



# Board of Directors

Special & Regular Meeting

August 26, 2021

# Special Meeting Agenda

**Call to Order**

**Roll Call**

**Public Comments on Closed Session Items**

**Closed Session**

**1. Public Employee Performance Evaluation Pursuant to Government Code Section 54957**

Title: Interim Chief Executive Officer

**2. Conference with Labor Negotiators Pursuant to Government Code Section 54957.6**

Agency designed representatives: Ryan Baron, General Counsel

Unrepresented employee: Interim Chief Executive Officer

**3. Public Employee Appointment Pursuant to Government Code Section 54957**

Title: Chief Executive Officer

**Report from Closed Session**

**Adjournment**

# Closed Session

## Closed Session

- 1. Public Employee Performance Evaluation Pursuant to Government Code Section 54957**  
Title: Interim Chief Executive Officer
- 2. Conference with Labor Negotiators Pursuant to Government Code Section 54957.6**  
Agency designed representatives: Ryan Baron,  
General Counsel  
Unrepresented employee: Interim Chief Executive Officer
- 3. Public Employee Appointment Pursuant to Government Code Section 54957**  
Title: Chief Executive Officer

# **Special Meeting Agenda**

## **Report from Closed Session Adjournment**

# Regular Meeting Agenda

**Welcome**

**Call to Order**

**Pledge of Allegiance**

**Roll Call**

**Items to be Added, Withdrawn, or Reordered on the Agenda**

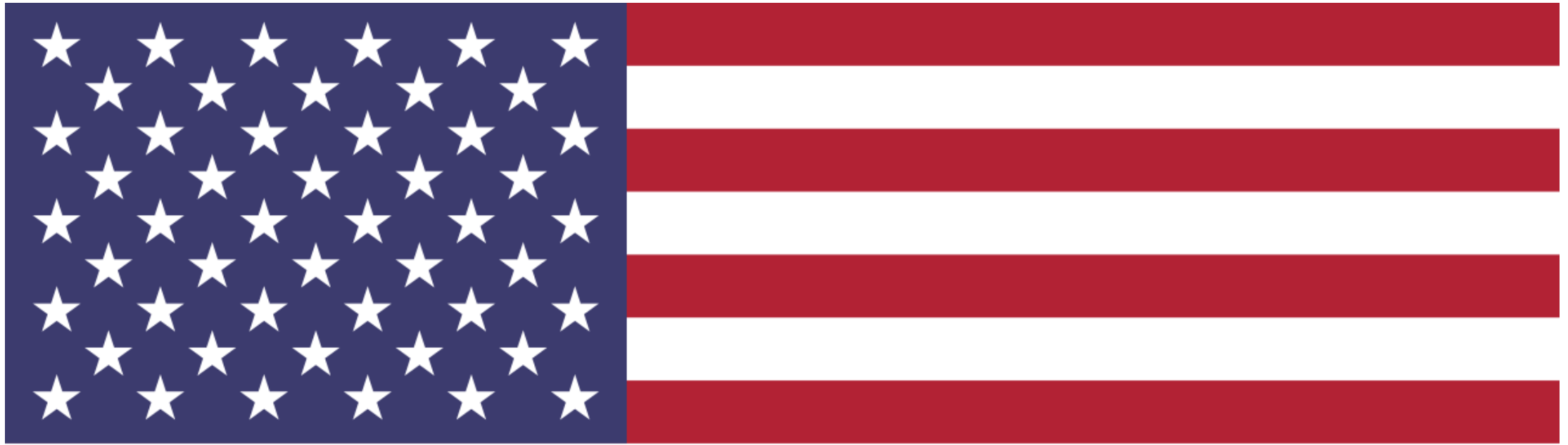
**Public Comment for Items Not on the Agenda**

1. (Consent) Approval of the minutes of the Regular Meeting of the Board of Directors of San Diego Community Power held on May 27, 2021 and June 24, 2021.
2. (Consent) Modifications to Community Advisory Committee Term End Date and Workplan Approval Timeline.
3. Election of a Chair and Vice Chair
4. Operations and Administration Report from the Interim Chief Executive Officer
5. Appointment of Eric Washington, Chief Financial Officer, as Treasurer
6. Update on Regulatory and Legislative Affairs
7. EEI Agreement Confirmation Between SDG&E and SDCP for Purchase of Long-Term Renewable Energy

**Director Comments**

**Reports by Management and General Counsel**

**Adjournment**



# Consent Agenda

- 1. Approval of the minutes of the Regular Meeting of the Board of Directors of San Diego Community Power held on May 27, 2021 and June 24, 2021.**
- 2. Modifications to Community Advisory Committee Term End Date and Workplan Approval Timeline.**

# Item 3

## Election of Chair and Vice Chair

Recommendation:

Elect a Chair and Vice Chair for FY 2021-2022

Presenter:

Joe Mosca,

Chair of the Board of Directors



# Item 4

## Operations and Administration Report from the Interim Chief Executive Officer

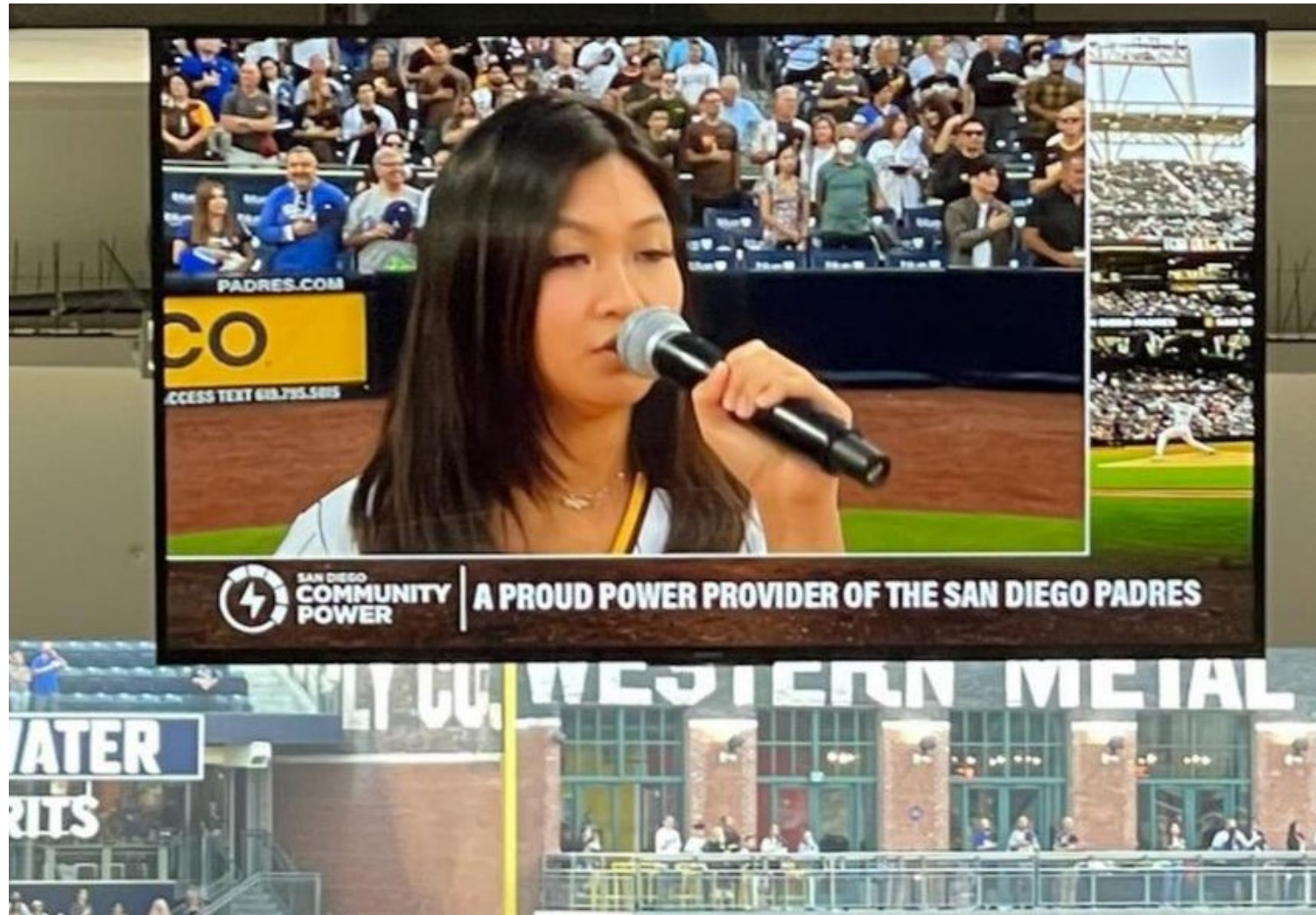
Recommendation: Receive and file update on various operational and administrative activities.

- Strategic Plan Update – Bill Carnahan
- County of San Diego Membership Status – Bill Carnahan
- New Member Update – Cody Hooven
- New Office – Cody Hooven
- Flexile Office/Remote Work Policy – Bill Carnahan
- Power Resources – Byron Vosburg
- Metrics/Dashboard – Lucas Utouh

# Item 4

2021 Timeline for New Members			
Date	SDCP	County	Other Cities
<b>August 2021</b>	(8/19) - Board update - PEA begins analysis for NC/Oceanside (due 9/15)	CCE vote on Aug. 31	Provide data and commitment from City Manager to reimburse cost of analysis if no-go
<b>September 2021</b>	(9/22) - Present findings for National City and Oceanside, with recommendation - Approve by 2/3 vote a resolution authorizing County membership, subject to County meeting JPA Agreement requirements		On or about 9/22: Seek Council direction to request to join SDCP
<b>October 2021</b>	(10/28) - PEA prepares Implementation Plan amendment - Staff prepares new voting shares (JPA Exhibits C and D)	No later than Oct 31: Adopt JPA and appoint Board member and alternate	No later than Oct 31: Adopt JPA, CCA ordinance (needs 2 readings) and appoint Board member and alternate
<b>November 2021</b>	(11/16) Board approves - Revised Implementation Plan/direction to submit - New voting shares (JPA Exhibits C and D)		
<b>December 2021</b>	(12/16) **Last date to approve Implementation Plan	New Board members may join	New Board members may join
<b>2022</b>	Incorporate new member data into planning/reporting		
<b>2023</b>	Start service to new members		

# Item 4

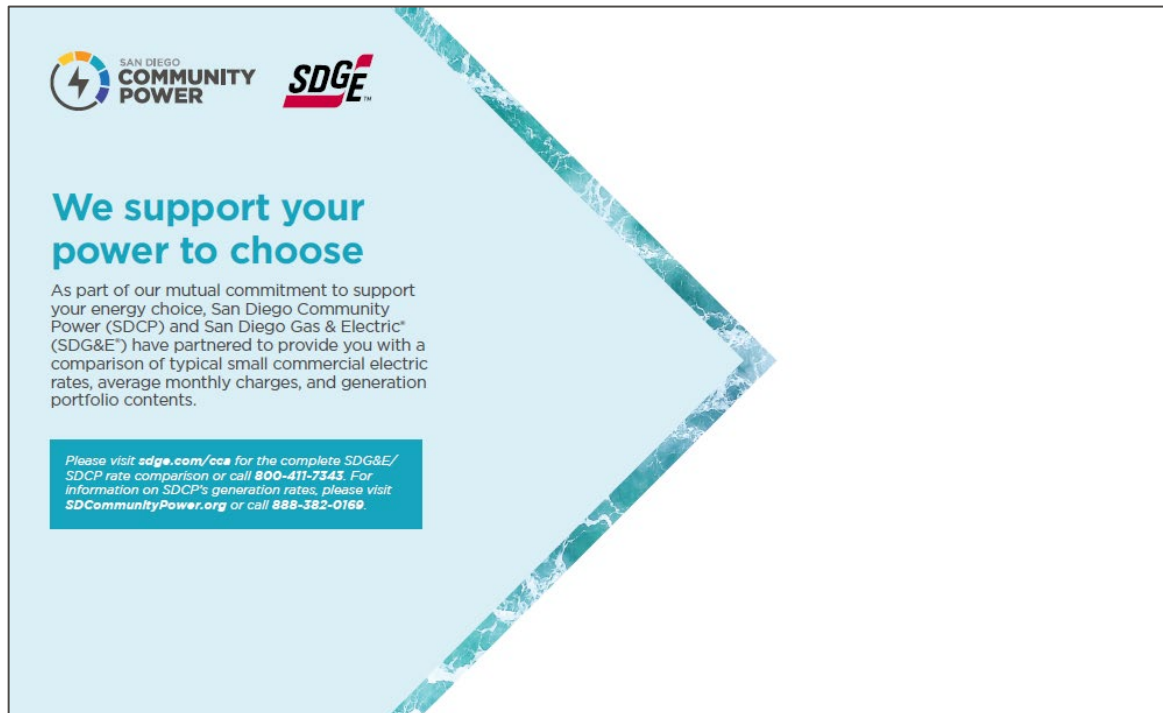


# Item 4

- New Office – Cody Hooven
- Flexile Office/Remote Work Policy – Bill Carnahan
- Power Resources – Byron Vosburg

# Item 4

## Joint Rate Mailer



Presenter:  
Lucas Utouh,  
Director of Data Analytics and Account Services

# Item 4

## Joint Rate Mailer

### Understanding Your Energy Choices



Agriculture Electric Rate Comparison, TOU-PA				
Agriculture: TOU-PA3	SDG&E 31% Renewable	SDG&E EcoChoice 100% Renewable	SDCP PowerOn 50% Renewable + 5% Carbon Free	SDCP Power100 100% Renewable
Generation Rate (\$/kWh)	\$0.05181	\$0.11061	\$0.05619	\$0.06370
SDG&E Delivery Rate (\$/kWh)	\$0.12494	\$0.12494	\$0.12494	\$0.12494
SDG&E PCIA (\$/kWh)	\$0.03176	\$0.03176	\$0.02644	\$0.02644
Franchise Fees (\$/%)	\$0.00230	\$0.00259	\$0.00195	\$0.00195
Total Electricity Cost (\$/kWh)	\$0.21081	\$0.26991	\$0.20952	\$0.21703
Average Monthly Bill (\$)	\$276.37	\$353.85	\$274.68	\$284.52

Average Monthly Usage: 1,311 kWh  
Average Monthly Demand: 5.8 kW

Rates current as of June 1, 2021



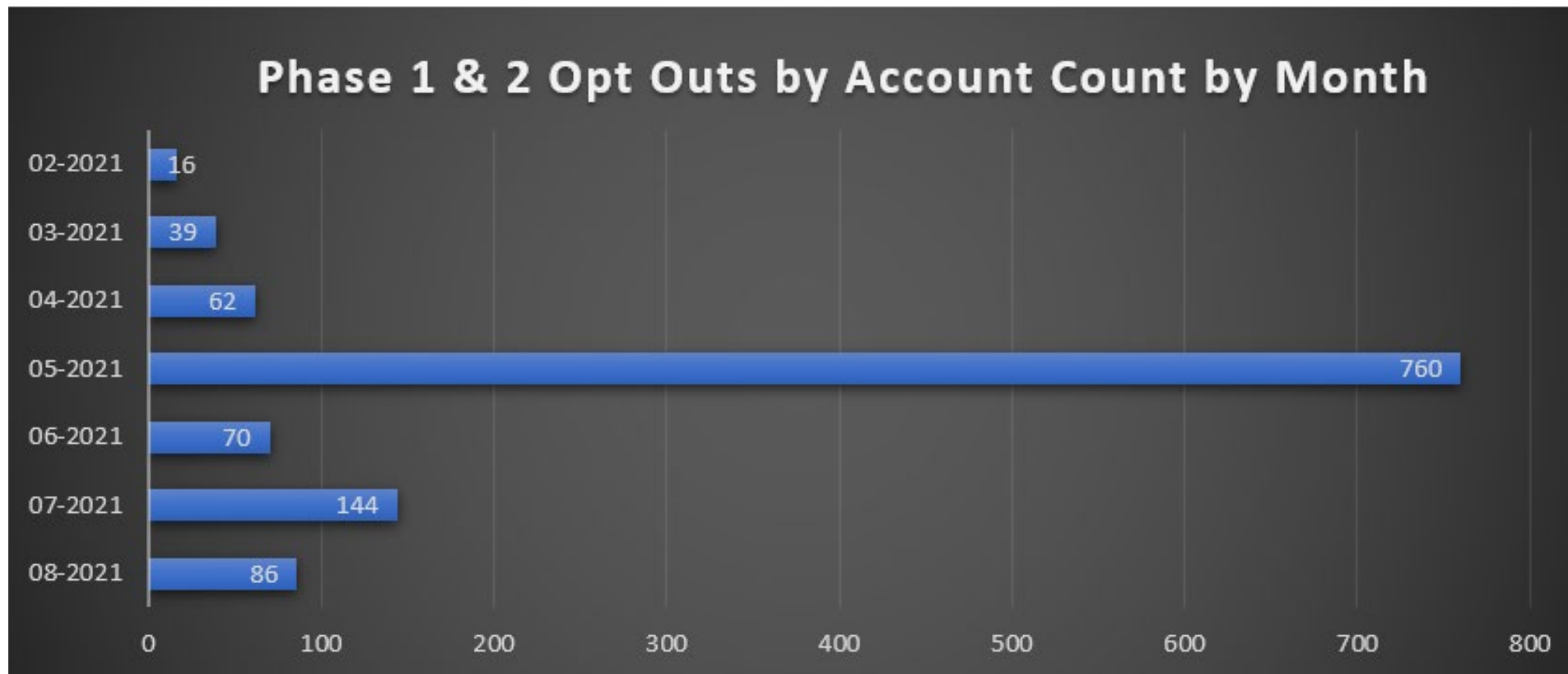
Percent of Total Retail Sales (kWh)

Electric Power Generation Mix*				
Specific Purchases	SDG&E	SDG&E EcoChoice	SDCP PowerOn	SDCP Power100
Renewable	31.3%	100%	51.7%	100%
Biomass & Biowaste	2.2%	0%	3.2%	0%
Geothermal	0%	0%	4%	0%
Eligible Hydroelectric	0%	0%	1.9%	0%
Solar	16.5%	100%	17%	50%
Wind	12.6%	0%	25.5%	50%
Coal	0%	0%	0%	0%
Large Hydroelectric	0%	0%	11.1%	0%
Natural Gas	24.4%	0%	0%	0%
Nuclear	0%	0%	0%	0%
Other	0%	0%	0%	0%
Unspecified Sources of Power**	44.2%	0%	37.2%	0%
Total	100%	100%	100%	100%



# Item 4

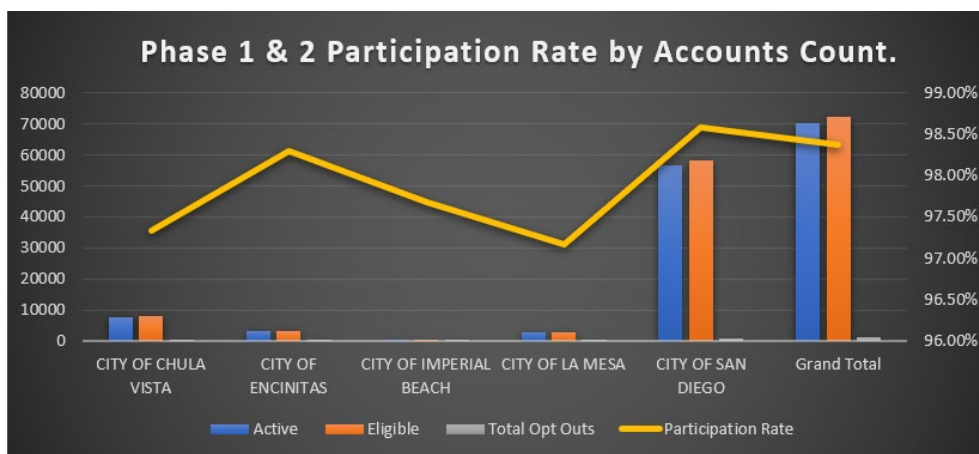
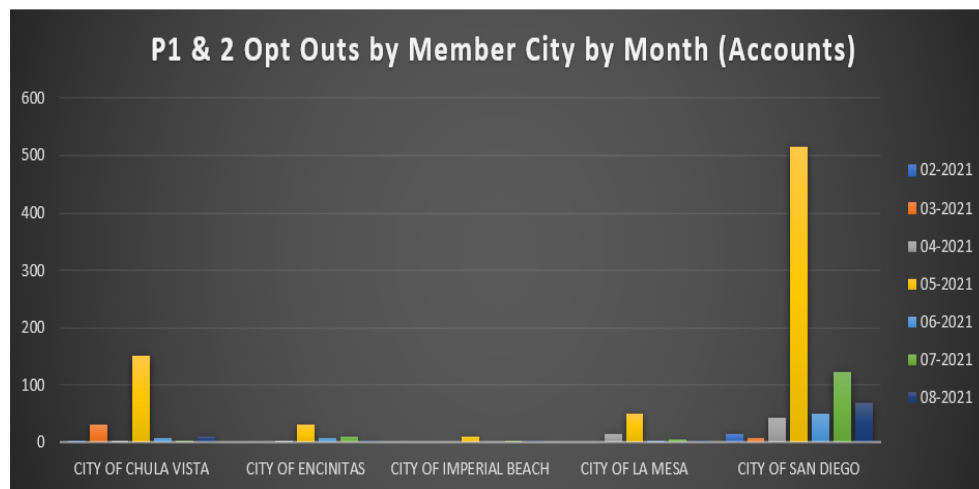
## Metrics





# Item 4

## Metrics



Town or Territory	Active	Eligible	Total Opt Outs	Participation Rate
CITY OF CHULA VISTA	7491	7802	208	97.33%
CITY OF ENCINITAS	3113	3217	55	98.29%
CITY OF IMPERIAL BEACH	530	561	13	97.68%
CITY OF LA MESA	2577	2720	77	97.17%
CITY OF SAN DIEGO	56554	58085	824	98.58%
<b>Grand Total</b>	<b>70265</b>	<b>72385</b>	<b>1177</b>	<b>98.37%</b>



# Item 4

## Back Office Operations

- Phase 3 planning efforts with a focus on the following key areas has begun:
  1. NEM Phasing
  2. Enrollment strategy (Standby, Residential DA, Residential EcoChoice etc.)
  3. Rates
  4. Programs
  5. Messaging & Outreach strategy
  6. Customer Notifications/Mailers

# Item 5

## Appointment of Eric Washington, Chief Financial Officer, as Treasurer

Recommendation: Adopt Resolution No. 2021-3, a Resolution of the SDCP Board of Directors Appointing the Chief Financial Officer as SDCP's Treasurer.

Presenter:  
Ryan Baron,  
General Counsel

# Item 6

## Update on Regulatory and Legislative Affairs

Recommendation: Receive and file the update on regulatory and legislative affairs.

- SB 612
- Bipartisan Infrastructure Package
- Net Energy Metering 3.0
- ERRRA Update

Presenter:

Laura Fernandez,

Director of Regulatory and Legislative Affairs

# Item 6

## SB 612

- Did not receive hearing in the Assembly Committee on Utilities and Energy on June 30
- Officially a 2-year bill



# Item 6

## Bipartisan Infrastructure Package

- SDCP sent letter to congressional delegation regarding clean energy investments
- SDCP requesting funding opportunities for CCAs
- SDCP met with staff for Congressman Scott Peters



# Item 6

## Bipartisan Infrastructure Package Clean Energy Investments

Program	Funding
Energy Storage Demonstration Projects	\$335 billion – for FY '22-'25
Long Duration Storage Demonstration Program	\$150 billion
Energy Infrastructure Federal Finance Assistance Program for Innovative Grid Hardening and Reliability	\$5 billion – for FY '22-'26
Smart Grid Investment Matching Grant Program	\$3 billion
Charging Infrastructure	\$7.5 billion
Revolving Loans for New or Upgraded Transmission Lines	\$2.5 billion

# Item 6

## Net Energy Metering 3.0

- Staff coordinating with other CCA programs that are parties in the proceeding
- Next Steps:
  - August 31 – Opening Briefs
  - August 31 – Completion of Settlement Discussions
  - December – Proposed Decision Expected



# Item 6

## ERRA

- Proposed rate reductions are overstated, because SDG&E has not yet incorporated its updated 2022 sales forecast into the calculation of bundled rates
- Administrative Law Judge directed SDG&E to prepare a “modified 2021” sales forecast, adjusted solely for SDG&E’s current best estimate of likely departing load in 2022
- Result: forecast sales numbers used to establish 2022 rates will account for SDCP departing load





# Item 7

## **EEl Agreement Confirmation Between SDG&E and SDCP for Purchase of Long-term Renewable Energy**

Recommendation: Approve the EEl Agreement Confirmation Between SDG&E and SDCP and authorize the Interim CEO to execute the agreement in substantially similar form as reviewed

Presenter:  
Byron Vosburg,  
Director of Power Services

# Item 7

## Background: Long-term RPS Requirements

- California Renewables Portfolio Standard (“RPS”) requires purchase of renewable energy under long-term contracts (“PPAs”) of 10 years or longer
- Starting in 2021, Senate Bill 350 (“SB 350”) requires at least 65% of RPS obligation must be secured via long-term RPS contracts
- Long-term RPS requirement is measured across multi-year compliance periods (e.g. CP4 is 2021-2024)

## Background: Allocation of Legacy Resources from SDG&E to SDCP

- Resources that SDG&E contracted on behalf of SDCP customers prior to their transition to SDCP are subject to Power Charge Indifference Adjustment (“PCIA”)
- SDCP supported SB 612 in 2021, which would have equitably allocated legacy resources in IOU portfolios to CCAs but has now been extended to a two-year bill
- CPUC is currently implementing a similar allocation, the Voluntary Allocation and Market Offer (“VAMO”) mechanism, which will be similar to SB 612 but will only apply to renewable energy and is expected to start in 2023

# Item 7

## Background: SDCP 2020 LT RPS RFO Timeline

- Pursuant to 2020 LT RPS RFO launched in June 2020, **SDCP has executed three long-term PPAs** with in Vikings Energy Farm, LLC, IP Oberon, LLC, and JVR Energy Park, LLC
- In addition, SDCP has negotiated with SDG&E for purchase of long-term renewable energy per the following timeline:
  - **May 2020:** SDG&E Launched 2020 RFP for Sale of Renewable Energy Products
  - **June 2020:** SDCP submitted bids for purchase of long-term Renewable Energy
  - **January 2021:** SDCP Board authorized Interim CEO to enter into an EEI Master Agreement with SDG&E (Resolution 2021.02)
  - **February – August 2021:** SDCP and SDG&E negotiate terms of a long-term renewable energy purchase transaction
  - **August 26, 2021:** SDCP Board Meeting

# Item 7

## Transaction Objectives

- Secure sufficient long-term RPS supply in 2021-2024 to ensure SDCP compliance with SB 350 Compliance Period 4 requirements;
- Reduce quantity of renewable energy supply in SDG&E's PCIA-eligible portfolio
- Incorporate forthcoming CPUC allocation of resources
  - Begin allocation deliveries prior to expected 2023 start of VAMO
- Do not restrict SDCP's future procurement of additional new-build, long-term renewable resources
  - Two- to three-year development timeline results in deliveries from new-build resources in 2024-2025 and beyond

# Item 7

## Contract Overview: EEI Agreement Confirmation Between SDG&E and SDCP for Purchase of Long-term Renewable Energy

- Project: 24 Wind and Solar renewable energy facilities in SDG&E's energy supply portfolio
- Location:
  - 21 of 24 projects are in CA
  - 17 in San Diego and Imperial Counties
- Delivery Start Date: As soon as November 1, 2021
  - Subject to CPUC approval
- Contract term: ~12 years
  - through 2033 (Compliance Period 7)
- Contract Quantity:
  - 2021-2022: Fixed, firm quantities
  - 2023+: Determined per VAMO allocation process
- Renewable Energy price: Indexed to market prices
- No credit or collateral obligations for SDCP

# Item 7

Recommendation: Approve the EEI Agreement Confirmation Between SDG&E and SDCP and authorize the Interim CEO to execute the agreement in substantially similar form as reviewed and approved to form by General Counsel.

# **Regular Meeting Agenda**

**Director Comments**

**Reports by Management and  
General Counsel**

**Adjournment**





# Board of Directors

Next Regular Meeting  
September 23, 2021