Ed Shikada discussed the key drivers of the Utilities Strategic Plan. Staff had compiled a list of statutory and regulatory State and Federal mandates the utility was operating under, including the agencies that regulated our operation. He also showed a list of Council-directed policies and plans. He noted he was aiming to consolidate these plans into a more digestible format. All of this information had been provided as an addendum to the Strategic Plan Request for Proposals (RFP). Consultant selection continued, with the goal to have a contract approved by late June 2017.

Commissioner Schwartz asked if it was possible to see the list of consultants considered.

Shikada said he saw no problem with providing that list, though that was not typical City practice. He said he would hesitate to provide actual pricing.

Vice Chair Danaher recommended sharing this information with Commissioner Schwartz separately rather than sharing it with the full UAC publicly. He was concerned it would discourage bidders.

Shikada said he would do that.

Vice Chair Danaher said it would be helpful to have a discussion of strategic planning in advance of the joint UAC and Council meeting.

Shikada said he would work to accommodate that schedule as much as possible.

ACTION: No action.

ITEM 5. DISCUSSION: Joint Study Session between the Council and the Utilities Advisory Commission

General Manager and Assistant City Manager Ed Shikada said there was a joint study session scheduled for August 21. He noted there would be some turnover in Commissioners. He was attempting to set up a meeting between the Chair and Vice Chair of the UAC and the Mayor and Vice Mayor to discuss topics in advance of the meeting. He was sure that the UAC would want to discuss the Utilities Strategic Plan as well as Fiber to the Premise.

Commissioner Schwartz expressed her disappointment that she would not be able to attend.

Shikada said he would look for opportunities to get feedback from Commissioner Schwartz in advance of the meeting.

Chair Cook recommended not changing the meeting date, given that it had been so long since the UAC had a meeting with the City Council, unless there were a feasible way to reschedule and accommodate Commissioner Schwartz.

ACTION: No action.

ITEM 6. ACTION: Selection of Potential Topics(s) for Discussion at Future UAC Meeting

General Manager and Assistant City Manager Ed Shikada said the rolling calendar was now online and available to the public. He said staff had tried to reschedule the June UAC meeting but had been unable to find a date that worked for everybody. Staff was working on rescheduling the July meeting as well to accommodate Commissioner schedules. He was considering rescheduling the Community Solar and Long-term Electric Acquisition Plan to July.

Commissioner Schwartz said a backup plan would be for her to provide a copy of her report on Community Solar to share with the UAC at the June meeting.

ACTION: No action.

Meeting adjourned at 2:40 p.m.

Respectfully Submitted,
Marites Ward
City of Palo Alto Utilities