



Board of Directors

Closed Session

June 22, 2023

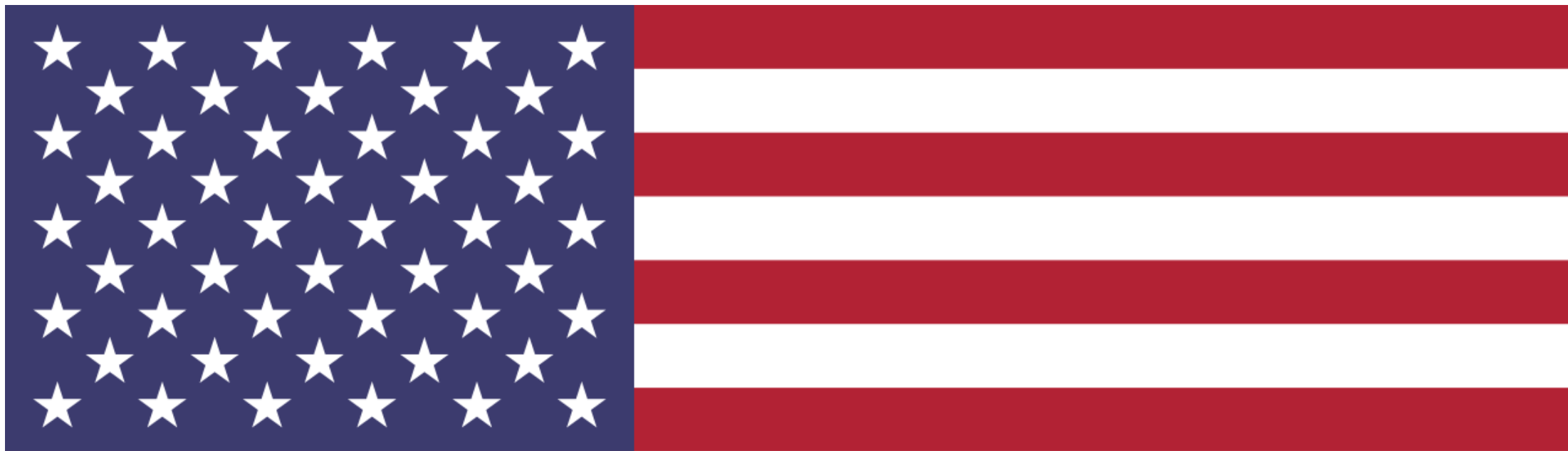





**Welcome
&
Call to
Order**

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Roll Call





Public Comment for Closed Session Items

Closed Session Agenda

1. PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957

Title: Chief Executive Officer

2. CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54957.6

Agency designated representative(s):

General Counsel Unrepresented employee:

Chief Executive Officer

Special Meeting Agenda

Report from Closed Session



Board of Directors

Regular Meeting

June 22, 2023

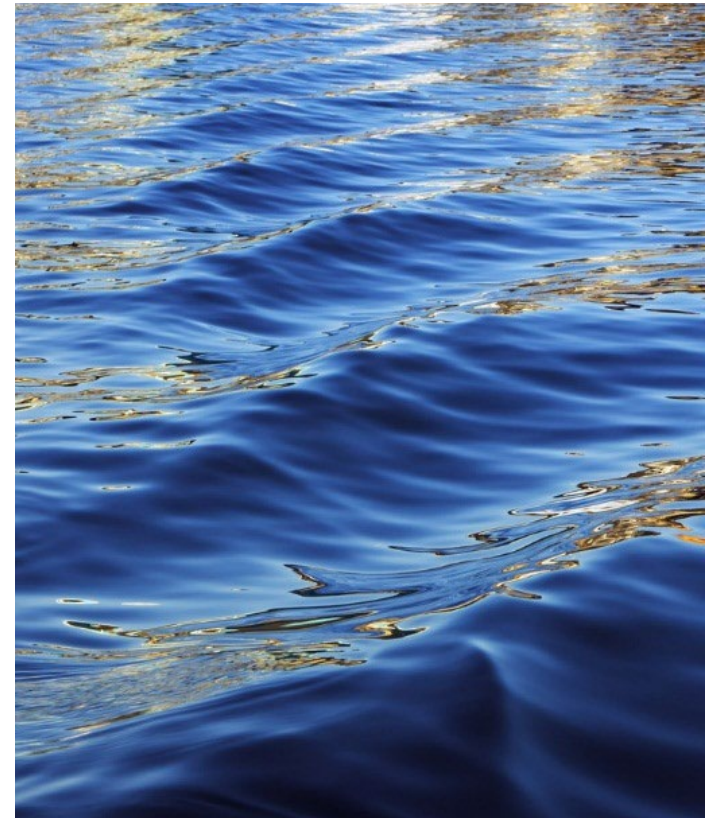


Warm Welcome!

Jack Clark
Chief Operating
Officer




SAN DIEGO
**COMMUNITY
POWER**





**Items to
be Added,
Withdrawn
or
Reordered
on the
Agenda**



Public Comment for Items NOT on the Agenda

Consent Agenda

1. Approval of February 23, 2023 and March 23, 2023 Meeting Minutes
2. Receive and File Treasurer's Report for Period Ending April 30, 2023
3. Receive and File Update on Power Services
4. Receive and File Update on Human Resources
5. Receive and File Update on Customer (Back Office) Operations
6. Receive and File Update on Marketing and Public Relations
7. Receive and File Update on Regulatory and Legislative Affairs
8. Receive and File Update on Community Advisory Committee
9. Approval of Second Amendment to Professional Services Agreement with Keyes and Fox for up to \$1,300,000 for Legal and Regulatory Services through May 31, 2026
10. Approval of Third Amendment to the Professional Services Agreement with Maher Accountancy for up to \$297,000 for accounting services through FY2024.
11. Approval of Professional Services Agreement with Innovation Network for Communities for up to \$350,000 for a Building and Housing Stock Analysis and Funding Gap Analysis Services through June 30, 2025
12. Approval of Community Advisory Committee Reappointment of Members for Terms Ending in 2023

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Public Comment for Consent Agenda

Regular Meeting Agenda

13. Approval of Second Amendment to CEO Employment Agreement
14. Approval of the FY 2023-24 Operating Budget and FY 2024-28 Capital Investment Plan
15. Update on the Disadvantaged Communities and Community Solar Green Tariff Programs
16. Approve the update to the Collections and Delinquency Policy to Include Residential Customers
17. Approval of the Renewable Power Purchase Agreement (PPA) Yellow Pine Solar III, LLC

Item 13

Approval of Second Amendment to CEO Employment Agreement

Recommendation:

Approve the Second Amendment to the CEO Employment Agreement



Public Comment for Item 13

Item 13

Recommendation:

Approve the Second Amendment to the CEO Employment Agreement

Item 14

Approval of the FY 2023-24 Operating Budget and FY 2024-28 Capital Investment Plan

Recommendation:

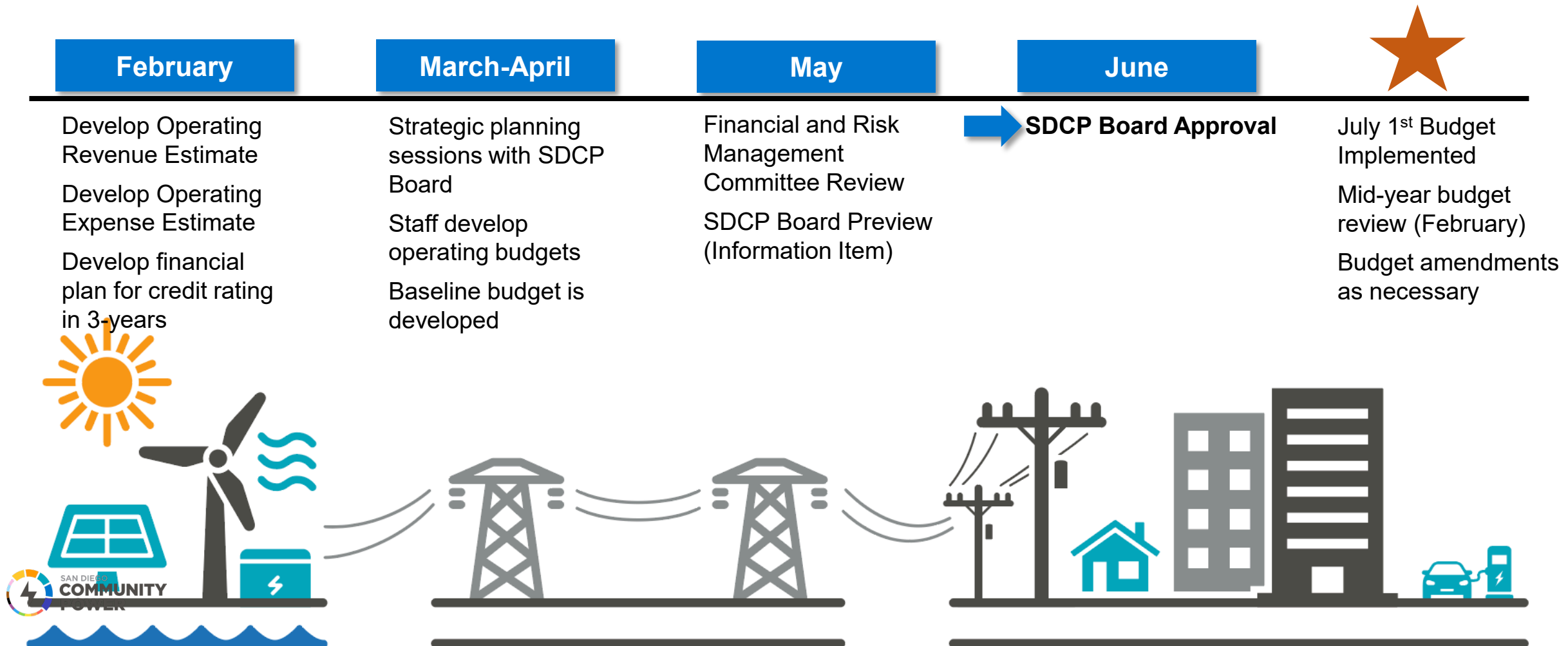
Approve the FY 2023-24 Operating Budget and FY 2024-28 Capital Investment Plan

Presenter:

Dr. Eric Washington,
Chief Financial Officer

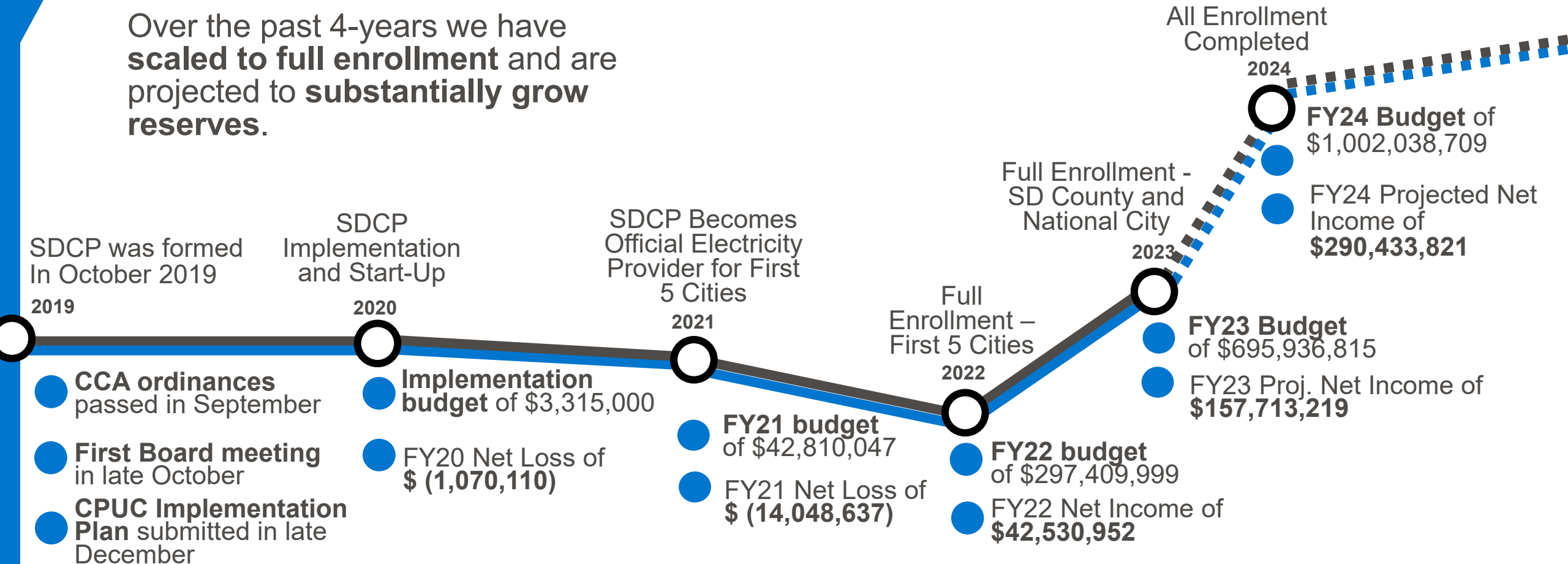
Budget Development for FY 2023-24

The Board adopted schedule for budget development is the following.



Budget - History

Over the past 4-years we have **scaled to full enrollment** and are projected to **substantially grow reserves**.



Budget - Highlights

- First full fiscal year of **full enrollment** from Phase 1, 2, 3 and 4.
- Thoughtfully scale the agency by adding 23 staff to **grow to 59 total staff**.
- Continued outreach through **community events, sponsorships and advertising** to inform customers about SDCP.
- Addition of **Capital Investment Plan (CIP)** to shift programs and projects over multi-year periods.



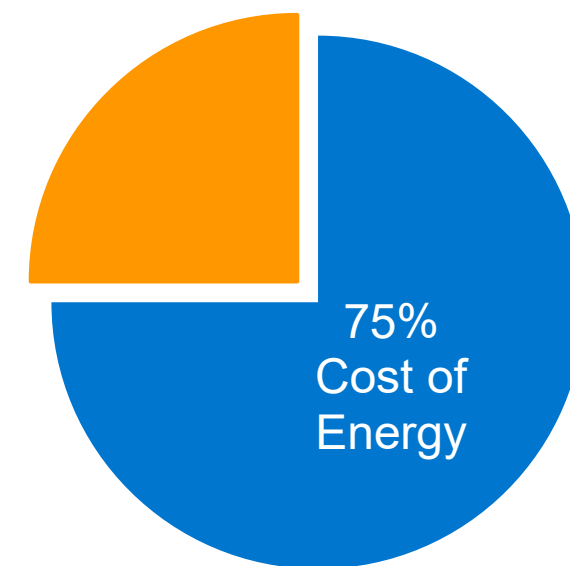
Budget – Material Changes since May Meeting

Item	5/25 Board Meeting, \$M	6/22 Board Meeting, \$M	Net Change	Update
Net Revenue	1,292.5	1,292.5	-	
Cost of Energy	971.6	948.5	(23.1)	Energy contracts updated through June 2023.
Professional Services	22.9	22.9	-	
Personnel Costs	13.4	13.2	(0.2)	Minor logistical changes related to timing and sequencing of new hires.
General and Administration	7.5	7.9	0.4	Minor administrative and staff development adjustments
Programs	0.3	0.3	-	
Marketing and Outreach	2.9	2.9	-	
Interest and Related Expense	2.4	2.4	-	
Capital Improvement Program	4.2	3.8	(0.4)	Adjustment to account for external funding
Total			(23.5)	

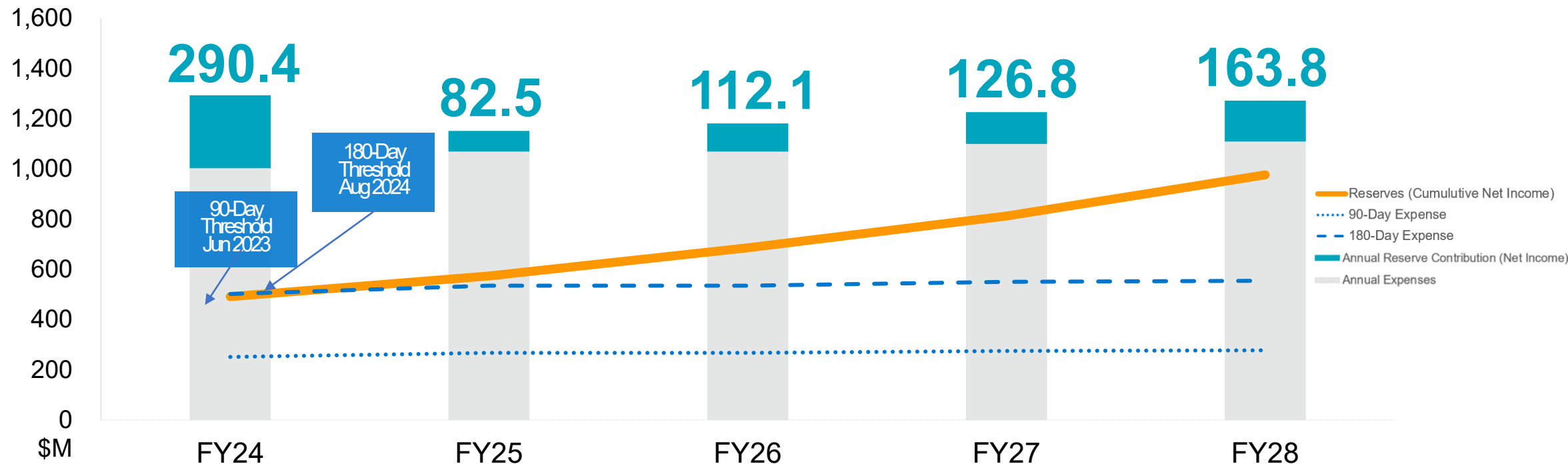
Budget – Summary

Item	FY 23 Amended Budget, \$M	FY 24 Proposed Budget, \$M
Gross Revenue	939.2	1,346.3
Less Uncollectible Accounts	(9.4)	(53.9)
Net Revenue	929.8	1,292.5
Cost of Energy	738.8	948.5
Non-Energy Costs	32.0	47.2
Subtotal Operating Expense	770.8	995.8
Debt Service	1.3	2.4
Capital Investment Program	0.0	3.8
Total Expense	772.1	1,002.0
Net Position	157.7	290.4
Cumulative Net Position	200.2	490.6
Days Cash on Hand	94.8	179.8

FY24 Cost of Energy / Net Revenue



Updated ProForma Projections




Operating Budget, \$M	FY24	FY25	FY26	FY27	FY28
Net Revenue	1,292.5	1,151.1	1,180.8	1,225.8	1,271.9
Total Expense	1,002.0	1,068.6	1,068.7	1,099.0	1,108.0
Annual Reserve (Net Position)	290.4	82.5	112.1	126.8	163.8
Reserves (Cumulative Net Surplus)	490.6	573.2	685.3	812.1	975.9
90-Day Expense Target	250.5	267.2	267.2	274.8	277.0
180-Day Expense	501.0	534.3	534.4	549.5	554.0

Budget – Personnel

Department	SDCP (Existing/ Proposed)	Marin Clean Energy	Clean Power Alliance	East Bay Community Energy	Peninsula Clean Energy	Central Coast Com. Energy
Existing SDCP Staff	36	-	-	-	-	-
Data Analytics and Account Services	6	16	16	14	8	7
Executive Team	-	5	6	2	3	8
Finance	3	4	6	3	2	3
Human Resources	1	5	3	3	6	6
Operations	1	6	3	3	7	3
Power Services	4	7	14	11	7	4
Programs	1	20	6	12	8	2
Regulatory and Legislative	3	11	10	8	8	2
Public Affairs	4	16	6	10	3	7
Total	59	90	70	66	41	35

Budget – Next Steps



SAN DIEGO COMMUNITY POWER
Operating Budget
Fiscal Year 2023-24
Proposed Draft
June 22, 2023

A Letter from the Chief Executive Officer

I am very proud and excited to present San Diego Community Power's (SDCP's) operating budget for Fiscal Year (FY) 2023-24. I could not be more excited to partner with such a smart, capable, and mission-driven SDGP team. Board, and mission-driven SDGP Committee to fit energy goals.

San Diego Community Power is committed to businesses, and cities and unincorporated areas with clean, renewable rates and investments that benefit the community.

I believe climate change is one of the most effective solutions to this effort sought out by the community.

SDCP is a significant investment in energy and the community. As the sector evolves, we will continue to work with our customers and stakeholders to ensure we are meeting the needs of the community.

1. Listen to the community
2. Ensure high quality service
3. Ensure the community is a priority
4. Ensure the community is a priority

Budget Process
Annual Budget Cycle

On October 1, 2019, the Founding Members of SDGP adopted the Joint Powers Agreement (JPA), which was amended and re-adopted on December 16, 2023. Section 4.5.2 of the JPA specifies that the SDGP Board of Directors shall adopt an annual budget with a fiscal year that runs from July 1 to June 30. Section 4.5.2 of the JPA additionally specifies that the board may revise the budget from time to time as necessary to address contingencies and unexpected expenses.

The annual budget develops initial and April, SDGP the Agency for the SDGP, through strategic planning and the SDGP Board of Directors, which is necessary to address contingencies and unexpected expenses.

Figure 4: Typical Budget Process

The SDGP FY 2023-24 Proposed Operating Budget is presented in further detail in the following pages. The table below summarizes the revenue and expense budgets proposed for FY23 in comparison to the FY22 Amended Budget.

	FY22 Amended	FY23 Proposed
Gross Revenue	380.8	696.2
Less Uncollectible Accounts	(2.7)	(7.0)
Net Operating Revenues	378.1	689.2
Cost of Energy	329.5	641.0
Non-Energy Costs	11.7	31.7
Subtotal Operating Expense	341.2	672.7
Total Expenses	341.9	673.6
Net Position	36.1	6.3

Amounts displayed in millions, \$

Operating Revenue

SDCP's sole source of revenue currently is from the retail sale of electricity to its customers. Revenue budgeted for FY 2023-24 reflects a full fiscal cycle of retail sales to our commercial and industrial customer base and retail sales to our residential customer base.

The following table summarizes the revenues for FY22 Amended Budget, and the FY23 Proposed Operating Budget.

	FY22 Amended	FY23 Proposed
Gross Ratepayer Revenues	380.8	696.2
(Less % Uncollectible Customer Accounts)	(2.7)	(7.0)
Net Operating Revenues	378.1	689.2

Amounts displayed in millions, \$

SAN DIEGO COMMUNITY POWER
Capital Investment Plan (CIP)
Fiscal Year 2024-28
Proposed Draft
June 22, 2023

Capital Investment Plan

San Diego Community Power is a coalition of people who live and work in our communities. We're focused on moving toward a sustainable, clean energy future. We're friends and neighbors, teachers and students, and business owners. We're of every color and ethnicity, every age, and every background. We're all here to make our communities a better place to live, work, and play. We're all here to make our communities a better place to live, work, and play. We're all here to make our communities a better place to live, work, and play.

Overview of San Diego Community Power

Who We Are

San Diego Community Power is a coalition of people who live and work in our communities. We're focused on moving toward a sustainable, clean energy future. We're friends and neighbors, teachers and students, and business owners. We're of every color and ethnicity, every age, and every background. We're all here to make our communities a better place to live, work, and play. We're all here to make our communities a better place to live, work, and play. We're all here to make our communities a better place to live, work, and play.

About the CIP

The SDGP Fiscal Year 2024 - 2028 Capital Investment Plan (CIP) includes XXX projects that will receive funding in the five-year period, totaling \$3.0 billion in citywide investment projects. The CIP includes projects that will receive funding in the five-year period, totaling \$3.0 billion in citywide investment projects. The CIP includes projects that will receive funding in the five-year period, totaling \$3.0 billion in citywide investment projects.

Capital Investment Plan (CIP)

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Government

In September 2023, the SDGP Board of Directors adopted the SDGP Fiscal Year 2024 - 2028 Capital Investment Plan (CIP). The CIP includes projects that will receive funding in the five-year period, totaling \$3.0 billion in citywide investment projects. The CIP includes projects that will receive funding in the five-year period, totaling \$3.0 billion in citywide investment projects. The CIP includes projects that will receive funding in the five-year period, totaling \$3.0 billion in citywide investment projects.

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Public Comment for Item 14

Item 14

Recommendation:

Approve the FY 2023-24 Operating Budget and FY 2024-28 Capital Investment Plan

Item 15

Update on Disadvantaged Communities (DAC-GT) and Community Solar Green Tariff (CSGT) Programs

Recommendation:

Receive Update on Disadvantaged Communities (DAC-GT) and Community Solar Green Tariff (CSGT) Programs

Presenter:

Tessa Tobar, Program Associate

Background

Disadvantaged Communities Green Tariff (DAC-GT) & Community Solar Green Tariff (CSGT)

September 29, 2021

- SDCP filed its Tier 2 Advice Letter (“AL”) with the Commission requesting a capacity transfer from SDG&E under the DAC-GT and CSGT based on the Disadvantaged Communities (DACs) located within founding member agencies of SDCP.

November 18, 2021

- CPUC accepted and approved SDCP's allocation request of 14.39 megawatts (MW) under DAC-GT and 4 MW under the CSGT programs, **making SDCP's program the largest allocation in the state.**

October 12, 2022

- Staff submitted a Tier 3 Implementation AL to become a Program Administrator of the DAC-GT and CSGT programs and seek approval of an Implementation Plan.

March 16, 2023

- The CPUC voted to adopt Resolution E-5246 on SDCP's DAC-GT and CSGT Implementation Plan AL. SDCP becomes DAC-GT & CSGT Program Administrators.

May 19, 2023

- SDCP filed a Tier 2 AL with the Commission requesting approval of the Solicitation Documents.



Overview

Disadvantaged Communities Green Tariff (DAC-GT) & Community Solar Green Tariff (CSGT) Short-Term

Description & Benefits

- Designed to increase renewable energy generation among residential customers in DACs per CalEnviroScreen 4.0.
- Offers **100% renewable energy** to customers who are eligible for the California Alternate Rates for Energy (CARE) or Family Electric Rate Assistance Program (FERA) discounts.
- Provides an additional **20% discount** on the electricity and delivery portion of the customers' bills.
- Funding for DAC-GT & CSGT is **fully refundable** by the CPUC.

Program Capacity & Enrollment*

	DAC-GT	CSGT
MW Allocation	15.78	4.38
Estimated Customer Enrollment	6,912	1,920

*Eligible customers will be auto-enrolled in 2025 when new projects come online.

Eligibility

Disadvantaged Communities Green Tariff (DAC-GT) & Community Solar Green Tariff (CSGT)

The CPUC has defined an eligible DACs as census tracts that either:

- Score at or above the 75th percentile (i.e., scoring in the top 25 percent statewide) in the current CalEPA CalEnviroScreen 4.0 on a statewide basis, or
- Are one of the census tracts that score in the highest five percent of CalEnviroScreen's pollution burden, but that do not have an overall score.

SDCP has over **40 eligible census tracts** located in Chula Vista, National City, and the City of San Diego.

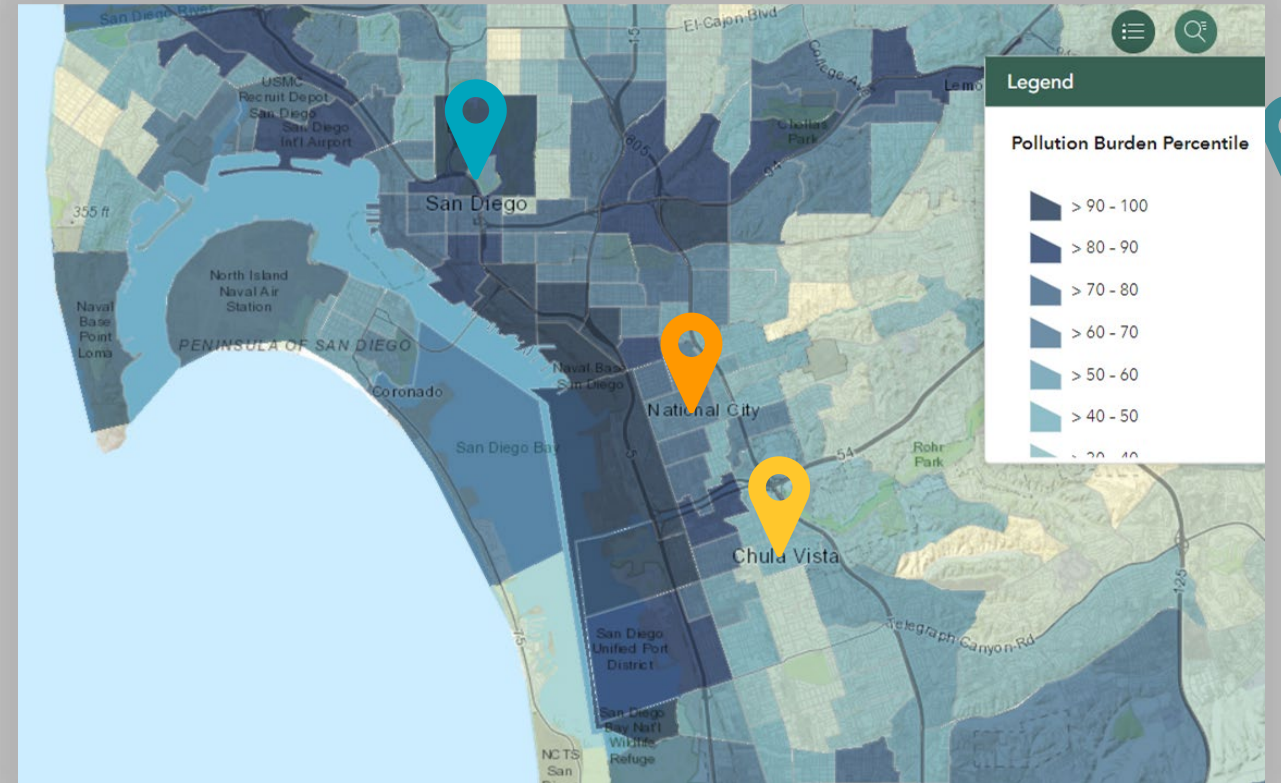


Figure 1: Qualifying Neighborhoods in SDCP Service Territory

Eligibility – cont.

Disadvantaged Communities Green Tariff (DAC-GT) & Community Solar Green Tariff (CSGT)

DAC-GT

- DAC-GT projects can be sited in any DACs in **SDG&E's** and/or **SDCP's service territory**.



CSGT

- CSGT projects must be located in a DACs in **SDCP's service territory**.
- CSGT projects must be within **5 miles** of participating customers.
- CSGT projects must have a **Community Sponsor** on behalf of the customers.

Community Sponsors

Community Solar Green Tariff (CSGT)

Eligibility & Requirements

- Must be a non-profit community-based organization (CBO), local government entity, or school.
- The sponsor's role is to work with the project developer to encourage program participation in the community.
- Sponsors are required to include job training and workforce development in their efforts to benefit the local communities.
- SDCP will provide support to local CBOs and Bidders to identify potential CSGT project sites and sponsors.

Benefits

- Community Sponsors are eligible for a **20% bill credit** for usage and **up to 25%** of the project's estimated output.
- Ensures community **involvement**, awareness, and **substantial interest** of community members in subscribing to the Project.
- Captures **community-suggested host sites**, and verification that the site chosen for the bid is **consistent with community preference**.

Next Steps

June 2023

- SDCP expects to receive CPUC's approval for the solicitation documents
- SDCP is in progress to launch a dedicated webpage for DAC-GT & CSGT by the end of June

June – August 2023

- SDCP will conduct outreach to solar developers and potential Community Sponsors by developing collateral and hosting multiple webinars
- Solicitation documents will go live on the SDCP website within 60 days of CPUC approval

Early 2024

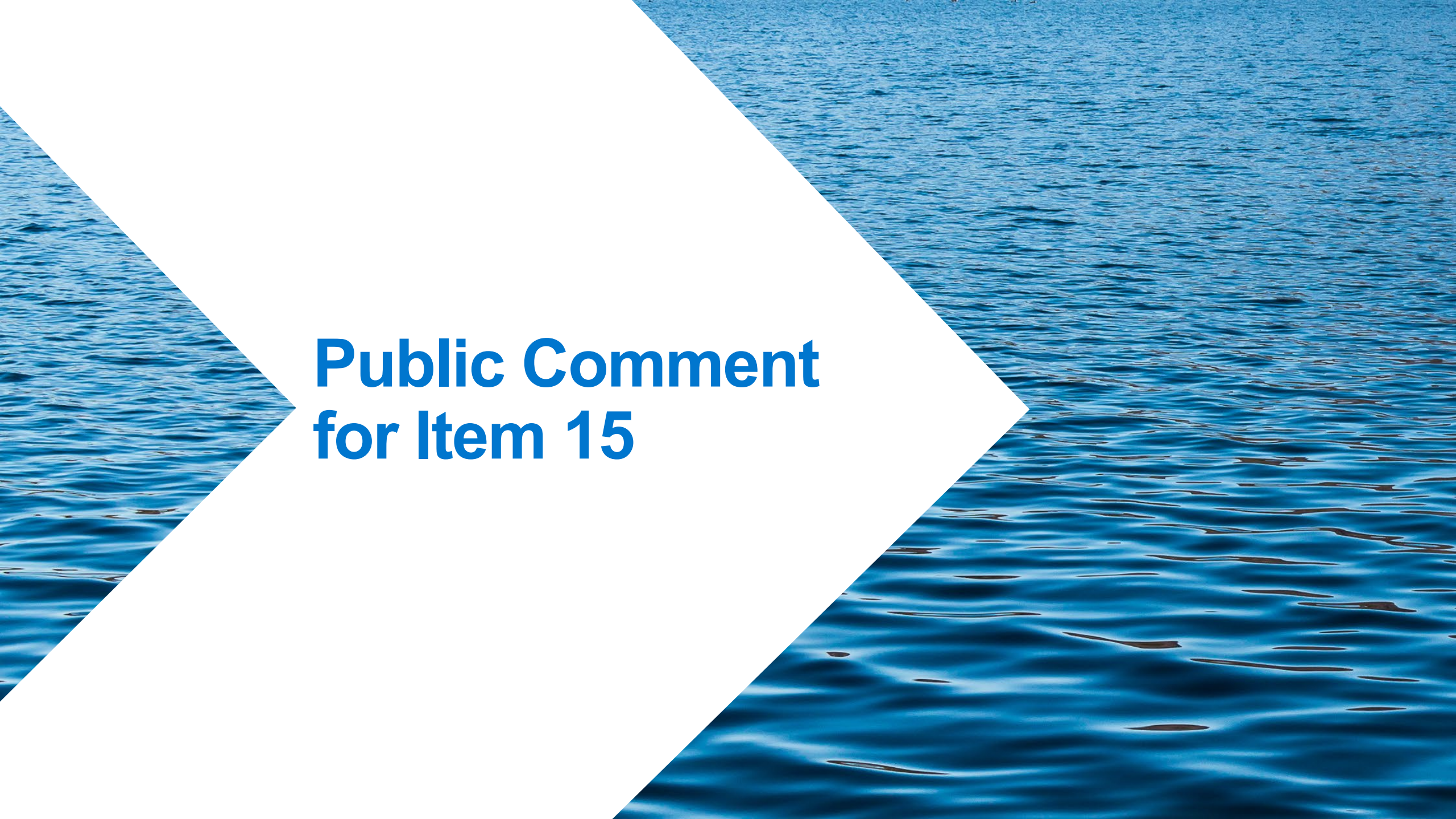
- SDCP will receive bids and select a solar developer(s)

2025

- Customers will be auto-enrolled when new projects come online in 2025

Deadline to respond to DAC-GT & CSGT RFO is **TBD**.

SDCP will return to the CAC and Board with updates.

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Public Comment for Item 15

Item 15

Recommendation:

Receive and File Update on Disadvantaged Communities (DAC-GT) and Community Solar Green Tariff (CSGT) Programs

Item 16

Approve the Update to the Collections and Delinquency Policy to include Residential Customers

Recommendation:

Approve the Update to the Collections and Delinquency Policy to include Residential Customers

Presenter:

Dr. Eric Washington, Chief Financial Officer

Lucas Utouh, Director of Data Analytics and Account Services

Collections/Delinquency Policy Objectives

1. Provide a framework for SDCP staff and Back Office Service provider to better serve our customers, to treat them with respect and dignity, and to set clear expectations on the handling of past due customer charges (arrearages).
2. Minimize and mitigate bad debts for the overall long term financial viability, resiliency and competitiveness of our organization.

Programs Assisting Customers with Arrearages

1. Low-Income Home Energy Assistance Program (LIHEAP) program.

- Federally funded and administered by the California Department of Community Service and Development (CSD), offers up to \$1,000 in financial aid for SDG&E customer bills.

2. Arrearage Management Payment (AMP) program.

- Enrollee must be a current SDG&E residential customer and must participate in the CARE or FERA program.
- Must have been a customer for minimum of six months and had at least one on-time payment in the last two years.
- Once enrolled, participants must make on-time payments of their current month's bill amount for 12 consecutive months.
- AMP will forgive a maximum of \$8,000 upon successful completion in the program.

3. California Arrearage Payment Program (CAPP).

- Over \$2 billion state budget allocation for past-due energy bills during COVID; over \$900 million allocated for IOUs and CCAs
- Administered by Dept of Community Services (CSD)
- Utilities including SDG&E applied credits automatically to eligible customer account balances for arrearages between 3/4/2020 and 12/31/2021.

Programs Assisting Customers with Arrearages

4. Percentage of Income Payment Plan (PIPP) pilot program.

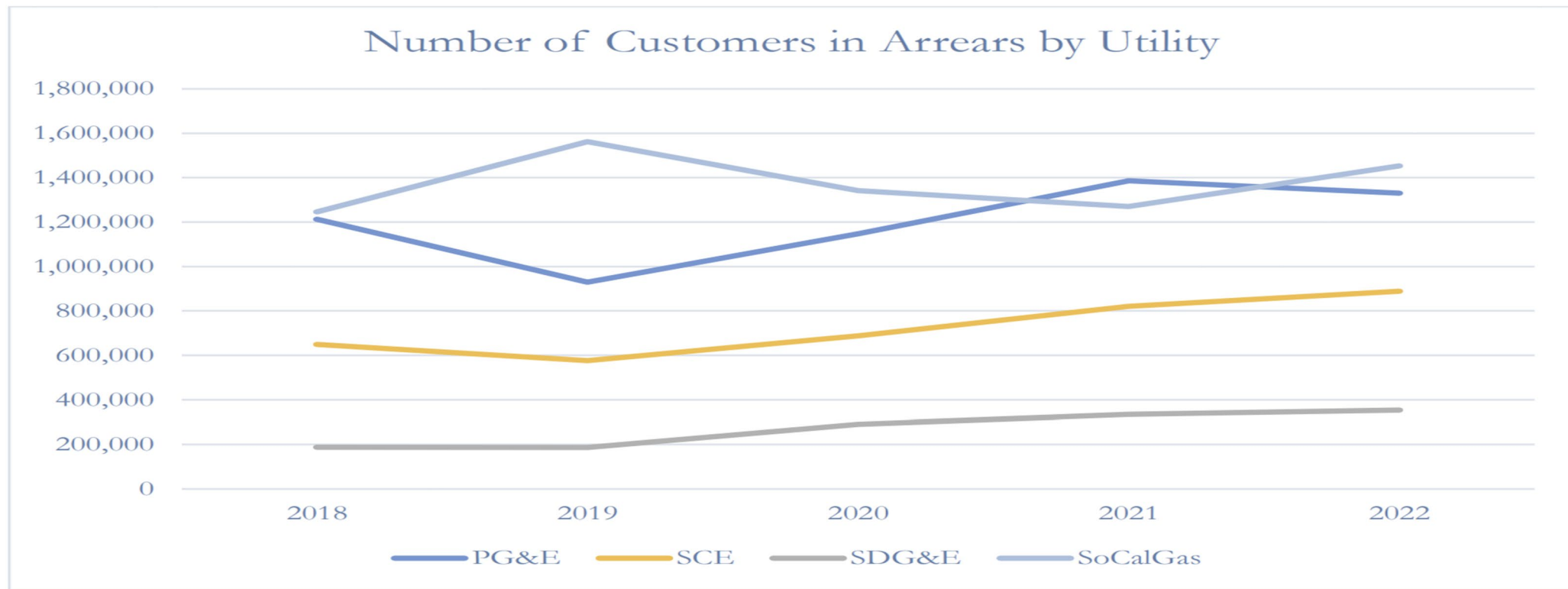
- Allows a participant to pay a predetermined affordable percentage of their monthly income toward their electricity or natural gas bill.
- Participants will receive a monthly bill cap for current charges set at four percent of their household's monthly income.
- Monthly bill caps will be standardized for households in two income tiers: 0-100 percent of Federal Poverty Guidelines, and 101-200 percent of Federal Poverty Guidelines.

5. Automatic Extended Payment Plans.

- Ordered by the CPUC in June 2021 whereby:
 - IOUs directed to automatically enroll eligible customers per the below
 - Available to Residential and small business customers
 - With arrears 60+ days old as of 9/30/2021
 - 24 month plans for residential customers, 24+ for small business customer
 - Small business customers' monthly bill increase for payment plan capped at 10% & 5% for small business customers located in a DAC
 - Customers may miss up to 3 payments before the payment plan is considered broken and arrearages may result in disconnection

State of Arrearages in Our Region

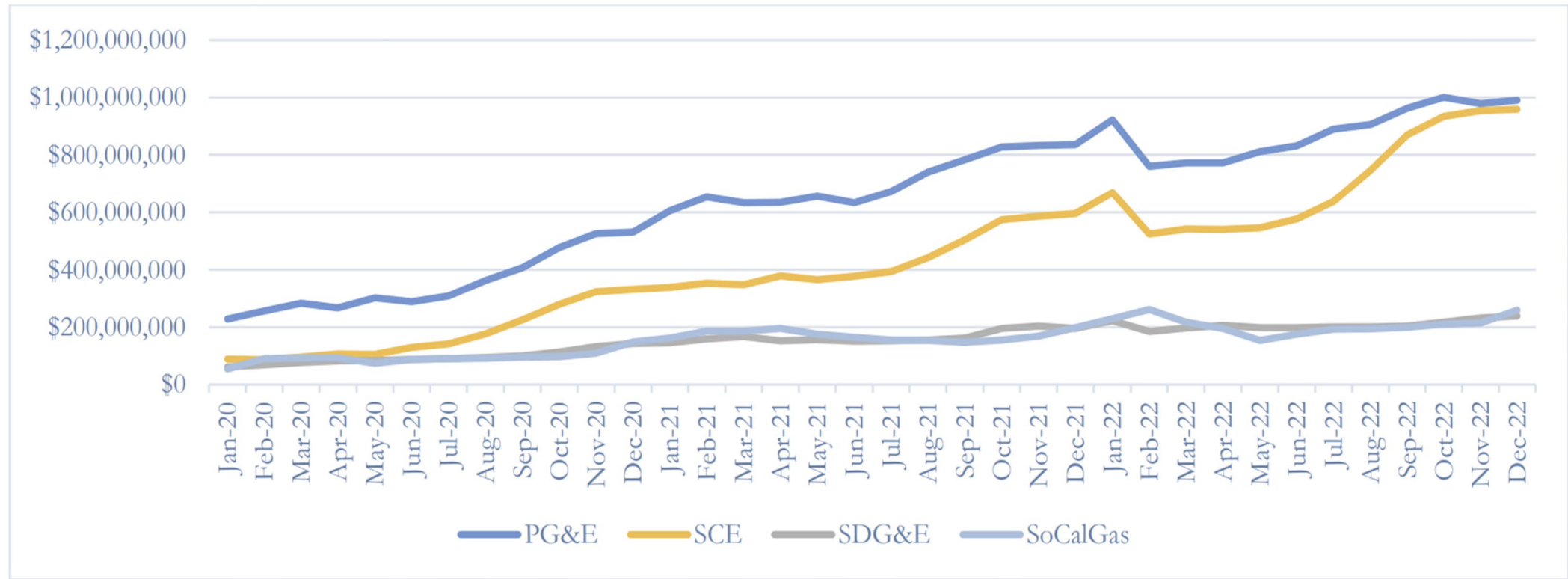
FIGURE 13: NUMBER OF CUSTOMERS IN ARREARS BY UTILITY



**Data from the California Public Utilities Commission (CPUC).*

Residential Arrearages in Our Region

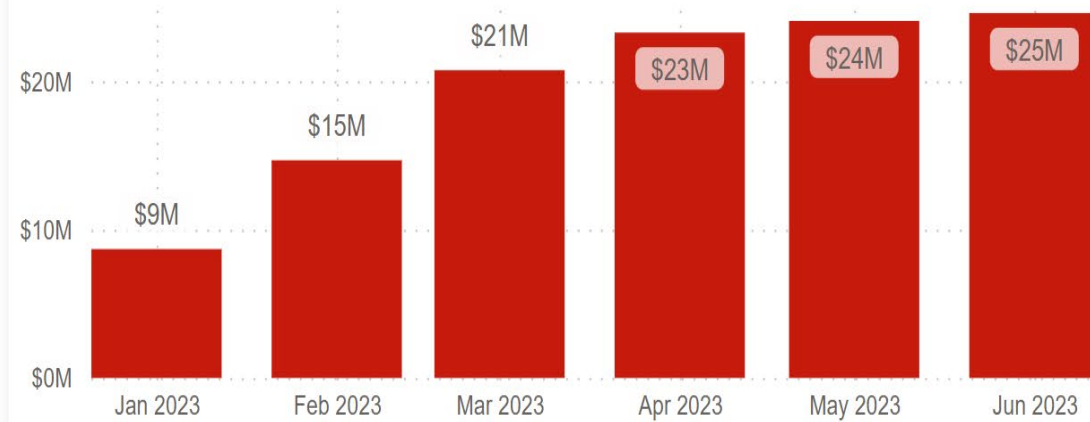
FIGURE 2: TOTAL RESIDENTIAL ARREARAGES BY LARGE UTILITY



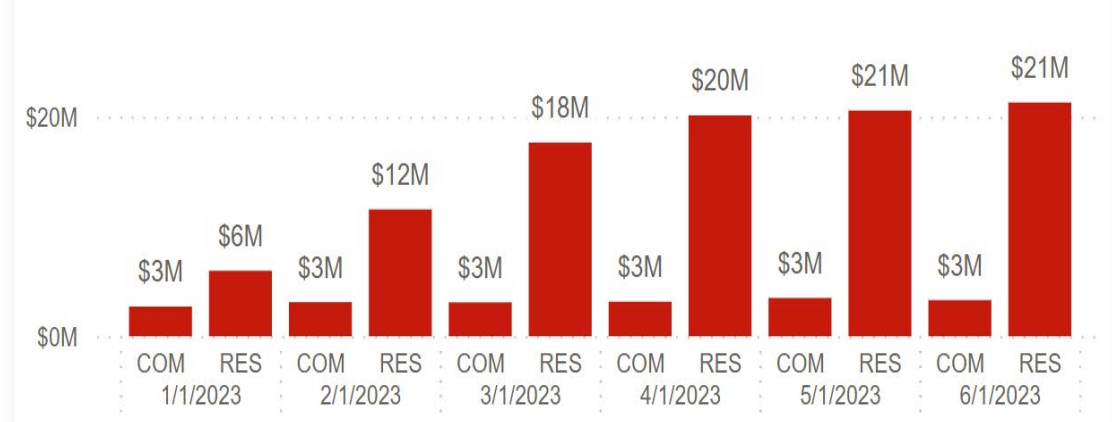
**Data from the California Public Utilities Commission (CPUC).*

State of SDCP Arrearages

Balances over 120 days



Balances over 120 days - RES vs COM



**SDCP's Receivables aged 120 Days+ as of 6/20/2023.*

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Public Comment for Item 16

Item 16

Recommendation:

Approve the Update to the Collections and Delinquency Policy to include Residential Customers

Item 17

Approval of the Renewable Power Purchase Agreement (PPA) Yellow Pine Solar III, LLC

Recommendation:

Approve the Renewable Power Purchase Agreement (PPA) Yellow Pine Solar III, LLC

Presenter:

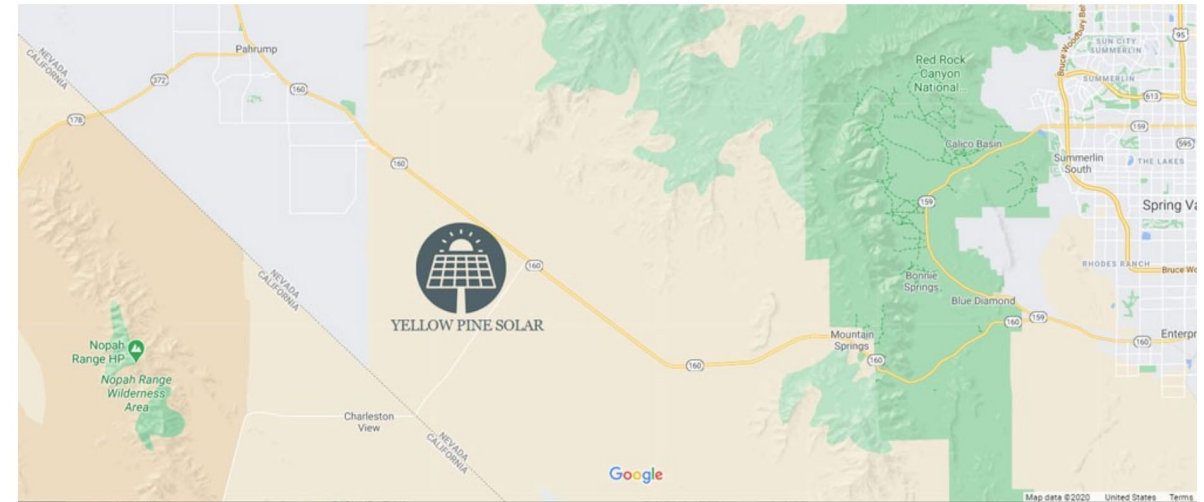
Andrea Torres, Senior Portfolio Manager

SDCP Long-Term Procurement

- Goal of 75% renewables by 2027, 100% renewables by 2035
- Long-term PPAs provide developers with a certain revenue stream against which they can finance up-front capital requirements, incentivizing new incremental renewable energy and storage buildout.
- Long-term PPAs provide power supply cost certainty in our portfolio.
- CPUC requires significant long-term purchase commitments for resource adequacy from new, incremental generation facilities that will achieve commercial operation during 2023 through 2026.

Yellow Pine 3 (NextEra): Overview

- Shortlisted from SDCP's October 2022 Renewable + Storage RFP
- Co-located 35 MWac solar + 35 MWac (up from 30 MW), 4-hour battery energy storage in Clark County, NV
- This PPA is for a portion of the 150 MW Yellow Pine 3 project, which is the last phase of the 500 MW Yellow Pine project
- Located on Bureau of Land Management property
- Project's Special Use Permit and BLM right-of-way were approved in 2020-2021 with the initial phases for the entire 500 MW phased project

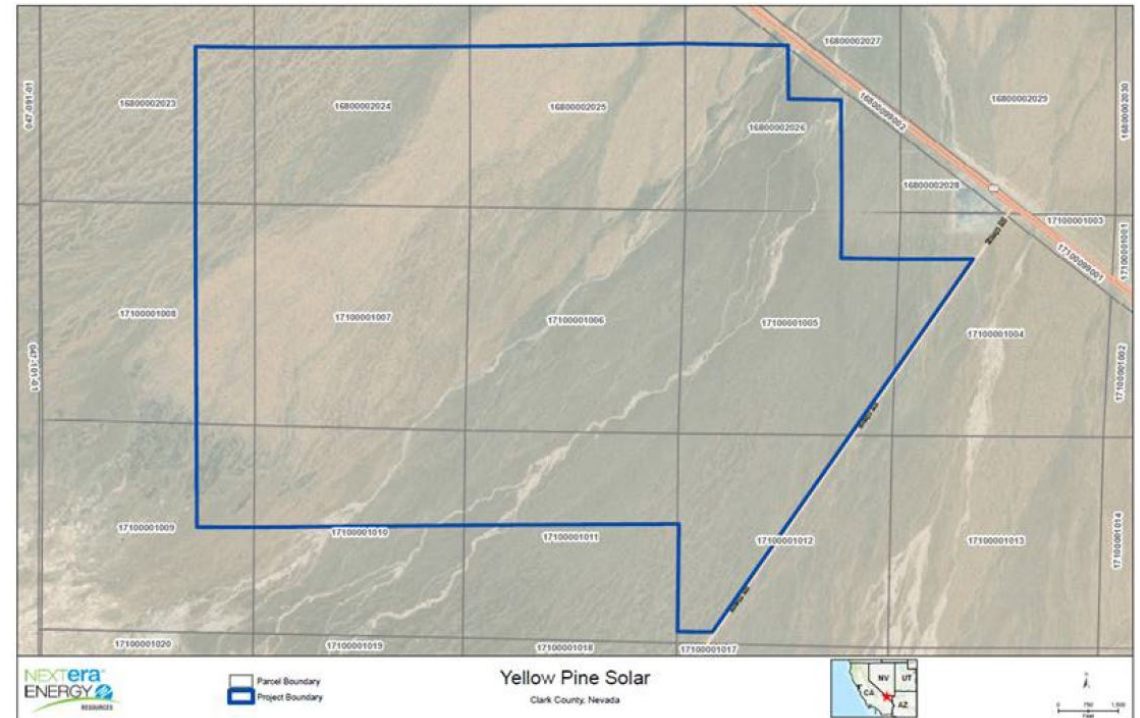


Map is representative of project location but is not to scale and the icon does not indicate actual project boundaries.

Yellow Pine 3: Key PPA Terms

- Product: RPS, capacity and ancillary services
- Fixed pricing for 20-year term
- Directly tied to CAISO system
- 35 MW of storage full capacity deliverability status (FCDS)
- Guaranteed Commercial Operation Dates:
 - Storage: 6/1/2025
 - Solar: 10/1/2025
- SDCP receives financial compensation for failure to meet certain development milestones and performance requirements

Site Map:



Yellow Pine 3: Workforce Development and Community Benefits

- NextEra will secure a PLA for the project as with prior phases
- As part of NextEra's ongoing operations in Nevada:
 - Provides sole sponsorship of developing solar curriculum and research at University of Nevada Las Vegas, including mentoring the annual senior design project focused on solar energy systems
 - Hosts Renewable Energy Training (RET) simulation lab at University of Nevada Las Vegas and College of Southern Nevada
 - Presents at local high schools in Southern Nevada that highlight the benefits of renewable energy and growing career opportunities within the state
 - Established an internship program that leads to career opportunities at NextEra solar and storage sites

Yellow Pine 3: Staff Analysis

- The Yellow Pine 3 project will contribute to our 100% renewable by 2035 target, providing over 100,000 MWh of renewable energy per year, in addition to energy management and capacity benefits from battery energy storage.
- With commercial operations commencing in Q2 of 2025 and 35 MWs of FCDS, the Yellow Pine 3 project will contribute to SDCP's compliance requirements for mid-term reliability.
- Pricing is competitive with comparable product offerings received from SDCP's recent RFOs.
- NextEra is highly experienced developer, owner, operator, among the world's largest renewable generators and battery energy storage developers, with over 28 GWs of renewables in operation and another 18 GWs in development.

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Public Comment for Item 17

Item 17

Recommendation:

Approve the Renewable Power Purchase Agreement (PPA)
Yellow Pine Solar III, LLC

The background of the slide is a vibrant blue water surface with gentle ripples. A large, white, diagonal stripe runs from the top-left corner towards the bottom-right, creating a dynamic geometric shape. The text is positioned within the white area.

Report by Chief Executive Officer

Inaugural SDCP JEDI Council



Tessa Tobar



Tacko Diaite-Koumba



Carly Newman



Xiomalys Crespo



Chandra Pugh



Samantha Gunzl



Victoria Abrenica



Eric Washington





We Are (still) Hiring!

- Director of Risk Management
- Public Outreach Coordinator (2)
- Digital Media Coordinator
- Account Services Analyst
- Financial Analyst
- Procurement Manager
- Human Resources Coordinator

New Employee Onboarding:

Aisha Cissna, Sr. Policy Manager
Starts on July 24th



SDCP in DC

Meetings were held with:

- Senator Dianne Feinstein's office
- Senator Alex Padilla's office
- Rep Scott Peters
- Rep Juan Vargas' office
- Rep Mike Levin's office
- Rep Darrell Issa's office
- Rep Sara Jacobs' office
- House Energy & Commerce Committee Staff
- Edison Electric Institute
- White House Council on Environmental Quality (CEQ)
- Environmental Protection Agency (EPA)



Working toward
inclusive growth
together.



- North Park Music Fest – May 27
- Equality Awards – May 19
- EDC Annual Dinner – June 1
- WILDCOAST Beach Bash – June 17





San Diego Pride

March with us on July 15!



The background of the slide is a vibrant blue water surface with gentle ripples. A large, white, diagonal stripe runs from the top-left corner towards the bottom-right, creating a sense of movement and division. The text is positioned within the white stripe.

Report by General Counsel

The background of the slide features a close-up photograph of blue water with gentle ripples. A large, white, diagonal stripe cuts across the image from the top-left to the bottom-right, creating a modern, geometric design.

Director Comments



Board of Directors

Special Meeting

June 22, 2023



Special Meeting Agenda

1. Approval of the Renewable Power Purchase Agreement with ORNI 30, LLC

Recommendation: Approve the Renewable Power Purchase Agreement with ORNI 30 LLC for a term of 20 years and authorize the CEO to execute the agreement.

Presenter:

Andrea Torres, Senior Portfolio Manager

SDCP Long-Term Procurement



SDCP goals include:

- 600MW of new Local Wholesale Energy and/or Battery Storage Projects (utility scale projects within San Diego and Imperial counties) by 2035.
- Create high quality local jobs in renewable energy that support healthy families and vibrant communities

Brawley Solar + Storage (Ormat): Overview

- Originally bid in to SDCP's 2020 RFP.
- Hybrid 42 MWac solar + 35 MWac, 4-hour battery energy storage in City of Brawley in Imperial County.
- Located on privately owned land previously zoned for agriculture adjacent to a wastewater treatment plant and sharing interconnection to Ormat's North Brawley Geothermal Power Plant substation.
- County Board of Supervisors approved the CUP in May.



Ormat Brawley Solar + Storage: Key PPA Terms



- Product: RPS, capacity and ancillary services
- Fixed pricing for 20-year term
- Import project sited in the Imperial Irrigation District
- Guaranteed Commercial Operation Date: 4/15/2025
- SDCP receives financial compensation for failure to meet certain development milestones and performance requirements.

Ormat Brawley: Workforce Development and Community Benefits

- **Located within a community of concern** (25% percentile for CalEnviro screens).
- At least **80% of all construction workers** will be local to Imperial County and/or union labor.
- Committed to hiring **union-employed c-10 electrical contractors** with certified electrical technicians
- Committed to a **20% journeyman/apprenticeship** ratio for the Qualifying contractor's work in a joint labor/management electrical apprenticeship
- Ormat will contribute **\$136,000 per year** under the County's Public Benefit Agreement.
- Ormat will pay **\$550,000** to the County to mitigate the loss of farmland.
- Committed to providing a **prevailing wage**.
- Ormat to develop a clean energy and battery storage **workforce training program** or STEM program within 20 miles of the project. Curriculum is to be provided to SDCP.

Ormat Brawley: Staff Analysis

- Ormat is an experienced developer, owner and operator, particularly with advanced battery applications.
- The Brawley project contributes toward SDCP's local utility-scale project goals by 2035 and provides local community benefits for Imperial County.
- The Brawley project will provide over 120,000 MWh of locally sourced renewable energy per year in addition to energy management and capacity benefits.
- With commercial operations commencing in Q2 of 2025, the Brawley project will contribute to SDCP's compliance requirements for mid-term reliability.
- Pricing is competitive with comparable product offerings received from SDCP's RFOs.



Public Comment for Special Meeting Item 1

Special Meeting Agenda

Recommendation: Approve the Renewable Power Purchase Agreement with ORNI 30 LLC for a term of 20 years and authorize the CEO to execute the agreement.



Adjournment



Next Regular Board of Directors Meeting

July 27, 2023

