



Board of Directors

Regular Meeting

September 28, 2023



The background of the image features a close-up of blue water with fine, shimmering ripples. A large, white, diagonal stripe cuts across the image from the top-left to the bottom-right, creating a sharp contrast with the blue water.

**Welcome
&
Call to
Order**

The background of the slide features a close-up photograph of blue water with gentle ripples. A wide, white diagonal stripe runs from the top-left corner to the bottom-right corner, creating a split effect. The text 'Roll Call' is centered within the white stripe.

Roll Call



The background of the slide features a close-up, high-resolution image of blue water with gentle ripples. A large, white, diagonal stripe cuts across the center of the image, creating a prominent geometric shape. The text is centered within this white area.

Land Acknowledgement



Adana Martinez
Public Outreach Coordinator



Jushaun Jamieson
Public Outreach Coordinator

**Warm
Welcome
to our
New
Hires!**




Emily Fisher
Senior Program Manager

#dreamteam

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Withdrawn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



Public Comment for Items NOT on the Agenda

Consent Agenda

1. Approval of August 24, 2023 Meeting Minutes
2. Receive and File Treasurer's Report for Period Ending June 30, 2023
3. Receive and File Treasurer's Report for Period Ending July 31, 2023
4. Receive and File Update on Programs
5. Receive and File Update on Power Services
6. Receive and File Update on Human Resources
7. Receive and File Update on Customer Operations
8. Receive and File Update on Marketing and Public Relations
9. Receive and File Update on Community Advisory Committee
10. Receive and File Update on Legislative and Regulatory Affairs
11. Approve Resolution 2023-XX Adopting the 2024 Board Meeting Schedule
12. Approval of Updated Letter of Intent with SDEEC LLC (dba San Diego Energy Equity Campus at Valencia Park) for Potential Lease Agreement
13. Approval of Sublease Agreement with Corelation, Inc.
14. Approval of Third Amendment to Professional Services Agreement with Brentech Inc. for up to \$112,360 for Computer and Information Technology Services through June 30, 2024.
15. Approval of the Professional Services Agreement with San Diego Foundation for up to \$450,000 for Program Administration Services for the Community Grant Program through July 30, 2027.



Public Comment for Consent Agenda

Regular Meeting Agenda

- 16. Approval of Recommendation of In-House General Counsel
- 17. Approval of Resource Adequacy Agreements with EnerSmart

Item 16

Approval of Recommendation of in-house General Counsel

Recommendation:

1. Approve General Counsel job description
2. Amend salary schedule to include General Counsel and approve salary range
3. Discuss Recruitment Process and Consider Appointing Ad-Hoc Recruitment Committee

Presenter:

Karin Burns, Chief Executive Officer

General Counsel Recommendation

Board Approval

Approve General Counsel job description

Amend salary schedule to include General Counsel

Approve salary range at pay grade 18

Consider Appointing Ad-Hoc Recruitment Committee

Recruitment

Engage Futura Energy Group, LLC

Extensive experience in recruiting in energy sector

Several successful recruitments for SDCP

SDCP Interviews

First-round screening

Second-round in person group interview

Second-round in person executive team interview

Ad-Hoc Committee

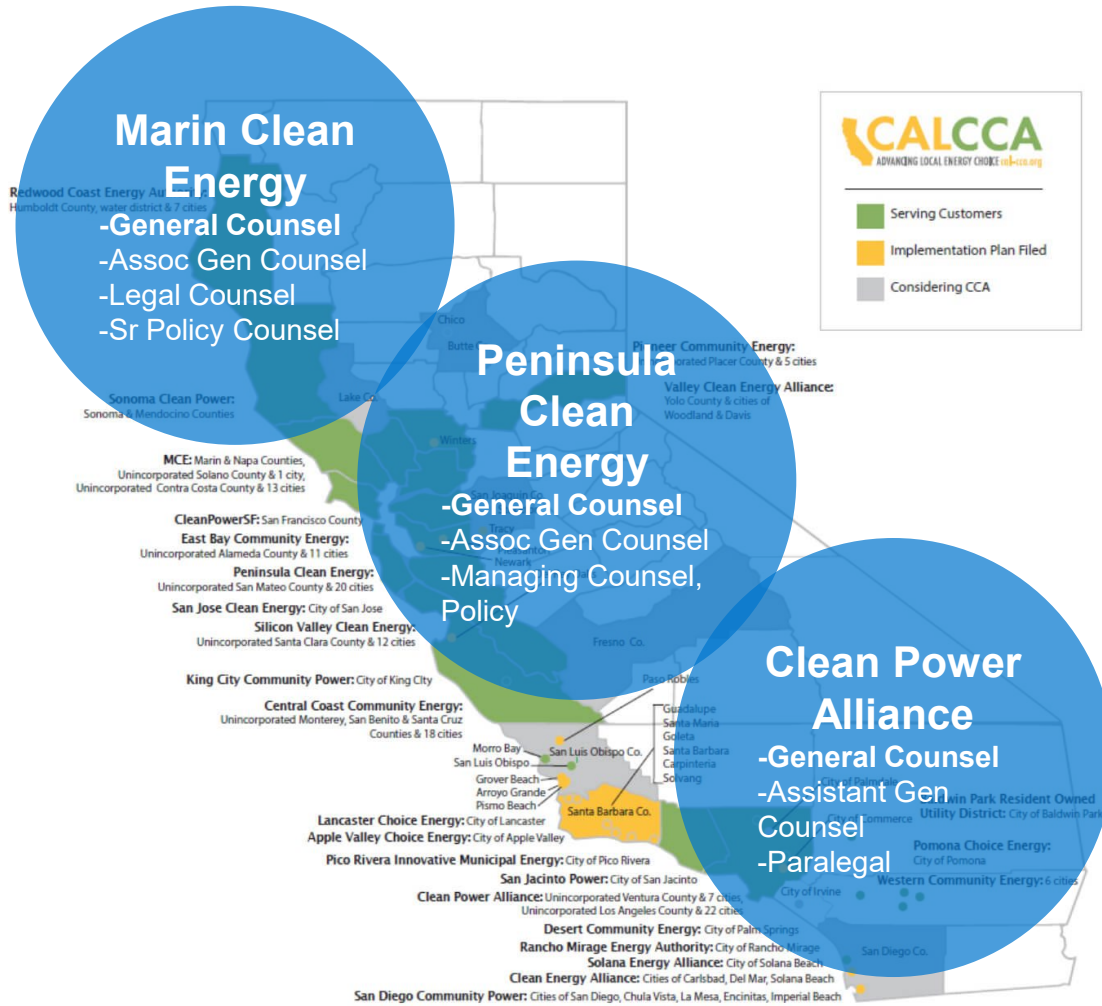
Final-round interview

Panel recommendation:

- Board members (3)
- Chief Executive Officer
- Chief Operating or Chief Financial Officer



General Counsel Recommendation



Legal Spend

1.03M
Annualized
Legal Spending
8/1/22 – 7/30/23

Total amount of annualized spending across legal practices.

General Counsel	\$278K
Regulatory	\$340K
Compliance	\$217K
Financial/Power	\$188K

SDCP expects to offset \$278K in annualized General Counsel spending, budgeted at \$450K in FY24.

Peer CCAs

None
SDCP In-House
Legal Team
As of September 2023

SDCP (FY 2024 Budget)	\$2.2M	0 staff
EBCE	\$3.5M	1 staff
PCE	\$1.6M	3 staff
MCE	\$1.5M	4 staff
CPA	\$1.1M	3 staff

Budgeted: Most CCAs have at least 1 dedicated in-house legal staff and have less budgeted legal spending.

General Counsel Recommendation

Recommendation to

In-House General Counsel

Full-time dedication to organization

Strategic support to executive team

Additional **organizational leadership**

Increased staff productivity and efficiency

Best practice from peer CCAs

Likely **cost neutral** to the agency

Aligned objective to support and protect agency

Part of **executive team leadership**





Public Comment for Item 16

Item 16

Recommendation:

1. Approve General Counsel job description
2. Amend salary schedule to include General Counsel and approve salary range
3. Discuss Recruitment Process and Consider Appointing Ad-Hoc Recruitment Committee

Item 17

Approval of Resource Adequacy Agreements with EnerSmart

Recommendation:

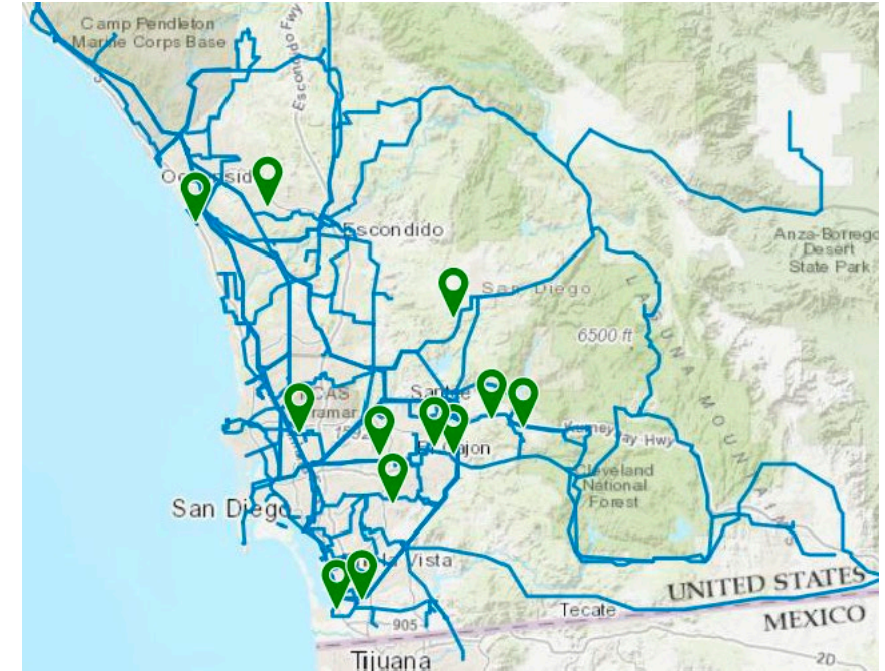
Approve the five proposed 10-year Resource Adequacy Agreements with EnerSmart's subsidiaries, set up as LLCs for each project, for a total purchase of 13.5 MW of Resource Adequacy and authorize the CEO to execute the agreements (EnerSmart Alpine BESS LLC 3 MW, EnerSmart El Cajon BESS LLC 4.5 MW, EnerSmart Imperial Beach BESS LLC 3 MW, EnerSmart Los Coches BESS LLC 1.5 MW, EnerSmart Mesa Heights BESS LLC 1.5 MW)

Presenter:

Kenny Key – Senior Contract Manager, Power Services

SDCP Local Procurement Targets

- SDCP has a goal of 600 MW of local capacity by 2035
- EnerSmart has a portfolio of projects in San Diego County that in total could represent over 160MW of local stand-alone storage
- SDCP has contracted for resource adequacy for one project to date, and recommends contracting for resource adequacy from an additional five projects



EnerSmart Resource Adequacy Agreements: Overview

- Submitted under SDCP's local RFI solicitation
- Total of 27 MW/54 MWh 2-hour lithium-ion battery energy systems providing SDCP with 13.5 MW of local RA
- Project locations: El Cajon, Mesa Heights, Imperial Beach, Los Coches, & Alpine

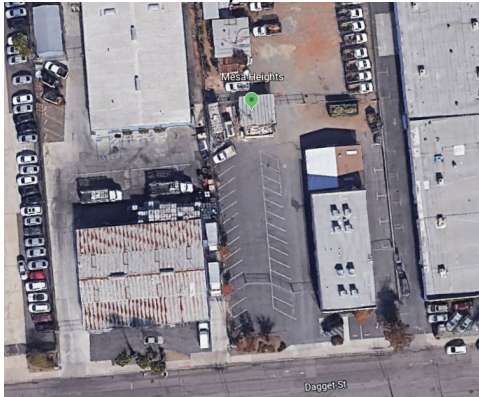
9 / 18

MW / MWh



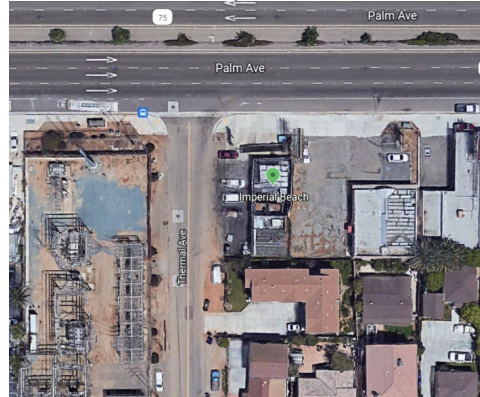
3 / 6

MW / MWh



6 / 12

MW / MWh



3 / 6

MW / MWh



6 / 12

MW / MWh



EnerSmart Resource Adequacy Agreements: Key Terms

- Product: Local Resource Adequacy
- Fixed pricing for 10-year term
- Guaranteed Initial Resource Adequacy Delivery Dates:
 - Projects range from 9/15/24 to 2/15/25
- Resource Adequacy would help with SDCP's internal local procurement targets as well as external resource adequacy and mid-term reliability compliance requirements
- SDCP receives financial compensation for failure to meet certain performance requirements

EnerSmart Resource Adequacy Agreements: Staff Analysis

The EnerSmart projects will contribute to SDCP's 2035 local capacity target. With commercial operations commencing in 2024-2025, and FCDS expected in early 2024, the projects could contribute to SDCP's compliance requirements for mid-term reliability in 2025.

Pricing is competitive with comparable product offerings received from SDCP's recent RFOs.

As a local facility developed by a local developer, this project is aligned with SDCP's goals to increase local reliability from clean energy resources and investment in our community.

SDCP can help support new build resources in our local communities.

EnerSmart Resource Adequacy Agreements: Workforce Development and Community Benefits

- EnerSmart employs local labor
 - 100% of labor from California
 - Local San Diego labor used when possible
- All projects utilize prevailing wage
- EnerSmart will use union labor for the electrical portion of the projects, representing ~50% of the labor for each project
- EnerSmart projects benefit the community by providing clean energy to the grid when it's needed the most, helping to reduce the local risk of brownouts and blackouts.
- EnerSmart provides local storage reducing the need for additional transmission to import energy

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Public Comment for Item 17

Item 17

Recommendation:

Approve the five proposed 10-year Resource Adequacy Agreements with EnerSmart's subsidiaries, set up as LLCs for each project, for a total purchase of 13.5 MW of Resource Adequacy and authorize the CEO to execute the agreements (EnerSmart Alpine BESS LLC 3 MW, EnerSmart El Cajon BESS LLC 4.5 MW, EnerSmart Imperial Beach BESS LLC 3 MW, EnerSmart Los Coches BESS LLC 1.5 MW, EnerSmart Mesa Heights BESS LLC 1.5 MW)

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Report by Chief Executive Officer

We Are (Still) Hiring!

Open Positions

- Director of Data Analytics and IT
- Account Services Analyst
- Risk Manager
- Contract Management Analyst
- Compliance Analyst

New Employee Onboarding

Christopher Stephens,
Procurement Manager, and
Ashley Rodriquez, Local
Government Affairs
Manager, start Oct. 4!



Clairemont Family Day



Coastal Cleanup Day



Wave Fan Fest - Fiest Futbolera



Cause Conference




Green Summit



NEXUS Climate Action Summit



Innovation Day



Report by General Counsel

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Director Comments



Adjournment



Next Regular Board of Directors Meeting

October 26, 2023

