Board of Directors

Regular Meeting

April 28, 2022
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Items to be Added, Withdrawn, or Reordered on the Agenda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
Consent Agenda

Regular Agenda Items:
8. Quarterly Update on Community Advisory Committee
9. Update on Back Office Metrics/Dashboard
10. Update on Regulatory and Legislative Affairs
11. Update on Marketing and Public Relations
12. Approval of Second Amendment to Civilian Contract for Marketing and Communications Services
13. Approval of a Market Salary Increase for Employees and Next Steps for a Comprehensive Salary Structure

Reports by Management and General Counsel

Director Comments

Adjournment
Welcome to SDCP!

Karin Burns
Chief Executive Officer

Stephen Gunther,
Senior Regulatory Analyst

Lorena Puga Bernaden,
Office Manager & Administrative Assistant

Rachel Hommel,
Marketing & Communications Manager
Roll Call
Items to be Added, Withdrawn or Reordered on the Agenda
Public Comment for Items NOT on the Agenda
1. Approval of Findings to Continue Holding Remote/Teleconference Meetings Pursuant to Assembly Bill 361
2. Receive and File Treasurer’s Report for Period Ending 2/28/22
3. Approval of Best Best & Krieger LLP Amended Engagement Letter
4. Approval of Joint Representation Agreement with Keyes & Fox LLP for Legal and Regulatory Services
5. Approval of Amendment to Professional Services Agreement with NewGen Strategies and Solutions LLC for Regulatory Support and Rate-related Analysis
6. Approval of Debt Collection Professional Services Agreement with Financial Credit Network
7. Approval of Sublease Agreement with Nuvve Holding Corporation for Temporary Office Space
Item 8
Quarterly Update on Community Advisory Committee

Recommendation:
Receive and File quarterly update from the Community Advisory Committee

Presenter:
Matthew Vasilakis
Member Community Advisory Committee
Item 9
Update on Back Office Metrics/Dashboard

Recommendation:
Receive and File Update On Back Office Metrics/Dashboard

Presenter:
Lucas Utouh,
Director of Data Analytics and Account Services
Phase 3 Status

Enrollment Highlights:
- Transitioning Phase 3 accounts which are primarily residential in four monthly waves by city and bill cycle.
- Transitioning Net Energy Metering (NEM) accounts based on True-Up month starting in February 2022 through January 2023.
  - February transition is complete.
  - March transition is complete.
  - April transition is in progress.
  - May transition is in queue.

<table>
<thead>
<tr>
<th>City</th>
<th>Phase 3 Status</th>
<th>Enrollment Month</th>
<th>Count of Accounts Enrolled</th>
</tr>
</thead>
<tbody>
<tr>
<td>Imperial Beach</td>
<td>Completed</td>
<td>February 2022</td>
<td>9,570</td>
</tr>
<tr>
<td>La Mesa</td>
<td>Completed</td>
<td>March 2022</td>
<td>22,737</td>
</tr>
<tr>
<td>Encinitas</td>
<td>In Progress</td>
<td>April 2022</td>
<td>19,930</td>
</tr>
<tr>
<td>San Diego</td>
<td>In Queue</td>
<td>May 2022</td>
<td>492,189*</td>
</tr>
<tr>
<td>Chula Vista</td>
<td>In Queue</td>
<td>May 2022</td>
<td>74,303*</td>
</tr>
</tbody>
</table>

*Estimated
Opt Out Tracking: Customer Feedback

Customers' Opt Out Reasons

- Dislike being automatically enrolled: 2414
- Other: 1671
- Rate or cost concerns: 1519
- Decline to provide: 1440
- Existing relationship with the utility: 737
- Concerns about government-run power agency: 516
- Service or billing concerns: 168
- Have renewable energy reliability concerns: 122
- Concerns about lack of equivalent CCA programs: 13

0 500 1000 1500 2000 2500 3000
Participation Rates

Opt Outs Per Customer Class

- Residential: 7020
- Commercial/Industrial: 1615

Phase 1 and 2 Member City Participation Rate by Number of Accounts:
- CITY OF CHULA VISTA: 96.50%
- CITY OF ENCINITAS: 97.56%
- CITY OF IMPERIAL BEACH: 97.09%
- CITY OF LA MESA: 96.78%
- CITY OF SAN DIEGO: 97.98%

Phase 3 Member City Participation Rate by Number of Accounts:
- CITY OF CHULA VISTA: 99.33%
- CITY OF ENCINITAS: 94.27%
- CITY OF IMPERIAL BEACH: 98.08%
- CITY OF LA MESA: 97.16%
- CITY OF SAN DIEGO: 99.09%
Overall Data Trends

1. How are we doing?
   • We are doing well in terms of our customer participation in our program. Our participation rates across Phase 1, 2, and 3 are below our opt out assumptions of 5%.
   • For Phase 3, this participation rate is fluid and will change as we ramp up mass enrollment across all member cities throughout 2022. The true participation rate will be computed once customers across all member cities are fully enrolled. In the interim, we are reporting on the opt outs and eligible accounts associated with the phase on a rolling basis as of the reporting month.

2. What have we learned? Any patterns in the data we are seeing?
   • It is evident that customers prefer to use our website to self-serve their options to either opt out, up or down. 58% of our customers’ opt actions were processed via the web. Followed by customers calling the Contact Center at 30%.
   • There are different motivations when it comes to opt outs between Residential and Non-Residential customers.
     ❖ Residential customers’ predominant reason for opting out is that they dislike being automatically enrolled at 26% vs 2% for Non-Residential customers.
     ❖ Residential customers’ next predominant reason for opting out is rate or additional cost concerns at 15% vs 3% for Non-Residential customers.

3. What we are doing to be successful for the next set of rollouts?
   • ME&O
Item 10
Update on Regulatory and Legislative Affairs

Recommendation:
Receive and file the update on regulatory and legislative affairs
Item 10
Update on Regulatory and Legislative Affairs

Integrated Resource Planning – Modified Cost Allocation Mechanism (MCAM)

• Decision 19-11-016 ordered procurement of 3300 MW of System Resource Adequacy (RA)
  • LSEs serving load shared procurement responsibility, SDCP not yet serving load
  • Cost recovery and other issues to be addressed in future decision
• MCAM Proposed Decision issued March 29
  • Requires SDCP to enter into agreement with SDG&E for purchase of its share of resources
  • SDCP filed comments, final decision could be voted on May 5
Item 10
Update on Regulatory and Legislative Affairs

Resource Adequacy Rulemaking

• SDCP filed informal and formal comments with other CCAs arguing that the two-slice proposal is preferable and more readily implementable.
• A proposed decision is expected on the Reform Track in May.
Item 10
Update on Regulatory and Legislative Affairs

Provider of Last Resort Rulemaking

- SDCP filed comments with Clean Energy Alliance to address Energy Division’s proposed framework and financial monitoring of CCA programs
- Comments note that certain proposals could increase financial pressure and increase risk of LSE failure
Item 10
Update on Regulatory and Legislative Affairs

Assembly Bill 2838 – SDCP Has Taken an Oppose Position

• IOUs required to administer green tariff shared renewables program (EcoChoice)
• Enabling statute requires that costs associated with program are not shifted from participating customers to non-participating ratepayers
• SDG&E sponsored AB 2838 would authorize termination of programs and allow consideration of recovering outstanding program costs from all customers
• AB 2838 turns the ratepayer indifference principle on its head by asking non-participating ratepayers to pay the cost of a program for which they received no benefit
Recommendation:
Receive and file the update on regulatory and legislative affairs

Presenter:
Laura Fernandez
Director of Regulatory and Legislative Affairs
Item 11
Update on Marketing and Public Relations

Recommendation:
Receive and File Update On Marketing and Public Relations

Presenter:
Rita de la Fuente
Director of External Affairs
Paid Media

“Sustainability and social responsibility are the pillars of Flor & Seed. We believe in reinvesting in the community and our future. We can’t wait for clean energy both at home and our business.”

— Yan Yanez
Cofounder and Owner, Flor & Seed Coffee Roasters

“My community and I are dedicated to a sustainable future. With San Diego Community Power, we can all feel good about receiving clean energy from renewable sources.”

— Tina Matthias
Founder and Executive Director, South Bay Sustainable Communities Network

Learn More

I know I’m making a difference using SDCP’s clean energy.

Same! We’re helping protect our environment and create a better future for our kids 😊.
Media Mix

Local Print:
- SD Union Tribune
- SD Reader
- SD Uptown News
- El Latino
- Voice & Viewpoint
- Filipino Press
- Nquoi Viet Tu Do
- SD Chinese Tribune
- Community Newspapers

Social/Online Media:
- Facebook/Instagram
- Nextdoor
- Twitter
- Banner Ad Display

Radio:
- Univision
- KPBS Public Radio
- Podcasts

Outdoor:
- Billboards
- Convenience Store Posters
Building Trusted Partnerships
News Media Coverage

The big switch: More than 700,000 electric customers begin moving from SDG&E to a community energy program

- San Diego Union Tribune

Over 100 individual articles or broadcast clips that were published online during residential enrollment

Broad mix of newspapers, TV, radio, online news outlets and Spanish news media
Outreach and Engagement
Item 11
Update on Marketing and Public Relations

Recommendation:
Receive and File Update On Marketing and Public Relations

Presenter:
Rita de la Fuente
Director of External Affairs
Item 12
Approval of Second Amendment to Civilian Contract for marketing and Communications Services

Recommendation:
Approve Second Amendment to Civilian Contract for Marketing and Communications Services

Presenter:
Rita de la Fuente
Director of External Affairs
History

**July 23, 2020:** Two-year term agreement beginning August 1, 2020, with a not-to-exceed amount of $775,680.

**May 27, 2021:** First amendment to the Agreement to increase the not-to-exceed amount by $143,000 to $918,680.
Civilian’s Role in SDCP’s Brand & Presence

<table>
<thead>
<tr>
<th>Task #1: Agency Branding, Design, Messaging and Identity</th>
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<tbody>
<tr>
<td>Task #2: Web Design, Content Development, and Maintenance</td>
</tr>
<tr>
<td>Task #3: Community Outreach and Stakeholder Engagement</td>
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<tr>
<td>Task #4: Marketing and Advertising Campaign</td>
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<td>Task #5: Media Relations and Public Affairs</td>
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<tr>
<td>Task #6: Project Management/Performance Metrics</td>
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</tbody>
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The Brand

Customer-Driven Choice

Future-Focused

Future-focused energy choices and a clear path to 100% renewable energy

Pragmatic and Proven

Locally-Run Not-for-Profit
Municipal Launch Press Conference
Social Media

San Diego Community Power

We put our communities first, while helping you toward a more sustainable energy future.

Make a positive impact in your community while getting cleaner power at competitive rates. That's a win-win-win.

SDCOMMUNITYPOWER.ORG

Commercial launch in June
It's time for change

“It feels great knowing both my home and small business are being powered with 100% renewable energy sources.”

– Jen Derks
Owner of Four Fin Creative

Learn More

Powering the only 100% renewable energy ballpark in the National League.
Enrollment Notices

“We’re excited by more renewable energy generation in our region to help curb climate change and leave the planet in better shape for our kids!”

– The Morgan Family
San Diego

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Welcome to San Diego Community Power!

Visit us at SDCommunityPower.org

San Diego Community Power (SDCP) is your new local provider of electricity bringing you cleaner energy at competitive rates. We put our communities first, helping you take a giant step toward a more sustainable energy future.

We are a locally managed, not-for-profit, public agency that focuses on what families need and want most when it comes to their energy.

**How It Works**

**SDCP**
Buy electricity from renewable resources

**SDG&E**
Sells power and maintains the grid

**YOU GET**
Cleaner power, local control, and competitive rates

With your recent automatic enrollment to San Diego Community Power you are now a renewable generation service provider! We purchase renewable power, like solar and wind, and provide it to you at competitive rates.

As a new customer, you’ll receive our standard service offering, PowerOne, which provides 50% renewable energy and is priced competitively to what you are currently paying with San Diego Gas & Electric (SDG&E). If you want to further reduce your carbon footprint from energy consumption, you can choose to upgrade to Power100, providing 100% renewable and carbon-free energy for a small premium. You can always choose to return to SDG&E service, but you’ll be missing out on some important benefits. With SDCP, you’re empowered to choose a cleaner future.

Please note that rooftop solar customers and other customers participating in Net Energy Metering (NEM) will be automatically enrolled at the end of their relevant period (referred to as “trim-up”). For more information on enrollment, please see the FAQs on our website at SDCommunityPower.org

Benefits that you can expect from San Diego Community Power:

- Cleaner, renewable power at competitive prices
- Energy programs tailored to meet the needs of our communities
- Local control by local representatives who prioritize people and our communities
- Reinvestment of revenues into our community
- Support of local job creation and development of local renewable energy projects

For more information on SDCP and our benefits, change your service level, or to opt-out, visit www.SDCommunityPower.org or call 1-888-352-0160.

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Teras & Conditions of Service

San Diego Community Power electric generation rates are managed with the intention of providing cleaner electricity at competitive rates. Any changes to SDCP rates will be adopted at daily notice hearings of the San Diego Community Power Board of Directors. Changes to SDG&E or SDCP rates will impact cost comparisons between SDCP and SDG&E.

All SDG&E and SDCP customers pay a monthly Power Charge Inducement Adjustment (PCIA) and Production-Per-Surcharge. The PCIA is a charge to ensure both SDG&E customers and those with SDCP service to fund new electric plants that other providers that are not covered by SDCP are already funding. The Production Per-Surcharge is an adjustment for the difference between the revenue requirements of SDG&E and SDCP for the electric generation resources that cannot be fully recovered through sales of these resources at current market prices. SDCP has already accounted for these after-market changes in calculating rates. See SDG&E rates and SDCP cost comparisons on our website.

MINIMUM: You will receive a minimum of 10% SDCP that includes SDCP’s electric generation changes, SDG&E electric generation changes, and SDG&E’s production surcharge before credits for electric taxes. This amount may change. You will continue to receive 10% SDCP after the minimum.

ENROLLMENT: As the default electricity provider for the cities of Chula Vista, Encinitas, Imperial Beach, La Mesa, and San Diego, you were automatically enrolled into San Diego Community Power service unless you opted out at least five business days before your 2016 meter reading date during the first day of the enrollment month. You may choose to opt-out in PowerOne, which provides SDG&E renewable energy service at a slight premium.

For complete Terms and Conditions of Service, please visit SDCommunityPower.org or call SDCP at 1-888-352-0160.
Communications & Outreach

- Press:
  - Service Launches
  - Power Purchase Agreements
  - Power100Champions
  - Advertorials

- Local Podcasts

- Presentations to Businesses, Community Organizations and Agencies
Item 12
Approval of Second Amendment to Civilian Contract for marketing and Communications Services

Recommendation:
Approve Second Amendment to Civilian Contract for Marketing and Communications Services

Presenter:
Rita de la Fuente
Director of External Affairs
Item 13
Approval of a Market Salary Increase for Employees and Next Steps for a Comprehensive Salary Structure

Recommendation:
Approve a salary increase of 4.5% for all current SDCP employees other than the Chief Executive Officer, retroactive to January 1, 2022, or the first day of the month an employee was hired, whichever is more recent. Direct the Chief Executive Officer to proceed with next steps to retain a human resources firm to support various efforts including development of a comprehensive salary structure.

Presenter:
General Counsel
Adjournment
Board of Directors

Special Meeting

April 28, 2022
Call to Order
Roll Call
1. Approve Board and Employee Child Care During Attendance at Certain Meetings or Events on Behalf of SDCP
Item 1
Approve Board and Employee Child Care During Attendance at Certain Meetings or Events on Behalf of SDCP

Recommendation:
Adopt Resolution NO. 2202-06 amending the board Compensation and Reimbursement Policy to provide reimbursement for reasonable child care expenses during attendance at certain meetings of the Board of Directors and to authorize the Chief Executive Officer to establish a program to provide employee child care and/or reimbursement of reasonable child care expenses for attendance at meetings or events outside of business hours.

Presenter:
General Counsel