



JUNE 14, 2022

TO:

**Mayor and City Council Members of Irvine**

We are proud of the Orange County Power Authority's financials and also welcome all inquiries and audit requests.

As of today, 37,399 customers are being served by OCPA. Power supply decisions by our member cities have resulted in a 94.6% renewable portfolio making OCPA the greenest of any CCA in existence.

OCPA is a transparent organization.

The City of Irvine has asked us to provide Power Purchasing Agreements. The law makes the details within these documents confidential. This is not a decision of the Board or of the Management of OCPA, it is the law. Transaction details within Power Purchasing Agreements are confidential contracts that cannot be provided to cities or the public. Even if it was legal, doing so would work against our mission and disadvantage OCPA in the marketplace.

Continued attempts to make it look like OCPA is not being transparent because we follow the law are disingenuous at best.

As a signatory to the related subordination, the City of Irvine has been provided these documents. You will also find a full copy of the agreement within the September 14, 2021, OCPA Board Meeting Agenda posted on our website.

There have been demands for the names of customer data. These names are not subject to disclosure under privacy and security rules adopted by the CPUC. An analogy would be that many Orange County cities are members of the Transportation Corridor Agencies, but the cities do not have the right to identifiable customer information of users of the Toll Roads.

Much is being made of the "fine" by the CPUC as if it was not planned for by the OCPA. We have incorporated the \$1.96 million in the OCPA proposed FY22/23 budget. OCPA is far from alone in being assessed these fees which have also been borne by many other CCAs as well as the large investor-owned utilities.



answers@ocpower.org  
(866) 262-7693  
P.O. Box 54283  
Irvine CA, 92619-4283

[www.ocpower.org](http://www.ocpower.org)    



## OCPA Special Meeting Questions

### Questions

1) What are the monthly and yearly actuals, both revenues and expenditures, compared to OCPA's historical budgets? How much were its original revenues and projections, versus where we stand today?

A: The budgetary comparison reports from September 30, 2021, to March 31, 2022 were reported under the Quarterly Financial Statements published on our website ( Key Documents - Orange County Power Authority (ocpower.org). The Monthly Financial Statements as of April 30, 2022 will be published in the June 29, 2022 OCPA board packet.

2) Who are all the OCPA staff and businesses (i.e. consultants, subconsultants, contractors and subcontractors) that have worked for OCPA? Please provide a list of their names and compensation amounts, including members of the Board of Directors.

A: OCPA has seven employees, six board members, four alternates and fewer than ten consultants. We can compile a more comprehensive list with a more specific request.

3) When is the City going to receive copies of all Power Purchasing Agreements that the Authority has signed? Please provide those copies.

A: The law makes the details within these documents confidential. Directors can review PPAs or be briefed on them in their official capacity as board members, but copies of the confidential market sensitive information cannot be shared.

4) When is the City going to receive a copy of the credit facility agreement(s) between OCPA and MUFU Union Bank? Please provide a copy.

A: The City has a copy of the MUFU agreement and it is available on our website.

5) What will be the fiscal impact of the \$1.96 million fine levied by the California Public Utilities

Commission? Is OCPA adequately resourced for the balance of this year, and how will it recover financially from the fine if it loses its appeal?



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A: We have incorporated the \$1.96 million as an alternative compliance payment for Resource Adequacy (RA) in the OCPA proposed FY22/23 budget.

6) What was OCPA's change in financial position after its April 1 commercial launch?

A: The Net Position at End of Period has changed from (\$4,095,547) from July 1, 2021 to March 31, 2022 to (\$4,144,621) from July 1, 2021 to April 30, 2022.

7) How much revenue did OCPA lose from commercial customers "opting out" or "opting down" in service levels? What will OCPA's contingency plan be if more businesses opt out or opt down in service? Please provide a list of the businesses that have opted out or opted down in service as of June 13, their electricity usage and OCPA's accompanying revenue losses.

A: OCPA did not lose any revenue as we projected and budgeted for opt-outs which remain within assumptions. Revenue was projected to be slightly over \$44MM and we expect to end the fiscal year within expectations.

Sincerely,

Brian Probolsky  
Chief Executive Officer



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Irvine CA, 92619-4283

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