



Board of Directors

Regular Meeting

December 15, 2022






**Welcome
&
Call to
Order**

Roll Call



The background of the slide is a photograph of a sunset or sunrise sky, filled with soft, orange and yellow clouds. A large, white, semi-transparent arrow points from the left side of the frame towards the right, partially obscuring the sky. The text is written in a bold, orange font within the white arrow.

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Withdrawn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



Public Comment for Items NOT on the Agenda

Consent Agenda

1. Approval of Findings to Continue Holding Remote/Teleconference Meetings Pursuant to Assembly Bill 361
2. Receive and File Treasurer's Report for Fiscal Year-end Period Ending October 31, 2022
3. Receive and File Update on Back Office Operations
4. Receive and File Update on Marketing and Public Relations
5. Receive and File Update on Community Advisory Committee

Regular Meeting Agenda

Regular Agenda Items:

6. Approval of the Community Clean Energy Innovation Grants Policy
7. Update on the Community Power Plan (CPP) Community Needs Survey
8. Update on the Net Energy Metering (NEM) Proceeding and Update on Regulatory and Legislative Affairs
9. Approval of Updates to Board Compensation and Reimbursement Policy
10. Consider SDCP Actions Necessary to Accelerate Achievement of 100% Renewable Energy Portfolio

Item 6

Community Clean Energy Innovation Grants

Recommendation:

Approve the Community Clean Energy Innovation Grants Policy

Presenter

Colin Santulli, Director of Programs

Background

- SDCP's FY22-23 budget (approved by the Board in June 2022) included the creation of a **community grant program** as a component of the Programs Department budget
- Other CCAs have successfully implemented similar initiatives (e.g., East Bay Community Energy and Peninsula Clean Energy)
- Staff are now seeking approval of the **community grant program policy**, which would provide authority to SDCP's CEO, or designee, to design and implement the program

Program Goals

The Community Clean Energy Innovation Grants would aim to support **scalable, replicable clean energy pilot projects** that provide **economic, environmental, and health benefits** to SDCP's communities and increase overall **energy literacy** of SDCP's customers



Program Focus Areas

Funded projects are expected to advance one or more of the following focus areas:

- Energy behaviors and/or education that **reduce energy consumption and/or costs**
- **Improvements in indoor and/or outdoor air quality** related to greenhouse gas emissions
- **Workforce development opportunities** that support careers in the clean energy industry
- **Energy resilience** to ensure communities can avoid, prepare for, minimize, adapt to, and recover from energy disruptions
- Increased access to the **benefits of clean energy technologies** with a focus on underserved communities and vulnerable populations

Structure & Process

- **Eligibility:** Community-based nonprofits serving SDCP customers
- **FY22-23 Program Budget:** Approximately \$300,000
- **Grant Amounts:** No more than 15% of total annual program budget per grant; to be expended by grantee within 12 months from award date
- **Timing:** Q1 2023
- **Administration:** Staff may seek support for administration of the program and distribution of grant funds through a qualified consultant*

**Staff will inform the Board of any grant disbursements and all program-related expenditures will comply with the SDCP Board-approved procurement policy*

Evaluation Committee

- Grant applications will be reviewed, scored, and selected by an evaluation committee based on alignment with grant criteria and eligibility
- Evaluation committee may include SDCP staff, a CAC representative, and program administrator staff (if applicable)



Evaluation Criteria

- Criteria will be structured based on the following general categories:
 - Project feasibility
 - Community benefits
 - Scalability and replicability
 - Communities of Concern
 - Innovation
- If applications have an equal evaluation score, a selection of projects across diverse project focus areas will be prioritized

Next Steps (If Approved)

- Staff will inform the Board upon finalization of the detailed program structure and process in a final program guidelines document
- Staff estimate providing an update and seeking approval of grant distributions at the February 2023 Board meeting

Item 6

Recommendation:

Approve the Community Clean Energy Innovation Grants Policy

Item 7

Update on the Community Power Plan (CPP) Community Needs Survey

Recommendation:

Receive and file an update on the CPP community needs survey

Presenters

Colin Santulli, Director of Programs

Nelson Lomeli, Program Manager

Community Power Plan Overview

Community Power Plan

Decision-making framework to guide SDCP's program strategy, selection, and development of local programs for the next five years based on community input.

Community Power Plan

Community Needs Assessment

- Focus on hearing the values, goals, needs, and priorities of our community and stakeholders (internal and external)
- Identify what energy programs and information the community has access to and how to bridge the gaps
- Ensures that SDCP's programmatic offerings and strategies align with:
 1. Values, goals, needs, and priorities of the community; and
 2. Organizational goals and priorities.



Engagement

External

- Community-based organization listening sessions
- Unincorporated San Diego County pop-up events
- Interest group interviews
- Business, key account, and public listening workshops

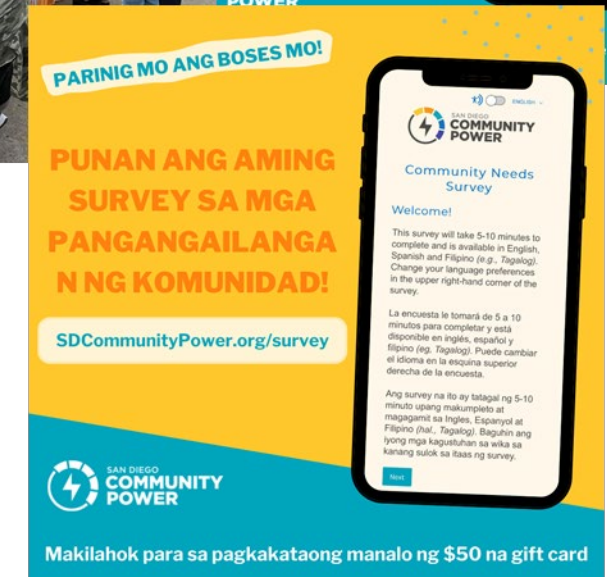
Internal

- Board member interviews
- SDCP Staff Workshop
- Community Advisory Committee (CAC) Workshop

Community Needs Survey Overview and Promotion

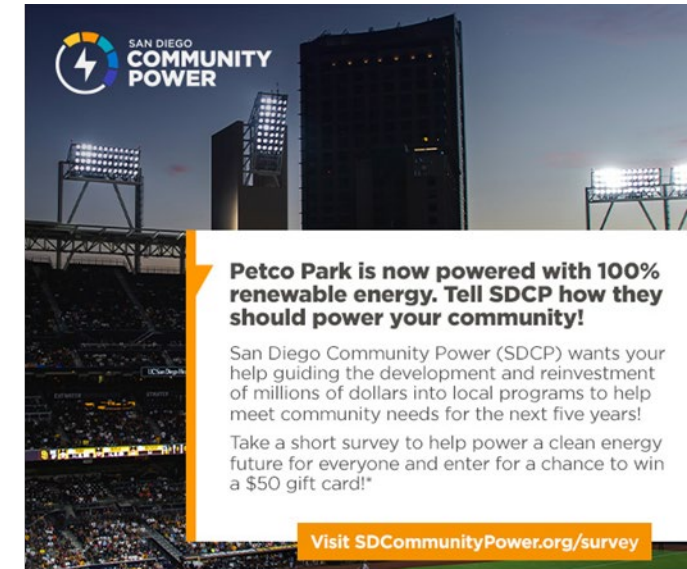
Survey Overview

- 19 question web-based survey to further understand the diverse needs and priorities of SDCP's communities (residential and commercial)
- Open for 7 weeks between August-October 2022
- Available in English, Spanish, and Filipino (Tagalog)



Survey Promotion

- Opportunity to win one of ten \$50 gift cards as incentive
- Power Content Label mailer sent to over 600,000 customers
- Promoted via customer bills, website banner, organic social media posts, and targeted advertisements focused on hard-to-reach communities
- Published paid print advertisements in Spanish and Filipino-speaking publications
- Emailed a media kit to Board, CAC, community-based and business organizations, member agencies, and elected officials
- Email to over 160,000 Padres subscribers
- In-person survey collection via tabling events, flyers, and working with community-based organizations



¡Tome unos minutos para ayudar a crear un futuro de energía limpia para todos!

¡Estamos creando nuestro primer Plan Comunitario de Energía que guiará el desarrollo y la reinversión de millones de dólares en programas locales que ayuden a satisfacer las necesidades de nuestras comunidades durante los próximos cinco años! Ayúdenos a comprender los objetivos, las prioridades y las necesidades de usted y su comunidad para crear un futuro de energía limpia para todos.

Cuéntenos qué es importante para usted respondiendo a una breve encuesta. Escanee el código QR o visite SDCommunityPower.org/survey

¡Llene la encuesta para tener la oportunidad de ganar una tarjeta de regalo de \$50!

Maglaan ng Ilang Minuto para Tumulong na Magbigay ng Malinis na Enerhiya sa Kinabukasan para sa Lahat!

Gumapawa kami ng aming kauna-unahang Community Power Plan na gagabay sa pagbuo at muling pamumuhunan ng milyon-milyong dolar sa mga lokal na programa na tutulong sa pagtugon sa mga pangangailangan ng komunidad para sa susunod na limang taon! Tulungan kaming maunawaan ang mga layunin, prioridad, at pangangailangan mo at ng iyong komunidad upang mapalakas namin ang isang malinis na enerhiya sa hinaharap para sa lahat.

Silbihin sa amin bilang ano ang matutaga sa iyo sa pamamagitan ng pagkukuha ng matinding survey. I-scan ang QR code o bisitahin SDCommunityPower.org/survey

Kunin ang survey para sa isang pagkakataong manalo ng \$50 na gift card!

Survey Responses

2,980 responses

Survey Responses

**2,980 complete, validated responses from
within SDCP's service territory**

2,849 residential

131 commercial

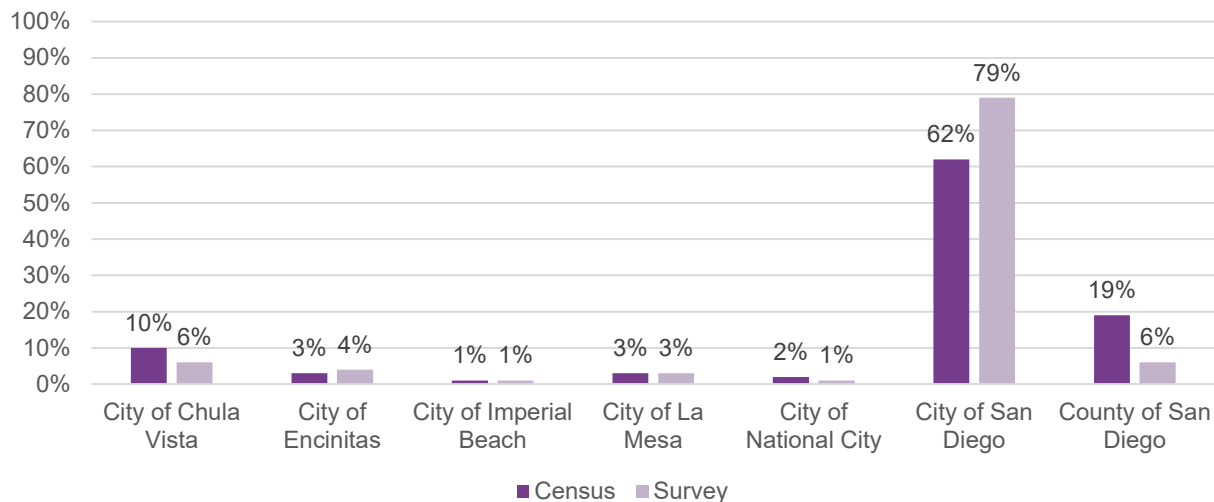
Community Needs Survey Results

Reflectiveness

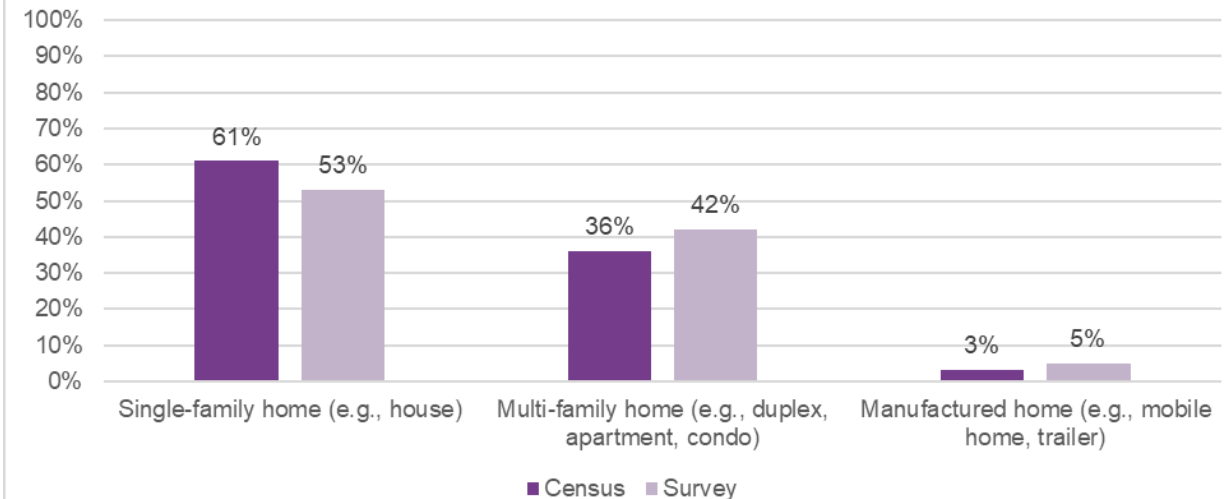
Survey responses were generally reflective across a variety of variables:

- Member jurisdiction
- Housing type and tenure
- Annual household income

Member Agency Survey Participation vs. Census



Housing Type Survey Participation vs. Census



General Major Challenges or Issues Faced

Question asked to help Staff better understand general challenges our customers face and provide context about where the community is at and what's important to them.

Residential

Top challenges/issues:

- 1) Finding housing that is affordable;
- 2) Paying for essentials like food and gas;
- 3) Too much traffic;
- 4) Not enough trees, shade, or natural areas and open spaces; and
- 5) Air pollution.

Commercial

Top challenges/issues:

- 1) Employee recruitment and retention;
- 2) Cost of new construction and development;
- 3) Increased cost of goods and services;
- 4) Reliability of infrastructure; and
- 5) Air pollution.

Energy Issues

Residential

Top issues:

- 1) Reducing energy bills
 - 2) Addressing climate change
- Consistent when broken down by housing type and tenure, and respondents from most income groups (*i.e.*, \$50,000-149,000)

Commercial

Top issues:

- 1) Creating good, well-paying jobs in the energy sector
 - 2) Reducing businesses' energy costs
 - 3) Getting compensated for load management
- Remained the same regardless of the size of business respondent

Energy Solutions

Residential

Top solutions:

- 1) Building more large-scale renewable energy generating systems in the San Diego Region
 - 2) Improved indoor air quality through building electrification
 - 3) Improved outdoor air quality through transportation electrification
 - 4) Installing renewable energy generating systems on rooftops or parking lots
- Remained consistent across housing type, housing tenure, and all income groups, though the order for each varied slightly

Commercial

Top solutions:

- 1) Improving indoor air quality through building electrification
- 2) Building more large-scale renewable energy generating systems in the San Diego region
- 3) Improving outdoor air quality through transportation electrification,
- 4) Installing more renewable generating systems on rooftops or parking lots

Program Awareness

Residential

- Regardless of housing type or tenure, most aware of **energy efficiency and demand response programs**, followed by electric vehicle and solar incentives
- Nearly 20% of survey respondents were not aware of any local programs with renters being disproportionately unaware

Commercial

- Respondents largely aware of many local programs – most awareness about demand response, electric vehicle charging equipment, and building electrification incentives

Program Participation

Residential

- Energy efficiency and demand response incentive programs most accessed across all housing type and tenure responses
 - Aligns with residential customers being most aware of those types of programs
- Single-family and homeowner respondents are more likely to participate in solar incentives
- Multi-family and renter respondents are more likely to participate in building electrification incentives

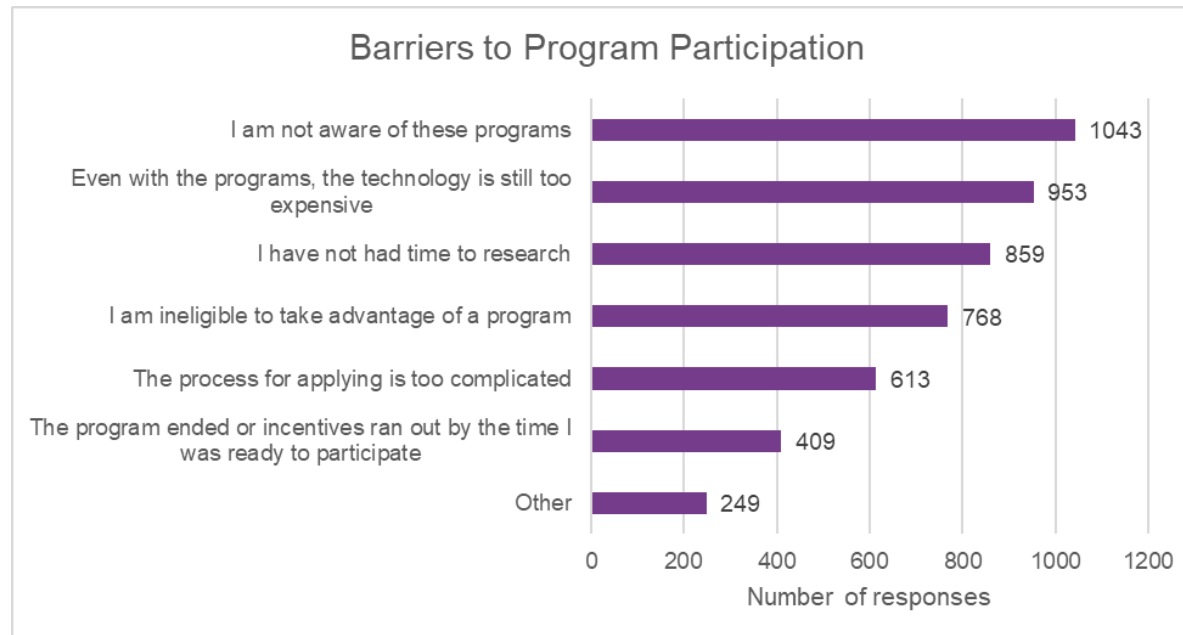
Commercial

- Indicated participation in several program types
 - Aligns with commercial respondents being more aware of local programs compared to residential respondents
- Demand response, building electrification, green rates, and energy efficiency incentives most common program participation

Barriers to Program Participation

Residential

- Program awareness is biggest barrier - over 33% have not participated in any program regardless of housing type, housing tenure, or income level.
- Cost of clean energy technologies, even when considering incentives, and not having enough time to research program details are the leading issues reported



Next Steps

Next Steps

Q4 2022

- Program prioritization framework will inform program types included in CPP
 - Uses data from community needs assessment and a program market assessment

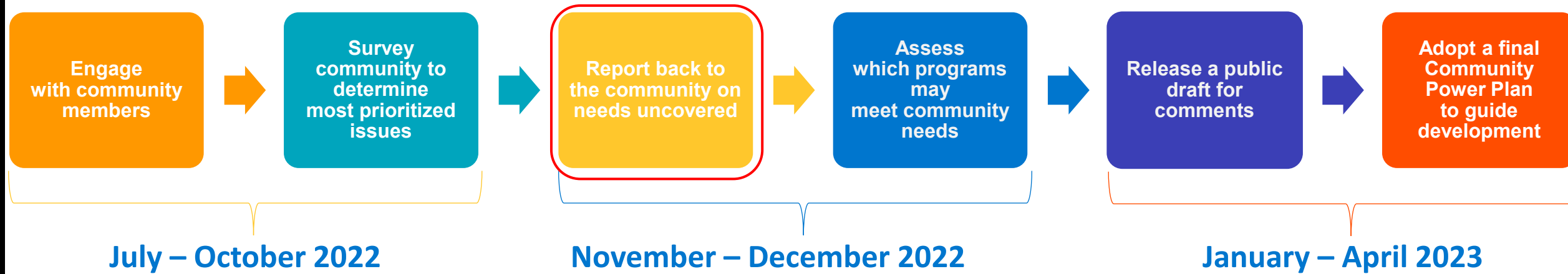
Q1 2023

- Present draft list of program types to Board and CAC for input and feedback
- Release draft CPP for 30-day public review and comment

Q2 2023

- Present final CPP for Board adoption

Timeline



Timeline



Item 7

Recommendation:

Receive and file an update on the CPP community needs survey

Item 8

Update on the Net Energy Metering (NEM) Proceeding

Recommendation:

Receive and file update on the NEM proceeding and the update on regulatory and legislative affairs.

Item 8

Update on the NEM Proceeding

Previous actions by SDCP in this proceeding:

- Filed a Joint Reply Brief with SJCE on party proposals
- Sent a letter to Governor Newsom and CPUC Commissioners
- Filed comments with EBCE on the old Proposed Decision
- Filed comments with EBCE, RCEA, and PCE on the ALJ's ruling setting aside submission of the record to take comment



Item 8

Update on the NEM Proceeding

ALJ withdraws the old Proposed Decision and issues a new one

- Alice Reynolds appointed as CPUC President by Gov Newsom
- May 5, 2022 - ALJ set aside the old PD and asked for additional comments
- November 10, 2022 - ALJ withdraws the December 13, 2021 PD
- Concurrently, the ALJ released a new PD, setting December 15, 2022, as the earliest the CPUC could vote to finalize new PD
- While the new PD is not ideal, it is an improvement from the previous version.



Credit to PV Magazine USA

Item 8

Update on the NEM Proceeding

(1) What is included in the new PD?*

- Maintains legacy status of NEM 1 and 2 customers
- Drops the grid benefit charge
- Adopts a glidepath approach for new customers to lock in the Avoided Cost Calculator (ACC) value they begin with for 9 years
- Requires new Net Billing customers to be on electrification rates, which have a \$16 fixed charge
- Requires new customers to pay bills on a monthly basis

ALJ/KHY/nd3	PROPOSED DECISION	Agenda ID #21141 Ratesetting
Decision <u>PROPOSED DECISION OF ALJ HYMES</u> (Mailed 11/10/22)		
BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA		
Order Instituting Rulemaking to Revisit Net Energy Metering Tariffs Pursuant to Decision 16-01-044, and to Address Other Issues Related to Net Energy Metering.		Rulemaking 20-08-020
DECISION REVISING NET ENERGY METERING TARIFF AND SUBTARIFFS		

Item 8

Update on the NEM Proceeding

(2) What is included in the new PD?

- New customers are placed in a Net Billing structure, with retail export compensation rates aligned with the value of exported energy to the grid
- Proposes an adder to the ACC, known as ACC Plus Adder, for PG&E/SCE customers, but not SDG&E
 - PD states that due to high rates, payback time for systems is shorter in SDG&E service area
 - ACC Plus Adder to be funded by PPP charge through all ratepayers
- SGIP proceeding to address benefits to low-income customers

ALJ/KHY/nd3	PROPOSED DECISION	Agenda ID #21141 Ratesetting
Decision <u>PROPOSED DECISION OF ALJ HYMES</u> (Mailed 11/10/22)		
BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA		
Order Instituting Rulemaking to Revisit Net Energy Metering Tariffs Pursuant to Decision 16-01-044, and to Address Other Issues Related to Net Energy Metering.	Rulemaking 20-08-020	
DECISION REVISING NET ENERGY METERING TARIFF AND SUBTARIFFS		

Item 8

Update on the NEM Proceeding

(3) What is included in the new PD?

- Creates a transition period for the new Net Billing tariff.
- Deadline for NEM 2.0 customers to lock in - 120 days after adoption of the final decision,
- After 120 days, they will be temporarily placed on the NEM 2.0 tariff until IOU systems are ready for new tariff.
- 12 months after adoption of the decision, IOUs must have updated billing systems to handle Net Billing.

ALJ/KHY/nd3	PROPOSED DECISION	Agenda ID #21141 Ratesetting
Decision <u>PROPOSED DECISION OF ALJ HYMES</u> (Mailed 11/10/22)		
BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA		
Order Instituting Rulemaking to Revisit Net Energy Metering Tariffs Pursuant to Decision 16-01-044, and to Address Other Issues Related to Net Energy Metering.	Rulemaking 20-08-020	
DECISION REVISING NET ENERGY METERING TARIFF AND SUBTARIFFS		

Item 8

Update on the NEM Proceeding

(1) What was SDCP's Response?

- On November 30, 2022, SDCP filed joint opening comments with other CCAs
 - Extend the NEM 2.0 sunset period to 180 days
 - Begin sunset period after the IOUs' billing systems are ready
 - SDG&E/SDCP customers should not pay the PPP charges to support the ACC Plus Adder for PG&E/SCE customers
 - Consider additional incentives for low-income customers outside of SGIP
 - Non-residential customers should receive the ACC Plus Adder

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE
STATE OF CALIFORNIA**

Order Instituting Rulemaking to Revisit Net Energy
Metering Tariffs Pursuant to Decision 16-01-044,
and to Address Other Issues Related to Net Energy
Metering.

Rulemaking 20-08-020
(Filed August 27, 2020)

**COMMENTS OF SAN DIEGO COMMUNITY POWER, THE REDWOOD COAST
ENERGY AUTHORITY, EAST BAY COMMUNITY ENERGY, SAN JOSE CLEAN
ENERGY, AND PENINSULA CLEAN ENERGY AUTHORITY
ON THE ADMINISTRATIVE LAW JUDGE'S PROPOSED DECISION REVISING NET
ENERGY METERING TARIFF AND SUBTARIFFS**

Item 8

Update on the NEM Proceeding

(2) What was SDCP's Response?

- December 5, 2022, SDCP filed joint reply comments with other CCAs.
 - Support Sierra Club's recommendation to base the glide path step downs on each additional GW of installed capacity rather than annual changes.
 - This allows the glide path to respond to actual market conditions and the speed at which solar is adopted.

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA	
Order Instituting Rulemaking to Revisit Net Energy Metering Tariffs Pursuant to Decision 16-01-044, and to Address Other Issues Related to Net Energy Metering.	Rulemaking 20-08-020 (Filed August 27, 2020)
JOINT CCA REPLY COMMENTS TO SIERRA CLUB OPENING COMMENTS ON PROPOSED DECISION REVISING NET ENERGY METERING TARIFF AND SUBTARIFFS	

Item 8

Update on the NEM Proceeding

CPUC Issued Redlined PD on 12/14/22

- Clarifies that PPP costs are determined utility wide. A utility's ratepayers only pay for PPP costs generated by that utility's customers.
 - Meaning that SDG&E distribution customers will not be paying for the adder that PG&E and SCE customers will receive.
- Separately, Virtual NEM (VNEM) and NEM Aggregation (NEMA) are left intact but will look more into the matter to develop a more comprehensive record.

<u>R.20-08-020 ALJ/KHY/nd3</u>		<u>PROPOSED DECISION (Rev.1)</u>
ALJ/KHY/nd3	PROPOSED DECISION	Agenda ID #21141 <u>(Rev.1)</u> Ratesetting <u>12/15/2022 Item #45</u>
Decision PROPOSED DECISION OF ALJ HYMES (Mailed 11/10/22)		
BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA		
Order Instituting Rulemaking to Revisit Net Energy Metering Tariffs Pursuant to Decision 16-01-044, and to Address Other Issues Related to Net Energy Metering.		Rulemaking 20-08-020
DECISION REVISING NET ENERGY METERING TARIFF AND SUBTARIFFS		

Item 8

Recommendation:

Receive and file update on the NEM proceeding and the update on regulatory and legislative affairs.

Item 9

Approval of Updates to Board Compensation and Reimbursement Policy

Recommendation:

Approve Resolution No. 2022-21 Amending the Board Compensation and Reimbursement Policy to Includes Meeting of Board Committees

Presenter: Ryan Baron, General Counsel

Item 9

- In February 2022, the Board adopted a policy authorizing compensation of \$150 for attending Board meetings, with a limit of 2x per month.
- The policy did not originally include compensation for attending meetings of Board committees, such as Financial & Risk Management Committee.
- Other regional agencies (SANDAG, MTS, etc.) authorize compensation for attending meetings of Board committees.
- Proposed policy amendment would add committee meetings and increase limit from 2x per month to 4x per month to account for addition of committee meetings.

Item 9

Recommendation:

Approve Resolution No. 2022-21 Amending the Board Compensation and Reimbursement Policy to Include Meetings of Board Committees

Item 10

Consider SDCP Actions Necessary to Accelerate Achievement of 100% Renewable Energy Portfolio

(consideration of a request by Director Lawson-Remer)

Recommended Action:

1. Discuss SDCP actions necessary to do the following:
 - a) Align default and opt-in service tiers with previously adopted operational goals regarding gradual achievement of an 100% renewable energy portfolio;
 - b) Increase default service tier to 75% by 2027 and 100% by 2030; and
 - c) Establish a temporary service tier, if needed

Item 10

Recommended Action (Continued):

2. Consider directing SDCP staff to prepare the necessary documents, including a potential amendment to the Joint Powers Agreement and/or any updated Board Policies, as needed, and place the documents and options for action on a future SDCP agenda for consideration no later than April 2023.
3. Consider directing SDCP staff to prepare a targeted impact analysis of these potential changes, focused specifically on energy procurement from local in-fill solar versus large scale solar development projects, to assess and ensure that updates to default opt-in tiers would not hinder SDCP's ability to accelerate development of and procurement from rooftop and in-fill solar.



Report by Chief Executive Officer

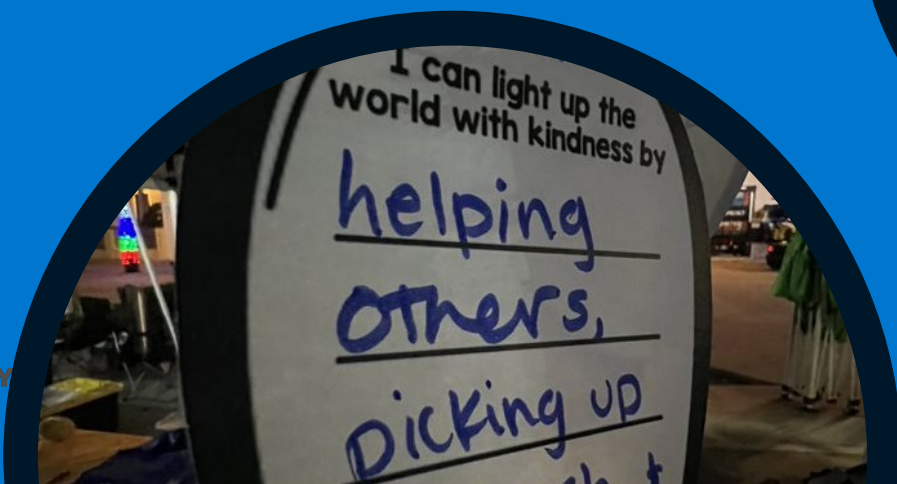
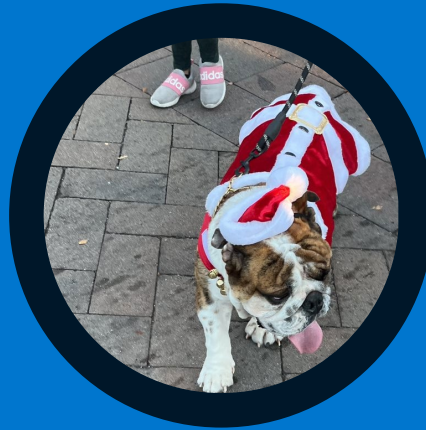
November Board Meeting



Chula Vista's "Starlight Nights"

Chula Vista's "Starlight Nights" tree-lighting ceremony brings holiday life to the community, kicking off the holiday season in Downtown Chula Vista.

We asked the community - *"How Can You Light Up the World With Kindness?"*



Food Distributions - Imperial Beach & National City



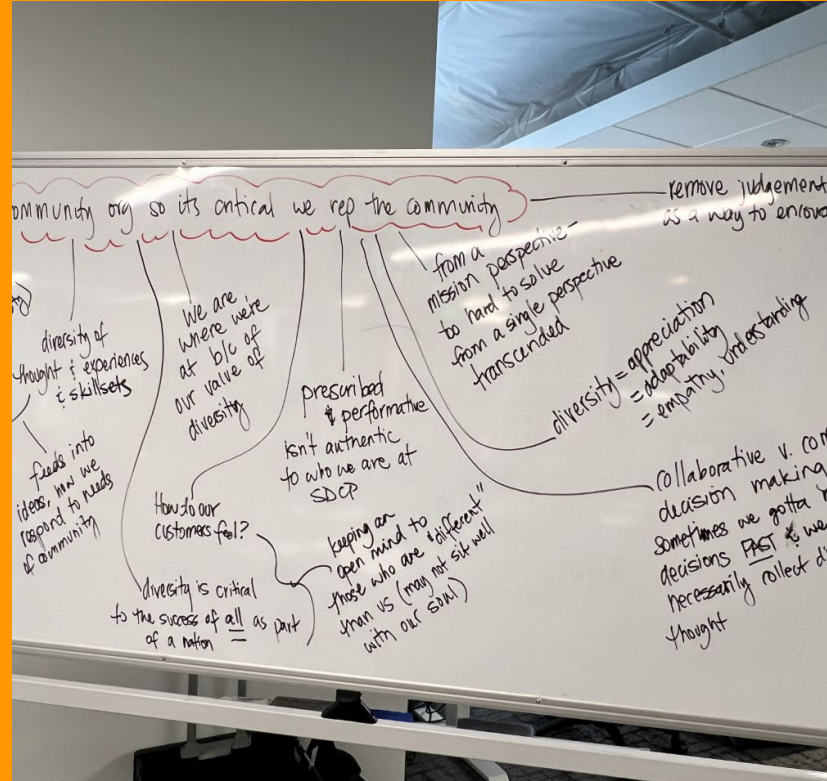
FREE FOOD COMIDA GRATIS			
UPCOMING DECEMBER OUTREACH DATES:			
Thursday 12/1 @ 3pm 2841 Highland Ave National City, CA	Thursday 12/8 @ 3pm 2841 Highland Ave National City, CA	Monday 12/12 @ 3pm Boys & Girls Club 847 Encina Ave Imperial Beach, CA	
Friday 12/2 @ 3pm Las Palmas Park by the baseball diamond	Friday 12/9 @ 3pm Las Palmas Park by the baseball diamond	Thursday 12/15 @ 3pm 2841 Highland Ave National City, CA	
Saturday 12/3 @ 11am Kimball Park by the playground	Saturday 12/10 @ 11am Kimball Park by the playground	Friday 12/16 @ 3pm Las Palmas Park by the baseball diamond	
 FEEDING AMERICA FEED. RESCUE. UNITE.		MORE INFORMATION AT LACHULACREW.ORG	

Justice, Equity, Diversity, Inclusion (JEDI) Training -

Part 2, Dec. 2

In the second session, we met with **Salina J. Villegas**, *Department of Race & Equity for the City of San Diego & Taryell Simmons*, *County of San Diego, Equity, Diversity, Inclusion*

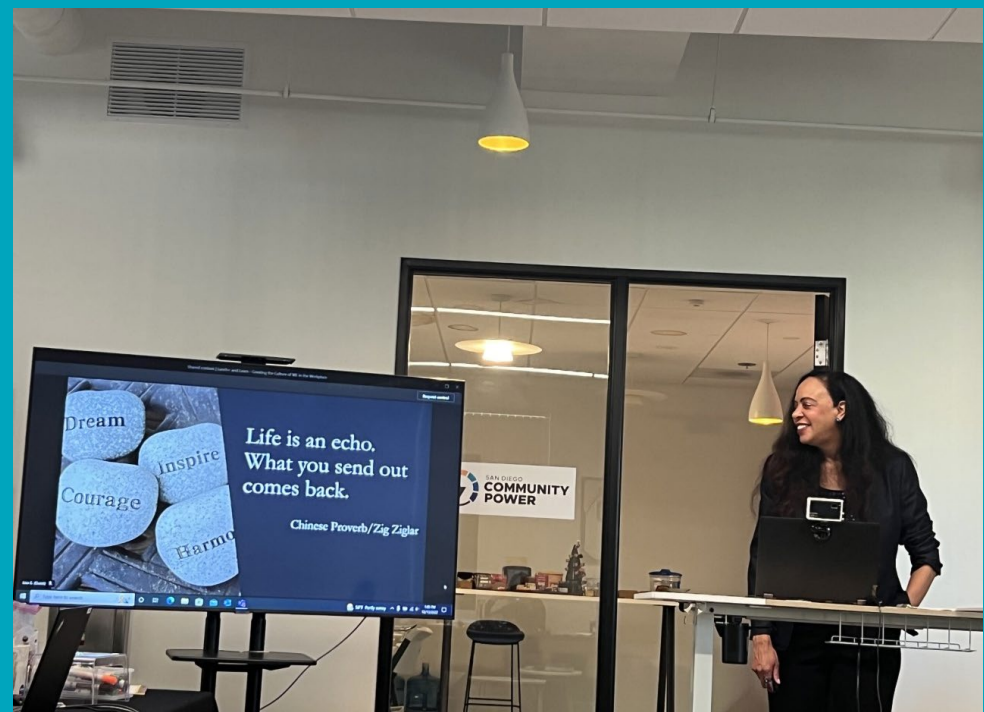
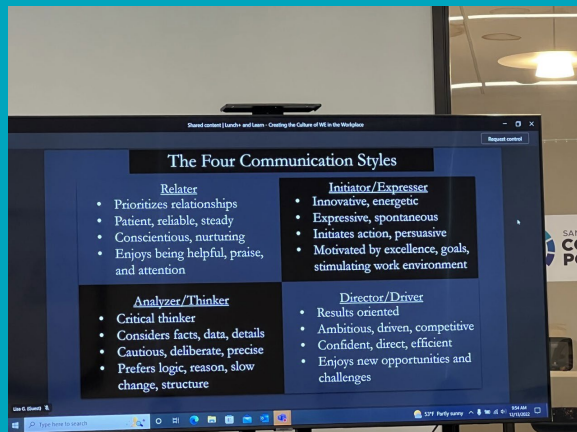
Committed to the genuine inclusion of diverse groups, our training took a healing-centered approach to change efforts that involve deep dialogue, skilled facilitation, and systems thinking.



Lunch + and Learn Workshop Series

Creating the Culture of WE in the Workplace December 13

*"Remember, life is an echo.
What you send out comes
back."*





We Are (still) Hiring!

We ARE or ARE SOON HIRING for the following positions:

- Local Area Resource Developer
- IT Coordinator
- Sr. Marketing Manager
- Community Manager
- Chief Operating Officer

We recently HIRED the following positions:

- Director of People (Jan start date)



SDCP Board of Directors Appreciation

We celebrated the incredible service of our outgoing Board of Directors, including Encinitas Deputy Mayor **Joe Mosca**, National City Mayor **Alejandra Sotelo-Solis** and Imperial Beach Mayor **Serge Dedina**. We also celebrated the oaths of office for new Imperial Beach Mayor **Paloma Aguirre** and SDCP's newest board member, National City Councilmember **Ditas Yamane**



SDCP Welcomes New Board Members and Their Alternates

Ditas Yamane
Council Member
National City
Primary Board Member



Kellie Hinze
Council Member
Encinitas
Primary Board Member



Marcus Bush
Council Member
National City
Alternate Board Member



Tony Kranz
Mayor
Encinitas
Alternate Board Member



On Deck in January


January will be a busy month!

- Welcoming our 5 New Board Members
- New Board Member Orientation: Wednesday, January 18th from noon to 6pm
- First New Board Meeting: Monday, January 23rd from 11am – 1pm
 - Election of Officers
 - Rate Setting
- Onboarding HR and developing a performance management program
- Continued progress on our CPP and Community Grants Programs

Thank You and Happy Holidays!

- **Board**
- **Team**
- **CAC**
- **Partners**
- **Customers**





Report by General Counsel and Director Comments



Adjournment



Board of Directors

Next Regular Meeting
January 18, 2022