



Board of Directors

Regular Meeting

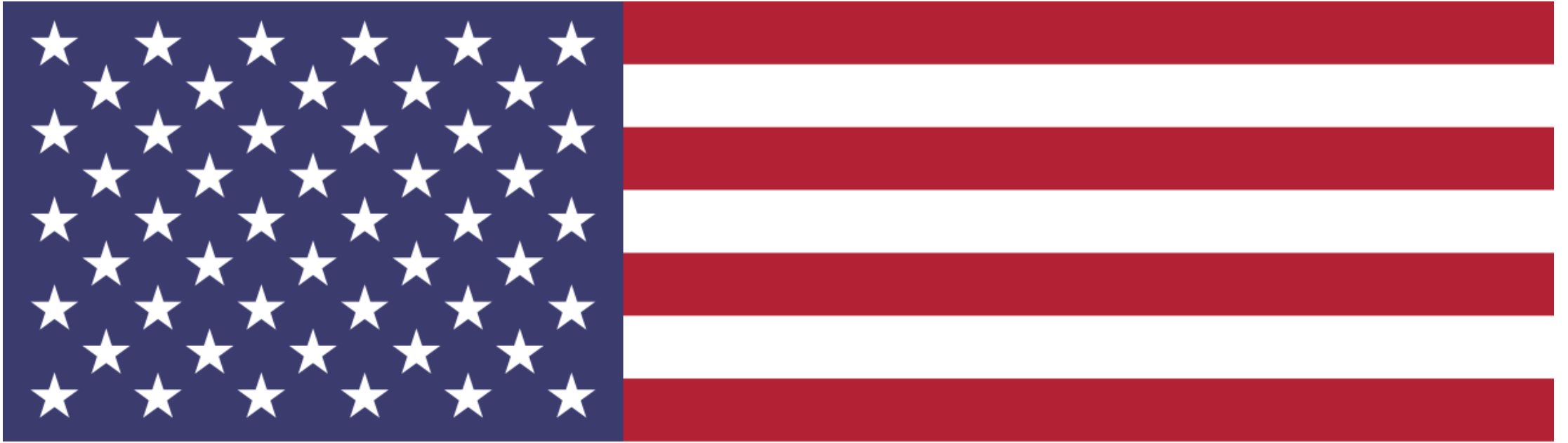
July 27, 2023



**Welcome
&
Call to
Order**

An aerial photograph of a desert canyon with a white diagonal stripe running from the top-left to the bottom-right. The canyon walls are rugged and eroded, showing a mix of tan and brown colors. The text "Roll Call" is centered in the white stripe.

Roll Call





Land Acknowledgement

**Warm
Welcome!**

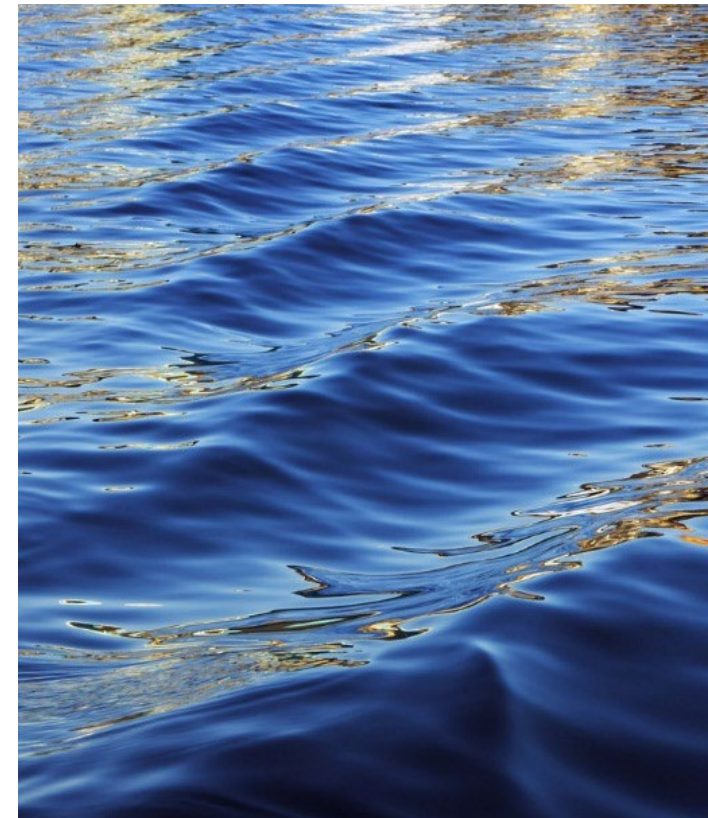


Aisha Cissna
Senior Policy Manager
and

Renata Halls-Gordon
Temporary
Administrative
Assistant



SAN DIEGO
**COMMUNITY
POWER**



Outgoing CAC Officers



Eddie Price, *Chair*

Aida Castañeda, *Vice-Chair*

Anna Webb, *Secretary*

thank
you

Lea Nepomuceno





Matthew Vasilakis, *Chair*
David Harris, *Vice-Chair*
Lauren Cazares, *Secretary*

~Welcome~

FY 2023-2024
Community Advisory Committee Officers



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Withdrawn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



**Public
Comment
for Items
NOT
on the
Agenda**

Consent Agenda

1. Approval of April 21, 2023, April 27, 2023, May 25, 2023 and June 22, 2023 Meeting Minutes
2. Receive and File Treasurer's Report for Period Ending May 31, 2023
3. Receive and File Update on Power Services
4. Receive and File Update on Human Resources
5. Receive and File Update on Customer Operations
6. Receive and File Update on Marketing and Public Relations
7. Receive and File Update on Community Advisory Committee
8. Approval of Second Amendment to Professional Services Agreement with Pisenti and Brinker for up to \$80,400 for financial audit services in FY 2023-24
9. Approval of Amended and Restated Engagement Letter with Keyes and Fox LLP for up to \$400,000 for Legal Services for Power Procurement.
10. Approval of Member Agency Grant Program Policy



Public Comment for Consent Agenda

Regular Meeting Agenda

- 11. Update on Regulatory and Legislative Affairs
- 12. Approval of First Amendment to Data Management Agreement with Calpine Energy Solutions, LLC for up to \$300,000 for Peak Load Reduction Pilot Services
- 13. Approval of the Language Access Policy
- 14. Approval of Default Service Change Policy
- 15. Update on Quarterly Report for Community Advisory Committee

Item 11

Update on Legislative and Regulatory Affairs

Recommendation:

Receive and File the update on Regulatory and Legislative Affairs and Presentation by Outside Counsel, Keyes & Fox on SDG&E Regulatory Matters

Presenter:

Laura Fernandez, Director of Regulatory and Legislative Affairs

Tim Lindl, Partner - Keyes & Fox

How SDG&E Ratemaking Impacts SDCP

Tim Lindl – Keyes & Fox LLP

July 27, 2023



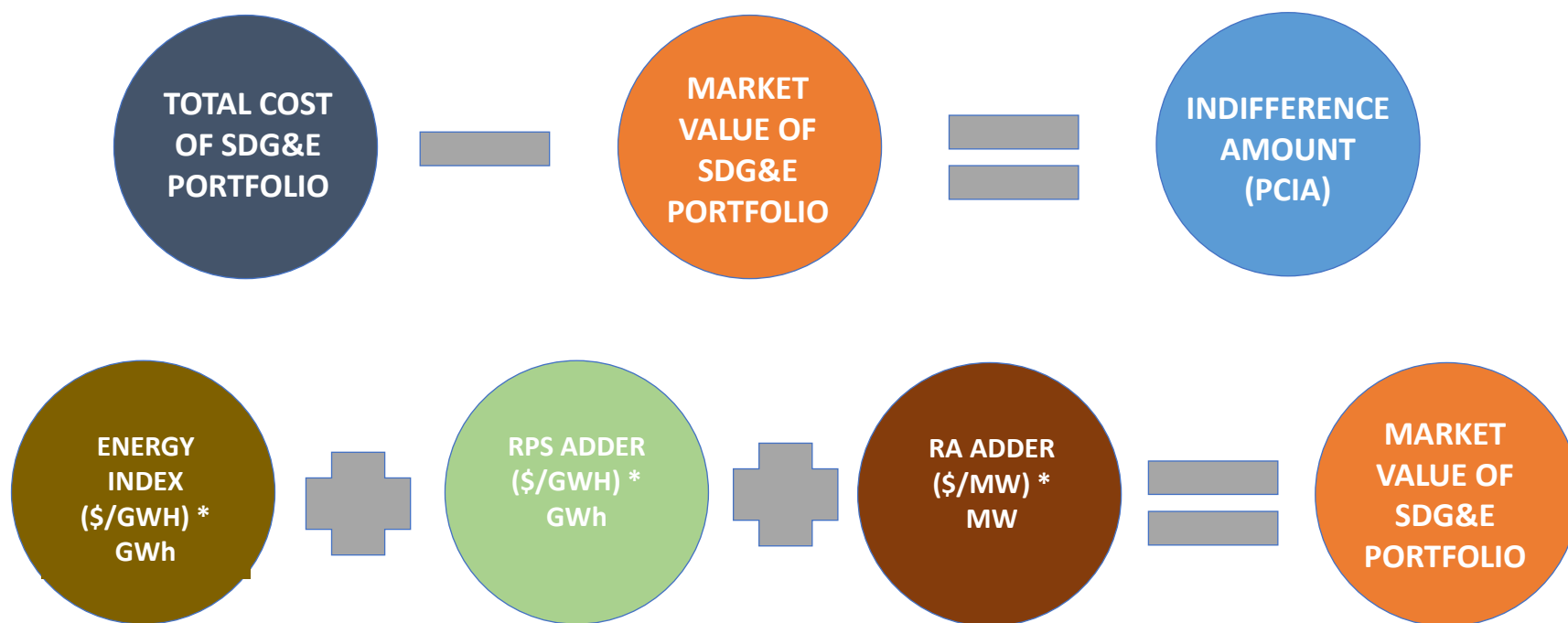
Keyes & Fox LLP

- Founded in 2008 by Jason Keyes and Kevin Fox.
- 13 lawyers – have appeared before over 40 different state public utility commissions and the Federal Energy Regulatory Commission
- Renewable energy and public utility law is our only practice area (both transactional and regulatory)
- Substantial experience before the CPUC, including representation of SDCP and CalCCA

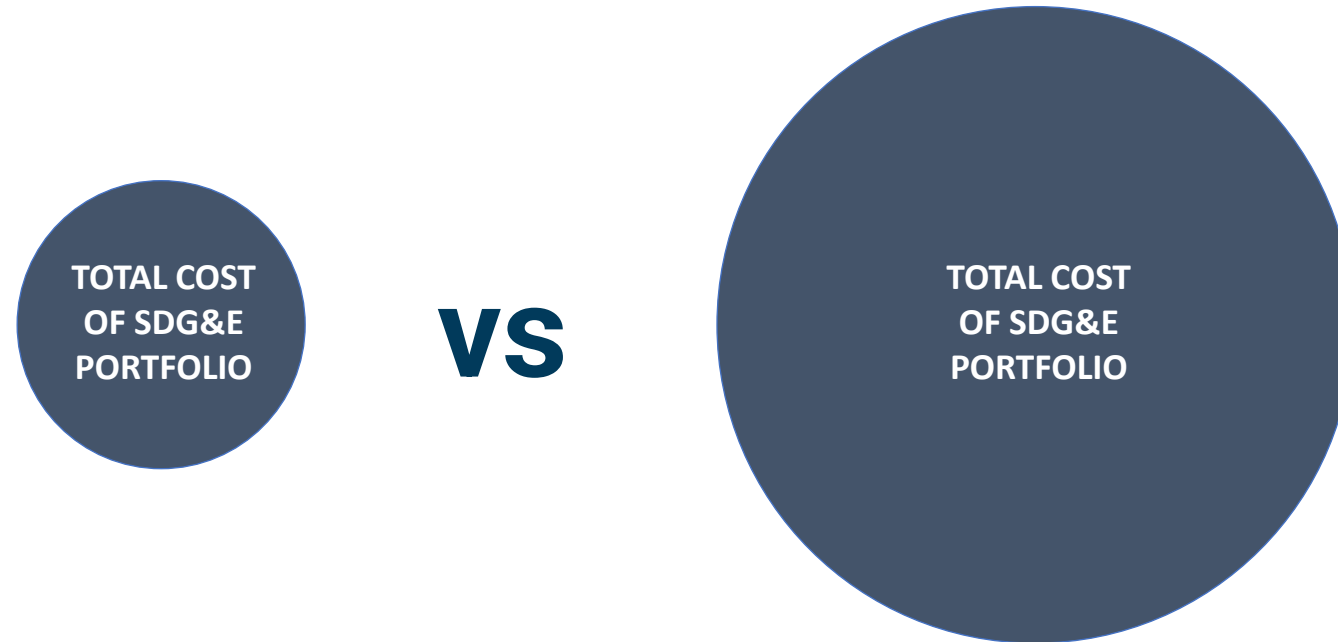
PCIA Overview

- Law requires remaining SDG&E customers to be left economically “indifferent” to SDCP’s customers leaving SDG&E’s service.
- The PCIA is the “exit fee” that is intended to ensure such indifference.

PCIA Overview



Phase I: General Rate Case



Phase II: General Rate Case



Example PCIA Revenue Requirement by Vintage
\$000s

	UOG Legacy	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total
Portfolio Costs	-	417,862	77,589	199,188	63,567	5,020	1,139	1,833	-	12,360	42,422	13	(229)	-	-	820,765
Portfolio Market Value	-	306,269	49,256	150,735	45,658	6,312	2,677	2,812	-	18,819	45,993	183	(229)	-	-	628,485
Total Forecasted Indifference	-	111,592	28,334	48,453	17,909	(1,292)	(1,538)	(979)	-	(6,458)	(3,571)	(170)	-	-	-	192,279
PABA True Up Balance	-	88,939	30,388	(36,288)	(40,402)	86,543	(2,410)	(92,401)	89,339	(78,809)	(21,020)	62,337	(99,089)	190,740	-	177,867
ERRA True Up Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	319,739	319,739
Total Revenue Requirement	\$0	\$200,531	\$58,722	\$12,165	(\$22,493)	\$85,251	(\$3,948)	(\$93,380)	\$89,339	(\$85,267)	(\$24,591)	\$62,168	(\$99,089)	\$190,740	\$319,739	\$689,885

SDG&E Annual ERRRA Forecast Applications: Setting the PCIA in Two Parts

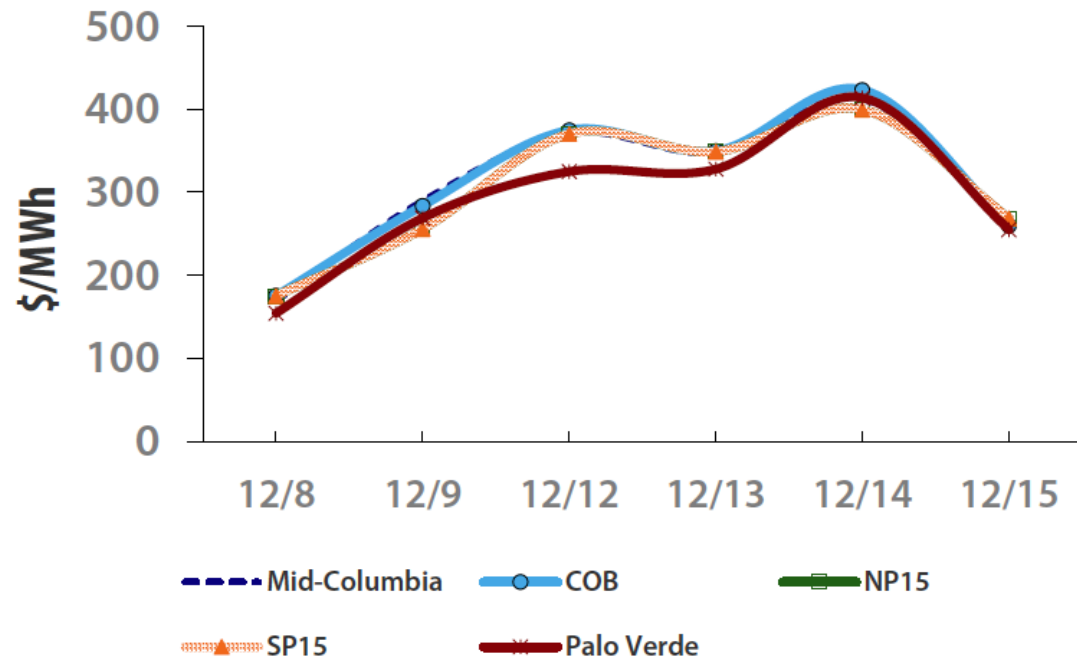
San Diego Gas & Electric
Portfolio Allocation Balancing Account (PABA) - Summary
(Over) / Under Collection

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
Beginning Balance	\$ 161,107,871	\$ 51,249,839	\$ 55,786,291	\$ 53,946,839	\$ 73,996,075	\$ 89,064,707
Total PCIA Revenue (net FFU)	(36,096,197)	(26,594,193)	(30,473,101)	(21,241,625)	(21,841,632)	(26,750,212)
Total Amortization	(35,249)	484,595	224,673	224,673	224,673	224,673
Total Procurement Activity	(78,966,040)	29,962,220	27,275,035	40,335,462	35,892,528	25,729,639
Total O&M Related Costs	-	-	-	-	-	1,488,179
Total Capital Related Costs	-	454,536	919,913	471,259	462,178	460,351
Current Month Activity	(115,097,486)	4,307,157	(2,053,479)	19,789,769	14,737,746	1,152,631
Current Month Interest	384,032	229,294	214,027	259,467	330,886	380,975
Current Activity and Interest	(114,713,454)	4,536,451	(1,839,452)	20,049,236	15,068,632	1,533,606
Transfer/Rounding	4,855,422	1	-	-	-	-
Ending Balance	\$ 51,249,839	\$ 55,786,291	\$ 53,946,839	\$ 73,996,075	\$ 89,064,707	\$ 90,598,313

THE Major Influencer: Gas Prices

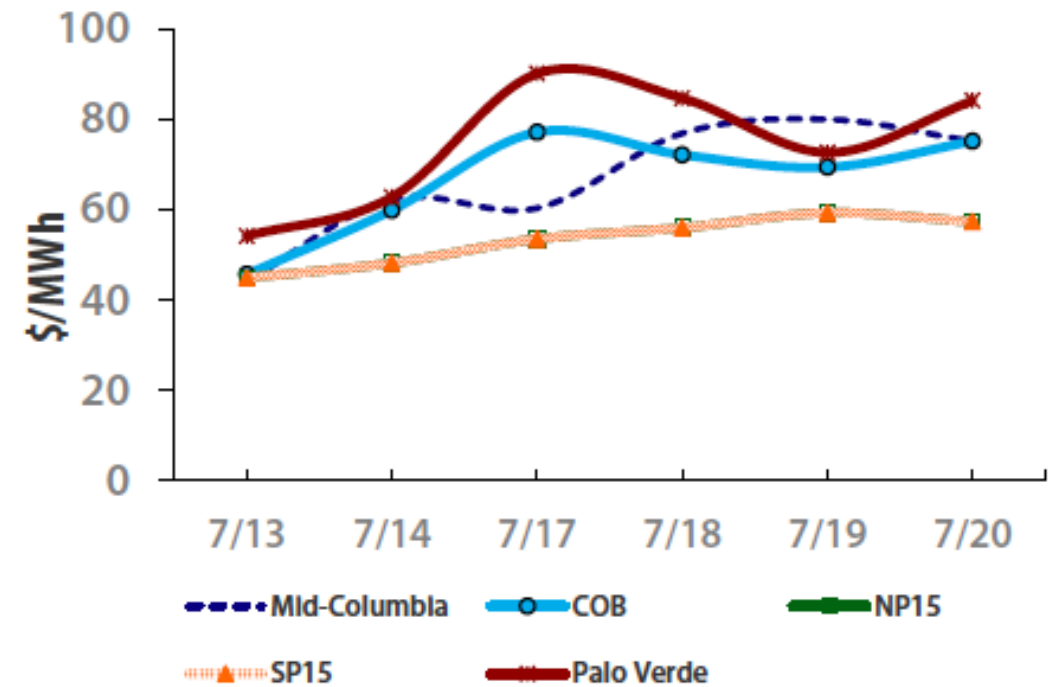
Average Off-Peak Prices

Thurs., 12/08 - Thurs., 12/15

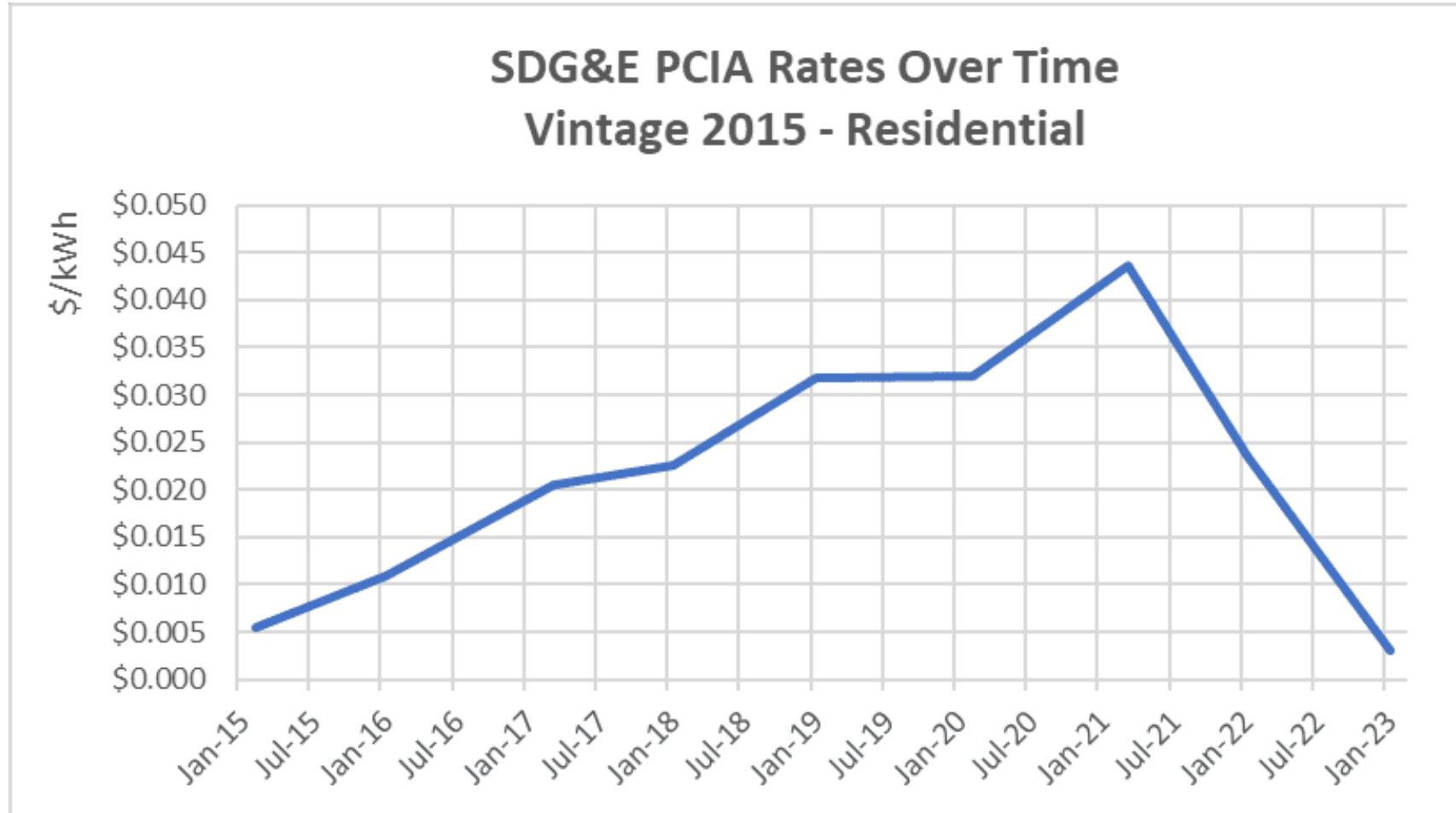


Average Off-Peak Prices

Thurs., 07/13 - Thurs., 07/20



SDG&E's PCIA Trends



Reviewing the PCIA: SDG&E Annual ERRA Compliance Applications

- SDG&E files an ERRA Compliance application on June 1 of each year
- Essentially making sure SDG&E's generation costs were put in the right accounting bucket to ensure CCA customers have not overpaid

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of San Diego Gas & Electric Company (U 902-E) for Approval of: (i) Contract Administration, Least-Cost Dispatch and Power Procurement Activities in 2021, (ii) Costs Related to those Activities Recorded to the Energy Resource Recovery Account, Portfolio Allocation Balancing Account, Power Charge Indifference Adjustment Undercollection Balancing Account, Transition Cost Balancing Account, and Local Generating Balancing Account in 2021, and (iii) Costs Recorded in Related Regulatory Accounts in 2021.

Application 22-06-_____
(Filed June 1, 2022)

**APPLICATION OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902-E)
FOR APPROVAL OF ERRA COMPLIANCE FOR RECORD PERIOD 2021**



Look forward to working with you.

Tim Lindl
tlindl@keyesfox.com
510-314-8385



Public Comment for Item 11

Item 11

Recommendation:

Receive and File the update on Regulatory and Legislative Affairs and Presentation by Outside Counsel, Keyes & Fox on SDG&E Regulatory Matters

Item 12

Approval of First Amendment to Data Management Agreement with Calpine Energy Solutions, LLC for up to \$300,000 for Peak Load Reduction Pilot Services

Recommendation:

Approve the First Amendment to Data Management Agreement with Calpine Energy Solutions, LLC for up to \$300,000 for Peak Load Reduction Pilot Services

Peak Load Reduction Pilot Background

- **Calpine Energy Services (Calpine)** is an energy service and management company that provides comprehensive data management and back-office support
- **Recurve Analytics (Recurve)** is a technology company that provides energy management program technologies to utility clients
 - Recurve currently serves several of Calpine's CCA customers



Peak Load Reduction Pilot Background

- Staff presented several pilot program concepts at the April 2023 Board Strategic Planning Session and May 2023 Community Advisory Committee and Board meetings
- SDCP's Board of Directors approved the FY 2023-2024 budget at the June Board meeting, which included a multi-year \$2M budget to implement pilot programs
- Staff presented a brief overview of the proposed Peak Load Reduction Pilot at the July 2023 Community Advisory Committee meeting

Peak Load Reduction Pilot Design

Goal

- Reduce load during peak hours during summer months (August/September)
- Evaluate pilot design and scalability to larger future program

Mechanism

- Identify projects and sites that have potential to deliver peak load reductions *this summer*
- Primarily lighting/HVAC projects with commercial and industrial customers
- Projects installed by end of August in anticipation of early September peak load
- “Pay for Performance” model using the CPUC avoided cost curve – incentives vary by hour
- SDCP only paying for actual savings realized relative to a control group of buildings and pay more for the most ‘valuable’ reductions

Peak Load Reduction Pilot Design

Mechanism

- Leverage existing Demand FLEXMarket product used by dozens of utilities across the country
- Basis for CPUC's \$150M Market Access Program to address peak reliability issues in 2022 and 2023



DEMAND FLEXMARKET

Peak Load Reduction Pilot Design


Evaluation

- Total budget of \$450K (\$300K from SDCP, \$150K from Calpine)
- Upon project enrollment(s), estimated impacts will be calculated (e.g., kw, kWh, GHG)
- Initial evaluation report expected by December 2023; final report December 2024
- Inform future summer and year-round peak load reduction programs



Contract Amendment

- Per the SDCP Procurement Policy, SDCP is seeking a sole source agreement with Calpine to administer the proposed Pilot based on Calpine's:
 - Unique position with its existing SDCP contract that gives them secure access to confidential customer data needed for a pilot of this type to be successful
 - Unique ability to repurpose existing scope of work items and associated budget to financially support the proposed Pilot
 - Existing relationship with Recurve and the FLEXMarket platform
 - Sites are currently being evaluated for immediate installations
- Achieved through an amendment to existing Data Management Agreement
 - \$300K SDCP obligation to fund the Pilot
 - \$150K in Calpine funding repurposed toward the Pilot



Public Comment for Item 12

Item 12

Recommendation:

Approve the First Amendment to Data Management Agreement with Calpine Energy Solutions, LLC for up to \$300,000 for Peak Load Reduction Pilot Services

Item 13

Approval of the SDCP Language Access Policy

Recommendation:

Approve the SDCP Language Access Policy

Presenter:

Carly Newman, Senior Account Services Analyst

Lucas Utouh, Director of Data Analytics & Account Services

Language Access in the San Diego Region

- According to the most recent Census Bureau data:
 - Nearly **40%** of residents in San Diego County speak a language other than English at home
 - More than **10%** of residents in San Diego County speak English "less than very well"
- In order to make an informed decision about their electricity provider, our customers must be able to access SDCP materials and information in a format and language that they can understand

Language Access Policy

Purpose


Establish procedures for providing information and services directly to SDCP communities in a way that makes them accessible to our customers, including those who are not proficient in the English language.

Background

Essential to the success of SDCP's mission and vision to provide meaningful and equitable access to the services, programs, and activities offered by SDCP to all customers, regardless of their primary language.

Policy

Set forth effective guidelines for meaningful and effective language access services as well as procedures for providing effective communication between SDCP and the communities we serve.



Public Comment for Item 13

Item 13

Recommendation:

Approve the SDCP Language Access Policy

Item 14

Approval of Default Service Change Policy

Recommendation:

Approve the Default Service Change Policy

Presenter:

Lucas Utouh, Director of Data Analytics & Account Services

Purpose of the Default Service Change Policy



To provide the framework for San Diego Community Power (SDCP) Board and Staff to evaluate and implement member agencies' change of their default service.




This policy allows SDCP to have a process in place to support member agencies' change of their default service from their original selections by adequately planning from an energy procurement, financial impact, communication and operational perspective.

Default Service Change Policy Objectives

SDCP's Default Service Change policy objectives and highlights:

- Advance notice by a member agency to SDCP
- Customer communication
- Implementation period for a default service change
- Frequency of default service change by member agencies
- Safeguard for customers prior opt actions



Public Comment for Item 14

Item 14

Recommendation:

Approve the Default Service Change Policy

Item 15

Quarterly Report from the Community Advisory Committee

Recommendation:


Receive and File the Quarterly Report from the Community Advisory Committee

Presenters:

Eddie Price, Community Advisory Committee Chair (Outgoing)
Xiomalys Crespo, Community Engagement Manager

Community Advisory Committee (CAC) Quarterly Report

- At the direction of the Chair of the Board of Directors, the CAC shall provide quarterly updates during the regular meetings of the Board of Directors on a quarterly basis. This update summarizes April through June 2023.
- Newly-elected FY 2023-2024 Officers:
 - Matthew Vasilakis (City of San Diego), Chair
 - David Harris (La Mesa), Vice-Chair
 - Lauren Cazares (La Mesa), Secretary
- Vacancies: Imperial Beach and County of San Diego
- Key Discussion Topics: Community Power Plan, Legislative and Regulatory Updates, Pilot Programs, Green Tariffs, Sustainable and Equitable Workforce Policy
- Programs Ad-Hoc Committee and Community & Equity Ad-Hoc Committee meeting monthly through January 2024.



Public Comment for Item 15

Item 15

Recommendation:

Receive and File the Quarterly Report from the Community Advisory Committee



Report by Chief Executive Officer

Office Space Search

Our Process:

- Hire 3rd party consultant for search
- Receive initial list
- Rank and narrow property list based on key criteria
- Review with Exec Team and Directors
- Shortlist top five
- Send out an RFP to short-listed properties to confirm / firm prices and specs
- Site visits to top five
- Presentation, recommendation, and Board vote in Q3 2023

Examples of Key Criteria:

- Size
- Price
- Timing
- Walk Score
- Single Floor
- Nearby Amenities
- Green Building
- Green Space
- Transit Accessibility
- Sufficient Parking

A photograph showing two people from behind, sitting at a desk in an office. They are looking at a laptop screen which displays a video call with two women. The desk also has another laptop, some papers, and a small potted plant.

We Are (still) Hiring!

- Director of Risk Management
- Public Outreach Coordinator (2)
- Programs Project Manager
- Account Services Analyst
- Local Govt Affairs Manager
- Financial Analyst
- Procurement Manager
- Human Resources Coordinator

New Employee Onboarding:

Alyson Smith, Digital Media Coordinator

Starts on August 1st !



Community Clean Energy Innovation Grants





Report by General Counsel



Director Comments

The image is a high-contrast, aerial photograph of a dry, eroded landscape, likely a desert or semi-arid region. The terrain is characterized by deep, winding gullies and ridges, creating a complex, textured pattern. The color palette is dominated by warm, earthy tones of yellow, orange, and brown. A prominent white diagonal line runs from the top-left corner to the bottom-right corner, bisecting the entire image. The word "Adjournment" is written in a bold, yellow, sans-serif font, centered horizontally and partially overlaid by the white diagonal line.

Adjournment



Next Regular Board of Directors Meeting

August 24, 2023