



AGENDA

Regular Meeting of the Board of Directors of San Diego Community Power (SDCP)

July 27, 2023
5:00 p.m.

City of San Diego Metropolitan Operations Complex (MOC II) Auditorium
9192 Topaz Way, San Diego, CA 92123

The meeting will be held in person at the above date, time and location. Board of Directors Members and members of the public may attend in person. Under certain circumstances, Directors may also attend and participate in the meeting virtually pursuant to the Brown Act (Gov. Code § 54953). As a convenience to the public, SDCP provides a call-in option and internet-based option for members of the public to virtually observe and provide public comments at its meetings. Additional details on in-person and virtual public participation are below. Please note that, in the event of a technical issue causing a disruption in the call-in option or internet-based option, the meeting will continue unless otherwise required by law, such as when a Board Member is attending the meeting virtually pursuant to certain provisions of the Brown Act.

Note: Any member of the public may provide comments to the Board of Directors on any agenda item. When providing comments to the Board, it is requested that you provide your name and city of residence for the record. Commenters are requested to address their comments to the Board of Directors as a whole through the Chair. Comments may be provided in one of the following manners:

1. Providing Oral Comments During Meeting. Anyone attending in person desiring to address the Board of Directors is asked to fill out a speaker's slip and present it to the Clerk of the Board or the Secretary. To provide remote comments during the meeting, join the Zoom meeting by computer, mobile phone, or dial-in number. On Zoom video conference by computer or mobile phone, use the "Raise Hand" feature. This will notify the moderator that you wish to speak during a specific item on the agenda or during non-agenda Public Comment. Members of the public will not be shown on video but will be able to speak when called upon. If joining the meeting using the Zoom dial-in number, you can raise your hand by pressing *9. Comments will be limited to three (3) minutes.
2. Written Comments. Written public comments must be submitted prior to the start of the meeting by using this [Web Comment Form](#). Please indicate a specific agenda item when submitting your comment. All written comments received prior to the meeting will be provided to the Board members in writing. In the discretion of the Chair, the first ten (10) submitted comments shall be stated into the record of the meeting. Comments read at the meeting will be limited to the first 400 words. Comments received after the start of the meeting will be collected, sent to the Board members in writing, and be part of the public record.

If you have anything that you wish to be distributed to the Board, please provide it via info@sdcommunitypower.org and it will be distributed to the Members.

The public may participate using the following remote options:

Teleconference Meeting Webinar <https://zoom.us/j/94794075133>

Telephone (Audio Only) (669) 900-6833 or (346) 248-7799 | Webinar ID: 947 9407 5133

WELCOME

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

SPECIAL PRESENTATIONS AND INTRODUCTIONS

ITEMS TO BE ADDED, WITHDRAWN, OR REORDERED ON THE AGENDA

PUBLIC COMMENTS

Opportunity for members of the public to address the Board on any items not on the agenda but within the jurisdiction of the Board. Members of the public may provide a comment in either manner described above.

CONSENT CALENDAR

All matters are approved by one motion without discussion unless a member of the Board of Directors requests a specific item to be removed from the Consent Calendar for discussion. A member of the public may comment on any item on the Consent Calendar in either manner described above.

- 1. Approval of April 21, 2023, April 27, 2023, May 25, 2023, 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**

Recommendation: Approve the Member Agency Grant Program Policy

REGULAR AGENDA

The following items call for discussion or action by the Board of Directors. The Board may discuss and/or take action on any item listed below if the Board is so inclined.

11. Update on Regulatory and Legislative Affairs

Recommendation: Receive and File Update on Regulatory and Legislative Affairs and Presentation by Outside Counsel, Keyes & Fox on SDG&E Regulatory Matters

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.

13. Approval of the Language Access Policy

Recommendation: Approve the Language Access Program

14. Approval of Default Service Change Policy

Recommendation: Approve the Default Service Change Policy

15. Update on Quarterly Report for Community Advisory Committee

Recommendation: Receive and File Update on Quarterly Report for the Community Advisory Committee

REPORTS BY CHIEF EXECUTIVE OFFICER AND GENERAL COUNSEL

SDCP Management and General Counsel may briefly provide information to the Board and the public. The Board may engage in discussion if the specific subject matter of the report is identified below, but the Board may not take any action other than to place the matter on a future agenda. Otherwise, there is to be no discussion or action taken unless authorized by law.

DIRECTOR COMMENTS

Board Members may briefly provide information to other members of the Board and the public, ask questions of staff, request an item to be placed on a future agenda, or report on conferences, events, or activities related to SDCP business. There is to be no discussion or action taken on comments made by Directors unless authorized by law.

ADJOURNMENT

Compliance with the Americans with Disabilities Act

SDCP Board of Directors meetings comply with the protections and prohibitions of the Americans with Disabilities Act. Individuals with a disability who require a modification or accommodation, including auxiliary aids or services, in order to participate in the public meeting may contact (888) 382-0169 or info@sdcommunitypower.org. Requests for disability-related modifications or accommodations require different lead times and should be provided at least 72-hours in advance of the public meeting.

Availability of Board Documents

Copies of the agenda and agenda packet are available at <https://sdcommunitypower.org/resources/meeting-notes/>. Late-arriving documents related to a Board meeting item which are distributed to a majority of the Members prior to or during the Board meeting are available for public review as required by law. Public records, including agenda-related documents, can be requested electronically at info@sdcommunitypower.org or by mail to SDCP, PO BOX 12716, San Diego, CA 92112. The documents may also be posted at the above website. Such public records are also available for inspection, by appointment, at San Diego Community Power, 2488 Historic Decatur Road, Suite 250, San Diego, CA 92106. Please contact info@sdcommunitypower.org to arrange an appointment.



AGENDA

Special Joint Meeting of the Board of Directors and Community Advisory Committee of San Diego Community Power (SDCP)

Centro Cultural de la Raza
2004 Park Blvd. San Diego, CA 92101

MINUTES

April 21, 2023

The Board minutes are prepared and ordered to correspond to the Board Agenda. Agenda Items can be taken out of order during the meeting.

The Agenda Items were considered in the order presented.

WELCOME

CALL TO ORDER

Chair LaCava (City of San Diego) called the SDCP Board of Directors meeting to order at 9:30 a.m.

ROLL CALL BOARD OF DIRECTORS

PRESENT: Chair LaCava (City of San Diego), Director Aguirre (Imperial Beach), Director Parent (La Mesa), and Director Yamane (National City)

ABSENT: Vice Chair Lawson-Remer (County of San Diego), Director McCann (Chula Vista), and Director Hinze (Encinitas)

Also Present: Chief Executive Officer ("CEO") Burns, Chief Financial Officer ("CFO")/Treasurer Washington, General Counsel Baron, Executive Assistant to the Chief Executive Officer/ Board Clerk Isley

ROLL CALL COMMUNITY ADVISORY COMMITTEE

PRESENT: Chair Price (City of San Diego), Vice Chair Castañeda (National City), Secretary Webb (Imperial Beach), Committee Member Jahns (Encinitas), Committee Member Harris (La Mesa), Committee Member Emerson (National City), Committee Member Vasilakis (City of San Diego), and Committee Member Andersen (County of San Diego)

ABSENT: Committee Member Sclafani (Chula Vista), Committee Member Scofield (Chula Vista), Committee Member Hammond (Encinitas), and Committee Member Cazares (La Mesa)

PLEDGE OF ALLEGIANCE

Chair LaCava (City of San Diego) led the Pledge of Allegiance.

SPECIAL PRESENTATIONS AND INTRODUCTIONS

Chair LaCava (City of San Diego) provided opening remarks and spoke about the significance of El Centro Cultural De La Raza, thanked them for the use of their space, and shared about the center's current exhibition titled: Walking in Beauty—Indigenous Resilience.

Chair LaCava (City of San Diego) introduced the following new SDCP staff members:

Jaya Bajpai, Chief Operating Officer
Charlene Hoffman, Human Resources Analyst

PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

There were no public comments.

BOARD WORKSHOP: 2023–2027 STRATEGIC PLAN UPDATE AND STATUS REPORT

Chair LaCava (City of San Diego) introduced the workshop agenda, gave an overview of the strategic planning session, and announced that no actions would be taken by the Board of Directors and the Community Advisory Committee.

PUBLIC COMMENT

David Peterson spoke on the Distributed Energy Resource Plan (DER Plan) and the Plan Modifications. Mr. Peterson suggested studies be added to the plans.

Theresa Acerro submitted a comment on the reasons why power should be run by a non-profit and not SDG&E.

- **Board Reflection / Strategic Plan Overview**

Chair LaCava introduced the facilitator, Lisa Gordon.

Facilitator Gordon introduced herself and summarized her professional background. Facilitator Gordon reviewed the workshop objectives, ground rules, facilitation guidelines, and schedule.

- **Status Report of 2023-2027 Key Focus Areas and Goals**

CEO Burns gave a presentation on SDCP's Key Focus Areas and Goals, highlighting key milestones, accomplishments, members of the SDCP Board and CAC, SDCP staff, and SDCP's Mission, Vision, and Values.

CFO Washington gave a presentation and an update on one of the Key Focus Areas and Goals: Financial Stability (Financial Sustainability).

Managing Director Power Services Vosburg gave a presentation on the following Key Focus Areas and Goals: Energy Portfolio Development (Power Procurement).

Director of Programs Santulli gave a presentation on the following Key Focus Areas and Goals: Community Program Delivery (Community Projects & Programs).

Senior Manager Strategic Partnerships Friedman gave a presentation on the following Key Focus Areas and Goals: Marketing/Branding (Trusted Brand Building).

Director of Regulatory and Legislative Affairs Fernandez gave a presentation on the following Key Focus Areas and Goals: Legislative/Regulatory (Public Policy).

Director of Data Analytics and Account Services Utouh gave a presentation on the following Key Focus Areas and Goals: Customer Service (Customer Care).

Director of People Pugh gave a presentation on the following Key Focus Areas and Goals: Organizational Development/Culture (Organizational Excellence).

Board and Committee questions and comments ensued.

Facilitator Gordon called for a recess at 11:09 a.m.

Chair LaCava (City of San Diego) reconvened the meeting at 11:15 a.m.

ROLL CALL BOARD OF DIRECTORS

PRESENT: Chair LaCava (City of San Diego), Director Aguirre (Imperial Beach), Director McCann (Chula Vista), Director Parent (La Mesa), and Director Yamane (National City)

ABSENT: Vice Chair Lawson-Remer (County of San Diego) and Director Hinze (Encinitas)

ROLL CALL COMMUNITY ADVISORY COMMITTEE

PRESENT: Chair Price (City of San Diego), Vice Chair Castañeda (National City), Committee Member Scofield (Chula Vista), Committee Member Jahns (Encinitas), Committee Member Harris (La Mesa), Committee Member Emerson (National City), Committee Member Vasilakis (City of San Diego), and Committee Member Andersen (County of San Diego)

ABSENT: Secretary Webb (Imperial Beach), Committee Member Sclafani (Chula Vista), Committee Member Hammond (Encinitas), and Committee Member Cazares (La Mesa)

- **Strategic Planning Discussion Topic #1 – Draft Community Power Plan/Proposed Program Types**

Director of Programs Santulli gave a presentation on the Draft Community Power Plan/Proposed Program Types, provided a timeline of its process, and gave an overview of the following topics: Community Needs Assessment, Recommended Program Types, Short-Term Program Types, and Mid-Term Program Types.

Vice Chair Lawson-Remer (County of San Diego) joined the meeting.

Chair Price (City of San Diego) left the meeting at 12:00 p.m.

Board and Committee questions and comments ensued.

Facilitator Gordon called for a 45-minute lunch break.

Chair LaCava (City of San Diego) reconvened the meeting at 1:00 p.m.

ROLL CALL BOARD OF DIRECTORS

PRESENT: Chair LaCava (City of San Diego), Vice Chair Lawson-Remer (County of San Diego), Director McCann (Chula Vista), Director Parent (La Mesa), and Director Yamane (National City)

ABSENT: Director Hinze (Encinitas) and Director Aguirre (Imperial Beach)

ROLL CALL COMMUNITY ADVISORY COMMITTEE

PRESENT: Vice Chair Castañeda (National City), Committee Member Scofield (Chula Vista), Committee Member Jahns (Encinitas), Committee Member Harris (La Mesa), Committee Member Emerson (National City), Committee Member Vasilakis (City of San Diego), and Committee Member Andersen (County of San Diego)

ABSENT: Chair Price (City of San Diego), Secretary Webb (Imperial Beach), Committee Member Sclafani (Chula Vista), Committee Member Hammond (Encinitas), and Committee Member Cazares (La Mesa)

- **Strategic Planning Discussion Topic #2 – Distributed Energy Resource Plan (DER Plan)**

Senior Local Development Manager Adam and Managing Director Power Services Vosburg gave a presentation on the DER Plan, highlighting NEM, customer programs, and wholesale procurement. Senior Local Development Manager Adam spoke on the initial Local Infill Plan (LIP) buildout, highlighting the sites, resources, dynamic landscape, assessment and next steps.

Board and Committee questions and comments ensued.

- **2023-2027 Strategic Plan Discussion – Key Challenges**

CEO Burns initiated the conversation regarding SDCP's key challenges and expressed her confidence in the SDCP Team's ability to effectively address these challenges.

Director of Regulatory and Legislative Affairs Fernandez gave a presentation on the regulatory and legislative challenges and provided an overview of The Big Picture: Clarity on Jurisdiction and CCA Autonomy. Director of Regulatory and Legislative Affairs Fernandez highlighted what differentiates CCA Programs from Direct Access providers and Investor-owned Utilities (IOUS).

Managing Director Power Services Vosburg gave a presentation on the energy procurement challenges in the following areas: power and gas market volatility, pandemic-related supply chain delays and cost increase, continued permitting delays, worsening interconnection backlog, and CA capacity shortfall.

Board and Committee questions and comments ensued.

Facilitator Gordon called a 10-minute recess.

Chair LaCava (City of San Diego) reconvened the meeting.

ROLL CALL BOARD OF DIRECTORS

PRESENT: Chair LaCava (City of San Diego), Vice Chair Lawson-Remer (County of San Diego), Director McCann (Chula Vista), Director Parent (La Mesa), and Director Yamane (National City),

ABSENT: Director Hinze (Encinitas), Director Aguirre (Imperial Beach)

ROLL CALL COMMUNITY ADVISORY COMMITTEE

PRESENT: Vice Chair Castañeda (National City), Committee Member Scofield (Chula Vista), Committee Member Jahns (Encinitas), Committee Member Cazares (La Mesa), Committee Member Harris (La Mesa), Committee Member Emerson (National City), Committee Member Vasilakis (City of San Diego), Committee Member Andersen (County of San Diego)

ABSENT: Chair Price (City of San Diego), Secretary Webb (Imperial Beach), Committee Member Sclafani (Chula Vista), and Committee Member Hammond (Encinitas)

- **Discussion on Modifications to 2023-2027 Strategic Plan**

Chair LaCava (City of San Diego) introduced the discussion on possible modification to the 2023-2027 Strategic Plan, and thanked all Board members, CAC members, staff, and Facilitator Gordon for their efforts.

Board and Committee questions and comments ensued.

- **Confirm Assignments / Evaluation / Lessons Learned / Closing Reflection**

Facilitator Gordon concluded the Strategic Planning Session and opened the floor to the Board and CAC members to contribute to discuss assignments, share evaluation, lessons learned, and any closing reflections.

Board and Committee questions and comments ensued.

- ***Closing Comments***

Chair LaCava (City of San Diego) made closing comments.

ADJOURNMENT

Chair LaCava (City of San Diego) adjourned the meeting at 3:30 p.m.

Kimberly Isley, Clerk of the Board

Prepared by:
Sandra Vences, Administrative Assistant



**SAN DIEGO COMMUNITY POWER (SDCP)
BOARD OF DIRECTORS**

City of San Diego Metropolitan Operations Complex (MOC II) Auditorium
9192 Topaz Way
San Diego, CA 92123

MINUTES
April 27, 2023

The Board minutes are prepared and ordered to correspond to the Board Agenda. Agenda Items can be taken out of order during the meeting.

The Agenda Items were considered in the order presented.

WELCOME

CALL TO ORDER

Chair LaCava (City of San Diego) called the SDCP Board of Directors meeting to order at 5:01 p.m.

ROLL CALL

PRESENT: Chair LaCava (City of San Diego), Director McCann (Chula Vista), Director Aguirre (Imperial Beach), Director Parent (La Mesa), and Director Yamane (National City)

ABSENT: Vice Chair Lawson-Remer (County of San Diego), Director Hinze (Encinitas)

Also Present: Chief Executive Officer ("CEO") Burns, General Counsel Baron, Executive Assistant to the Chief Executive Officer/ Board Clerk Isley

PLEDGE OF ALLEGIANCE

Chair LaCava (City of San Diego) led the Pledge of Allegiance.

SPECIAL PRESENTATIONS AND INTRODUCTIONS

There were no special presentations.

REPORT FROM CLOSED SESSION (IF HELD)

General Counsel Baron announced there were no reportable actions from Closed Session.

ITEMS TO BE ADDED, WITHDRAWN, OR REORDERED ON THE AGENDA

There were no items added, withdrawn, or reordered on the agenda.

PUBLIC COMMENTS

David Peterson spoke on the benefits of repurposing EV batteries.

Theresa Acerro submitted a comment regarding SDG&E and how residents are charged for electricity.

Maria Cunningham submitted a comment regarding the increase of the electric bill.

CONSENT CALENDAR

(Items 1 through 9)

1. Approval of October 27, 2022 Meeting Minutes

Approved.

2. Receive and File Treasurer's Report for Period Ending February 28, 2023

Received and filed.

3. Receive and File Update on Back Office Operations

Received and filed.

4. Receive and File Update on Marketing and Public Relations

Received and filed.

5. Receive and File Update on Regulatory and Legislative Affairs

Received and filed.

6. Receive and File Update on Power Services

Received and filed.

7. Receive and File Update on Human Resources

Received and filed.

8. Approval of Third Amendment to Information Technology (IT) Agreement with Brentech Inc. for up to \$77,380 for Computer-Related and Information Technology (IT) Related Services and Technical Labor Services to SDCP through June 30, 2024

Approved.

9. Approval of Professional Services Agreement with The Energy Coalition up to \$350,000 for Consulting Services to support the formation of a Regional Energy Network through December 31, 2024

Approved.

ACTION: Motioned by Director McCann (Chula Vista) and seconded by Director Aguirre (Imperial Beach) to approve Consent Calendar Items 1 through 9. The motion carried by the following vote:

Vote: 5-0

Yes: Chair LaCava (City of San Diego), Director McCann (Chula Vista), Director Aguirre (Imperial Beach), Director Parent (La Mesa), and Director Yamane (National City)
No: None
Abstained: None
Absent: None

REGULAR AGENDA

10. Approval of Debt Policy

Director McCann (Chula Vista) said the Finance and Risk Management Committee supports the approval of the Debt Policy.

Chief Financial Officer (“CFO”)/Treasurer Washington provided an overview of the formation of the Debt Policy and said staff recommended the Board approve the Debt Policy.

Board questions and comments ensued.

ACTION: Motioned by Director McCann (Chula Vista) and seconded by Director Yamane (National City) to approve the Debt Policy. The motion carried by the following vote:

Vote: 5-0

Yes: Chair LaCava (City of San Diego), Director McCann (Chula Vista), Director Aguirre (Imperial Beach), Director Parent (La Mesa), and Director Yamane (National City)
No: None
Abstained: None
Absent: None

11. Quarterly Report for the Community Advisory Committee

Community Advisory Committee Chair Price provided an update on the CAC's proceedings, efforts, and accomplishments for quarter ending March 31, 2023.

Following Board questions and comments, no action was taken.

12. Approval of Community Advisory Committee (CAC) Appointment for County of San Diego

Public Outreach Associate Abrenica gave a presentation on the background of the CAC, shared her experience as a previous CAC member, and introduced and recommended for appointment Lea Nepomuceno for the County of San Diego representative seat on the CAC.

Lea Nepomuceno shared her excitement to be a part of the CAC and shared her admiration for the work SDCP is doing.

Board questions and comments ensued.

ACTION: Motioned by Director Parent (La Mesa) and seconded by Director Yamane (National City) to approve the appointment of Lea Nepomuceno as the County of San Diego representative on the CAC. The motion carried by the following vote:

Vote: 5-0

Yes: Chair LaCava (City of San Diego), Director McCann (Chula Vista), Director Aguirre (Imperial Beach), Director Parent (La Mesa), and Director Yamane (National City)
No: None
Abstained: None
Absent: None

13. Approve Market Offer Confirmation Letter for Purchase of Long-Term Market Offer RPS Energy from PG&E and authorize CEO to execute the agreement

Managing Director Power Services Vosburg gave a summary of the PG&E Market Offer Contract.

Board questions and comments ensued.

ACTION: Motioned by Director McCann (Chula Vista) and seconded by Director Parent (La Mesa) to approve and authorize CEO to enter into Renewables Portfolio Standard Energy Market Offer Confirmation Letter for purchase of long-term renewable energy from PG&E. The motion carried by the following vote:

Vote: 5-0

Yes: Chair LaCava (City of San Diego), Director McCann (Chula Vista), Director Aguirre (Imperial Beach), Director Parent (La Mesa), and Director Yamane (National City)
No: None
Abstained: None
Absent: None

REPORTS BY CHIEF EXECUTIVE OFFICER AND GENERAL COUNSEL

CEO Burns reported on SDCP's ongoing efforts and recent activities and events.

DIRECTOR COMMENTS

Chair LaCava (City of San Diego) encouraged customers to power up to 100.

PUBLIC COMMENTS ON CLOSED SESSION ITEMS

There were no public comments.

Chair LaCava (City of San Diego) adjourned the meeting to Closed Session at 5:46 p.m.

CLOSED SESSION

1. PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957

Title: Chief Executive Officer

2. CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54957.6

Agency designated representative(s): Ryan Baron, General Counsel
Unrepresented employee: Chief Executive Officer

The meeting reconvened at 6:13 p.m. with all members present.

REPORT FROM CLOSED SESSION

General Counsel Baron announced there were no reportable actions from Closed Session.

ADJOURNMENT

Chair LaCava (City of San Diego) adjourned the meeting at 6:14 p.m.

Kimberly Isley, Clerk of the Board

Prepared by:
Sandra Vences, Administrative Assistant



**SAN DIEGO COMMUNITY POWER (SDCP)
BOARD OF DIRECTORS**

City of San Diego Metropolitan Operations Complex (MOC II) Auditorium
9192 Topaz Way, San Diego, CA 92123

MINUTES
May 25, 2023

This meeting was conducted utilizing teleconferencing and electronic means consistent with Government Code Section 54953, as amended by Assembly Bill 361, in relation to the COVID-19 State of Emergency and recommended social distancing measures.

The Board minutes are prepared and ordered to correspond to the Board Agenda. Agenda Items can be taken out of order during the meeting.

The Agenda Items were considered in the order presented.

WELCOME

CALL TO ORDER

Chair LaCava (San Diego) called the SDCP Board of Directors meeting to order at 5:06 p.m.

ROLL CALL

PRESENT: Chair LaCava (San Diego), Director Hinze (Encinitas), Director McCann (Chula Vista), Director Parent (La Mesa) and Director Yamane (National City)

ABSENT: Vice Chair Lawson-Remer (County of San Diego), Director Aguirre (Imperial Beach)

Also Present: Chief Executive Officer ("CEO") Burns, Chief Financial Officer ("CFO") Washington, General Counsel Baron

PLEDGE OF ALLEGIANCE

Chair LaCava (San Diego) led the Pledge of Allegiance.

SPECIAL PRESENTATIONS AND INTRODUCTIONS

Chair LaCava (San Diego) introduced the following new SDCP staff member:

Xiomalys Crespo, Community Engagement Manager

ITEMS TO BE ADDED, WITHDRAWN, OR REORDERED ON THE AGENDA

The agenda items were considered in the order presented.

NON-AGENDA PUBLIC COMMENTS

Any written comments submitted prior to the start of the meeting were distributed to the Board of Directors and posted on the SDCP website.

David Peterson made suggestions for modifications to projects to help meet the 100% renewable requirement.

CONSENT CALENDAR

Items 1-12.

ITEMS REMOVED FROM THE CONSENT CALENDAR

There were no items removed from the Consent Calendar.

CONSENT CALENDAR PUBLIC COMMENT

There was no public comment.

- 1. Approval of November 17, 2022, December 6, 2022, December 15, 2022, January 18, 2023, January 23, 2023 Meeting Minutes**

Approved

- 2. Receive and File Treasurer's Report for Period Ending March 31, 2023**

Received and Filed

- 3. Receive and File Update on Back Office Operations**

Received and Filed

- 4. Receive and File Update on Marketing and Public Relations**

Received and Filed

- 5. Receive and File Update on Regulatory and Legislative Affairs**

Received and Filed

- 6. Receive and File Update on Power Services**

Received and Filed

- 7. Receive and File Update on Human Resources**

Received and Filed

- 8. Receive and File Update on Community Advisory Committee**

Received and Filed

9. Approval of 4th Amendment to Professional Services Agreement with Neyenesch Printers for up to \$1,228,218 for Printing Services through June of Fiscal Year 2025

Approved

10. Approval of First Amendment to the Professional Services Agreement with Full Moon Strategies for up to \$600,000 for Government Affairs Services through May 30, 2028.

Approved

11. Approval of Third Amendment to the Professional Services Agreement with Futura Energy Group, LLC for up to \$520,000 for recruiting services through March 31, 2024.

Approved

12. Approval of Updated Voting Shares

Approved

ACTION: Motioned by Director McCann (Chula Vista) and seconded by Director Yamane (National City) to approve Consent Calendar Items 1 through 12.

The motion carried by the following vote:

Vote: 5-0

Yes: Chair LaCava (San Diego), Director Hinze (Encinitas), Director McCann (Chula Vista), Director Parent (La Mesa), and Director Yamane (National City)

No: None

Abstained: None

Absent: Vice Chair Lawson-Remer (County of San Diego), Director Aguirre (Imperial Beach)

REGULAR AGENDA

Director Aguirre arrived at 5:27 PM

13. Approval of the Community Power Plan (CPP)

Director of Programs Santulli and Program Manager Lomeli provided a presentation on the Community Power Plan including background, timeline, progress and next steps.

Public Comment:

Serena Pelka with Climate Action Campaign spoke in support of the Community Power Plan.

Director questions and comments ensued.

ACTION: Motioned by Director McCann (Chula Vista) and seconded by Director Hinze (Encinitas) to approve the Community Power Plan

The motion carried by the following vote:

Vote: 6-0

Yes: Chair LaCava (San Diego), Director Aguirre (Imperial Beach), Director Hinze (Encinitas), Director McCann (Chula Vista), Director Parent (La Mesa), and Director Yamane (National City)

No: None

Abstained: None

Absent: Vice-Chair Lawson-Remer (County of San Diego)

14. Update on Pilot Programs

Director of Programs Santulli gave a presentation on pilot programs including Emergency Water Heater Loaner Program, 120V Induction Stove Incentive, Disadvantaged Communities Single-Family, Affordable Solar Homes (DAC-SASH) Roof Repair, Smart Thermostat Incentives, Energy Kits for kids, Energy Star Refrigerator/Freezer Swap-Out and Managed Electric Vehicle (EV) Charging.

Following Board questions and comments the update was received and filed.

Vice Chair Lawson-Remer arrived at 5:45 PM

15. Presentation on the FY 2023-24 Operating Budget

Chief Financial Officer Washington, Senior Finance Manager Manglicmot and Finance Analyst Do provided a presentation on the FY 2023-24 Operating Budget.

Following Board questions and comments the update was received and filed.

16. Approval of SDCP Investment Policy

Chief Financial Officer Washington provided a presentation on the development of the Investment Policy. Washington explained investment objectives and acceptable investment types and parameters.

Board questions and comments ensued.

ACTION: Motioned by Director McCann (Chula Vista) and seconded by Director Yamane (National City) to approve the SDCP Investment Policy.

The motion carried by the following vote:

Vote: 7-0

Yes: Chair LaCava (San Diego), Vice-Chair Lawson-Remer (County of San Diego), Director Aguirre (Imperial Beach), Director Hinze (Encinitas), Director McCann (Chula Vista), Director Parent (La Mesa), and Director Yamane (National City)

No: None

Abstained: None

Absent: None

17. Approval of the Interim Compliance Plan for the California Energy Commission's (CEC) Load Management Standards

Senior Regulatory Analyst Gunther, provided background information on the Interim Compliance Plan for the California Energy Commission's Load Management Standards. Gunther reviewed the implementation concerns and described coordination with CEC and the request for extension.

Board questions and comments ensued.

ACTION: Motioned by Director Yamane (National City) and seconded by Director Aguirre (Imperial Beach) to approve the Interim Compliance Plan for the California Energy Commission's (CEC) Load Management Standards.

The motion carried by the following vote:

Vote: 7-0

Yes: Chair LaCava (San Diego), Vice-Chair Lawson-Remer (County of San Diego), Director Aguirre (Imperial Beach), Director Hinze (Encinitas), Director McCann (Chula Vista), Director Parent (La Mesa), and Director Yamane (National City)

No: None

Abstained: None

Absent: None

18. Approval of Long-Term Market Offer Sales Confirmation for Purchase of Long-Term, Bundled RPS Energy from SDG&E and authorize CEO to execute the agreement

Managing Director Power Services Vosburg provided background information on the voluntary allocation and market offer. Vosburg's presentation included a summary of the contract.

Board questions and comments ensued.

ACTION: Motioned by Director McCann (Chula Vista) and seconded by Director Parent (La Mesa) to approve and authorize CEO to enter into Long-Term Market Offer Sales Confirmation for purchase of long-term, bundled renewable energy from SDGE.

The motion carried by the following vote:

Vote: 7-0

Yes: Chair LaCava (San Diego), Vice-Chair Lawson-Remer (County of San Diego), Director Aguirre (Imperial Beach), Director Hinze (Encinitas), Director McCann (Chula Vista), Director Parent (La Mesa), and Director Yamane (National City)

No: None

Abstained: None

Absent: None

REPORTS BY CHIEF EXECUTIVE OFFICER AND GENERAL COUNSEL

Chief Executive Officer Burns provided an update on staff efforts and activities.

DIRECTOR COMMENTS

There were no director comments.

PUBLIC COMMENTS ON CLOSED SESSION ITEMS

There were no public comments.

CLOSED SESSION

1. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957**

Title: Chief Executive Officer

2. **CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54957.6**

Agency designated representative(s): Ryan Baron, General Counsel

Unrepresented employee: Chief Executive Officer

ROLL CALL

PRESENT: Chair LaCava (San Diego), Vice Chair Lawson-Remer (County of San Diego), Director Aguirre (Imperial Beach), Director Hinze (Encinitas), Director McCann (Chula Vista), Director Parent (La Mesa) and Director Yamane (National City)

Also Present: General Counsel Baron

REPORT FROM CLOSED SESSION

General Counsel Ryan Baron reported there is no reportable actions from today's closed session.

ADJOURNMENT

Chair LaCava (San Diego) adjourned the meeting at 7:14 p.m.

Kimberly Isley, Clerk of the Board



**SAN DIEGO COMMUNITY POWER (SDCP)
BOARD OF DIRECTORS**

City of San Diego Metropolitan Operations Complex (MOC II) Auditorium
9192 Topaz Way, San Diego, CA 92123

MINUTES
June 22, 2023

This meeting was conducted utilizing teleconferencing and electronic means consistent with Government Code Section 54953, as amended by Assembly Bill 361, in relation to the COVID-19 State of Emergency and recommended social distancing measures.

The Board minutes are prepared and ordered to correspond to the Board Agenda. Agenda Items can be taken out of order during the meeting.

The Agenda Items were considered in the order presented.

WELCOME

CALL TO ORDER

Chair LaCava (San Diego) called the SDCP Board of Directors meeting to order at 5:04 p.m.

ROLL CALL

PRESENT: Chair LaCava (San Diego), Director Aguirre (Imperial Beach), Director Hinze (Encinitas), Director Chavez (Chula Vista), Director Parent (La Mesa)

ABSENT: Director Yamane (National City) and Vice Chair Lawson-Remer (County of San Diego)

Also Present: Assistant General Counsel Norvell

PLEDGE OF ALLEGIANCE

Chair LaCava (San Diego) led the Pledge of Allegiance.

PUBLIC COMMENTS ON CLOSED SESSION ITEMS

There were no public comments.

CLOSED SESSION

- 1. PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957**

Title: Chief Executive Officer

2. CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54957.6

Agency designated representative(s): Ryan Baron, General Counsel
Unrepresented employee: Chief Executive Officer

ROLL CALL

PRESENT: Chair LaCava (San Diego), Director Aguirre (Imperial Beach), Director Hinze (Encinitas), Director Chavez (Chula Vista), Director Parent (La Mesa)

ABSENT: Director Yamane (National City) and Vice Chair Lawson-Remer (County of San Diego)

Also Present: Chief Executive Officer ("CEO") Burns, Chief Financial Officer ("CFO") Washington, Assistant General Counsel Norvell

REPORT FROM CLOSED SESSION

Assistant General Counsel Nick Norvell reported there is no reportable action from today's closed session.

SPECIAL PRESENTATIONS AND INTRODUCTIONS

Chair LaCava (San Diego) introduced the following new SDCP staff members and thanked departing Community Advisory Committee (CAC) members:

Jack Clark, Chief Operating Officer

ITEMS TO BE ADDED, WITHDRAWN, OR REORDERED ON THE AGENDA

The agenda items were considered in the order presented.

NON-AGENDA PUBLIC COMMENTS

Written comments submitted prior to the start of the meeting were distributed to the Board of Directors and posted on the SDCP website.

CONSENT CALENDAR

(Items 1-12)

CONSENT CALENDAR PUBLIC COMMENT

There were no public comments.

1. Approval of February 23, 2023 and March 23, 2023 Meeting Minutes

Approved

2. Receive and File Treasurer's Report for Period Ending April 30, 2023

Received and Filed

3. Receive and File Update on Power Services

Received and Filed

4. Receive and File Update on Human Resources

Received and Filed

5. Receive and File Update on Customer (Back Office) Operations

Received and Filed

6. Receive and File Update on Marketing and Public Relations

Received and Filed

7. Receive and File Update on Regulatory and Legislative Affairs

Received and Filed

8. Receive and File Update on Community Advisory Committee

Received and Filed

9. Approval of Second Amendment to Professional Services Agreement with Keyes and Fox for up to \$1,300,000 for Legal and Regulatory Services through May 31, 2026

Approved

10. Approval of Third Amendment to the Professional Services Agreement with Maher Accountancy for up to \$297,000 for accounting services through FY2024.

Approved

11. Approval of Professional Services Agreement with Innovation Network for Communities for up to \$350,000 for a Building and Housing Stock Analysis and Funding Gap Analysis Services through June 30, 2025

Approved

12. Approval of Community Advisory Committee Reappointment of Members for Terms Ending in 2023

Approved

ACTION: Motioned by Director Hinze (Encinitas) and seconded by Director Parent (La Mesa) to approve Consent Calendar Items 1 through 12.

The motion carried by the following vote:

Vote: 5-0

Yes: Chair LaCava (San Diego), Director Aguirre (Imperial Beach), Director Hinze (Encinitas), Director Chavez (Chula Vista), Director Parent (La Mesa)

No: None
Abstained: None
Absent: Director Yamane (National City) and Vice Chair Lawson-Remer (County of San Diego)

ITEMS REMOVED FROM THE CONSENT CALENDAR

There were no items removed from the Consent Calendar.

REGULAR AGENDA

13. Approval of Second Amendment to CEO Employment Agreement

Assistant General Counsel Novell provided an overview of the process and history for Chief Executive Officer salary increases.

Board questions and comments ensued.

ACTION: Motioned by Director Hinze (Encinitas) and seconded by Director Aguirre (Imperial Beach) to approve Second Amendment to Chief Executive Officer Employment Agreement in the form included in the agenda packet, along with the addition of language providing for a 5% merit increase and 6.4% cost of living increase, for a new base salary of \$418,950, effective as of July 1, 2023.

The motion carried by the following vote:

Vote: 5-0

Yes: Chair LaCava (San Diego), Director Aguirre (Imperial Beach), Director Hinze (Encinitas), Director Chavez (Chula Vista), Director Parent (La Mesa)
No: None
Abstained: None
Absent: Director Yamane (National City) and Vice Chair Lawson-Remer (County of San Diego)

14. Approval of the FY 2023-24 Operating Budget and FY 2024-28 Capital Investment Plan

Chief Financial Officer Washington provided a summary of the budget and the capital investment plan and an overview of the budget process and history.

Board questions and comments ensued.

ACTION: Motioned by Director Aguirre (Imperial Beach) and seconded by Director Parent (La Mesa) to approve the FY 2023-24 Operating Budget and FY 2024-28 Capital Investment Plan

The motion carried by the following vote:

Vote: 5-0

Yes: Chair LaCava (San Diego), Director Aguirre (Imperial Beach), Director Hinze (Encinitas),
Director Chavez (Chula Vista), Director Parent (La Mesa)

No: None

Abstained: None

Absent: Director Yamane (National City) and Vice Chair Lawson-Remer (County of San Diego)

15. Update on the Disadvantaged Communities and Community Solar Green Tariff Programs

Program Associate Tobar provided background information and an overview of the Disadvantaged Communities Green Tariff and Community Solar Green Tariff programs.

Board questions and comments ensued.

No action was taken, update was received and filed.

16. Approve the update to the Collections and Delinquency Policy to Include Residential Customers

Director of Data Analytics and Account Services Utouh and Chief Financial Officer Washington provided an overview of the update to the Collections and Delinquency Policy to include Residential Customers. Policy objectives were outlined and programs assisting customers with arrearages were presented.

Board questions and comments ensued.

ACTION: Motioned by Director Aguirre (Imperial Beach) and seconded by Director Chavez (Chula Vista) to approve the update to Collections and Delinquency Policy to include residential customers.

The motion carried by the following vote:

Vote: 5-0

Yes: Chair LaCava (San Diego), Director Aguirre (Imperial Beach), Director Hinze (Encinitas), Director Chavez (Chula Vista), Director Parent (La Mesa)

No: None

Abstained: None

Absent: Director Yamane (National City) and Vice Chair Lawson-Remer (County of San Diego)

17. Approval of the Renewable Power Purchase Agreement (PPA) Yellow Pine Solar III, LLC

Senior Portfolio Manager Torres presented a summary of SDCP Long-Term Procurement and an overview of the Yellow Pine 3 (NextEra) project. Torres discussed the workforce development and community benefits of the project.

Board questions and comments ensued.

ACTION: Motioned by Director Hinze (Encinitas) and seconded by Director Parent (La Mesa) to approve the 20-year Renewable Power Purchase Agreement with Yellow Pine Solar III, LLC for 35 MW of Solar PV Renewable Energy and 35 MW of Battery Energy Storage.

The motion carried by the following vote:

Vote: 5-0

Yes: Chair LaCava (San Diego), Director Aguirre (Imperial Beach), Director Hinze (Encinitas), Director Chavez (Chula Vista), Director Parent (La Mesa)
No: None
Abstained: None
Absent: Director Yamane (National City) and Vice Chair Lawson-Remer (County of San Diego)

SPECIAL MEETING AGENDA

The following items call for discussion or action by the Board of Directors. The Board may discuss and/or take action on any item listed below if the Board is so inclined.

1. Approve the Renewable Power Purchase Agreement with ORNI 30, LLC

Senior Portfolio Manager Torres presented an overview of the Brawley Solar and Storage (Ormat) project and outlined the Key terms for the power purchase agreement. Torres also described the workforce development and community benefits of the project.

Public Comment

Cristine Marquez of IBEW 569 spoke in support of the project.

Board questions and comments ensued.

ACTION: Motioned by Director Aguirre (Imperial Beach) and seconded by Director Chavez (Chula Vista) to approve the Renewable Power Purchase Agreement with ORNI 30 LLC for a term of 20 years and authorize the CEO to execute the agreement.

The motion carried by the following vote:

Vote: 5-0

Yes: Chair LaCava (San Diego), Director Aguirre (Imperial Beach), Director Hinze (Encinitas), Director Chavez (Chula Vista), Director Parent (La Mesa)

No: None
Abstained: None
Absent: Director Yamane (National City) and Vice Chair Lawson-Remer (County of San Diego)

REPORTS BY CHIEF EXECUTIVE OFFICER AND GENERAL COUNSEL

Chief Executive Officer Burns provided an update on staff efforts, hiring and activities.

DIRECTOR COMMENTS

Director Chavez thanked staff and hoped to see additional programs to benefit communities.

ADJOURNMENT

Chair LaCava (San Diego) adjourned the meeting at 7:03 p.m.

Kimberly Isley, Clerk of the Board



SAN DIEGO COMMUNITY POWER Staff Report – Item 2

To: San Diego Community Power Board of Directors

From: Eric W. Washington, Chief Financial Officer

Via: Karin Burns, Chief Executive Officer

Subject: Treasurer's Report –Presentation of Financial Results for Fiscal Year
2023 Period ended 05/31/23

Date: July 27, 2023

RECOMMENDATION

Receive and File Report.

BACKGROUND

San Diego Community Power (SDCP) maintains its accounting records on a full accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) as applicable to governmental enterprise funds.

SDCP has prepared its year-to-date financial statements for the period ended May 31, 2023, along with budgetary comparisons.

SDCP additionally reports monthly metrics during its Board meetings as part of its Update on Back-Office Operations. Moving forward, as part of the Treasurer's Report, certain key metrics related to risk are planned to be presented during Financial and Risk Management Committee (FRMC) meetings.

On June 8, 2023, the FRMC reviewed the update to the Collections and Delinquency Policy to Include Residential Customers and recommended that the item be approved by the SDCP Board of Directors (Board). Subsequently, on June 22, 2023, the Board approved the Collections and Delinquency Policy to Include Residential Customers. This item included a snapshot of the State of SDCP arrearages that tracked SDCP's receivables aged 120+ Days and which have a direct impact to SDCP's financial health. Moving forward, these statistics will be presented moving forward in subsequent Treasurer's Reports.

ANALYSIS AND DISCUSSION

Actual financial results for the period ended 05/31/23: \$776.73 million in net operating revenues were reported compared to \$787.98 million budgeted for the period. \$699.83 million in total expenses were reported (including \$668.74 million in energy costs)

compared to \$723.88 million budgeted for the period (including \$686.69 million budgeted for energy costs). After expenses, SDCP's change in net position of \$76.89 million was reported for Fiscal Year 2023. The following is a summary of the actual results compared to the Fiscal Year 2023 Budget.

Table 1: Budget Comparison Versus Actual Results

Budget Comparison					
	YTD FY23 as of 05/31/23 (10 mos)	FY23 YTD Budget	Budget Variance (\$)	Budget (%)	
Net Operating Revenues	\$ 776,725,956	\$ 787,975,393	\$ (11,249,437)	99%	
Total Expenses	\$ 699,826,201	\$ 723,877,712	\$ (24,051,511)	97%	
Change in Net Position	\$ 76,899,755	\$ 64,097,681	\$ 12,802,074	20%	

- Net operating revenues finished \$11.25 million (or 1.0 percentage point) under the budget primarily due to remittances coming slightly lower than expected since April.
- Operating expenses finished \$24.05 million (or 3.0 percentage points) under the budget primarily due to savings from all operating expense categories and, in particular, from credits received from the California Independent Systems Operator (CAISO) and cost of energy savings in May.

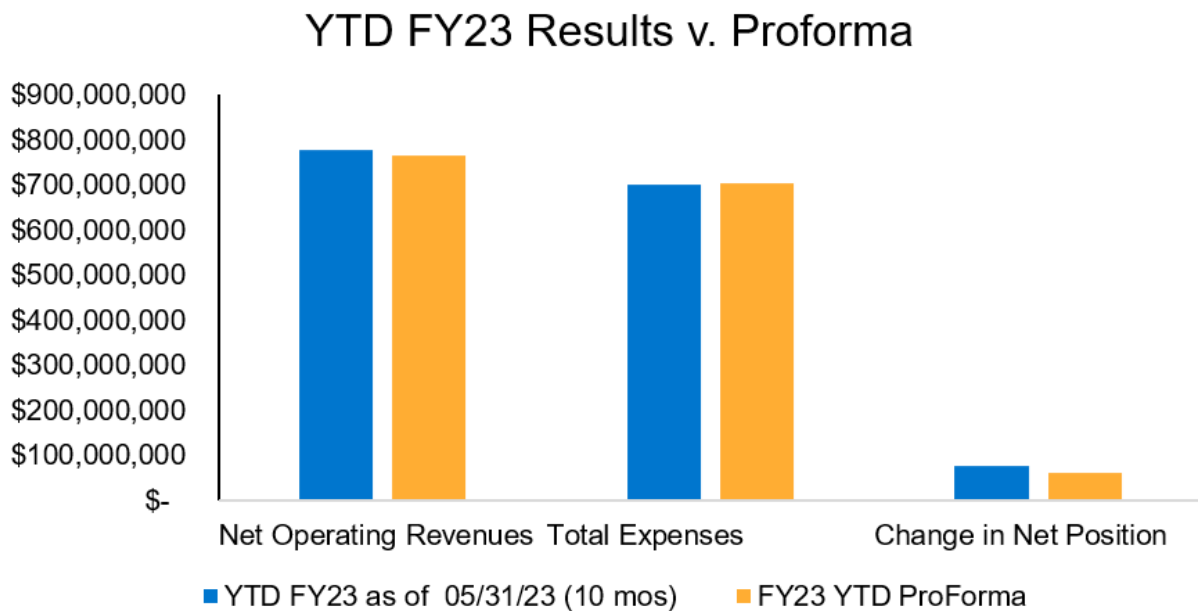
Financial results for the period outperformed the projections presented in the year-to-date proforma. SDCP's change in net position was 25% over the projection primarily due to savings in energy-related costs from CAISO credits as earlier referenced.

The following is a summary to actual results compared to the fiscal year-to-date proforma.

Table 2: Proforma Comparison Versus Actual Results

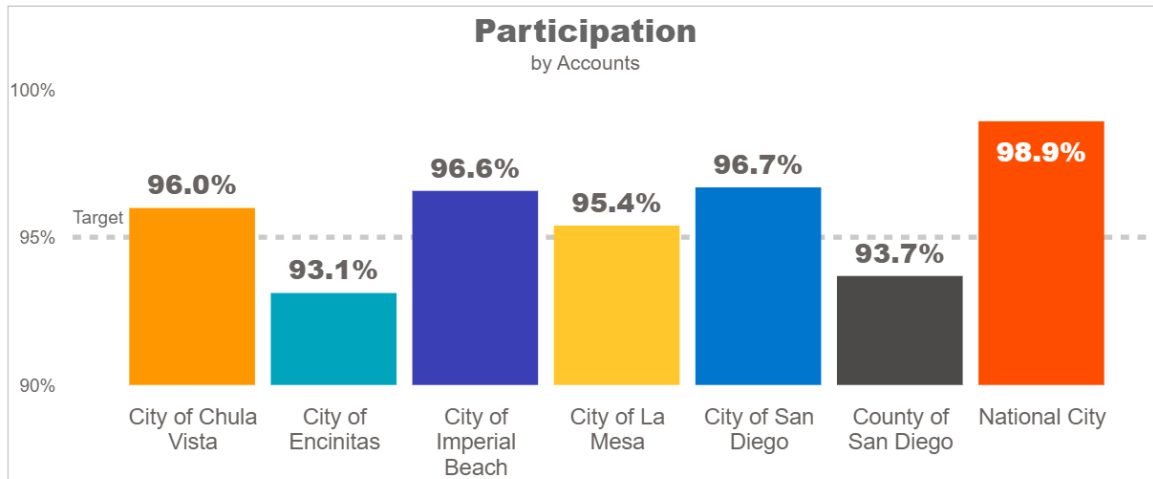
Proforma Comparison					
	YTD FY23 as of 05/31/23 (10 mos)	FY23 YTD ProForma	ProForma Variance (\$)	Proforma (%)	
Net Operating Revenues	\$ 776,725,956	\$ 764,839,117	\$ 11,886,839	2%	
Total Expenses	\$ 699,826,201	\$ 703,207,155	\$ (3,380,954)	0%	
Change in Net Position	\$ 76,899,755	\$ 61,631,962	\$ 15,267,793	25%	

Figure 1: Proforma versus Actual Results



For the period ending 05/31/23, SDCP contributed \$76,899,755 to its reserves but was only expected to gain \$64,097,681 per the FY 2022-23 amended budget. Total SDCP reserves at the end of the period were \$116,059,283 and total available liquidity (including lines of credit) was \$230,329,283. SDCP has a total FY 2022-23 year-end reserve target of \$190,058,650, which is equivalent to 90-days of total operating expenses.

Participation by Jurisdiction



Jurisdiction	Active	Eligible	Opt Outs	Participation
City of Chula Vista	93,278	97,176	3,898	96.0%
City of Encinitas	26,480	28,439	1,959	93.1%
City of Imperial Beach	10,553	10,928	375	96.6%
City of La Mesa	28,020	29,373	1,353	95.4%
City of San Diego	597,995	618,489	20,494	96.7%
County of San Diego	131,489	155,478	9,814	93.7%
National City	18,023	18,570	200	98.9%
Total	905,838	958,453	38,093	96.0%

Phase 4 mass enrollment process in National City and Unincorporated County of San Diego for Non-Net Energy Metering (NEM) customers is officially completed as of May, 2023. The participation rate for this new phase is fluid and will change as we continue with our enrollment of Net Energy Metering (NEM) customers from April 2023 through March 2024. In the interim, we are reporting on the opt outs and eligible accounts associated with the phase based on those accounts that we have noticed for enrollment on a rolling basis as of the reporting month.

Staff are also presenting State of SDCP Arrearages directly related to financial risk for FRMC consideration and for regular review moving forward. Additional metrics can be added by request. Below arrearage data is SDCP's Receivables aged 120+ Days as of 7/14/2023.

Figure 3: State of SDCP Arrearages

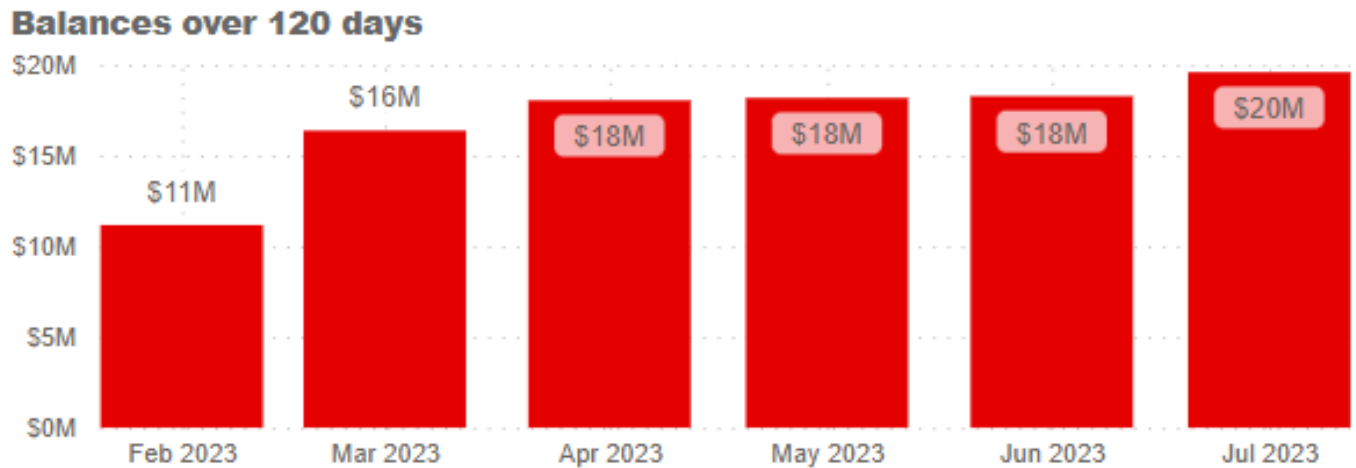
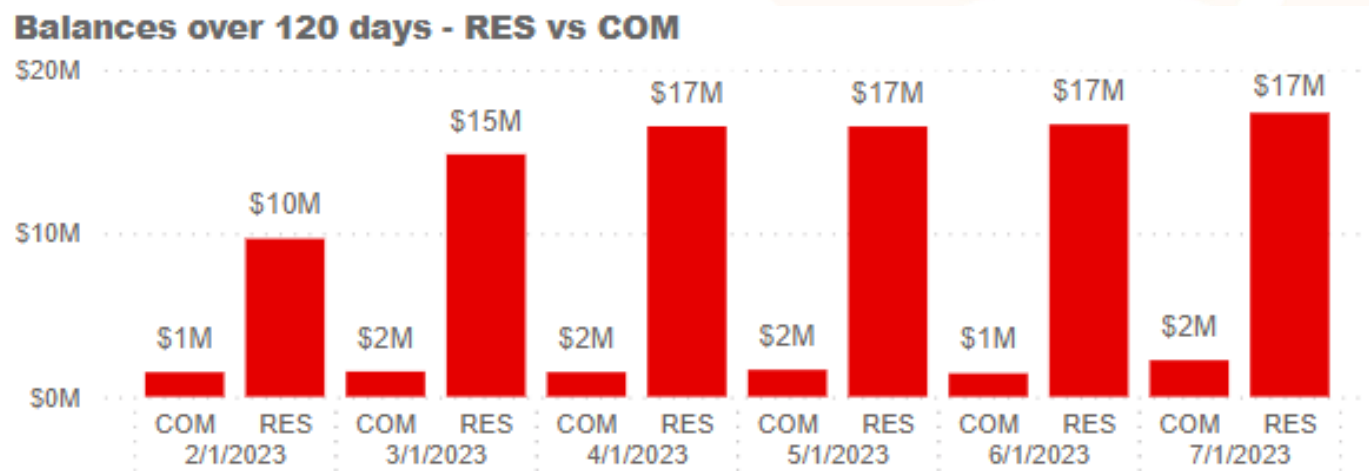


Figure 4: State of SDCP Arrearages Residential vs Commercial



FISCAL IMPACT

N/A

ATTACHMENTS

Attachment A: 2023 Year-to-Date Period Ended 05/31/23 Financial Statements



ACCOUNTANTS' COMPILATION REPORT

Management
San Diego Community Power

Management is responsible for the accompanying financial statements of San Diego Community Power (a California Joint Powers Authority) which comprise the statement of net position as of May 31, 2023, and the related statement of revenues, expenses, and changes in net position, and the statement of cash flows for the period then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, conclusion, nor provide any assurance on these financial statements.

Management has elected to omit substantially all of the note disclosures required by accounting principles generally accepted in the United States of America in these interim financial statements. San Diego Community Power's annual audited financial statements include the note disclosures omitted from these interim statements. If the omitted disclosures were included in these financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to the Authority because we performed certain accounting services that impaired our independence.

Maher Accountancy

San Rafael, CA
July 5, 2023

SAN DIEGO COMMUNITY POWER
STATEMENT OF NET POSITION
As of May 31, 2023

ASSETS

Current assets	
Cash and cash equivalents - unrestricted	\$ 45,388,346
Accounts receivable, net of allowance	88,380,900
Accrued revenue	53,742,801
Prepaid expenses	18,585,467
Deposits	19,678,349
Total current assets	<u>225,775,863</u>
Noncurrent assets	
Capital assets, net of depreciation	18,924
Lease asset, net of amortization	904,438
Cash and cash equivalents - restricted	2,147,000
Deposits	2,885,000
Total noncurrent assets	<u>5,955,362</u>
Total assets	<u>231,731,225</u>

LIABILITIES

Current liabilities	
Accrued cost of electricity	70,873,214
Accounts payable	726,581
Other accrued liabilities	3,533,845
State surcharges payable	309,255
Security deposits	1,254,000
Interest payable	321,685
Lease liability	364,955
Total current liabilities	<u>77,383,535</u>
Noncurrent liabilities	
Bank note payable	35,730,000
Lease liability	552,352
Total noncurrent liabilities	<u>36,282,352</u>
Total liabilities	<u>113,665,887</u>

NET POSITION

Net investment in capital assets	6,055
Restricted for collateral	2,000,000
Unrestricted	116,059,283
Total net position	<u>\$ 118,065,338</u>

SAN DIEGO COMMUNITY POWER
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
Eleven Months Ended May 31, 2023

OPERATING REVENUES

Electricity sales, net	\$ 768,958,696
Total operating revenues	<u>768,958,696</u>

OPERATING EXPENSES

Cost of energy	668,739,184
Contract services	14,547,690
Staff compensation	5,995,605
Other operating expenses	2,542,734
Depreciation and amortization	<u>219,424</u>
Total operating expenses	<u>692,044,637</u>
Operating income (loss)	<u>76,914,059</u>

NON-OPERATING REVENUES (EXPENSES)

Investment income	385,444
Interest and financing expense	<u>(1,765,117)</u>
Nonoperating revenues (expenses)	<u>(1,379,673)</u>

CHANGE IN NET POSITION

	75,534,386
Net position at beginning of period	<u>42,530,952</u>
Net position at end of period	<u><u>\$ 118,065,338</u></u>

SAN DIEGO COMMUNITY POWER
STATEMENT OF CASH FLOWS
Eleven Months Ended May 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 726,037,506
Receipts of security deposits	59,791,728
Other operating receipts	10,332,595
Payments to suppliers for electricity	(679,166,122)
Payments for goods and services	(14,942,951)
Payments to employees for services	(5,638,951)
Payments for deposits and collateral	(114,034,019)
Payments of state surcharges	(1,899,237)
Net cash provided (used) by operating activities	<u>(19,519,451)</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Proceeds from bank note payable	55,910,000
Principal payments - loans	(5,514,511)
Principal payments - bank note payable	(51,520,082)
Interest and related expense payments	(1,530,121)
Net cash provided (used) by non-capital financing activities	<u>(2,654,714)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Payments of lease liability	(232,614)
Payments to acquire capital assets	(20,037)
Net cash provided (used) by capital and related financing activities	<u>(252,651)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Investment income received	<u>385,444</u>
Net change in cash and cash equivalents	(22,041,372)
Cash and cash equivalents at beginning of period	69,576,718
Cash and cash equivalents at end of period	<u><u>\$ 47,535,346</u></u>

Reconciliation to the Statement of Net Position

Cash and cash equivalents (unrestricted)	\$ 45,388,346
Restricted cash	2,147,000
Cash and cash equivalents	<u><u>\$ 47,535,346</u></u>

SAN DIEGO COMMUNITY POWER
STATEMENT OF CASH FLOWS (continued)
Eleven Months Ended May 31, 2023

**RECONCILIATION OF OPERATING INCOME TO NET
CASH PROVIDED (USED) BY OPERATING ACTIVITIES**

Operating income	\$ 76,914,059
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities	
Depreciation and amortization expense	219,424
Provision for uncollectible accounts	7,767,260
(Increase) decrease in:	
Accounts receivable	(45,761,170)
Accrued revenue	(6,803,186)
Prepaid expenses	(14,124,159)
Deposits	(12,872,292)
Increase (decrease) in:	
Accrued cost of electricity	13,641,709
Accounts payable	101,626
Other accrued liabilities	2,790,609
State surcharges payable	(23,331)
Supplier security deposits	(41,370,000)
Net cash provided (used) by operating activities	<u><u>\$ (19,519,451)</u></u>



ACCOUNTANTS' COMPILATION REPORT

Board of Directors
San Diego Community Power

Management is responsible for the accompanying special purpose budgetary comparison schedule of San Diego Community Power (SDCP), a California Joint Powers Authority, for the period ended May 31, 2023, and for determining that the budgetary basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any assurance on this special purpose budgetary comparison statement.

The special purpose statement is prepared in accordance with the budgetary basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. This report is intended for the information of the Board of Directors of SDCP.

Management has elected to omit substantially all of the note disclosures required by accounting principles generally accepted in the United States of America in these interim financial statements. SDCP's annual audited financial statements will include the note disclosures omitted from these interim statements. If the omitted disclosures were included in these financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to SDCP because we performed certain accounting services that impaired our independence.

Maher Accountancy

San Rafael, CA
July 5, 2023

SAN DIEGO COMMUNITY POWER
BUDGETARY COMPARISON SCHEDULE
Eleven Months Ended May 31, 2023

	2022/23 YTD Amended Budget	2022/23 YTD Actual	2022/23 YTD Amended Budget Variance (Under) Over	2022/23 YTD Actual/ Amended Budget %	2022/23 Annual Amended Budget	2022/23 Amended Budget Remaining
REVENUES AND OTHER SOURCES						
Gross Ratepayer Revenues	787,975,393	\$ 776,725,956	(11,249,437)	99%	\$ 939,183,767	\$ 162,457,811
Less Uncollectible Customer Accounts	(7,879,754)	(7,767,260)	112,494	99%	(9,391,838)	(1,624,578)
Total Revenues and Other Sources	<u>780,095,639</u>	<u>768,958,696</u>	<u>(11,136,943)</u>		<u>929,791,929</u>	<u>160,833,233</u>
OPERATING EXPENSES						
Cost of Energy	686,692,462	668,739,184	(17,953,278)	97%	738,800,294	70,061,110
Professional Services and Consultants	15,716,477	13,737,030	(1,979,447)	87%	17,271,121	3,534,091
Personnel Costs	6,620,301	5,995,605	(624,696)	91%	7,362,227	1,366,622
Marketing and Outreach	4,028,721	1,928,330	(2,100,391)	48%	4,194,489	2,266,159
General and Administrative	1,766,247	1,358,792	(407,455)	77%	1,890,283	531,491
Programs	1,173,750	300,000	(873,750)	26%	1,275,000	975,000
Total Operating Expenses	<u>715,997,958</u>	<u>692,058,941</u>	<u>(23,939,017)</u>		<u>770,793,414</u>	<u>78,734,473</u>
Operating Income (Loss)	<u>64,097,681</u>	<u>76,899,755</u>	<u>12,802,074</u>		<u>158,998,515</u>	<u>82,098,760</u>
NON-OPERATING REVENUES (EXPENSES)						
Investment income	-	385,444	385,444		-	(385,444)
Debt Service and Bank Fees	(1,180,408)	(1,737,944)	(557,536)	147%	(1,285,295)	452,649
Total Non-Operating Revenues (Expenses)	<u>(1,180,408)</u>	<u>(1,352,500)</u>	<u>(172,092)</u>		<u>(1,285,295)</u>	<u>67,205</u>
NET INCREASE (DECREASE)	<u>\$ 62,917,273</u>	<u>\$ 75,547,255</u>	<u>\$ 12,629,982</u>		<u>\$ 157,713,220</u>	<u>\$ 82,165,965</u>

See accountants' compilation report.



SAN DIEGO COMMUNITY POWER Staff Report – Item 3

To: San Diego Community Power Board of Directors
From: Byron Vosburg, Managing Director of Power Services
Via: Karin Burns, Chief Executive Officer
Subject: Update on Power Resources
Date: July 27, 2023

RECOMMENDATION

Recommendation: Receive and file update on Power Resources

BACKGROUND

Staff provides the updates below to the Board of Directors regarding SDCP's power energy procurement activities.

ANALYSIS AND DISCUSSION

Power Services Staffing

Building out a team of experienced, knowledgeable energy professionals has long been a top priority and allows SDCP not only to solicit, negotiate, and administer contracts for energy supply effectively, but also to monitor market activity, manage risk, bring in-house a number of activities that have historically been completed by consultants, and to dedicate additional resources to local and distributed energy procurement and development efforts. The SDCP Power Services team is now 8 people strong, and SDCP expects additional openings to be posted for roles in Q3 2023 and FY 2023-2024.

Long-term Renewable Energy RFPs

As SDCP strives to meet its environmental, financial, and regulatory compliance goals and requirements, long-term power purchase agreements (PPAs) are becoming integral components of its energy supply portfolio. Long-term PPAs provide renewable generation facility developers with the certain revenue stream against which they can finance up-front capital requirements, so each long-term PPA that SDCP signs with a developing facility will underpin a new, incremental renewable energy project. In addition, long-term PPAs lock in renewable energy supply around which SDCP can build its power supply portfolio while also providing power supply cost certainty around which SDCP can develop its pro forma financial model. Moreover, the California Renewable Portfolio

Standard (RPS), as modified in 2015 by Senate Bill 350, requires that SDCP provide 65% of its RPS-required renewable energy from contracts of at least ten years in length. Finally, in D.21-06-025, the California Public Utilities Commission (CPUC) required each Load Serving Entity (LSE) in California to make significant long-term purchase commitments for resource adequacy from new, incremental generation facilities that will achieve commercial operation during 2023 through 2026 for purposes of “Mid Term Reliability” (MTR). These requirements have been augmented and extended into 2026 and 2027 via D.23-02-040.

In pursuit of long-term contracts for renewable energy, staff have released two RFPs for eligible Renewable Energy resources in the past 12 months. Staff are deep in negotiations with several respondents for resources that are expected to be online between 2025 and 2028. Staff and the Energy Contracts Working Group (ECWG) evaluate all RFP submissions prior to entering negotiations with selected participants. Assuming that Staff and shortlisted developer(s) are able to agree to mutually agreeable contracts consistent with terms authorized by the ECWG, Staff then review draft agreements with the SDCP Board for approval and authorization to execute the relevant documents.

In addition to RFPs issued by SDCP, the power service team also closely monitors market offers from the IOUs in California to secure contracts for short-term and long-term renewable projects.

Stand-Alone Energy Storage RFP

In addition to the two aforementioned Renewable Energy RFPs, staff have also launched an RFP for stand-alone energy storage resources, which will allow SDCP to meet resource adequacy requirements and protect against market price volatility with clean, reliable storage capacity that can be contracted for 10-20 years. SDCP is pursuing stand-alone energy storage resources of at least 10 MW in capacity, at least 4-hours of duration, and which are expected to be online between 2024 and 2028. More information is available at the link below. Staff have shortlisted and waitlisted select projects after review with the ECWG.

- <https://sdcommunitypower.org/resources/solicitations/>

Local Development

SDCP continues to engage with local developers that have submitted project proposals and hopes to present a handful of resulting PPAs to the Board in the coming months. As outlined in the Strategic Planning session on April 21, 2023, SDCP is currently developing its local infill development plan, which will outline a first phase of potential local, distribution-level renewable energy resource development opportunities and is expected to be presented to the Board for review by the end of 2023. SDCP has been meeting with staff from each member agency to identify potential member owned property to assess as part of this infill plan.



As Program Administrators of the CPUC's Disadvantaged Communities Green Tariff (DAC-GT) and Community Solar Green Tariff (CSGT) programs, SDCP is planning to post RFP solicitation documents for respective program resources by August 26th, proposals for which will be due in late February 2024.

SDCP's Local RFI and Feed-in Tariff remain open. More information is available about each at the links below.

- <https://sdcommunitypower.org/resources/solicitations/>
- <https://sdcommunitypower.org/programs/feed-in-tariff/>

RPS Procurement

SDCP staff continue to manage actively its environmental portfolios and to monitor closely the market for renewable and carbon-free energy sources, including release of an RFO in July for short-term renewable and carbon-free energy. Transactions from this solicitation will serve SDCP's near-term environmental as projects in development come online from the aforementioned solicitations.

Market Update

Due to lingering effects of the COVID-19 pandemic, namely inflation and heavily impacted commodity supply chains that have delayed development of new-build energy resources expected to be online over the last two years, the market for renewable energy and resource adequacy (RA) resources continues to be exceptionally tight and expensive. Staff are working with developers, industry groups, the CPUC, and CA Governor's Office and legislators to brainstorm near-term solutions while also actively procuring short-term energy and capacity products and long-term energy resources i) to meet SDCP's portfolio needs practically and cost-effectively and ii) to establish a portfolio of resources that will provide value to SDCP and California's clean, reliable energy needs into the future.

Volatility, which was largely prompted by unrest in Eastern Europe in 2022, in gas and power markets has continued, exacerbated recently in California by limited gas storage and a colder-than-average winter. Luckily, recent "atmospheric river" storms have provided a solid snowpack that should provide significant hydroelectric capacity deep into this summer, suppressing CA energy market prices in spring and summer of 2023.

Contract Administration

SDCP identified a clerical issue with the amended and restated PPA with Vikings Energy Farm LLC that was approved by the Board in January 2023. The definition of Installed PV Capacity was changed from the sum of the MWs of PV inverters to a performance measurement at the point of interconnection in the agreement, as was agreed to by the parties, but the Guaranteed PV Capacity was not updated to reflect the losses to the POI associated with this new measurement. SDCP and Vikings Energy Farm LLC thus entered into an amendment, which resolves the clerical issue and does not modify any



other terms of the agreement. The amendment was received and approved by counsel at Keyes & Fox as well as by SDCP General Counsel.

COMMITTEE REVIEW

N/A

FISCAL IMPACT

N/A

ATTACHMENTS

N/A





SAN DIEGO COMMUNITY POWER Staff Report – Item 4

To: San Diego Community Power Board of Directors
From: Chandra Pugh, Director of People
Via: Karin Burns, Chief Executive Officer
Subject: Update on Human Resources
Date: July 27, 2023

RECOMMENDATION

Receive and File the Update on Human Resources.

BACKGROUND

Human Resources (HR) has been working on the following priorities:

JEDI Council: Our JEDI Council met this month, and the team is working on setting priorities and action items for the upcoming year.

Annual Benefits Renewal: The HR team has been working to ensure a smooth annual benefit renewal slated for September 1, 2023. Employees were given an opportunity in June to provide feedback on our current benefits options and to make suggestions for additional benefits that will help them thrive in every aspect of their lives to include their physical, mental, and financial well-being.

Hiring: This month, SDCP welcomes our new Senior Policy Manager, Aisha Cissna.

We are currently sourcing applicants for the following roles:

- Digital Media Coordinator (hired)
- Account Services Analyst
- Procurement Manager
- Human Resources Coordinator
- Public Outreach Coordinator (2)
- Risk Manager
- Local Government Affairs Manager



- Financial Analyst
- Program Manager

Applicant Tracking System (ATS): The HR team has participated in several demos for a new applicant tracking system which will optimize our hiring process by simplifying sourcing and recruitment and ensuring best practices through the utilization of data driven metrics. We hope to implement this new tool into the organization by the end of August.

DISCUSSION AND ANALYSIS

N/A

COMMITTEE REVIEW

N/A

FISCAL IMPACT

N/A

ATTACHMENTS:

N/A



SAN DIEGO COMMUNITY POWER

Staff Report – Item 5

To: San Diego Community Power Board of Directors

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

Via: Karin Burns, Chief Executive Officer

Subject: Update on Customer (Back-Office) Operations

Date: July 27, 2023

RECOMMENDATION

Receive and file update on various back-office operations.

BACKGROUND

Staff will provide regular updates to the Board of Directors regarding San Diego Community Power's (SDCP) back-office activities centered around tracking opt actions (i.e., opt outs, opt ups and opt downs) as well as customer engagement metrics. The following is a brief overview of items pertaining to back-office operations.

ANALYSIS AND DISCUSSION

A) Mass Enrollment Update

Phase 4:

Mass enrollment for our Non-Net Energy Metering (NEM) customers in National City and Unincorporated County of San Diego is officially complete as of May 3rd, 2023. So far as of July 18th, 2023 SDCP is serving a cumulative total count of **908,769** active accounts correlating to **1,029,374** meters. There are **134,217** active accounts already enrolled in County of San Diego and **18,064** in National City.

For those accounts on Net Energy Metering (NEM) in Phase 4, their enrollment into SDCP started in April 2023 and will continue for the next twelve months, coinciding with their true up month. Enrolled customers will receive 2 post enrollment notices through the mail at their mailing address on file within 60 days of their account switching over to SDCP service.



B) Customer Participation Tracking

Staff and Calpine have worked together to create a reporting summary of customer actions to opt out of SDCP service, opt up to Power100, or opt down from Power100 to PowerOn. The below charts summarize these actions accordingly as of July 10th, 2023:

I. Total Opt Outs - Including Active and Inactive

- **Active** - accounts still active at same premise
- **Inactive** - accounts that have moved out, or premise is terminated

Opt Outs by Jurisdiction	2021	2022	2023 Q1	2023 Q2	2023-07	Total
City of San Diego	1,077	19,278	1,042	543	56	21,996
County of San Diego			6,920	2,667	172	9,758
City of Chula Vista	266	3,472	244	102	6	4,090
City of Encinitas	66	1,886	94	31	1	2,078
City of La Mesa	85	1,272	77	30	2	1,466
City of Imperial Beach	32	345	27	6	1	411
National City			137	69	2	208
Total	1,526	26,253	8,541	3,448	240	40,007

Opt Outs by Class Code	2021	2022	2023 Q1	2023 Q2	2023-07	Total
Residential	36	25,717	7,717	3,091	224	36,784
Commercial/Industrial	1,490	536	824	357	16	3,223
Total	1,526	26,253	8,541	3,448	240	40,007

Opt Outs by Reason	2021	2022	2023 Q1	2023 Q2	2023-07	Total
Dislike being automatically enrolled	203	7,214	2,754	1,056	65	11,292
Rate or additional cost concerns	6	7,754	1,693	792	65	10,310
Decline to provide	227	3,596	1,397	435	32	5,687
Other	818	2,653	706	393	21	4,591
Existing relationship with the utility	2	2,394	1,005	393	26	3,820
Concerns about government-run power agency	24	1,496	503	213	11	2,247
Service or billing concerns	6	724	262	108	16	1,116
Have grid reliability concerns	1	292	169	46	4	512
Rate or Cost Concerns	233					233
Concerns about lack of equivalent CCA programs		132	53	12		197
Have renewable Energy Reliability Concerns	6					6
Total	1,526	26,253	8,541	3,448	240	40,007

Opt Outs by Method	2021	2022	2023 Q1	2023 Q2	2023-07	Total
Web	327	14,353	5,202	1,837	134	21,853
Customer Service Rep (CSR)	1,098	7,002	1,846	876	54	10,876
Interactive Voice Response (IVR)	101	4,899	1,493	735	52	7,280
Total	1,526	26,253	8,541	3,448	240	40,007

*Historical opt outs including inactive accounts as of 06/02/2023.

II. Opt Ups to Power 100

Opt Ups by Jurisdiction	2021	2022	2023 Q1	2023 Q2	2023-07	Total
City of San Diego	3,163	2,868	181	114	21	6,334
City of Chula Vista	701	168	18	15	1	903
City of La Mesa	148	118	6	5		277
County of San Diego			48	91	4	143
City of Imperial Beach	60	29		1		90
City of Encinitas	18	1	1			20
National City			1	9		10
Total	4,090	3,184	255	235	26	7,776

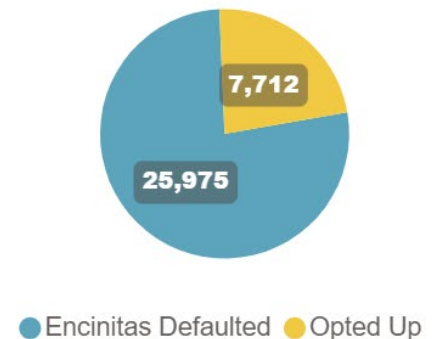
Opt Ups by Class Code	2021	2022	2023 Q1	2023 Q2	2023-07	Total
Commercial/Industrial	4,087	290	74	99	5	4,543
Residential	3	2,895	181	136	21	3,234
Total	4,090	3,184	255	235	26	7,776

Opt Ups by Method	2021	2022	2023 Q1	2023 Q2	2023-07	Total
Customer Service Rep (CSR)	4,059	1,369	97	118	3	5,634
Web	27	1,738	137	100	21	2,021
Interactive Voice Response (IVR)	4	81	21	17	2	125
Total	4,090	3,184	255	235	26	7,776

Cumulative Power100 Accounts

Opt Ups by Jurisdiction	Active
City of Encinitas	25,975
City of San Diego	6,298
City of Chula Vista	899
City of La Mesa	275
County of San Diego	141
City of Imperial Beach	89
City of National City	10
Total	33,687

Power100 Opt vs Defaulted



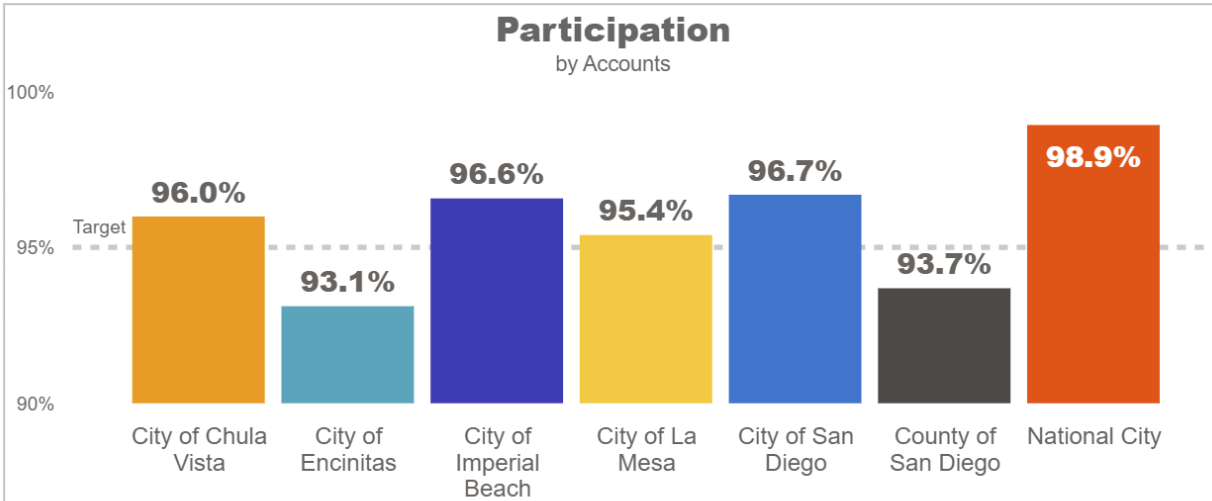
III. Opt Downs from Power100

Opt Downs by Jurisdiction	2021	2022	2023 Q1	2023 Q2	2023-07	Total
City of Encinitas	35	425	27	17	2	506
City of San Diego		26	5	5		36
City of Chula Vista		1	3			4
City of La Mesa		2				2
County of San Diego			1	1		2
City of Imperial Beach		1				1
Total	35	455	36	23	2	551

Opt Downs by Class Code	2021	2022	2023 Q1	2023 Q2	2023-07	Total
Residential		433	36	15	2	486
Commercial/Industrial	35	22		8		65
Total	35	455	36	23	2	551

Opt Downs by Method	2021	2022	2023 Q1	2023 Q2	2023-07	Total
Customer Service Rep (CSR)	31	305	21	19	1	377
Web		124	13	4	1	142
Interactive Voice Response (IVR)	4	26	2			32
Total	35	455	36	23	2	551





Jurisdiction	Active	Eligible	Opt Outs	Participation
City of Chula Vista	93,278	97,176	3,898	96.0%
City of Encinitas	26,480	28,439	1,959	93.1%
City of Imperial Beach	10,553	10,928	375	96.6%
City of La Mesa	28,020	29,373	1,353	95.4%
City of San Diego	597,995	618,489	20,494	96.7%
County of San Diego	131,489	155,478	9,814	93.7%
National City	18,023	18,570	200	98.9%
Total	905,838	958,453	38,093	96.0%

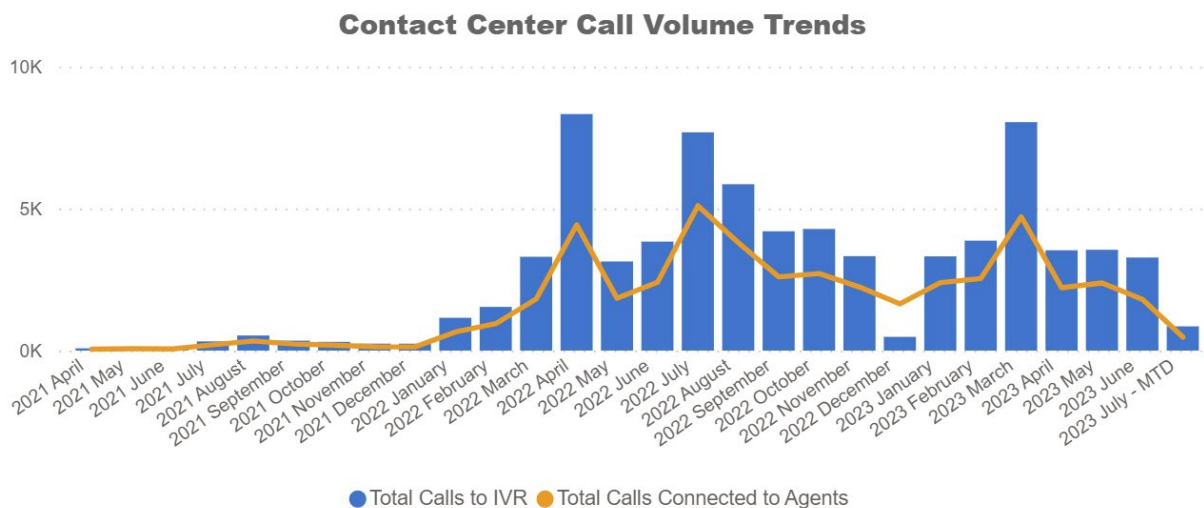
Phase 4 mass enrollment process in National City and Unincorporated County of San Diego for Non-Net Energy Metering (NEM) customers is officially completed as of May, 2023. The participation rate for this new phase is fluid and will change as we continue with our enrollment of Net Energy Metering (NEM) customers from April 2023 through March 2024. In the interim, we are reporting on the opt outs and eligible accounts associated with the phase based on those accounts that we have noticed for enrollment on a rolling basis as of the reporting month.

D) Contact Center Metrics

June call volumes dropped by **7.7%** compared to May which was unexpected but we are expecting more calls into our Contact Center from July onwards as more of our customers receive their first bills denoting Summer prices. Consistent with the seasonal transition into the Summer season where rates are generally higher than Winter, a lot more customer inquiries around higher bills are expected and possibly an uptick in opt outs as a result.

The chart below summarizes contact made by customers into our Contact Center broken down by month through July 10th , 2023:

V. Contact Center Metrics

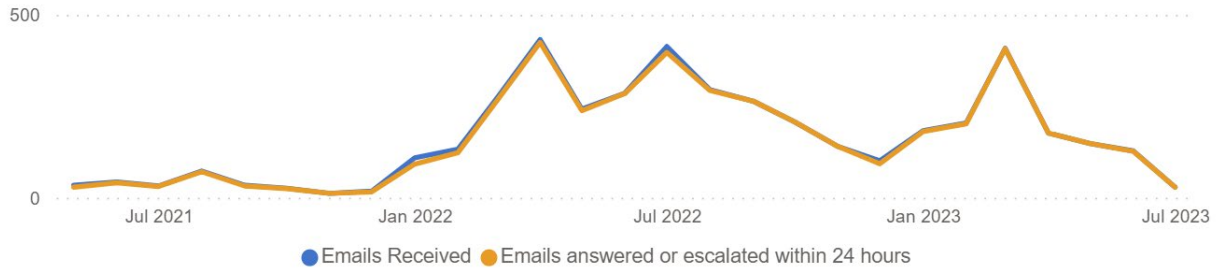


Interactive Voice Response (IVR) and Service Level Agreement (SLA) Metrics

	2021	2022	2023 Q1	2023 Q2	2023-07	Total
Total Calls to IVR	2,289	47,118	15,229	10,356	852	75,844
Total Calls Connected to Agents	1,401	30,174	9,641	6,395	475	48,086
Avg Seconds to Answer	20	12	8	3	4	13
Avg Call Duration (Minutes)	8.5	9.8	9.4	9.5	9.9	9.3
Calls Answered within 60 Seconds (75% SLA)	96.23%	95.50%	96.80%	99.83%	98.53%	96.44%
Abandon Rate	0.57%	0.36%	0.26%	0.00%	0.21%	0.37%

Similar to other CCAs' service territories, we are anticipating the trend of our customers calling into our Contact Center's Interactive Voice Response (IVR) system tree and being able to self-serve their opt actions using the recorded prompts as well as utilizing our website for processing opt actions to continue accounting for over 65% of all instances. The remaining portion of customer calls are connected to our Customer Service Representatives to answer additional questions, assist with account support, or submit opt actions.

Customer Service Email Trends



Customer Service Emails

	2021	2022	2023 Q1	2023 Q2	2023-07	Total
Emails Received	272	2,894	795	453	29	4,443
Emails answered or escalated within 24 hours	257	2,821	790	452	29	4,349
Completion (%)	94%	96%	99%	100%	100%	97%

As of this latest reporting month, we still have a total of 13 Dedicated Customer Service Representatives staffed at our Contact Center and 2 Supervisors. Our robust Quality Assurance (QA) procedures are firmly in place to ensure that our customers are getting a world-class customer experience when they contact us.

COMMITTEE REVIEW

N/A

FISCAL IMPACT

N/A

ATTACHMENTS

N/A



SAN DIEGO COMMUNITY POWER Staff Report – Item 6

To: San Diego Community Power Board of Directors

From: Jen Lebron, Director of Public Affairs

Via: Karin Burns, Chief Executive Officer

Subject: Marketing and Public Relations Update

Date: July 27, 2023

RECOMMENDATION

Receive and file update on Marketing and Public Relations activities for San Diego Community Power.

BACKGROUND

San Diego Community Power (SDCP) has engaged in a variety of public relations, marketing, and community outreach activities to drive awareness, spark community engagement, and maintain high customer enrollment.

ANALYSIS AND DISCUSSION

After months of increased focus on community engagement as we prepared for the enrollment of customers in National City and the unincorporated areas of San Diego County, SDCP scaled back some of its engagement efforts to emphasize long-term strategic planning and growing the team to create sustainable levels of community outreach, increase levels of media engagement and develop stronger partnerships with key organizations throughout the region.

In the past month, we have made an offer to a Digital Media Coordinator who will start in August. The coordinator will be tasked with increasing the reach of SDCP social media channels, maintaining the website with easy-to-understand content, and developing a newsletter.

We are also in the process of hiring two Outreach Coordinators who will have Tuesday through Saturday work schedules to ensure that SDCP attends or hosts public engagement events every weekend.



Public Engagement Events

June 21, 2023 – Imperial Beach City Council Meeting
June 23, 2023 – Chula Vista Tee Off Fore Kids
June 29, 2023 – San Diego Green Building Council Mixer
June 29, 2023 – Innosight Forum on the Energy Transition
July 12, 2023 – North San Diego Business Chamber Regional Connect
July 15, 2023 – San Diego LGBT Pride Parade
July 18, 2023 – San Diego Net Zero Carbon Cities Workshop
July 18, 2023 – Southern California Tribal Chairmen’s Association
July 19, 2023 – Cause Conference Luncheon
July 20, 2023 – San Diego Chamber of Commerce Small Business Awards

Communications and Outreach Strategy

SDCP is in regular communication with regional media in the spirit of transparency and openness with the goal of providing factual, timely information to the public at large. Over the past month, SDCP has engaged with several local reporters to provide background on stories and update them on our enrollment activities. SDCP also participated in Union-Tribune stories about two power purchase agreements that ran on June 23 and customers falling behind energy bills that ran on July 7.

The Public Affairs team is developing new strategies, processes, and capacity over the next several months to conduct more community outreach, expand marketing and brand awareness efforts, and provide timely, factual information across multiple channels.

COMMITTEE REVIEW

N/A

FISCAL IMPACT

N/A

ATTACHMENTS

N/A



SAN DIEGO COMMUNITY POWER Staff Report – Item 7

To: San Diego Community Power Board of Directors
From: Xiomalys Crespo, Community Engagement Manager
Via: Karin Burns, Chief Executive Officer
Subject: Receive and File Community Advisory Committee Monthly Report
Date: July 27, 2023

RECOMMENDATION

Receive and file Community Advisory Committee (CAC) monthly report.

BACKGROUND

Per Section 5.10.3 of the San Diego Community Power (SDCP) Joint Powers Authority (JPA) Agreement:

The Board shall establish a Community Advisory Committee comprised of non-Board members. The primary purpose of the Community Advisory Committee shall be to advise the Board of Directors and provide for a venue for ongoing citizen support and engagement in the strategic direction, goals, and programs of the Authority.

At the direction of the Chief Executive Officer (CEO), the CAC provides quarterly presentations to the Board of Directors in the regular agenda, and monthly reports in the consent agenda.

ANALYSIS AND DISCUSSION

At the July 13, 2023 regular meeting of the CAC, several items were discussed.

- CAC members recognized the sacred land where the meeting was held, welcomed Jack Clark as SDCP's new Chief Operating Officer, and approved the June CAC meeting minutes.
- The CAC received an update on Public Relations with a focus on upcoming outreach opportunities, an upcoming media opportunity announcing the awards of the Community Clean Energy Innovation Grant, and the hiring of Public Outreach Coordinators.



- The CAC received an update on Customer Operations and SDCP staff answered questions from CAC members around reported reasons for opt-outs. Per CAC member interest on opt-ups, these were included in the July update.
- The CAC received an update from Regulatory and Legislative Affairs SDCP staff describing how SDCP works to protect CCA independence in Sacramento. Committee members had questions on the AB 1373, Resource Adequacy, and Income Graduated Fixed Charges' impact on customers.
- The CAC received updates on the Sustainable and Equitable Workforce Policy and the Peak Load Reduction Pilot Project.
- The CAC voted to recommend that the Board of Directors approve the proposed Language Access Policy, and heard about the first meetings of the Programs and Community and Equity Ad-Hoc Committees, which took place earlier in the month.
- The CAC voted new officers for Fiscal Year 2023-2024: Matthew Vasilakis as Chair (City of San Diego), David Harris as Vice-Chair (La Mesa), and Lauren Cazares as Secretary (La Mesa). The Committee thanked outgoing leadership Eddie Price, Aida Castañeda, and Anna Webb for their service. Former Chair Price and former Secretary Webb served the maximum number of terms, per CAC Standard Operating Procedures.
- SDCP staff provided an update on CAC Fiscal Year 2022-2023 Work Plan and future agenda items. There were no potential agenda items suggested for Board of Directors meetings. Committee members also provided announcements, which included community events and programs. The Committee decided to take a meeting recess in August; regular meetings will resume in September.

As of July 27, 2023, the CAC has two vacancies: one representing Imperial Beach and one representing the County of San Diego. Members of the public must be residents, community leaders, and/or business owners of the respective jurisdictions and may submit their applications electronically.

COMMITTEE REVIEW

N/A

FISCAL IMPACT

N/A

ATTACHMENTS

N/A





SAN DIEGO COMMUNITY POWER Staff Report – Item 8

To: San Diego Community Power Board of Directors

From: Eric Washington, Chief Financial Officer

Via: Karin Burns, Chief Executive Officer

Subject: Approval of Second Amendment to Professional Services Agreement with Piseni and Brinker for up to \$80,400 for financial audit services in FY 2023-24

Date: July 27, 2023

RECOMMENDATION

Approve Second Amendment to the Professional Services Agreement with Piseni and Brinker for financial audit services in Fiscal Year 2023-24 and establish a \$80,400 maximum compensation amount, and authorize the Chief Executive Officer to execute the Second Amendment.

BACKGROUND

On June 24, 2021, Piseni and Brinker was authorized by the San Diego Community Power (SDCP) Chief Executive Officer through the SDCP Procurement Policy and Delegated Contract Authority Policy to provide independent financial statement auditing services for a term of July 1, 2021 to June 30, 2022 with a not-to-exceed amount of Twenty One Thousand Dollars (\$21,000).

Subsequently, on September 12, 2022, the professional services agreement (Agreement) between SDCP and the Consultant exercised the option from the Agreement to extend the term by one (1) year of June 30, 2022 to June 30, 2023, and to increase the not-to-exceed amount from Twenty One Thousand Dollars (\$21,000) to Fifty Thousand Dollars (\$50,000).

SDCP will have completed Phase 4 Non-NEM Residential Enrollment in May 2023 and NEM Residential Enrollment to be complete in March 2024. SDCP will continue to build reserves and progress towards an investment grade credit rating. Therefore, extending the engagement term will facilitate the continuity and consistency of financial reporting through the end of fiscal year 2024. Piseni and Brinker is believed to have the expertise needed given the firm's level of experience with SDCP.

ANALYSIS AND DISCUSSION

Pisenti and Brinker is a full-service public accounting and financial consulting firm that provides independent auditing and other financial consulting services to businesses and local governments across California. The Consultant is licensed in the State of California and is experienced with the CCA business model.

The proposed not-to-exceed amount of Eighty Thousand and Four Hundred Dollars (\$80,400) is for the period from June 30, 2023 to June 30, 2024 (12 months). The first year of the Agreement included a not-to-exceed amount of \$21,000 for audit services from FY 2020-21. The second year of the Agreement under the First Amendment included a not-to-exceed amount of \$29,000 for audit services from FY 2021-22. The proposed Second Amendment includes a not-to-exceed amount of \$30,400 for audit services from FY 2022-23.

In total, the not-to-exceed amount for the Agreement for the last three years (including the proposed Second Amendment) is \$80,400. The not-to-exceed amount for the FY 2022-23 engagement in the Second Amendment represents a 4.8% increase over the FY 2021-22 engagement in the First Amendment. This increase is in alignment with the combination of cost-of-living increases resulting from inflation and an increased level of auditing and consulting services needed due to SDCP growth and development of a more robust fiscal plan.

By comparison, in Fiscal Year 2022-23, SDCP's operating expense budget was \$693.6 million and in Fiscal Year 2023-24, SDCP's operating budget is \$995.8 million (per the June 22, 2023 meeting of the Financial and Risk Management Committee). This is a 30.35% increase year-over-year.

SDCP plans to issue an RFO for financial audit services for the next annual audit in the FY 2023-24 audit year. That RFO would allow SDCP to select an independent financial statement auditor to begin engagement on July 1, 2024. This amendment with Pisenti and Brinker would ensure there is not a gap in SDCP's annual audit process prior to July 1, 2024.

FISCAL IMPACT

Approval of the proposed second amendment to the Agreement will increase the not-to-exceed amount of the Agreement by \$30,400 for the period from June 30, 2023 to June 30, 2024 and represents a 4.8% increase from the First Amendment. Staff believe this is a reasonable increase given current inflation factors and given the 30.35% increase from SDCP's FY 2022-23 expense budget to the FY 2023-24 expense budget. The cost of this action is also included in the FY 2023-24 Board approved budget.

ATTACHMENTS

Attachment A: Second Amendment to Professional Services Agreement Between San Diego Community Power and Pisenti and Brinker.



**SECOND AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT BETWEEN
SAN DIEGO COMMUNITY POWER AND PISENTI & BRINKER LLP.**

THIS SECOND AMENDMENT (this “Amendment”) is entered into as of this July 20, 2023 by and between SAN DIEGO COMMUNITY POWER, a California joint powers agency (“SDCP”) and Piseni & Brinker, an LLP (“Consultant”). SDCP and Consultant are sometimes individually referred to herein as the “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, the Parties entered into that certain Professional Services Agreement between San Diego Community Power and Piseni & Brinker, dated July 1, 2021 (the “Agreement”) with a term from July 1, 2021 to June 30, 2022; and

WHEREAS, pursuant to the Agreement, Consultant provides independent financial statement auditing services, is licensed in the State of California, and is familiar with the plans of SDCP; and

WHEREAS, SDCP desires to engage Consultant to render such professional services for the independent financial statement auditing services as set forth in the Agreement; and

WHEREAS, on June 24, 2021, the SDCP Board of Directors authorized the CEO or his or her designee to execute the Agreement.

WHEREAS, on September 12, 2022, the Parties amended the Agreement by exercising an option per Section 1.2.1 to extend the term by one (1) additional year June 30, 2022 to June 30, 2023 and to increase the maximum compensation amount payable to Consultant for its services from \$21,000 to \$50,000; and

WHEREAS, the parties desire to amend the Agreement by exercising an option per Section 1.2.2 to extend the term by one (1) additional year and to increase the maximum compensation amount payable to Consultant for its services.

NOW, THEREFORE, it is agreed by and between the parties as follows:

1. Recitals. The Recitals set forth above are true and correct and are incorporated into the body of this Amendment as though expressly set forth herein.
2. Amendment of Section 1.2. Section 1.2 of the Agreement is amended, per Section 1.2.2, to exercise an option to extend the Agreement by one (1) year, from June 30, 2023, to June 30, 2024.
3. Amendment of Section 3.1. Section 3.1 of the Agreement is amended to update the cumulative not-to-exceed amount payable by SDCP to Consultant for Consultant’s services from \$50,000 to \$80,400.

3. Effect of Amendment. Except as expressly set forth in this Amendment, all other sections, provisions, exhibits and commitments of the Agreement remain unchanged and in full force and effect.

4. Counterparts. This Amendment may be executed in one or more counterparts, including facsimile counterparts, each of which shall, for all purposes, be deemed an original and all such counterparts, taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this Second Amendment to the Professional Services Agreement between San Diego Community Power and Pimenti & Brinker, as of the date first set forth above.

SAN DIEGO COMMUNITY POWER

PISENTI & BRINKER LLP.

Name: Karin Burns
Title: Chief Executive Officer
Date: _____

Name: Brett P. Bradford
Title: Partner
Date: _____



SAN DIEGO COMMUNITY POWER Staff Report – Item 9

To: San Diego Community Power Board of Directors

From: Byron Vosburg, Managing Director, Power Services

Via: Karin Burns, Chief Executive Officer

Subject: Approval of Amended and Restated Engagement Letter with Keyes and Fox LLP for up to \$400,000 for Legal Services for Power Procurement

Date: July 27, 2023

RECOMMENDATIONS

Approve the amended and restated Engagement Letter with Keyes & Fox LLP to increase the not-to-exceed amount to \$400,000 and authorize the Chief Executive Officer to execute the agreement.

BACKGROUND

Keyes & Fox LLP has extensive experience supporting community choice aggregators in energy contracting and negotiations.

On February 17th 2022, SDCP entered into a Engagement Letter with Keyes & Fox LLP ("K&F") with respect to the procurement of wholesale electricity supply, energy storage, resource adequacy, renewable energy credits, and transmission rights to serve SDCP customers.

Subsequently, SDCP executed an amendment to the Engagement Letter on June 15th, 2022, after approval by the SDCP Board of Directors. This amendment superseded and replaced in its entirety the February 17th, 2022 Engagement Letter. This amendment had a not-to-exceed amount of \$250,000.

ANALYSIS AND DISCUSSION

Staff recommends executing the second amendment and restated Engagement Letter with K&F. The proposed agreement would increase the combined not-to-exceed amount to \$400,000 (and increase of \$150,000) through Dec. 31, 2023. This will allow staff to continue working with K&F on several negotiations that are currently active and which staff expects to work on throughout 2023.

SDCP plans to issue an RFO for legal services related to the procurement of wholesale electricity supply, energy storage, resource adequacy, renewable energy credits, and transmission rights to serve SDCP customers in Q3 2023. That RFO would allow SDCP

to select procurement counsel (and potentially backup procurement counsel) to begin engagement January 1, 2024. This amended with K&F would ensure there is not a gap in representation prior to January 1, 2024.

COMMITTEE REVIEW

N/A

FISCAL IMPACT

Cost of this action includes a total amount not-to-exceed \$400,000 through December 31, 2023, which is an increase of \$150,000. Funding for the increase is included in the proposed FY24 budget.

ATTACHMENTS

Attachment A: Engagement Letter Between Keyes & Fox LLP and San Diego Community Power



July 17, 2023

Attn: Mr. Byron Vosburg
San Diego Community Power
815 E Street, Suite 12716
San Diego, CA 92112

RE: Engagement Letter Between Keyes & Fox LLP and San Diego Community Power

Keyes & Fox LLP (“K&F”) welcomes the opportunity to continue representation of San Diego Community Power, a California joint powers authority, (“SDCP”) with respect to the procurement of wholesale electricity supply, energy storage, resource adequacy, renewable energy credits, and transmission rights to serve SDCP customers (referred to herein as “Legal Services”). This Engagement Letter excludes work that K&F is performing for SDCP under a separate joint representation agreement and replaces the engagement letter dated June 15, 2023. This Engagement Letter describes the basis of the attorney-client relationship between K&F and SDCP with respect to the Legal Services, along with an explanation of how K&F will bill for those services.

1. Scope of Engagement

Pursuant to this engagement letter, K&F agrees to represent SDCP as its client with regard to the Legal Services described above. Keyes & Fox will do its utmost to serve SDCP effectively, provide Legal Services in an efficient manner, and respond promptly to SDCP’s inquiries.

K&F has run a conflict check as it relates to the contemplated Legal Services and has not found any direct conflicts with undertaking them. If a conflict arises that may impact our ability to provide SDCP with effective representation, including with respect to negotiations that may involve current or former K&F clients as counterparties, we will promptly bring that conflict to SDCP’s attention. If you have any concerns regarding any relationship K&F may have with particular companies, organizations or individuals, please bring those concerns to our attention.

K&F will coordinate the provision of the Legal Services with Byron Vosburg as the designated representatives of SDCP, or with whomever he may specifically delegate that authority. We understand that Mr. Vosburg have the authority to make decisions on behalf of SDCP in connection with the Legal Services, and we are relying on that understanding.

2. Confidentiality of Communications and Work Product

It is in SDCP’s interest to preserve confidentiality of all communications with K&F and such work product related to the Legal Services not intended for use with third parties. If SDCP discloses any of our communications, it jeopardizes the privileged nature of the communications or work product. Accordingly, we advise our clients to take care not to disclose privileged information or work product not intended for use with third parties to any third-party person or entity.

3. Fees, Expenses, Invoicing, and Retainer

By signing this Engagement Letter, SDCP agrees to pay K&F for all professional fees and out-of-pocket expenses related to the Legal Services, according to the terms set forth below. Compensation under this Engagement Letter shall not exceed four hundred thousand dollars (\$400,000) without prior authorization by SDCP.

a. Professional Fees

K&F will keep an hourly total of time spent on the Legal Services. Work will be performed at the hourly rates set forth in the Rates for Professionals provided in Attachment A to this Engagement Letter, which is incorporated by reference herein. Attachment A lists those persons we anticipate may work on the Legal Services. In addition to the K&F attorneys listed in Attachment A, the assistance of other K&F attorneys and/or staff may be enlisted from time to time as determined necessary for the provision of the Legal Services.

It is K&F's policy to adjust hourly rates for all attorneys and staff at the beginning of the calendar year. Historically, rate increases have been between 5-8% per year. Rates quoted in Attachment A are 2023 rates. K&F shall not increase hourly rates charged for work performed during calendar year 2023 Legal Services above those listed in Attachment A. K&F's practice is to charge for travel time, as discussed in Attachment A.

Mr. Fox and Ms. Cho will be the lead K&F attorneys working with you in connection with the Legal Services. Mr. Fox and Ms. Cho may utilize the services of other K&F attorneys in connection with this matter. By entering into this Engagement Letter, you consent in writing to Mr. Fox and Ms. Cho serving as the lead attorneys in this matter and to Mr. Fox's and Ms. Cho's assignment, with authorization by SDCP, of work on this matter to the other persons listed in Attachment A.

b. Expenses

Expenses may be incurred in connection with the Legal Services. K&F will bill for all costs, disbursements, and expenses in addition to our hourly fees. Costs and expenses include messenger and other delivery fees, copying and reproduction costs, costs for travel including mileage and parking, and similar expenses. Expenses will be billed at actual cost.

c. Invoices and Payments

K&F will invoice SDCP at the beginning of each month for Legal Services during the prior calendar month. Invoices will list the matter worked on and provide information on the dates of service, time involved, person responsible and activity undertaken. K&F will use best efforts to respond to requests for special invoice formats. Upon receipt of properly prepared invoicing, SDCP shall pay K&F within thirty (30) calendar days for services provided in accordance with this Engagement Letter.

4. Termination of K&F's Representation

Either SDCP or K&F may terminate K&F's representation of SDCP at any time and for any reason. At the time K&F's representation of SDCP concludes, all unpaid fees and costs for work performed by K&F become due and payable. If at that time SDCP does not request the return

of files related to the Legal Services, K&F will retain such files for a period of three (3) years, after which K&F may have the files destroyed.

5. Miscellaneous

This letter is the entire agreement between SDCP and K&F concerning the Legal Services and supersedes all prior or contemporaneous agreement between SDCP and K&F, whether written or verbal, for the Legal Services. This agreement and the scope of work provided under it may be amended from time to time by mutual agreement among K&F and SDCP. California law will govern this agreement and any subsequent amendments.

6. Conclusion

If the terms of K&F's representation as explained in this letter are satisfactory, please execute a copy of this letter as indicated and return it to me. Please feel free to contact me if you have any questions.

We look forward to our representation of SDCP.

Sincerely,

A handwritten signature in dark ink, appearing to read "Kevin Fox", is positioned above the printed name.

Kevin Fox, Partner
Keyes & Fox LLP

By signing this letter, the signatory affirms that he or she understands and agrees to bind his or her company to the terms set forth in this Engagement Letter. This agreement shall not take effect, and K&F shall have no obligation to provide the work described herein, until SDCP has returned a signed copy of this letter.

San Diego Community Power

I have read the foregoing letter, understand it and agree to it on behalf of SDCP.

By: _____
[Name]

Title: _____

Date: _____

Attachment A

Rates for Professionals

Hourly Rates and Other Terms

<i>Kevin Fox, Partner</i>	<i>\$480</i>
<i>Theresa Cho, Counsel</i>	<i>\$530</i>
<i>Alexandra Haggerty, Associate</i>	<i>\$330</i>
<i>Julia Kantor, Associate</i>	<i>\$300</i>
<i>Beren Argetsinger, Partner</i>	<i>\$310</i>
<i>Alicia Zaloga, Paralegal</i>	<i>\$120</i>

Firm Travel: Travel time is billed at the one-half of the listed hourly rate. Every effort will be made to work productively on the Legal Services during travel. All reasonable travel expenses are billable – hotel, airfare, car rental, meals, taxi, public transit, etc.

SAN DIEGO COMMUNITY POWER

Staff Report – Item 10

To: San Diego Community Power Board of Directors

From: Colin Santulli, Director of Programs
Alyson Scurlock, Program Associate

Subject: Approve the Member Agency Grant Program Policy

Date: July 27, 2023

RECOMMENDATION

Approve the Member Agency Grant Program Policy.

BACKGROUND

The San Diego Community Power (SDCP) Board of Directors (Board) approved SDCP's FY 23-24 budget on June 22, 2023, which included the creation of a member agency grant program as a component of the Programs Department budget. SDCP staff are now seeking approval of the Member Agency Grant Program Policy to delegate authority to the Chief Executive Officer to design and implement the program.

DISCUSSION

Overview

SDCP's Member Agency Grant Program (Program) would aim to support SDCP member agencies' climate action goals and initiatives such as projects or programs that promote clean energy, reduce carbon emissions, support climate equity, and advance local economic development. Example projects or programs can include, but are not limited to:

- Climate equity analyses and engagement
- Identification of communities of concern within Member Agencies
- Pilot projects (e.g., air quality monitors, appliance electrification, solar)
- Climate Action Implementation Plans
- Electrification cost/feasibility studies
- Municipal DER (Distributed Energy Resource) project feasibility studies

Program Structure and Process

Current SDCP member agencies will be eligible to apply for a non-competitive grant, expected to be \$50,000 per member agency for the FY 23-24 Program. Grant funding will

be provided directly to member agencies to implement a project or via services such as technical assistance and outreach and engagement.

Next Steps

SDCP staff anticipate launching the Program in Q3-Q4 CY 2023. Next steps include developing program materials and working with member agency staff to identify eligible projects to use the funding for. Staff may seek support for administration of the program and distribution of grant funds through a qualified consultant.

COMMITTEE REVIEW

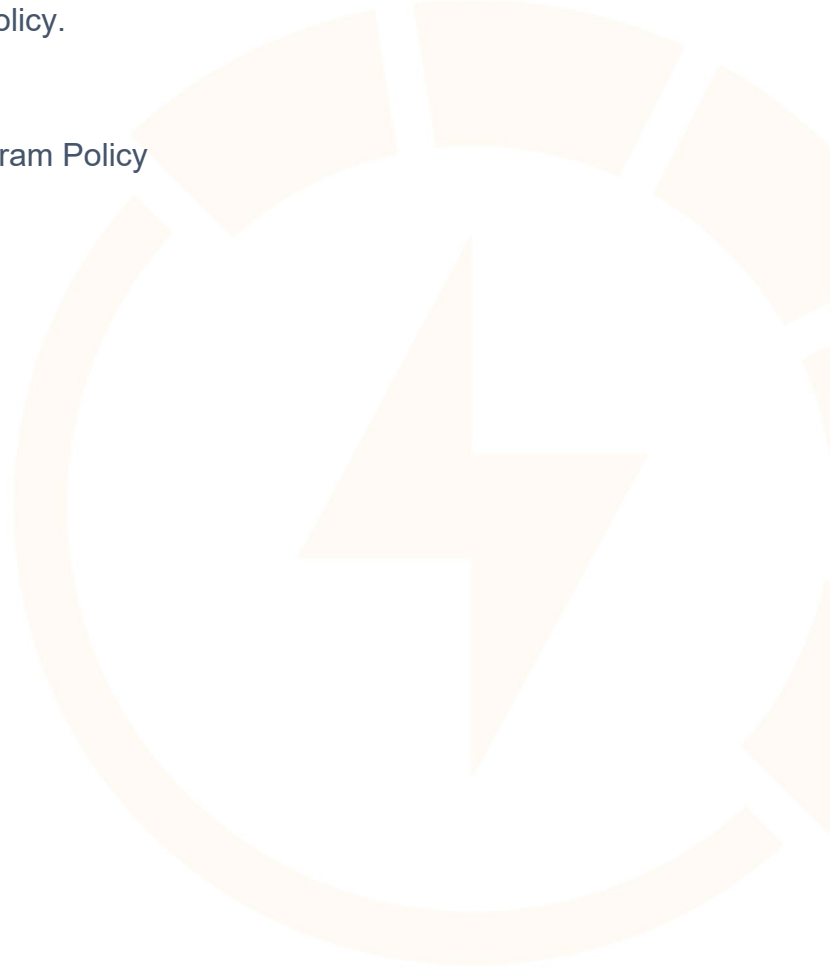
SDCP staff plan on providing this update to the Community Advisory Committee at their next meeting.

FISCAL IMPACT

Funding to create a member agency grant program was approved in the FY 23-24 budget as part of the Programs Department budget. Staff expect no more than \$350,000 to be allocated to the Program in FY 23-24. All Program-related expenditures will comply with the SDCP Board-approved Procurement Policy.

ATTACHMENTS

Attachment A: Member Agency Grant Program Policy



Policy Title	Member Agency Grant Program Policy
Effective Date	Original: 7/27/2023

Member Agency Grant Program Policy

A. PURPOSE

The purpose of this Member Agency Grant Program Policy (Policy) is to provide authority to the San Diego Community Power (SDCP) Chief Executive Officer (CEO), or designee, to design and approve the Member Agency Grant Program (Program) guidelines, implement the Program, develop required contracts and grantmaking, and make minor modifications to the guidelines, where necessary.

B. GRANT PROGRAM GOALS

The Program aims to support SDCP member agencies' climate action goals and initiatives such as projects or programs that promote clean energy, reduce carbon emissions, support climate equity, and advance local economic development.

C. GRANT PROGRAM STRUCTURE AND PROCESS

The following sections outline the overall Program structure and process.

Eligibility

Applicants must be a current SDCP member agency.

Grant Criteria

Grants will be non-competitive and awarded dependent on the proposed projects' alignment with the Program goals. Grant funding will be provided directly to member agencies or via services including technical assistance and outreach and engagement. Services supported by grants may be coordinated by a program administrator.

Grantee Reporting

Grantees will provide final reports to SDCP summarizing project outcomes and other project metrics as defined in an executed grant agreement with SDCP or the program administrator.

Timeline

Grant funds will be expended by grantees no later than 12 months from award date.

Grantee Compliance

Grantees will be required to comply with all applicable federal, state, and local laws, rules, and regulations, which may include provisions of the California Labor Code relating to the payment of prevailing wages and the performance of other requirements on certain public works and maintenance projects.

D. GRANT FUNDING

This Policy does not explicitly authorize procurement by SDCP as the related Program does not purchase a good or service, with the exception of a potential program administrator to support the distribution of grant funds. All Program-related expenditures will comply with the SDCP Board-approved Procurement Policy.

The total annual approved Program budget will be divided evenly among member agencies. Staff will inform the Board of any grant disbursements related to the Program.

E. TERRITORY

SDCP's service area.

F. AUTHORITY DELEGATION

This Policy authorizes the CEO, or designee, to design and approve the Program guidelines, implement the Program, develop required contracts and grantmaking, and make minor modifications to the guidelines, where necessary.



SAN DIEGO COMMUNITY POWER Staff Report – Item 11

To: San Diego Community Power Board of Directors

From: Laura Fernandez, Director of Regulatory & Legislative Affairs
Stephen Gunther, Senior Regulatory Analyst

Via: Karin Burns, Chief Executive Officer

Subject: Update on Regulatory and Legislative Affairs

Date: July 27, 2023

RECOMMENDATIONS

Receive and file update on regulatory and legislative affairs and Presentation by Outside Counsel, Keyes & Fox on SDG&E Regulatory Matters.

BACKGROUND

Staff will provide regular updates to the Board of Directors regarding SDCP's regulatory and legislative engagement.

ANALYSIS AND DISCUSSION

A) Regulatory Updates

ERRA Proceedings

SDG&E files an Energy Resource Recovery Account (ERRA) application on May 15 each year. The ERRA forecast application includes the proposed Power Charge Indifference Adjustment (PCIA) rates for the next calendar year.

ERRA proceedings are used to determine fuel and purchased power costs which can be recovered in rates. The utilities do not earn a rate of return on these costs, and only recover actual costs. The costs are forecast for the year ahead. If the actual costs are lower than forecast, then the utility gives money back, and vice versa.

The ERRA regulatory process includes two proceedings:

1. An annual ERRA Forecast proceeding to adopt a forecast of the utility's electric procurement cost revenue requirement and electricity sales for the coming year.

2. An annual ERRA Compliance proceeding to review the utility's compliance in the preceding year regarding energy resource contract administration, least-cost dispatch, fuel procurement, and the ERRA balancing account.

SDG&E files an ERRA compliance application on June 1 of each year. In essence, SDCP engages in this proceeding to ensure that SDG&E's generation costs were properly accounted for so that CCA customers have not overpaid.

Taken together, the ERRA proceedings are the most direct opportunity to influence the PCIA by ensuring that CCA customers are only assigned the costs that they are responsible for.

ERRA Forecast Proceeding Update

As expected, SDG&E filed its 2024 ERRA Forecast [application](#) on May 15, 2023. On June 16, SDCP jointly with Clean Energy Alliance (CEA) filed a [protest](#) that identifies the following as issues that require further investigation:

- Whether the Renewable Portfolio Standard allocations to LSEs under the Voluntary Allocation and Market Offer are accurate and consistent with applicable Commission decisions;
- Whether SDG&E's accounting for its RPS is just and reasonable, including how SDG&E is accounting for RPS products not allocated through VAMO and the effect of VAMO on SDG&E's Retained RPS;
- Whether SDG&E's proposed accounting for MCAM procurement costs and benefits complies with D.22-05-015 and is just and reasonable;
- Whether SDG&E's proposed process for alternative sales forecasts by other parties is just and reasonable and consistent with prior Commission decisions and;
- Whether SDG&E's proposal to not include Investment Tax Credits resulting from the Inflation Reduction Act in 2023 year-end balancing account forecasts is just and reasonable.

The Public Advocates Office is the only other party that filed a [protest](#) in the proceeding. A prehearing conference was held on July 12, 2023 and SDCP was represented by its external counsel at the hearing. This proceeding is in the beginning stages and a final decision is not expected until the end of the year.

ERRA Compliance Proceeding Update

As expected, on June 1, SDG&E filed its 2022 ERRA Compliance [Application](#). SDCP and CEA filed a [protest](#) and the Public Advocates Office also filed a [protest](#). SDCP and CEA will investigate through the proceeding whether expenses and revenues related to each of SDG&E's resources are appropriately categorized and recorded to the correct balancing account in order to ensure that there is no cost shifting between bundled and



unbundled (CCA) customers. Staff will continue to work with external counsel on this proceeding that is just kicking off.

SDG&E General Rate Case – Phase 1

On May 16, 2022, SDG&E filed its 2024 General Rate Case [application](#). On June 20, 2022, SDCP and CEA jointly filed a [protest](#) to the application. On March 27, 2023, SDCP and CEA submitted testimony in the proceeding. One day before evidentiary hearings were set to begin, on June 1, 2023, SDG&E filed a [Motion to Strike](#) portions of the SDCP and CEA testimony that are related to PCIA. SDCP and CEA filed a [response](#) to the motion and SDG&E filed a [reply](#) on June 19, 2023. Evidentiary hearings took place June 15-June 30, and an additional evidentiary hearing was scheduled for July 17. Briefing will be due in August and a Proposed Decision is expected to be issued in the second quarter of 2024.

SDG&E General Rate Case – Phase 2

SDG&E filed Phase 2 of its General Rate Case on January 17, 2023 (see [Application](#)). SDCP and CEA filed a [protest](#) to the application on February 27, 2023. Through this proceeding, SDCP and CEA intend to address issues related to the Schedule S tariff, PCIA customer bill display and data access issues. A prehearing conference took place on May 10, 2023, and testimony will be filed in November. A proposed decision is expected in June 2024.

Resource Adequacy (RA)

Decision Adopting Local Capacity Obligations For 2024-2026, Flexible Capacity Obligations For 2024, And Program Refinements

On July 5, 2023, the California Public Utilities Commission (CPUC) issued a [Final Decision Adopting Local Capacity Obligations For 2024-2026, Flexible Capacity Obligations For 2024, And Program Refinements](#) (Decision). The Decision addresses outstanding issues in Phase 3 of the Implementation Track within the Resource Adequacy (RA) proceeding ([R.21-10-002](#)).

As described in the regulatory and legislative staff report for the June 22 meeting of the Board of Directors ([see page 47](#)), the Proposed Decision included a problematic proposal what would prevent load serving entities (LSE), including CCAs, from expanding their service territory for two years following a month ahead or year ahead system RA deficiency. CalCCA filed [opening](#) and [reply comments](#) on the Proposed Decision arguing against the CPUC's jurisdictional overreach related to CCA expansions, as well as providing input on other elements of the Proposed Decision. While the Final Decision did not remove the LSE expansion provision, the following revisions were made:



- Removed the “zero-tolerance approach” language and added a 1% threshold for which a system RA deficiency will trigger the expansion restriction.
- For a year-ahead deficiency accrued two years before the year in which the LSE files its binding load forecast, this year-ahead deficiency will not bar expansion if the LSE cures its deficiency in the month-ahead timeframe. If an LSE cures its year-ahead deficiency in the month-ahead timeframe, the year-ahead deficiency will not be applied to the expansion requirement.
- The expansion bar will first apply to the year-ahead deficiencies in 2024 year ahead RA filing due on October 31, 2023, and the month-ahead deficiencies starting in September 2023.

The revisions do not eliminate the violation of a CCAs legal right to expand its service territory, and SDCP is working with CalCCA to explore options to continue to correct this element of the Decision.

Final Resolution on SDCP’s Appeal of 2021 Year-Ahead Resource Adequacy Citation

On July 14, 2023, the CPUC Administrative Law Chiv issued [Resolution ALJ-442](#) on SDCP’s appeal of a citation for a procurement deficiency in its September 2021 year-ahead system RA showing. For additional background and SDCP engagement, see the [regulatory and legislative staff report](#) for the June 22 meeting of the Board of Directors, page 48.

The final resolution rejects SDCP’s defense, and as such, SDCP is required to pay the full amount of the penalty of \$388,288 within 30 days of the issuance date.

Renewable Portfolio Standard (RPS) – 2023 Draft Procurement Plan

Background

California's Renewable Portfolio Standard (RPS) program was established in 2002 by Senate Bill (SB) 1078 (Sher, 2002) to establish requirements on the percentage of electricity retail sales to be served by renewable resources. Senate Bill (SB) 100 (De León, Stats. 2018, ch. 312) increased the RPS to 60 percent by 2030 and established a goal for 100 percent of the State’s electricity to come from renewable and zero carbon resources by 2045.

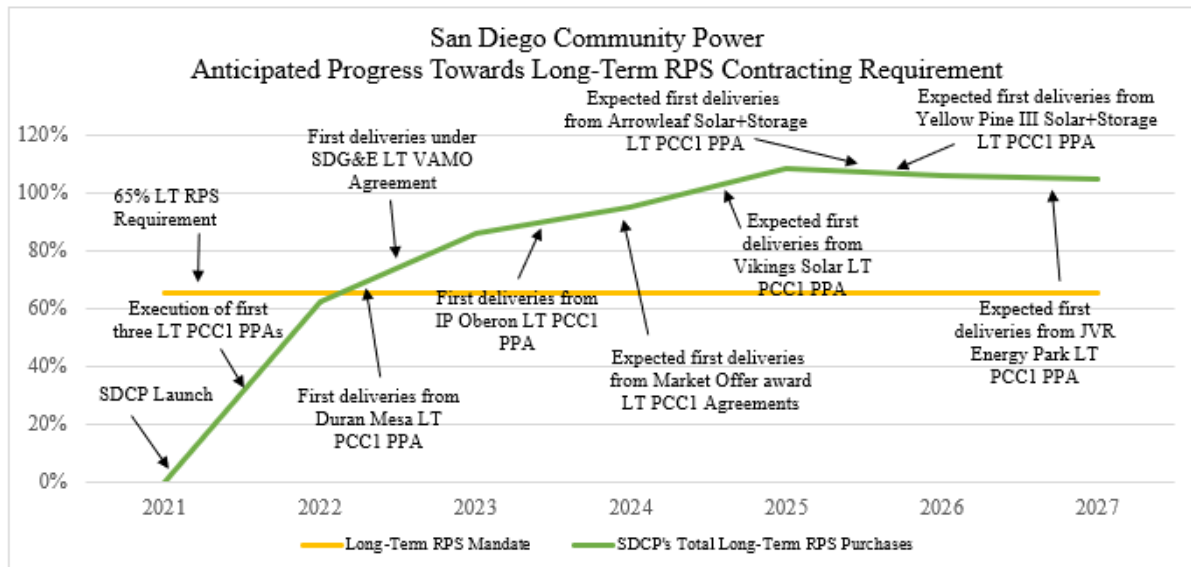
The CPUC implements and administers RPS compliance rules for California’s retail sellers of electricity, including CCAs, and requires regular filings to demonstrate compliance and progress towards future compliance. On May 5, 2023, the CPUC Assigned Commissioner and Administrative Law Judge issued a [Ruling](#) (ACR) outlining



requirements for the 2023 RPS Procurement Plan filings. Specifically, the ACR directed retail sellers LSEs to inform the Commission of their activities and plans to procure 65 percent of RPS resources from long-term contracts of 10 or more years for all compliance periods beginning with the current compliance period.

SDCP's Draft 2023 RPS Procurement Plan Filing

On July 17, 2023, SDCP filed its [Draft 2023 RPS Procurement Plan Filing](#) (Draft RPS Plan) in accordance with the ACR. SDCP's Draft RPS Plan details its current procurement activities, contracts, and planning efforts, risk management practices, and other activities relevant to its renewable energy portfolio. SDCP's internally adopted renewable energy procurement goals provide a meaningful buffer above the state's RPS requirements, which will exceed statewide RPS mandates by at least 15 percent in each year of the planning period. Below are two figures from SDCP's Draft RPS Plan demonstrating progress:



	CP4 2021-2024	CP5 2025-2027	CP6 2028-2030
<i>SDCP Retail Sale - MWh</i>	25,022,199	26,599,629	27,003,270
<i>State Mandated RPS Target - % of Retail Sales</i>	41.1%	49.3%	57.3%
<i>SDCP State Mandated RPS Target- MWh</i>	10,281,210	13,124,957	15,484,265
<i>State Mandated 65% Long-Term Contracting Target - MWh</i>	6,682,786	8,521,222	10,064,772
<i>SDCP Long-term Procurement Achieved – MWh</i>	11,643,002	17,262,972	21,729,864
<i>SDCP Long-term Procurement Achieved - %</i>	113%	132%	140%

Next Steps

The ACR identifies the following next steps and timeline:

- August 15, 2023: Comments on Draft RPS Procurement Plans
- August 29, 2023: Motion to update RPS Procurement Plan
- Quarter 4, 2023: Commission votes on Proposed Decision on Draft Plans
- 30 days after the effective date of the Decision: SDCP files Final 2023 RPS Procurement Plan

Income-Graduate Fixed Charges (IGFC)

Background

Assembly Bill (AB) 205 was passed in June 2022 authorizing residential fixed charges established on an income-graduated basis. Specifically, AB 205 stated:

“The Commission may authorize fixed charges for any rate schedule applicable to a residential customer account. The fixed charge shall be established on an income graduated basis with no fewer than three income thresholds so that low-income ratepayers in each baseline territory would realize a lower than average monthly bill without making any changes in usage.”

As such, the CPUC has required the investor-owned utilities (IOU) to present their income graduated fixed charges (IGFC) within the [Demand Flexibility proceeding \(R. 22-07-005\)](#). On April 7, 2023, the [IOUs](#) and other parties submitted testimony in which they proposed IGFC for residential rate schedules. Current rates reflect volumetric costs and fixed costs combined to create one overall customer rate charged as a cents-per-kwh rate multiplied by usage. The proposed rates will separate the fixed charges from the marginal volumetric rates, in which the fixed charges will be set at a dollar amount that varies by household income, and the volumetric rates will be the traditional cents-per kWh rate, at a reduced level.

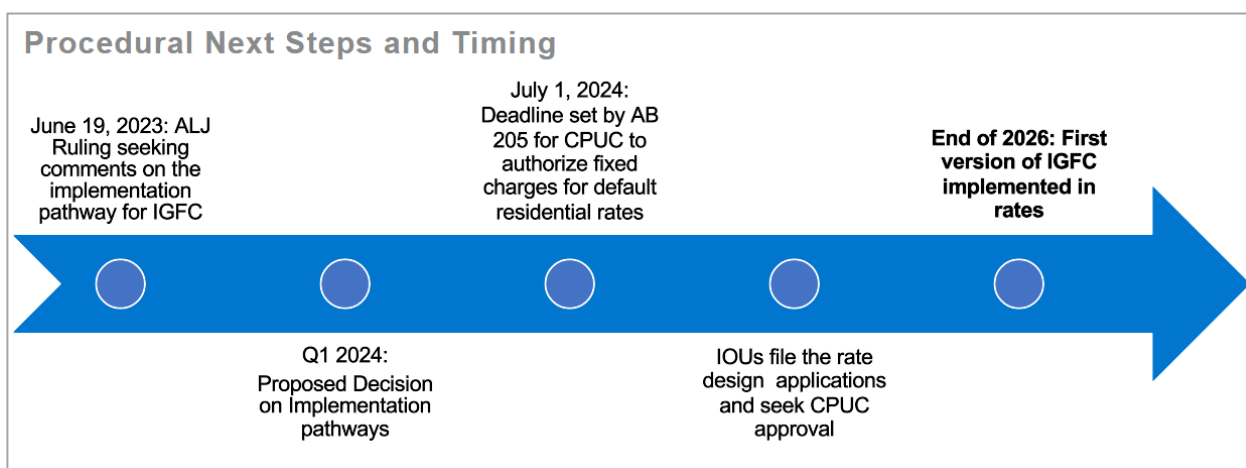
The proposed rate changes impact costs that are currently recovered from SDCP customers by SDG&E, and therefore are confined to the transmission and delivery components of a customer’s bill and do not directly impact SDCP generation rates or competitiveness with SDG&E. However, SDCP staff will continue to track the proceeding, analyze impacts for all SDCP customers, and address other considerations (e.g., customer education, bill presentment).

Administrative Law Judge’s Ruling on the Implementation Pathway for IGFC



On June 19, 2023, CPUC Administrative Law Judge (ALJ) Stephanie Wang issued a [Ruling](#) seeking comment on the implementation pathway for income-graduated fixed charges. The Ruling outlines a plan to issue a proposed decision in the first quarter of 2024 to establish a pathway for implementing IGFCs over several years through a gradual approach. In addition, the Ruling noted that the forthcoming decision will direct each IOU to file a rate design window application for approval of the first version of IGFCs, as well as include guidelines for the design and authorize working groups and/or workshops.

In the Ruling, ALJ Wang states, “I expect that the earliest that the first version of IGFCs could be implemented in rates is the end of 2026.” Below, is a timeline of the important next steps noted in the Ruling:



The Joint IOUs requested an extension of the comment deadlines on the Ruling to July 31 and August 31, 2023, which was granted on July 18, 2023. SDCP staff is working with CalCCA to draft opening comments.

In addition to the Ruling, a group of Parties, including solar industry and ratepayer advocates, filed a [motion](#) requesting the CPUC hold public participation hearings on the topic of residential income-graduated fixed charges.

Resolution E-5277 regarding SDG&E’s Westside Canal Energy Storage Project

On July 14, 2023, the CPUC issued [Resolution E-5277](#) approving SDG&E’s request to count the utility-owned Westside Canal Energy Storage Project towards its midterm reliability procurement requirements pursuant to Decision 21-06-035 and modify the project’s cost recovery mechanism (see [Advice Letter 4182-E](#)).

Prior to issuance of the final Resolution, on June 28, 2023, SDCP and Clean Energy Alliance (CEA) jointly submitted comments (Attachment A) on the [Draft Resolution E-5277](#)). SDCP and CEA argued that the Draft Resolution’s proposal to approve SDG&E’s

request for a change in cost recovery treatment from the Cost Allocation Mechanism (CAM) to the Power Charge Indifference Adjustment (PCIA) commits legal error by authorizing cost recovery treatment that is explicitly prohibited by the CPUC's Summer Reliability Decision (D.21-12-015). As previously discussed in SDCP's Protest to the Advice Letter, filed on April 11, 2023, approving this change in cost recovery would burden SDCP and CEA customers by increasing PCIA charges and eliminating any RA credits that they would have received through CAM (see the [regulatory and legislative staff report](#) for the April 27, 2023, meeting of the Board of Directors, page 32). Unfortunately, CPUC Energy Division rejected these arguments and approved SDG&E's request in the final Resolution.

B) Legislative Update

SDCP has taken positions on seven bills so far this legislative session.

The only bill that SDCP currently has an Oppose Unless Amended position on is [AB 1373 \(Garcia\)](#). While this bill has been amended significantly to address a number of concerns raised by SDCP and CalCCA, SDCP still has concerns, and therefore, SDCP has not yet removed its opposition. The bill was not heard by the July 14 policy committee deadline. However, since the bill has an urgency clause, it could still be heard by the Senate Energy, Utilities and Communications Committee once the legislature reconvenes from summer recess in August. Therefore, SDCP representatives are continuing to meet with policymakers and stakeholders in Sacramento to explain remaining concerns with the bill.

SDCP staff and SDCP lobbyists did hold a number of meetings in June regarding the the Energy Reliability trailer bill, which mirrors the issues that are outlined in SDCP's letter on AB 1373. SDCP had expected that this trailer bill would have passed with the budget by June 30, 2023. However, the Energy Reliability trailer bill was ultimately not a part of the budget that was passed by June 30. It is possible that the Energy Reliability trailer bill could move forward before the end of the legislative session.

All of the bills SDCP has taken a position on are listed on the SDCP website: [Legislative Priorities - San Diego Community Power \(sdcommunitypower.org\)](#)

Staff will continue to monitor the progress of these bills as they progress through the legislative process and update the Board in subsequent reports.

C) Federal Activities Report

In June, SDCP CEO Karin Burns requested during the SDCP Fly In to Washington DC that Congressman Scott Peters author a letter regarding CCA eligibility for funding flowing from the Inflation Reduction Act. Mr. Peters agreed to author the letter and his staff also led an effort to get other members of the California delegation to sign onto the letter. The final version of the letter is attached to this staff report (Attachment B). SDCP worked with other CCAs in the state who also reached out to their representatives requesting that they



sign onto the letter. These CCAs are appreciative of SDCP's leadership and in getting Mr. Peters to author the letter and lead the effort.

COMMITTEE REVIEW

N/A

FISCAL IMPACT

N/A

ATTACHMENTS

Attachment A: Comments on Draft Resolution E-5277

Attachment B: Letter to Secretary Granholm and Administrator Regan



June 28, 2023

Via E-Mail (EDTariffUnit@cpuc.ca.gov)

Energy Division, Tariff Unit
California Public Utilities Commission
505 Van Ness Avenue, 4th Floor
San Francisco, California 94102

**SUBJECT: Comments of San Diego Community Power and Clean Energy Alliance on
Draft Resolution E-5277**

Dear Energy Division,

Pursuant to Rule 14.5 of the California Public Utilities Commission's ("Commission") Rules of Practice and Procedure, San Diego Community Power ("SDCP") and Clean Energy Alliance ("CEA") submit these comments on Draft Resolution E-5277 ("Draft Resolution"). The Draft Resolution commits legal error by authorizing cost recovery treatment for the utility owned Westside Canal Energy Storage Project ("Westside Canal") that is explicitly prohibited by the Commission in D. 21-12-015, also known as the Summer Reliability Decision.

Furthermore, the Draft Resolution misconstrues D. 21-06-035, also known as the Midterm Reliability Decision, and supplies authorization where none actually exists. The Midterm Reliability Decision permits utilities to count projects approved by the Commission for compliance purposes. It does not, as the Draft Resolution incorrectly claims, permit arbitrary changes in cost recovery.

Finally, Commission approval of Resolution E-5259, regarding a cost recovery request made by Southern California Edison ("SCE"), is not relevant to this dispute and should not be taken into consideration. For these reasons, the Commission should revise Draft Resolution E-5277 to be consistent with prior Commission decisions and deny SDG&E's request.

I. Background

SDG&E originally procured Westside Canal to meet summer reliability procurement targets pursuant to D.21-12-015. In SDG&E's AL 3913-E, filed on December 14, 2021, SDG&E requested approval and CAM treatment for the Westside Canal project, but made no mention of the PCIA. The Commission issued Resolution E-5193 on February 10, 2022, which approved three storage projects proposed in SDG&E AL 3913-E and AL 3913-E-A, including Westside



Canal, for a total of \$399.2 million.¹ Like the advice letter, the resolution makes no mention of the PCIA, and instead authorized SDG&E “to recover the costs of the utility-owned energy storage contracts via the Cost Allocation Mechanism.”²

SDG&E filed 4182-E with the Commission on March 22, 2023, seeking approval to change the cost recovery treatment for the Westside Canal project from CAM to PCIA and also to apply capacity to its MTR obligations. In response, SDCP filed a protest to SDG&E AL 4182-E on behalf of itself and CEA on April 11, 2023, on the grounds that SDG&E does not cite any Commission decisions or other authority, make any valid arguments, or provide meaningful justification in support of its request to change treatment for the Westside Project from CAM to PCIA. SDG&E responded to this protest on April 18, 2023, and the Commission issued Draft Resolution E-5277 on July 13, 2023.

The Draft Resolution approves SDG&E’s request to count Westside Canal towards its midterm reliability procurement requirements pursuant to D. 21-06-035 and modify the project’s cost recovery mechanism, from the Cost Allocation Mechanism (“CAM”) to the Power Charge Indifference Adjustment (“PCIA”).

II. Discussion

A. Draft Resolution E-5277 Commits Legal Error by Ignoring Explicit Restrictions on Cost Recovery in the Summer Reliability Decision

The Summer Reliability Decision discusses utility owned resources at some length and stresses that all customers will be benefiting from ordered procurement and should share in the cost.³ That is why the Commission ordered that project costs first be collected through distribution costs and then later through CAM.⁴ The decision does not authorize PCIA treatment for otherwise eligible projects.

There is no question that utilities are permitted to use utility owned storage resources to meet midterm reliability requirements, provided certain requirements are met. That said, the Commission’s authorization came with explicit restrictions on cost recovery:

It is permissible for an IOU to use UOS resources procured for 2022 and/or 2023 summer reliability to meet its individual IRP Mid-term Reliability (MTR) requirements for its bundled customers after 2023 assuming the resource meets otherwise applicable IRP MTR resource requirements and *the IOU charges only bundled customers for the post-2023 cost of the resources.*⁵

(italics added.) Draft Resolution E-5277 acknowledges but then ignores this restriction.⁶

¹ Resolution E-5193, February 10, 2022.

² Resolution E-5193 at OP 3.

³ D. 21-12-015 at 105-109.

⁴ “Consistent with the principles of the CAM authority we granted in D.21-02-028, once the resource is connected to the transmission system and deliverable to CAISO markets, the costs shall no longer be collected through distribution rates, and instead the net capacity costs and benefits will be accounted for through the CAM mechanism.” D. 21-12-015 at 108.

⁵ *Ibid.*

⁶ Draft Resolution E-5277 at 7.



Bundled and unbundled customers pay PCIA charges, and so SDG&E's request runs directly counter to this Commission directive. As a result, authorization of SDG&E's request to change cost recovery treatment from CAM to PCIA for Westside Canal is legal error. The Commission should revise the Draft Resolution to deny SDG&E's request for a change in cost recovery treatment.

B. Draft Resolution E-5277 Misconstrues the Midterm Reliability Decision and Supplies Authorization Where None Exists

The Draft Resolution cites the Midterm Reliability Decision in support of its conclusion that SDG&E's proposed cost recovery change should be granted.⁷ Specifically, the Draft Resolution cites Ordering Paragraph ("OP") 14 of the decision, which states that utilities may "claim compliance with the capacity requirements in this decision for any contract or resource that has already been approved by the Commission for another purpose in another venue."⁸ It is important to note that this language does not address cost recovery and does not have any cost recovery implications on its own.

Reading this language together with language in the Summer Reliability Decision permitting utilities to use utility owned storage to meet requirements laid out there⁹ does nothing to advance SDG&E's request. That is because none of the authorities cited in the Draft Resolution disturb the Summer Reliability Decision's explicit prohibition on charging unbundled customers the cost of the resource.

Contrary to SDG&E's argument, the Midterm Reliability Decision does not require a choice between CAM and PCIA.¹⁰ These are SDG&E's words, not the Commission's, and they describe a false choice. The Midterm Reliability Decision does include language that suggests all customers in a utility territory cannot continue to be charged for the ongoing cost of resources after 2023,¹¹ and that may be interpreted to bar the continued application of CAM charges, but it is no endorsement of PCIA treatment, which does *charge all customers in a utility territory*. In other words, the Commission cannot rely on a prior decision barring utilities from charging all customers in the territory for the costs of utility owned resource in order to authorize the charging of all customers in the territory for the costs of a utility owned resource.

Granting SDG&E's request, the Draft Resolution supplies authorization where none exists. Contrary to the Draft Resolution's mystifying claim that there are no other cost recovery options available other than the PCIA for charging only bundled customers for a resource,¹² there are numerous options available to the Commission to exclusively charge bundled customers and add the cost of the resource to bundled customer bills like other non-PCIA eligible generation and storage costs. These options could be thoroughly explored in an efficient standalone application proceeding.

⁷ Draft Resolution E-5277 at 7-8.

⁸ D. 21-06-035 at OP 14.

⁹ D. 21-12-015 at 108.

¹⁰ Reply of San Diego Gas & Electric Company to Protest of Advice Letter 4182-E: Request to Count Approved Project Toward Midterm Reliability Capacity Requirements Under Decision 21-06-035, April 18, 2023, at 3.

¹¹ D. 21-12-015 at 108-109.

¹² " ... there is no other cost recovery option other than the PCIA for charging only bundled customers for a resource." Draft Resolution E-5277 at 8.



C. Southern California Edison's Request to Change Cost Recovery for an Entirely Different Project Is Not Relevant

The Draft Resolution cites Commission approval of Resolution E-5259, regarding a compliance and cost recovery request made by SCE for a completely different project, as support for its conclusion that SDG&E's request to change cost recovery from CAM to PCIA on Westside Canal should be granted. SCE's request and the Commission's decision on the matter are not relevant here and should not be taken into consideration. The relevant facts have not been fully examined and raised by the parties involved in SDG&E's current advice letter process, and in any event, as the disposition of an advice letter from a single utility, Resolution E-5259 is not binding or necessarily instructive here. For these reasons, the Commission should revise Draft Resolution E-5277 to be consistent with prior Commission decisions and deny SDG&E's request for PCIA treatment.

III. Conclusion

For the reasons stated above, SDCP and CEA request that the Draft Resolution be revised to deny SDG&E's request for a change in cost recovery treatment from CAM to PCIA on the utility owned Westside Canal Project.

Respectfully,

/s/ Ty Tosdal

Ty Tosdal
Tosdal APC
845 15th Street, Suite 103
San Diego, CA 92101
ty@tosdalapc.com

*Attorney for San Diego Community Power and
Clean Energy Alliance*

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Greg Anderson, SDG&E (GAnderson@sdge.com)
SDGETariffs@sdge.com
Service List: R. 20-05-003



Congress of the United States

Washington, DC 20515

July 18, 2023

The Honorable Jennifer M. Granholm
Secretary
U.S Department of Energy
1000 Independence Avenue, S.W
Washington D.C. 20585

The Honorable Michael Regan
Administrator
U.S Environmental Protection Agency
1200 Pennsylvania Avenue, N.W
Washington, DC 20460

Dear Secretary Granholm and Administrator Regan:

We commend your implementation of expanded and established incentives in the Inflation Reduction Act (IRA). As you continue supporting IRA programs, it is imperative all forms of qualifying organizations take advantage of the available resources.

Specifically, we want to highlight the importance of Community Choice Aggregators (CCA). CCAs effectuate work in alignment with IRA programs since they are designated as local government agencies and load-serving entities.

CCAs are public agencies, authorized by state law, and formed by one or more cities and counties to procure electricity on behalf of their residents and businesses. CCAs procure renewable, affordable, and accessible power for their local communities to accelerate the decarbonization of the grid.

CCAs exist in ten states, and many other states are considering this model. In California alone, 25 CCAs serve more than 200 communities and over 11 million customers; they represent 33% of the state's electric load. Elected officials from member jurisdictions or city councils form a board of directors which govern CCAs.

As a direct extension of one or more local governments, CCAs have a unique and close relationship to their communities. CCAs can effectively distribute funding and launch programs, thus playing a key role in deploying funding quickly. CCAs also present a natural opportunity to aggregate local government projects which can encourage regional partnerships.

On June 14th, 2023, the U.S. Department of the Treasury released guidance regarding the direct payment of tax credits under Section 6417 of the Internal Revenue Code. The guidance suggests broad eligibility for the direct pay provisions of the Inflation Reduction Act, which will help state, local, and Tribal governments as well as non-profit organizations, U.S. territories, and CCAs to take advantage of clean energy tax credits.

We encourage the U.S Department of Energy and U.S. Environmental Protection Agency to follow the Treasury Department's lead and ensure CCAs are eligible for new and expanded programs under the Inflation Reduction Act.

Thank you for your consideration. We look forward to continuing to support your efforts

Sincerely,



Scott H. Peters
Member of Congress



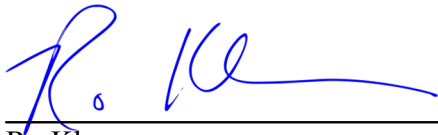
Jimmy Panetta
Member of Congress

A handwritten signature in blue ink that reads "Mike Levin". The signature is fluid and cursive, with a horizontal line extending from the end.

Mike Levin
Member of Congress

A handwritten signature in blue ink that reads "Mike Thompson". The signature is cursive and flows from left to right.

Mike Thompson
Member of Congress

A handwritten signature in blue ink that reads "Ro Khanna". The signature is cursive and includes a small loop at the end.

Ro Khanna
Member of Congress

A handwritten signature in blue ink that reads "Mark DeSaulnier". The signature is cursive and includes a large, stylized "D".

Mark DeSaulnier
Member of Congress



SAN DIEGO COMMUNITY POWER Staff Report – Item 12

To: San Diego Community Power Board of Directors

From: Colin Santulli, Director of Programs

Via: Jack Clark, Chief Operating Officer

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

Date: July 27, 2023

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.

BACKGROUND

Calpine Energy Services (Calpine) is an energy service and management company that provides comprehensive data management and back-office support for SDCP. Their support includes managing SDCP's billing administration, customer information system, customer call center, rate schedule maintenance, and other various data services. Calpine regularly adapts its client support to the ever-shifting clean energy market, including adding subcontractors that meet emerging market and client needs.

Recurve Analytics (Recurve) is a technology company that provides energy management program technology to utility clients. They regularly partner with Calpine (as a subcontractor) and currently serve several of Calpine's CCA customers. Calpine established its partnership with Recurve after SDCP's existing back-office contract was executed. Neither Recurve nor their specific service offering are directly included in SDCP's existing contract with Calpine but are considered part of the "direct support to address emerging energy issues" identified in section 2(j)5 Value Added Services of the existing contract.

Pilot programs were identified as one of the recommended short-term program types in the Community Power Plan (CPP), SDCP's five-year strategic plan for customer energy programs. In the CPP, pilot programs are defined as small-scale, short-duration projects (6-18 months) that can provide SDCP and stakeholders data on program design, technology acceptance, and other information helpful for broader program delivery.

DISCUSSION

August and September are the peak electricity demand months for SDCP and present the highest financial and grid resiliency risk to SDCP and our customers. Reducing consumption during peak hours during these peak summer months has been deemed a priority for all Load Serving Entities by the California Public Utilities Commission (CPUC) and the Governor's Office. As such, upon approval of SDCP's FY 23-24 Operating Budget which includes a \$2M allocation for pilot programs within the Capital Investment Plan, SDCP sought an energy efficiency and demand response service provider to deliver load reductions during peak hours (4-9pm) in August and September of this year.

With only two months until the desired peak hour load reductions, SDCP needed to identify and work with an established, proven service provider and technology. Recurve's FLEXMarket service (described more below) provides this 'off-the-shelf' capability.

Data Management Agreement Amendment

Calpine manages SDCP's customer information system and thus, currently has confidential and controlled access to SDCP customers' energy data. This existing relationship would allow Calpine to immediately identify customers that would be eligible, receive the most benefit, and be most interested in this potential Peak Load Reduction Pilot (Pilot).

Calpine has offered to repurpose the contract value of services no longer necessary to fund a portion of the proposed Pilot for this summer. The services no longer necessary include engagement support intended during the Phase 3 pre-enrollment period. This repurposing of contract value would be equal to \$150,000 in incentives toward the Pilot.

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;
- Calpine's unique ability to repurpose existing scope of work items and associated budget to financially support the proposed Pilot; and
- Calpine's existing relationship with Recurve and the FLEXMarket platform.

The collective nature of these factors unique to Calpine significantly reduces SDCP staff time and cost that would be required to launch the proposed Pilot and enables the deployment of a pilot within the timeframe required to meet SDCP's operational needs.

The amendment to SDCP's existing Data Management Agreement would enable Calpine to oversee Recurve's implementation of the proposed Pilot. Additionally, the amendment facilitates payment of up to \$300,000 from SDCP to Calpine to fund the proposed Pilot and repurposes \$150,000 of existing contract value toward the Pilot.

Peak Load Reduction Pilot

SDCP's proposed Pilot will rely on the established processes, plans, templates, and agreements of Recurve's FLEXMarket service offering.

Calpine and Recurve currently operate the FLEXMarket suite of services for eight utilities and public agencies (i.e., municipal utilities, CCAs, regional energy networks) in California and provide FLEXMarket services to 15 utilities throughout the rest of the country. FLEXMarket was the basis for the State's summer peak reliability solution, the Market Access Program, enacted by the CPUC in response to [Governor Newsom's July, 30 2021 Emergency Proclamation](#).

FLEXMarket is a market-based solution for demand flexibility that relies on the pay-for-performance (P4P) model. The P4P only distributes incentive payments when measured load reductions are delivered, limiting risk to participating utilities. FLEXMarket also uses the CPUC-approved meter-based quantification methodology or Normalized Metered Energy Consumption (NMEC) as it is known in California.

FLEXMarket leverages contracts with aggregators to engage with commercial customers. Aggregators are participating vendors or program partners who generate energy efficiency and/or demand peak savings for an aggregated group of customers. FLEXMarket now includes more than 150 aggregators across the state. Incentives are distributed to participating aggregators on a quarterly basis and for one year after a measure is installed. FLEXMarket promotes a wide range of measures including, but not limited to, the following interventions: lighting, HVAC, water heating, building envelope, refrigeration, and controls-based technologies.

SDCP's proposed Pilot is expected to support primarily lighting projects in several commercial sites. Projects are expected to be installed in August and deliver reductions in September. Reductions will be measured for 12 months after installations.

Calpine and Recurve will deliver a final report after the evaluation period concludes one-year after the last project installation. The report will include the metrics achieved (i.e., kw, kWh, GHG), lessons learned, and recommendations for how to scale the Pilot to a broader program.

COMMITTEE REVIEW

SDCP staff presented a high-level overview of the proposed Pilot at the July 13, 2023 Community Advisory Committee (CAC) meeting. Staff committed to continuing to discuss pilot program developments with the newly formed CAC Ad-Hoc Programs Committee and will present notable updates at future CAC meetings.

FISCAL IMPACT

SDCP's \$300,000 cost for the proposed Pilot will be funded from the \$2M pilot program budget in the Capital Investment Plan that was approved as part of SDCP's FY 23-24 Operating Budget at the June 22, 2023 Board meeting.

ATTACHMENTS

Attachment A: FIRST AMENDMENT to the AGREEMENT BETWEEN SAN DIEGO COMMUNITY POWER AND CALPINE ENERGY SOLUTIONS, LLC

Attachment B: ATTACHMENT A TO AMENDMENT NO. 1 TO AGREEMENT BETWEEN SAN DIEGO COMMUNITY POWER AND CALPINE ENERGY SOLUTIONS, LLC



**FIRST AMENDMENT To The
AGREEMENT BETWEEN SAN DIEGO COMMUNITY POWER
AND CALPINE ENERGY SOLUTIONS, LLC**

As of April 30, 2020

Amendment Effective Date: July 27, 2023

This First Amendment is made and entered into by and between Calpine Energy Solutions, LLC ("Contractor") and San Diego Community Power ("SDCP"). Effective upon the Amendment Effective Date, SDCP and Contractor hereby agree to amend that certain Agreement Between the San Diego Community Power and Calpine Energy Solutions, LLC dated as of April 30, 2020 ("Original Agreement").

For good and sufficient consideration, including the mutual covenants set forth in this Amendment, all of the following terms, conditions, covenants, and representations set forth in this Amendment are hereby incorporated by reference as part of the Original Agreement, which together shall hereafter constitute the "Agreement."

- I. The Original Agreement is hereby amended by deleting Exhibit A, Section 2.(j).3 in its entirety and replacing it with the following:

"3. Clean Energy Incubator

In support of advancing new clean energy technologies, Contractor will develop and launch a Summer Peak Load Reduction Pilot ("Pilot") in partnership with Recurve Analytics, LLC. The Pilot is intended to deploy new behind-the-meter resources based in SDCP's territory, that will provide permanent peak load reduction. The Pilot is subject to the Recurve Flexmarket Terms and Conditions contained in Exhibit C."

The Recurve Flexmarket Terms and Conditions attached hereto and incorporated herein, are hereby added to the Agreement as Exhibit C.

- II. The Original Agreement is hereby amended by deleting Exhibit A, Section 2.(j).5 in its entirety and replacing it with the following:

"5. RESERVED"

- III. All capitalized terms used, but not defined, in this Amendment shall have the meanings set forth in the Agreement. As modified by this Amendment, the Agreement shall remain in full force and effect.
- IV. This Amendment may be executed in counterparts, each of which shall be an original and all of which taken together shall constitute one and the same agreement. The Parties agree that, if a copy of this Amendment is executed by a Party and transmitted to the other Party by facsimile, the copy received shall be deemed for all legal purposes to be an original executed by the transmitting Party.

IN WITNESS WHEREOF, the authorized representatives of the Parties have executed this First Amendment as of the Amendment Effective Date.

**For CONTRACTOR:
CALPINE ENERGY SOLUTIONS, LLC**

By: _____

Title: _____

**For SDCP:
SAN DIEGO COMMUNITY POWER**

By: _____

Title: _____

ATTACHMENT A TO AMENDMENT NO. 1 TO AGREEMENT BETWEEN SAN DIEGO COMMUNITY
POWER AND CALPINE ENERGY SOLUTIONS, LLC

Exhibit C: RECURVE FLEXMARKET TERMS AND CONDITIONS

DEFINITIONS:

“Active Measurement Period” for load shifting projects shall be defined as the measurement period stated in the FLEXmarket Implementation Plans (IP). If a project is enrolled during the Active Measurement Period, that project's Active Measurement Period starts on the enrollment date and ends on the corresponding end date of the given year.

“Advice Letter” - A document submitted to the California Public Utilities Commission requesting a review of Load Serving Entity's (“LSE”) request to propose a new program, product, or service.

“Aggregator” - Participant in the FLEXmarket Program providing technology and services to end customers (taking service from the Load Serving Entity (“LSE”) with project submittals to the FLEXmarket Program for payment of incentives by LSEs under the Program.

“Agreement” – Master Services Agreement between LSE and Calpine Energy Solutions, LLC, executed on DATE inclusive of Amendment No. 1 to the Agreement thereto executed on EFFECTIVE CONTRACT DATE

“Amendment” – This Amendment No. 2 to the Master Services Agreement Between LSE and Calpine Energy Solutions, LLC

“Anchor Measure” - Refers to the primary energy efficiency measure submitted in a Project. The Anchor Measure sets the EUL which will be the basis of the total grid value delivered by a Project.

“California Public Utilities Commission” (CPUC) - Regulatory agency that regulates public and private utilities, Community Choice Aggregators, and Regional Energy Networks in the state of California. The CPUC sets the rules and regulations for energy efficiency programs and is the entity to whom the FLEXmarket Program will need to provide Claimed Savings.

“Effective Useful Life” (EUL) - Estimated lifespan of a demand flexibility measure used in the calculation of FLEXmarket incentives as defined by the LSE and RECURVE.

“Flexibility Purchase Agreement” (FPA) – Agreement between RECURVE and Aggregator that defines the methods and protocols that allow the Aggregator to get paid by LSEs for increasing demand flexibility (such as energy efficiency, demand response, and electrification) (“Demand Flexibility”) in existing buildings across a portfolio of customers submitted to the FLEXmarket Program.

“Implementation Plan” (IP) - Plan submitted to the CPUC outlining the steps required to successfully launch the LSE program described herein. The IP details the program design, processes, and workflows required to operate.

“Load Serving Entity (LSE)” - Secures energy and transmission service (and related Interconnected Operations Services) to serve the electrical demand and energy requirements of its end-use customers. In this case, the specific Load Serving Entities (LSEs) referred to are Community Choice Aggregators (CCAs).

“Measurement and Verification Plan” (M&V Plan) - Plan which outlines the rules and process in which energy savings will be calculated and claimed within this program. This plan is governed by the requirements of the CPUC population-level components of the NMEC Rulebook v.2. All NMEC approaches are based on pre- and post-intervention energy usage data observed at the meter for each project and each aggregator's portfolio.

"Measured Program Value" for energy efficiency and load shifting projects shall be defined as the total system benefits as calculated by Recurve and verified by LSE in accordance with the FLEXmarket Implementation Plans (IP).

"Normalized Metered Energy Consumption" (NMEC) - Meter-based approach to quantifying energy savings.

"Participating Customer" - LSE customer who is the recipient and end user of prescribed demand flexibility measure(s) delivered by a participating Aggregator.

"Parties" – LSE and Calpine Energy Solutions, LLC ("CALPINE ENERGY SOLUTIONS"), collectively; LSE and Calpine Energy Solutions, LLC may also be referred to individually as a "Party."

"Project(s)" - refers to a program submission containing a pre-set list of customer, cost, and measure information to be/that has been installed by an Aggregator to achieve energy savings for a single customer within the FLEXmarket Program. Projects shall follow the eligibility and enrollment process defined in the IP.

"Total Incentive Payment" - Total payments made to all Aggregators from an LSE participating in the FLEXmarket Program.

RECITALS:

WHEREAS, the Parties entered into the Agreement for the purpose of CALPINE ENERGY SOLUTIONS' provision of customer account support, billing operations, data management, and other services set forth therein to LSE-;

WHEREAS, San Diego Community Power, referred to herein as "LSE" is a Community Choice Aggregation Load Serving Entity, and desires to work with CALPINE ENERGY SOLUTIONS and Recurve Analytics, a partner/subcontractor to CALPINE ENERGY SOLUTIONS ("RECURVE"), to administer its Peak Load Reduction Pilot Program (the "Program") through Recurve's FLEXmarket platform ("FLEXmarket" or "FLEXmarket services", with third party project implementers (each, an "Aggregator" and collectively the "Aggregators") who have developed portfolios of Projects, and specifically to provide the services described in **Attachment A** hereto under the terms and conditions of the Agreement (except as provided in this Amendment); and

WHEREAS, CALPINE ENERGY SOLUTIONS seeks to provide, and warrants that it is qualified and competent to render, the services described in **Attachment A** below.

WHEREAS, NOW, THEREFORE, for and in consideration of the agreements made herein, and the payments to be made by LSE hereunder, the Parties agree to the following:

1. SCOPE OF SERVICES:

CALPINE ENERGY SOLUTIONS agrees to provide all of the services described in **Attachment A**, which is attached hereto and by this reference made a part hereof. As used hereinafter, "FLEXmarket Services" shall mean all of the services described in **Attachment A** and any other work performed by CALPINE ENERGY SOLUTIONS and its subcontractor RECURVE pursuant to this Exhibit C. For the avoidance of doubt, execution of the Amendment adding this Exhibit C by the LSE shall constitute approval of RECURVE as a subcontractor.

2. LSE OBLIGATIONS:

During the term of this Exhibit C, and in addition to LSE's other obligations under this Exhibit C, LSE agrees to:

2.1 Promptly upon request from CALPINE ENERGY SOLUTIONS, provide CALPINE ENERGY SOLUTIONS all pertinent data and records necessary for CALPINE ENERGY SOLUTIONS's delivery of the FLEXmarket Services within reasonable expectations.

2.2 Regularly and on a timely basis, provide data for CALPINE ENERGY SOLUTIONS's use in calculating LSE's payments to Aggregators under applicable Flexibility Purchase Agreements (FPAs) and LSE-specific terms and conditions, which will be furnished and/or developed as part of the Program Plans.

2.3 Pay undisputed and verified invoiced amounts to CALPINE ENERGY SOLUTIONS within 30 days of receiving invoices and supporting documentation.

3. FEES AND PAYMENT; INVOICING:

LSE shall compensate CALPINE ENERGY SOLUTIONS for the FLEXmarket Services in accordance with the Pricing Schedule set forth in **Attachment A** and by this reference incorporated herein. CALPINE ENERGY SOLUTIONS is responsible for billing LSE in a timely and accurate manner. CALPINE ENERGY SOLUTIONS shall email all invoices to LSE on a monthly basis as specified in **Attachment A** for any FLEXmarket Services rendered or expenses incurred hereunder. The final invoice must be submitted within 30 days of completion of the FLEXmarket Services or termination of this Exhibit C. LSE will process payment for undisputed invoiced amounts within 30 days of receipt of such invoice.

4. **TERM:**

This Exhibit C shall commence upon execution and shall be effective through November 30, 2024 (the "Term"). The extended term of this agreement is intended to account for a 12-month evaluation period of projects. Aggregators are not permitted to submit new projects to the FLEXMarket under this agreement after November 30, 2023. As such, projects with FPA execution dates after Dec 31, 2023 will not be eligible for payments under this agreement.

5. **TERMINATION:**

1. If either Party (the "Defaulting Party") fails to comply with the terms of this Exhibit C or violates any ordinance, regulation or other law which applies to its performance herein, and does not cure such failure or violation within ten (10) business days after receiving written notice thereof from the other Party, the other Party may terminate this Exhibit C by giving five (5) business days' written notice to the Defaulting Party.
2. In the event of termination not the fault of CALPINE ENERGY SOLUTIONS, CALPINE ENERGY SOLUTIONS shall be paid for all FLEXmarket Services performed to the date of termination in accordance with the terms of this Exhibit C. Notwithstanding anything contained in this Section 5 in no event shall LSE be liable for lost or anticipated profits or overhead on uncompleted portions of the FLEXmarket Services. CALPINE ENERGY SOLUTIONS shall not enter into any agreement, commitments or subcontracts that would incur significant cancellation or termination costs without prior written approval of LSE, and such written approval shall be a condition precedent to the payment of any cancellation or termination charges by LSE under this Section 5. Also, as a condition precedent to the payment of any cancellation or termination charges by LSE under this Section 5, CALPINE ENERGY SOLUTIONS shall have delivered to LSE any and all reports, drawings, documents and deliverables prepared for LSE before the effective date of such cancellation or termination.
3. Upon LSE's termination of this Exhibit C for any reason, CALPINE ENERGY SOLUTIONS shall bring the FLEXmarket Services to an orderly conclusion as directed by LSE.

6. **INVOICES; NOTICES:**

All invoices and notices pursuant to of the FLEXmarket Services shall be submitted in accordance with Attachment A below and the Agreement.

7. **ACKNOWLEDGEMENT OF EXHIBITS:**

In the event of a conflict between the terms of this Exhibit C and the terms in any of the following Attachments, the terms in this Exhibit C will govern.

	<input checked="" type="checkbox"/>	<u>Check Applicable Exhibits</u>	<u>CALPINE INITIALS</u>	<u>LSE'S INITIALS</u>
<u>EXHIBIT A.</u>	<input checked="" type="checkbox"/>	Scope of Work Pricing		

8. **BILLING, ENERGY USE, AND PROGRAM TRACKING DATA:**

1. CALPINE ENERGY SOLUTIONS shall make available to LSE upon demand, detailed descriptions of the Program, data tracking systems, baseline conditions, and participant data, including financial assistance amounts.
2. CALPINE ENERGY SOLUTIONS shall make available to LSE any revisions to RECURVE's program theory and logic model ("PTLM") and results from its quality assurance procedures, and comply with all LSE M&V requirements, including reporting of progress and evaluation metrics.
3. CALPINE ENERGY SOLUTIONS is required to attest that the information and data provided to LSE and aggregators is accurate. In the event of an error or errors in the data, CALPINE ENERGY SOLUTIONS understands and acknowledges a duty to correct upon discovery of that error, or in the time periods specified in Exhibit A, sections 2.b.iii, 3d, 4.a.i, and 4.b.i as attached hereto.

9. BUDGET

LSE shall allocate \$300,000 towards the program budget. Additionally CALPINE ENERGY SOLUTIONS shall provide an additional \$150,000, for a total program budget of \$450,000. CALPINE ENERGY SOLUTIONS and RECURVE shall also provide an additional \$100,000 in in-kind support. LSE's payments made under this Exhibit C shall not exceed \$300,000 unless approved by LSE's Board of Directors or Chief Executive Officer, as required under LSE's policies and procedures. CALPINE ENERGY SOLUTIONS payments made under this Exhibit C shall not exceed \$150,000, exclusive of in-kind services, unless approved in writing by CALPINE ENERGY SOLUTIONS.

10. NO BREACH OF AGREEMENT:

This Exhibit C shall be governed by the terms and conditions of the Agreement. Capitalized terms that (a) are used but not defined in this Exhibit C and (b) are defined in the Agreement have the meanings ascribed to them in the Agreement. In the event of a conflict between the terms of the Agreement and the terms of this Exhibit C, the terms of the Agreement will govern except that the Parties agree (y) that any breach of, or default under, this Exhibit C shall not necessarily be construed as a breach of the Agreement, and (z) that the Agreement shall not be terminated based purely on breach or default of this Exhibit C, unless breach is established separately pursuant to the terms of the Agreement.

Exhibit A: Services related to the FLEXmarket Programs

Scope of Work

1. CALPINE ENERGY SOLUTIONS and RECURVE shall jointly manage the Program utilizing the FLEXmarket Services described in this Exhibit A.
2. CALPINE ENERGY SOLUTIONS and RECURVE shall provide third-party Program management by:
 - a. Contracting with Aggregators who will develop projects or portfolios of projects pursuant to the terms of the FPA and LSE-specific Terms and Conditions.
 - b. Being responsible for managing operational Program functions, including but not limited to:
 - i. Recruiting and qualifying Aggregators, including by ensuring the requirements set forth in the FPA and Program Plans are met, and Aggregators (and any applicable subcontractors thereto) will deliver projects under the requirements of the Programs. LSE shall have the option to participate in early meetings with aggregator(s) who have indicated interest, are participating, or planning to participate in [LSE's](#) FLEXmarket program.
 - ii. Collecting and storing all project and programmatic data, including but not limited to project costs, predicted Energy Savings ("Energy Savings") defined as the annual/first year reduction in kWh or therms (if applicable over the baseline year, credited to a specific intervention or set of interventions at a Participating Customer's facility), measure lists, and enrollment dates. Updates to this programmatic data are to be made and shared with LSE on a monthly basis. Contractor has a duty to inform LSE about any known instances of data being improperly collected or stored, and any data shared that is later known to be incorrect, within five (5) business days of confirmation. Contractor has a duty to correct and resubmit this information to LSE within ten (10) business days. LSE recognizes that the IOU regularly corrects usage data and such corrections from the IOU will not constitute prior data being deemed incorrect.
 1. Aggregator-provided documentation for each project shall include the following:
 - a. List of measures installed;
 - b. Total Participating Customer cost of installing or implementing the measure(s);
 - c. Customer rebate or cost share, if any
 - d. Anticipated Energy Savings for the Project (as they are defined and calculated in the Rulebook);
 - e. The Anchor Measure;
 - f. An EUL of the measure(s) installed
 - g. Documents establishing the Scope of Work and Final Invoice for each project
 - h. Data Authorization Documentation for each customer/project, as necessary
 - iii. Implementing the scope described herein for the Program, including Aggregators and Participating Customer eligibility rules, access to incentive budgets, as defined by the Implementation Plan (IP) and Measurement & Verification ("M&V") plan.
 - iv. Developing program plans that include details on projects and measures to be collected from aggregators and provided to LSE in a form approved by the LSE;
 - v. Recommending quality assurance ("QA") requirements for LSE to implement;
 - vi. Accepting enrollment of eligible Participating Customers in the Programs, aggregating a portfolio of projects for each participating Aggregator and one portfolio (a combination of all Aggregator portfolios) for each Program, calculating Program energy savings for each Aggregator, and collecting all necessary data for FLEXmarket infrastructure as defined by the Implementation Plan;
 - vii. Implementing a process to approve predicted grid value of first-year Normalized Meter Energy Consumption (NMEC) savings provided by projects, which approval process shall be described in the applicable section of LSE's IP;

- viii. Adhering to LSE branding and marketing requirements, as provided by LSE, when utilizing LSE's image and likeness for materials created for direct customer engagement, and consistently seeking and incorporating LSE feedback and guidance pertaining to customer relationship management in alignment with the program delivery.
 - c. Managing the allocation of incentive budgets among the Participating Aggregators in accordance with the pilot budget. Contractor will create a FLEXmarket dashboard that tracks budget metrics such as budget reservations associated with projects, budget payable to Aggregators, budget paid to Aggregators to date, and remaining available budget, updated monthly, within one month of project installation completion.
 - d. Sharing the following programmatic data including but not limited to project costs, predicted Energy Savings ("Energy Savings" defined as the annual/first-year reduction in kWh or therms (if applicable) over the baseline year, credited to a specific intervention or set of interventions at a Participating Customer's facility), measure lists, and enrollment dates.
 - e. Generate and validate Aggregator payment invoices and provide to LSEs on a quarterly basis for record keeping purposes. Invoices from Aggregators will be paid by Contractor.
 - f. RESERVED
- 3. CALPINE ENERGY SOLUTIONS and RECURVE shall provide Program administrative support by:
 - a. Contractor shall inform LSE about any known instances of forecast data being improperly collected or stored, and any data shared that is later known to be incorrect, within five (5) business days of confirmation. Contractor has a duty to correct this information and resubmit to LSE within ten (10) business days. LSE recognizes that the IOU regularly updates usage data and such updates to the data will not constitute the prior data being incorrect.
 - b. Providing LSE with standard Program M&V Reports, generated within one month of the close of each program year, which will demonstrate verifiable consistency with the Program's M&V Plan;
 - c. Contractor shall inform LSE about any known instances of M&V data being improperly collected or stored, and any data shared that is later known to be incorrect, within five (5) business days of confirmation. Contractor has a duty to correct this information and resubmit to LSE within ten (10) business days. LSE recognizes that the IOU regularly updates usage data and such updates to the data will not constitute the prior usage data being incorrect;
 - d. Supporting LSE M&V studies or program evaluations by collecting and submitting project, Participating Customer, and program-level data;
 - i. Specifically, by providing good faith support and coordination with other Program Administrators that offer or intend to offer population-level NMEC programs within LSE's service area or adjacent service areas;
 - e. Providing Quality Assurance by providing the following documents and information to LSE:
 - i. Baseline annual consumption amounts for each project, if defined in IP;
 - ii. Anticipated Energy Savings and/or Flexibility Impacts;
 - iii. Technology measures or other energy efficiency improvements and/or flexibility strategies identified for installation, dependent on aggregator communication.
- 4. Program Scope Assumptions and Understandings:
 - a. CALPINE ENERGY SOLUTIONS is not a party to the FPAs with Aggregators.
 - b. LSE is not a party to the FPAs with the Aggregators.
 - c. RECURVE is authorized to modify the form of FPA used with specific Aggregators, including modification to any FPA exhibit, with written approval from LSE.
 - d. RECURVE is authorized to modify the form of LSE Program Terms and Conditions and LSE NDA only upon LSE's prior written consent to any such modification.
 - e. LSE is authorized to review each Measurement and Verification Plan (M&V Plan), Quality Assurance Plan (QA Plan) and Operation and Maintenance Plan (O&M Plan). Modification of any M&V Plan that includes payment terms shall require LSE's prior written consent.
 - f. Unless otherwise agreed to in writing by both Parties, Calpine shall be responsible for issuing payments to Aggregators for undisputed invoiced amounts.
 - g. All necessary Aggregator and Participating Customer data to be collected shall be outlined in the IP.

- h. Energy savings and population-level NMEC rules are defined by the Rulebook.
- i. Updated or new versions of the Rulebook shall apply to this Exhibit C and be used by LSE, CALPINE ENERGY SOLUTIONS, and RECURVE once released.

Pricing

For FLEXmarket Services provided under this Exhibit C, LSE shall pay CALPINE ENERGY SOLUTIONS in accordance with the amount(s) and schedule as specified below:

Pricing Schedule

Line Item	Price
FLEXmarket Program Management	25% of Measured Program Value

1. Invoices for the above Line Items:

- a. Invoices: CALPINE ENERGY SOLUTIONS shall bill LSE by written invoice ("Invoice") for 25% of the Measured Program Value of all load-shifting projects and energy efficiency projects that were in the Active Measurement Period during the previous quarter. Active projects will be defined by project completion, further defined in the FLEXmarket IP, and evidenced by receipt of the final invoice, as provided by the Aggregator to the Customer.
- b. Measured Program Value of each installed project ("Program Value") creating an "enrollment summary" that will be delivered to CALPINE ENERGY SOLUTIONS for communication to LSE on a quarterly basis. Program value mirrors the calculation of "net benefits" as defined by the CPUC.
- c. LSE shall pay undisputed quarterly Invoice amounts equaling 25% of the Measured Program Value for all energy efficiency projects in the Active Measurement Period in the previous quarter.
- d. LSE shall pay undisputed annual Invoice amounts equaling 25% of the Measured Program Value for all load shifting projects in the Active Measurement Period.
- e. LSE's payments to CALPINE ENERGY SOLUTIONS shall be subject to the not-to-exceed amount set forth in Exhibit C.

2. Fee Assumptions and Understandings:

- a. The Anticipated Energy Savings for the Project, the Anchor Measure load shape, and EUL are the "Key Inputs" required to calculate the monetary benefits of an energy efficiency project using the CPUC's Avoided Cost Calculator.
- b. The values of the Avoided Cost Calculator are in the public domain and have been incorporated into a pricing tool developed by RECURVE. Modified Avoided Cost Calculator values, reflecting the values used for the California Market Access Program, adjusted for climate zone, will be used to determine the value of the project and thus determine the payment due to CALPINE ENERGY SOLUTIONS.
- c. Additional details on required project documentation may be included in the IPs as confirmed in writing by LSE, RECURVE and CALPINE ENERGY SOLUTIONS.



SAN DIEGO COMMUNITY POWER Staff Report – Item 13

To: San Diego Community Power Board of Directors
From: Carly Newman, Senior Account Services Analyst
Via: Karin Burns, Chief Executive Officer
Subject: Approval of Language Access Policy
Date: July 27, 2023

RECOMMENDATION

Approve the SDCP Language Access Policy.

BACKGROUND

On October 1, 2019, the Founding Members of San Diego Community Power (SDCP) adopted the Joint Powers Agreement (JPA) which was amended and restated on December 16, 2021.

Section 3.2.12 of the JPA specifies that the SDCP Board of Directors (Board) may at its discretion adopt rules, regulations, policies, bylaws and procedures governing the operation of SDCP.

Further, Section 4.5.5 of the JPA states that one of the general purposes of the Board is to set policy.

On June 23, 2022, the SDCP Board adopted its mission, vision, core values and goals for 2023-2027 as part of its 2023-2027 Strategic Plan. Subsequently, on April 21, 2023, the SDCP Board updated its Strategic Plan and adopted its core values including “justice, equity, diversity, and inclusion (JEDI)” as well as “togetherness”.

In an effort to close the significant gap in the provision of services to Limited English Proficient (LEP) speakers in our region, staff are therefore proposing a Language Access Policy which will be critical to the success of SDCP’s mission, vision and core values to provide meaningful and equitable access to the services, programs, and activities offered by SDCP to its LEP community.

On July 13, 2023, the SDCP Community Advisory Committee (CAC) unanimously approved the proposed Language Access Policy that outlines the procedures that SDCP

intends to offer to customers with written and verbal services to ensure that they are able to access SDCP's programs, offerings, and service in their preferred or primary language.

ANALYSIS AND DISCUSSION

As a local government agency in the San Diego region, SDCP serves a very large and diverse customer base. According to the US Census Bureau, nearly 40% of people in San Diego County do not speak English at home, and nearly 10% of people speak English "less than very well". Without SDCP providing information to our customers in a language or format that they can understand, it is not possible for our customers to make an informed decision about their electricity provider. This Policy aims to address the needs of our customers so that we may equitably provide our customers with a choice to determine who will provide their electricity generation service as well as access to the programs and services we provide.

As an organization that prioritizes justice, equity, diversity, and inclusion, SDCP's Language Access Policy will establish organizational-wide procedures and guidelines for providing information and services to SDCP communities in a way that makes them accessible to persons who may not be proficient in the English language. Adopting a Language Access Policy will provide effective guidelines for language access services and will minimize the significant gap in the provision of services to Limited English Proficient (LEP) speakers in our region. Establishing this Policy is 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 our communities.

Additionally, as an agency that may at one time receive federal funding, this Policy will assist in establishing the framework for language access that is in compliance with applicable law and local ordinances that relate to language access.

COMMITTEE REVIEW

The Community & Equity Ad-Hoc Committee of SDCP's Community Advisory Committee (CAC) reviewed and unanimously approved the proposed Language Access Policy on July 7, 2023. This Policy was also received by the larger CAC and unanimously approved on July 13, 2023.

FISCAL IMPACT

SDCP currently has resources identified for translation and interpretation services and if additional resources are needed will be identified prior to the mid-year budget adjustment. Adopting a Language Access Policy will contribute to SDCP's core values of prioritizing justice, equity, diversity, and inclusion.

ATTACHMENTS

Attachment A: Language Access Policy





Language Access Policy

Effective Date: September, 2023

A. PURPOSE

To establish organizational-wide procedures for providing information and services directly to San Diego Community Power's (SDCP) communities in a way that makes them accessible to persons who are not proficient in the English language.

As an agency that may receive federal funding, this policy establishes guidelines for language access that is in compliance with applicable law, including Title VI of the Civil Right Act, the American with Disabilities Act, applicable Executive Orders, as well as applicable state and local laws and ordinances that relate to language access.

B. BACKGROUND

SDCP prioritizes justice, equity, diversity, and inclusion. In an effort to close the significant gap in the provision of services to Limited English Proficient (LEP) speakers in our region, establishing this Language Access Policy is essential to the success of our mission and vision to provide meaningful and equitable access to the services, programs, and activities offered by SDCP to its LEP community.

C. POLICY

The purpose of this policy is to establish effective guidelines for language access services. SDCP shall ensure that notices, services, and offerings are available to our customers without discrimination and confirm meaningful access for most LEP individuals to solidify our commitment to our communities' needs.

Furthermore, it is in the intent of this policy to establish guidelines and procedures for providing effective communication between SDCP and its customers who potentially may have been inadvertently precluded due to a language barrier. Language access shall be accurate, timely, effective, and at no cost to LEP individuals.

D. PROCEDURE

There are two primary types of language access assistance: written and verbal.

1. Written translation

- a. All departments of SDCP shall take reasonable steps to prioritize translation of vital documents or information. "Vital" documents are those that contain information that is critical for obtaining services and/or benefits or is required by law. Documents that may be considered "vital" may include, but are not limited to:
 - i. Administrative complaints, releases, or waiver forms;
 - ii. Application forms;
 - iii. Public outreach or education materials;
 - iv. Written notices of upcoming service or service changes;
 - v. Notices of community meetings or other community outreach;
 - vi. Notices regarding the availability of language assistance services.

- b. SDCP shall provide LEP individuals with translated statutory notices and mailers for SDCP services and program or incentive eligibility in a language they understand upon request. Additionally, SDCP will electronically host translation for the following documents:
 - i. Enrollment Notices
 - ii. Annual Joint Rate Mailers
 - iii. Annual Power Content Mailer
 - c. All translated documents shall be reviewed by another individual who is fluent in the language of the document and who can confirm its accuracy.
 - d. SDCP's website will provide translation and accessibility tools.
 - e. During regularly scheduled Board of Directors and other publicly noticed meetings, closed captioning services will be provided in English via an online virtual meeting platform. Closed captioning in other languages may be provided whenever additional technology automation allows.
2. Verbal interpretation
- a. Interpretation services will be provided via SDCP's Contact Center for customers who call SDCP's toll-free Contact Center.
 - b. During regularly scheduled Board of Directors and other publicly noticed meetings, verbal interpretation services may be made available upon request to the Clerk of the Board within at least five (5) business days prior to the meeting.

E. INTERNAL COMPLIANCE

SDCP will review government census data periodically to determine the prominent languages spoken within its region. Once per year, SDCP will review the SDCP Language Access Policy to determine the Policy's effectiveness and propose any necessary changes.

SDCP staff will receive training on SDCP's Language Access Policy. Training will include an overview of the Policy, overview of applicable federal, state, and local mandates, and the identifying and providing of language services. Recordings of this training will be provided to all staff unable to attend the in-person training.

F. DEFINITIONS

1. Limited English Proficient (LEP): Persons who are Limited English Proficient (LEP) are defined as people who do not speak English as their primary language or who are limited in their ability to read, write, speak, or understand English to an extent that effective communication in English is not possible. This includes people who are deaf or hard of hearing. LEP designations are context-specific; an individual may possess sufficient English language skills to function in one setting but find that these skills are insufficient in other situations.
2. Preferred or primary language: A customer's preferred or primary language is the language in which they are most comfortable speaking. A customer able to speak English may have a primary language other than English. The preferred or primary language should be chosen by the customer.

3. Interpretation: The process of orally rendering a spoken or signed communication from one language into another language.
4. Translation: The process of converting written text from one language into written text of another language.
5. Vital Documents: Vital documents are any materials that are essential to an individuals' ability to access services, programs, or incentives provided by SDCP, or are required by law. Classification of a document as "vital" depends upon the importance of each program, information, encounter, or service involved, and the consequence to the individual if the information in question is not provided.
6. Core Languages: Core languages are languages with a substantial number (at least 0.5% of total County of San Diego population) of LEP individuals and are based on San Diego's government census data. SDCP's current core languages are Spanish, Tagalog, Vietnamese, Chinese, and Arabic.



SAN DIEGO COMMUNITY POWER Staff Report – Item 14

To: San Diego Community Power Board of Directors
From: Lucas Utouh, Director of Data Analytics and Account Services
Via: Karin Burns, Chief Executive Officer
Subject: Approval of Default Service Change Policy
Date: July 27, 2023

RECOMMENDATION

Approve the Default Service Change Policy.

BACKGROUND

Each SDCP member agency selected a default service (“Default”) for Phases 1 – 4 of SDCP’s service launch in their respective jurisdictions.

Default service is defined as the selected SDCP service level which each Member Agency has selected as the default for the Member Agency’s customers. The Member Agency’s selection established the SDCP service level; either PowerOn, which is at least 50% renewable, or Power100, which is 100% renewable and carbon-free, that every customer in the Member Agency’s jurisdiction would be served under unless the customer takes an Opt Action.

ANALYSIS AND DISCUSSION

Adopting a robust Default Service Change Policy will provide the framework for San Diego Community Power (SDCP) staff and Board of Directors to evaluate and implement Member Agency’s changes of their default service. SDCP anticipates that in due time Member Agencies may decide to change their Default from their original selections. This potential to change a Default selection is contemplated in SDCP’s Joint Powers Agreement (JPA); however, the JPA does not specify a process for implementing this change. To appropriately plan from an energy procurement, financial planning, and operational perspective – including customer communications – SDCP and its partners need a defined process to prepare for and implement Default changes accordingly.

Advance Notice by a Member Agency to SDCP

The draft policy calls for 12 months’ prior notice from the Member Agency wishing to change its Default to SDCP. This advance notice is required from an energy procurement,

and financial and operational planning standpoint, ensuring that SDCP and its partners have enough time to adequately prepare for a successful transition.

Advance notice will enable SDCP to purchase enough renewable resources to meet the expected change in energy and generation capacity demand when the Default is updated, while taking into account anticipated opt out rates similar to SDCP's approach during mass enrollment. This would also allow SDCP time to determine what regulatory compliance and reporting is needed, if any, in response to changes in SDCP Member Agencies' Defaults.

Advance notice will also allow sufficient time for SDCP and our back-office provider to manage any data management and operational adjustments, for SDCP to examine any financial planning and rate setting implications, to work with SDG&E on any necessary billing considerations, to prepare the Customer Service Center for additional inquiries, and to plan for any other operational accommodations.

February Implementation

The draft policy establishes that the Default changes will go into effect in February, unless otherwise expressly agreed upon by SDCP and the Member Agency. SDCP believes that implementing any community-wide default change on a customer's February meter read date is preferable and would allow SDCP to match the Default service changes with our rate development and implementation timeline as approved by the Board via the Rate Development Policy effective as of November 17, 2022.

Customer Communication

The draft Policy establishes minimum guidelines for communicating Default changes to customers, specifically that SDCP notify customers at least twice about the Default change. During the time period between when a member jurisdiction makes a decision to change its Default and the February implementation, SDCP will work with the jurisdiction to develop and implement a comprehensive communication and outreach plan. More localized city/county branding is encouraged to be used for communicating a Default change (compared to mass enrollment notices, which were primarily SDCP branded) since it is the specific jurisdiction making the determination to change the Default. In addition, customized communications for large price-sensitive non-residential customers will be undertaken.



COMMITTEE REVIEW

N/A

FISCAL IMPACT

Expenditure associated with Default changes will be articulated and allocated during SDCP's annual budget process for the upcoming pertinent Fiscal Year, given the 12 months advance notification period requirement in the policy draft. Adopting a Default Service Change Policy will contribute to SDCP achieving its strategic long-term objectives of adequately planning and notifying customers of any changes to their default service as approved by our respective Member Agencies.

ATTACHMENTS

Attachment A: Default Service Change Policy





San Diego Community Power
Member Agency's Default Service Change Policy

Effective Date: July 27, 2023

PURPOSE

This policy provides the framework for San Diego Community Power (SDCP) Board of Directors and staff to evaluate and implement member agency's changes of their default service.

Default service is defined as the selected SDCP service level which each member agency has selected as the default for the member agency's customers. The member agency's selection established the SDCP service level (i.e. PowerOn, which is at least 50% renewable, and/or Power100, which is 100% renewable and carbon-free) that every customer in the member agency's jurisdiction would be served under unless the customer takes an Opt Action to change their service level selected by the member agency by either opting down to PowerOn if the default is Power100 and/or opt up to Power100 if their default is PowerOn; or completely opt out of SDCP service and return to SDG&E's bundled service.

Each of the SDCP member agencies has discretion to select the default service for the customers in their respective jurisdictions. Prior to service launch, each member agency selected a default service that customers within its jurisdiction would be enrolled in and served under. Although Recital 6(c) of the SDCP Joint Powers Agreement contemplates that each member agency can opt up or change its individual default service, the Joint Powers Agreement does not specify a process through which this can be done. A change in the default service will impact SDCP's fiscal, energy procurement, operational, and customer communication activities, and SDCP needs to appropriately plan for these changes. SDCP adopts this Policy in order to specify a process for a member agency to change its default service while providing SDCP sufficient notice and time to prepare for that change.

GENERAL CRITERIA

1. Notice of Default Service Change. If a member agency intends to change the default service for its customers, the member agency shall approve the change by an affirmative vote of the member agency's governing body. The member agency shall then provide written notice to SDCP of its decision to change the default service at least 12 months before the year in which the default service change will occur. The notice shall include a verified copy of the member agency's action changing the default service and any other information requested by SDCP.
2. February Default Rate Product Change Implementation. SDCP will implement any change to the default service in the month of February following the member agency's 12 month's prior notice to SDCP of the member agency's default service change. The service change will take effect on the customer's first meter-read date on or after February 1.
3. Activities Subsequent to Member Agency Notice. Upon receipt of a member agency's notice to change its default service, SDCP may engage in any or all of the following activities:
 - a. Purchase or prepare to purchase the appropriate amount of resources to meet the expected change in energy and generation capacity when the default service is changed.

- b. Complete or prepare to complete additional regulatory compliance and reporting requirements, if any.
 - c. Coordinate with SDCP's data manager and Customer Service Center to make necessary operational adjustments.
 - d. Evaluate financial and procurement impacts of default service change.
 - e. Examine SDCP rates and any rate impacts.
 - f. Coordinate and work with SDG&E on billing considerations as needed.
 - g. Prepare for and deploy customer communications efforts (see Section.4, below, for additional detail).
 - h. Identify and address any other operational impacts or issues and take steps to mitigate those impacts/issues.
 - i. Take any other action necessary to effectuate the member agency's change in default service.
4. Customer Communications. SDCP will proactively notify customers subject to a member agency's default service change. SDCP will lead, with support from the member agency, the development and dissemination of customer notices.
- a. **Required Notices.** Any customer accounts subject to a member agency's default service change shall be sent a minimum of two (2) notices at the time of the default service change. The first notice will be sent at least thirty (30) days prior to the service change and the second notice sent within thirty (30) days after the service change. These notices may be sent electronically and/or via regular mail.
 - b. **Optional Additional Notices.** In addition to the two required notices referenced in Section 4.a., above, SDCP will coordinate with a member agency who wishes to develop and distribute additional customer notices and/or conduct additional communications, such as on-bill messaging, bill inserts, social media campaigns, jurisdictional newsletters, etc.
 - c. **Cost of Customer Notices.** SDCP will cover the cost of the required customer notices for the member agency's first default service change. Subsequent default service changes will be charged to the member agency.
5. Frequency of default service change by a Member Agency. A member agency may change its default service no more than one (1) time every two (2) years.
6. Exceptions to application of default service change. Notwithstanding anything contained in this Policy, in no event shall a member agency's change in default service affect the following:
- a. **Prior Customer Opt Actions.** Any customer account that has affirmatively taken any Opt Action.
 - b. **Additional Exceptions.** SDCP's Chief Executive Officer is authorized to determine additional exceptions for customers that would be excluded from the parameters of a default service change or to implement the change on a different schedule than as set forth herein.
7. Customer Default Service Change: Nothing in this policy is intended to modify the rights of an individual customer to change their default service at any time by notifying SDCP.



SAN DIEGO COMMUNITY POWER Staff Report – Item 15

To: San Diego Community Power Board of Directors
From: Xiomalys Crespo, Community Engagement Manager
Via: Karin Burns, Chief Executive Officer
Subject: Community Advisory Committee Report – Second Quarter
Date: July 27, 2023

RECOMMENDATION

Receive and file quarterly report from the San Diego Community Power Community Advisory Committee (CAC).

BACKGROUND

According to Section 5.10.3 of the SDCP Joint Powers Authority (JPA) Agreement:

The Board shall establish a Community Advisory Committee comprised of non-Board members. The primary purpose of the Community Advisory Committee shall be to advise the Board of Directors and provide for a venue for ongoing citizen support and engagement in the strategic direction, goals, and programs of the Authority.

At the direction of the Chair of the San Diego Community Power (SDCP) Board of Directors, the CAC, via staff, shall provide quarterly updates during the regular meetings of the Board of Directors on a quarterly basis. The last quarterly update was provided on April 27, 2023.

ANALYSIS AND DISCUSSION

At the April 27, 2023 regular meeting of the Board of Directors, staff presented a summary of CAC activities from February and March. This update summarizes April through June.

April: CAC members welcomed incoming SDCP staff, including Jaya Pajbai as Chief Operating Officer, Jill Monroe as Senior Marketing Manager, and Charlene Hoffman as Human Resources Analyst, as well as new member Lauren Cazares (La Mesa). CAC members received an update on the Community Power Plan, Pilot Programs, Public Affairs, Back-Office Operations, and Power Services. SDCP staff also provided an

update on the Ormat Power Purchase Agreement. In April, the Committee began including legal counsel and a meeting clerk to better facilitate meetings. In April, the CAC also participated in a special, joint workshop with the Board of Directors to discuss strategic planning activities with SDCP staff.

May: As discussed during the meeting prior, the CAC regular meeting time changed from Fridays in the early afternoon to Thursday evenings, with meetings taking place in person with the end of the COVID-19 State of Emergency. CAC members recognized the sacred land where the meeting was held and introduced Lea Nepomuceno as its newest member representing the County of San Diego. The CAC formed a Programs Ad-Hoc Committee with the following representatives: Committee Member Anderson (County of San Diego), Committee Member Emerson (National City), Committee Member Scofield (Chula Vista), Committee Member Vasilakis (City of San Diego), and Secretary Webb (Imperial Beach). The CAC formed a Community & Equity Ad-Hoc Committee with the following representatives: Chair Price (City of San Diego), Vice Chair Castaneda (National City), Committee Member Cazares (La Mesa), Committee Member Hammond (Encinitas), and Committee Member Harris (La Mesa). Committee members unanimously voted to recommend SDCP's Board of Directors adopt the Community Power Plan. The group also received an update on customer operations focusing on the Phase 4 Enrollment of National City and the County of San Diego.

June: CAC members recognized the sacred land where the meeting was held, welcomed Xiomalys Crespo as SDCP's Community Engagement Manager, and received an update on Public Relations with a focus on the CalCCA Annual Conference, in which CAC Chair Price was part of a panel and Board of Directors Chair LaCava delivered opening remarks. The CAC received an update on the Fiscal Year 2023-2024 Operating Budget, followed by an update on the Collections and Delinquency Policy to include Residential customers. The CAC received an update and asked clarifying questions on the program design of the Disadvantaged Communities (DAC-GT) and Community Solar Green Tariff Programs (CS-GT). The CAC received an update on the Proposed Language Access Policy and on Community Benefits for the Proposed Ormat-Brawley Power Purchase Agreement. Through a separate communication prior to the June Board of Directors meeting, the CAC was also informed about the Renewable Power Purchase Agreement with Yellow Pine Solar III, LLC.

By having a standing item on the agenda since April 2023, the CAC has been able to better track its progress on their Fiscal Year 2022-2023 Work Plan goals. The Programs and Community & Equity Ad-Hoc Committees stood up in the spring will host their first meeting in July and will support the CAC in achieving these goals.

As of July 27, 2023, the CAC has two vacancies: one representing Imperial Beach and one representing the County of San Diego, with Lea Nepomuceno's departure in June. Members of the public must be residents, community leaders, and/or business owners of the respective jurisdictions and may submit their applications electronically.



Staff will return to the Board of Directors at the start of the fourth quarter of the year, which will take place in October, to report on third-quarter activities.

COMMITTEE REVIEW

N/A

FISCAL IMPACT

N/A

ATTACHMENTS

Attachment A: April 14, 2023, CAC Meeting Agenda

Attachment B: May 11, 2023, CAC Meeting Agenda

Attachment C: June 8, 2023, CAC Meeting Agenda





AGENDA

Regular Meeting of Community Advisory Committee San Diego Community Power (SDCP)

April 14, 2023

1:00 p.m.

City of San Diego Metropolitan Operations Complex (MOC II) Auditorium

9192 Topaz Way, San Diego, CA 92123

Alternate location:

7354 Eads Ave, San Diego, 92037

The meeting will be held in person at the above date, time and location. Community Advisory Committee (CAC) Members and members of the public may attend in person. Under certain circumstances, CAC Members may also attend and participate in the meeting virtually pursuant to the Brown Act (Gov. Code § 54953). As a convenience to the public, SDCP provides a call-in option and internet-based option for members of the public to virtually observe and provide public comments at its meetings. Additional details on in-person and virtual public participation are below. Please note that, in the event of a technical issue causing a disruption in the call-in option or internet-based option, the meeting will continue unless otherwise required by law, such as when a CAC Member is attending the meeting virtually pursuant to certain provisions of the Brown Act.

Note: Any member of the public may provide comments to the Community Advisory Committee (CAC) on any agenda item. When providing comments to the CAC, it is requested that you provide your name and city of residence for the record. Commenters are requested to address their comments to the CAC as a whole through the Chair. Comments may be provided in one of the following manners:

1. Providing Oral Comments During Meeting. Anyone attending in person desiring to address the CAC is asked to fill out a speaker's slip and present it to the CAC Chair or the Secretary. To provide remote comments during the meeting, join the Zoom meeting by computer, mobile phone, or dial-in number. On Zoom video conference by computer or mobile phone, use the "Raise Hand" feature. This will notify the moderator that you wish to speak during a specific item on the agenda or during non-agenda Public Comment. Members of the public will not be shown on video but will be able to speak when called upon. If joining the meeting using the Zoom dial-in number, you can raise your hand by pressing *9. Comments will be limited to three (3) minutes.
2. Written Comments. Written public comments must be submitted prior to the start of the meeting by using this ([web form](#)). Please indicate a specific agenda item when submitting your comment. All written comments received prior to the meeting will be provided to the CAC members in writing. In the discretion of the Chair, the first ten (10) submitted comments shall be stated into the record of the meeting. Comments read at the meeting will be limited to the first 400 words. Comments received after the start of the meeting will be collected, sent to the CAC members in writing, and be part of the public record.

If you have anything that you wish to be distributed to the CAC, please provide it via info@sdcommunitypower.org, who will distribute the information to the Members.

The public may participate using the following remote options:

Teleconference Meeting Webinar

<https://zoom.us/j/93647500600>

Telephone (Audio Only)

(669) 900-6833 or (253) 215-8782 | Webinar ID: 936 4750 0600

1. **Welcome**
2. **Roll Call**
3. **Special Presentations and Introductions**
4. **Public Comment for Items Not on the Agenda**
5. **Items to be Withdrawn, or Reordered on the Agenda**

REGULAR AGENDA

6. **Approval of March CAC Meeting Minutes**
7. **Receive Update on the Community Power Plan**
8. **Receive Update on Pilot Programs**
9. **Receive Update on Public Relations**
10. **Receive Update on Back-Office Operations**
11. **Receive Update on Power Services**
12. **Receive Update on Status of Ormat Power Purchase Agreement**
13. **Standing Item: Update on CAC Fiscal Year 2022 - 2023 Work Plan**
14. **Discuss Adjusting CAC Regular Scheduled Meeting Times**
15. **Discuss the Schedule and Frequency of Ad Hoc Committees**
16. **Standing Item: Discussion of Potential Agenda Items for Board of Directors Meetings**
17. **Committee Member Announcements**

Committee Members may briefly provide information to other members and the public. There is to be no discussion or action taken on comments made by Committee Members unless authorized by law.

18. Adjournment

Availability of Committee Documents

Copies of the agenda and agenda packet are available at <https://sdcommunitypower.org/resources/meeting-notes/>. Late-arriving documents related to a CAC meeting item which are distributed to a majority of the Members prior to or during the CAC meeting are available for public review as required by law. Public records, including agenda-related documents, can instead be requested electronically at info@sdcommunitypower.org or by mail to SDCP at PO Box 12716, San Diego, CA 92112. The documents may also be posted at the above website. Such public records are also available for inspection, by appointment, at San Diego Community Power, 2488 Historic Decatur Road, Suite 250, San Diego, CA 92106. Please contact info@sdcommunitypower.org to arrange an appointment.



AGENDA

Regular Meeting of Community Advisory Committee San Diego Community Power (SDCP)

May 11, 2023

5:30 p.m.

City of San Diego Metropolitan Operations Complex (MOC II) Auditorium

9192 Topaz Way, San Diego, CA 92123

The meeting will be held in person at the above date, time and location. Community Advisory Committee (CAC) Members and members of the public may attend in person. Under certain circumstances, CAC Members may also attend and participate in the meeting virtually pursuant to the Brown Act (Gov. Code § 54953). As a convenience to the public, SDCP provides a call-in option and internet-based option for members of the public to virtually observe and provide public comments at its meetings. Additional details on in-person and virtual public participation are below. Please note that, in the event of a technical issue causing a disruption in the call-in option or internet-based option, the meeting will continue unless otherwise required by law, such as when a CAC Member is attending the meeting virtually pursuant to certain provisions of the Brown Act.

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1. **Welcome**
2. **Roll Call**
3. **Land Acknowledgment**
4. **Special Presentations and Introductions**
5. **Public Comment for Items Not on the Agenda**
6. **Items to be Withdrawn, or Reordered on the Agenda**

REGULAR AGENDA

7. **Approval of April CAC Meeting Minutes**
8. **Appointments to the Community Advisory Committee's new Programs Ad Hoc Committee**
9. **Appointments to the Community Advisory Committee's new Community & Equity Ad Hoc Committee**
10. **Recommend to the Board Adoption of the Community Power Plan**
11. **Receive Update on Pilot Programs**
12. **Receive Update on Public Relations**
13. **Receive Update on Customer Operations**
14. **Standing Item: Update on CAC Fiscal Year 2022 - 2023 Work Plan**
15. **Standing Item: Discussion of Potential Agenda Items for Board of Directors Meetings**
16. **Committee Member Announcements**
Committee Members may briefly provide information to other members and the public. There is to be no discussion or action taken on comments made by Committee Members unless authorized by law.

17. Adjournment

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AGENDA

Regular Meeting of Community Advisory Committee San Diego Community Power (SDCP)

June 8, 2023

5:30 p.m.

City of San Diego Metropolitan Operations Complex (MOC II) Auditorium

9192 Topaz Way, San Diego, CA 92123

Alternate Location:

7354 Eads Avenue, San Diego, CA 92037

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1. Welcome

2. Roll

Call

3. Pledge of Allegiance

4. Land Acknowledgment

5. Special Presentations and Introductions

6. Public Comment for Items Not on the Agenda

7. Items to be Withdrawn or Reordered on the Agenda

REGULAR AGENDA

8. Approval of May CAC Meeting Minutes

9. Receive Update on Public Relations

10. Receive Update on Customer Operations

11. Receive Update on Fiscal Year 2023-2024 Operating Budget

12. Receive Update on Disadvantaged Communities and Community Solar Green Tariff Programs

13. Receive Update on Proposed Language Access Policy

14. Receive Update on Collections and Delinquency Policy to include Residential Customers

15. Receive Update on Community Benefits for the Proposed Ormat-Brawley Power Purchase Agreement

16. Receive Update on Ad-Hoc Committees

17. Standing Item: Update on CAC Fiscal Year 2022-2023 Work Plan

18. Standing Item: Discussion of Potential Agenda Items for Board of Directors Meetings

19. Committee Member Announcements

Committee Members may briefly provide information to other members and the public. There is to be no discussion or action taken on comments made by Committee Members unless authorized by law.

20. Adjournment

Availability of Committee Documents

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GLOSSARY OF TERMS

AB – Assembly Bill - An Assembly Bill is a piece of legislation that is introduced in the Assembly. In other words, the Assembly, rather than the Senate, is the house of origin in the legislature for the legislation. In California, it is common for legislation to be referred to by its house of origin number (such as, AB 32) even once it becomes law.

AL – Advice Letter - An Advice Letter is a request by a CPUC jurisdictional entity for Commission approval, authorization, or other relief.

ALJ – Administrative Law Judge - ALJs preside over CPUC cases to develop the evidentiary record and draft proposed decisions for Commission action.

ARB – Air Resources Board - The California Air Resources Board (CARB or ARB) is the "clean air agency" in the government of California. CARB is charged with protecting the public from the harmful effects of air pollution and developing programs and actions to fight climate change.

AReM – Alliance for Retail Energy Markets - a not for profit corporation that advocates for continued development of successful customer choice in retail energy markets and provides a focused voice for competitive energy retailers and their customers in selected public policy forums on the state level. AREM represented direct access providers such as Constellation NewEnergy and Direct Energy.

BayREN – Bay Area Regional Energy Network - BayREN offers region-wide energy programs, services and resources to members of the public by promoting energy efficient buildings, reducing carbon emissions and building government capacity.

CAISO – California Independent System Operator - a non-profit independent system operator that oversees the operation of the California bulk electric power system, transmission lines and electricity market generated and transmitted by its members (~80% of California's electric flow). Its stated mission is to "operate the grid reliably and efficiently, provide fair and open transmission access, promote environmental stewardship and facilitate effective markets and promote infrastructure development." CAISO is regulated by FERC and governed by a five-member governing board appointed by the governor.

CALCCA – California Community Choice Association - Association made up of Community Choice Aggregation (CCA) groups which represents the interests of California's community choice electricity providers.

CALSEIA – California Solar Energy Industries - CALSEIA represents more than 200 companies doing solar-related business in California, including manufacturers, distributors, installation contractors, consultants, and educators. Members' annual dues support professional staff and a lobbyist who represent the common interests of California's solar industry at the Legislature, Governor's Office, and state and local agencies.

CALSLA – California City County Street Light Association - statewide association representing cities, counties and towns before the CPUC that is committed to maintaining fair and equitable street light electric rates and facilities charges, and disseminating street light related information.

CAM – Cost Allocation Mechanism - the cost recovery mechanism to cover procurement costs incurred in serving the central procurement function.

CARB – California Air Resources Board – The CARB is charged with protecting the public from the harmful effects of air pollution and developing programs and actions to fight climate change in California.

CARE – California Alternative Rates for Energy - A State program for low-income households that provides a 30% discount on monthly energy bills and a 20% discount on natural gas bills. CARE is funded through a rate surcharge paid by all other utility customers.

CBE – Communities for a Better Environment - environmental justice organization that was founded in 1978. The mission of CBE is to build people's power in California's communities of color and low-income communities to achieve environmental health and justice by preventing and reducing pollution and building green, healthy and sustainable communities and environments.

CCA – Community Choice Aggregator - A community choice aggregator, sometimes referred to as community choice aggregation, allows local governments to procure power on behalf of their residents, businesses, and municipal accounts from an alternative supplier while still receiving transmission and distribution service from their existing utility provider. CCAs are an attractive option for communities that want more local control over their electricity sources, more green power than is offered by the default utility, and/or lower electricity prices. By aggregating demand, communities gain leverage to negotiate better rates with competitive suppliers and choose greener power sources.

CCSF – City and County of San Francisco - The City and County of San Francisco often engage in joint advocacy before the CPUC. San Francisco operates CleanPowerSF, a CCA.

CEC – California Energy Commission - the primary energy policy and planning agency for California, whose core responsibilities include advancing state energy policy, achieving energy efficiency, investing in energy innovation, developing renewable energy, transforming transportation, overseeing energy infrastructure and preparing for energy emergencies.

CEE – Coalition for Energy Efficiency - non-profit comprised of US and Canadian energy efficiency administrators working together to accelerate the development and availability of energy efficient products and services.

CLECA – California Large Energy Consumers Association - an organization of large, high load factor industrial customers located throughout the state; the members are in the cement, steel, industrial gas, pipeline, beverage, cold storage, food packaging, and mining industries, and share the fact that electricity costs comprise a significant portion of their costs of production. Some members are bundled customers, others are Direct Access (DA) customers, and some are served by Community Choice Aggregators (CCAs); a few members have onsite renewable generation.

CPUC – California Public Utility Commission - state agency that regulates privately owned electric, natural gas, telecommunications, water, railroad, rail transit, and passenger transportation companies, in addition to authorizing video franchises.



C&I – Commercial and Industrial – Business customers. C&I customers generally consume much higher volumes of electricity and gas. Many utilities segment their C&I customers by energy consumption (small, medium and large).

CP – Compliance Period – Time period to become RPS compliant, set by the CPUC (California Public Utilities Commission)

DA – Direct Access – An option that allows eligible customers to purchase their electricity directly from third party providers known as Electric Service Providers (ESP).

DA Cap – the maximum amount of electric usage that may be allocated to Direct Access customers in California, or more specifically, within an Investor-Owned Utility service territory.

DACC – Direct Access Customer Coalition a regulatory advocacy group comprised of educational, governmental, commercial and industrial customers that utilize direct access for all or a portion of their electrical energy requirements

DA Lottery – a random drawing by which DA waitlist customers become eligible to enroll in DA service under the currently-applicable Direct Access Cap.

DA Waitlist – customers that have officially registered their interest in becoming a DA customer but are not yet able to enroll in service because of DA cap limitations.

DAC – Disadvantaged Community - Disadvantaged communities refers to the areas throughout California which most suffer from a combination of economic, health, and environmental burdens. These burdens include poverty, high unemployment, air and water pollution, presence of hazardous wastes as well as high incidence of asthma and heart disease. One way that the state identifies these areas is by collecting and analyzing information from communities all over the state. CalEnviroScreen, an analytical tool created by the California Environmental Protection Agency (CalEPA), combines different types of census tract-specific information into a score to determine which communities are the most burdened or "disadvantaged."

DASR – Direct Access Service Request – Request submitted by C&I customers to become direct access eligible.

Demand - The rate at which electric energy is delivered to or by a system or part of a system, generally expressed in kilowatts (kW), megawatts (MW), or gigawatts (GW), at a given instant or averaged over any designated interval of time. Demand should not be confused with Load or Energy.

DER – Distributed Energy Resource – A small-scale physical or virtual asset (e.g. EV charger, smart thermostat, behind-the-meter solar/storage, energy efficiency) that operates locally and is connected to a larger power grid at the distribution level.

Distribution - The delivery of electricity to the retail customer's home or business through low voltage distribution lines.

DLAP – Default Load Aggregation Point – In the CAISO's electricity optimization model, DLAP is the node at which all bids for demand should be submitted and settled.



DR – Demand Response - An opportunity for consumers to play a significant role in the operation of the electric grid by reducing or shifting their electricity usage during peak periods in response to time-based rates or other forms of financial incentives.

DRP – Distributed Resource Plans - plans that are required by statute that are intended to identify optimal locations for the deployment of distributed resources.

DWR – Department of Water Resources – DWR manages California’s water resources, systems, and infrastructure in a responsible, sustainable way.

ECR – Enhanced Community Renewable - An IOU program that reflects the "Community Solar" model of renewable energy purchasing. Customers sign up to purchase a portion of a local solar project directly from a Developer at a level that meets at least 25% of their monthly electricity demand, but up to 100%. The customer will pay the Developer for the subscribed output, and receive a credit on their utility bill that reflects their enrollment level.

ED – Energy Division - The CPUC's Energy Division develops and administers energy policy and programs to serve the public interest, advise the Commission, and ensure compliance with the Commission decisions and statutory mandates.

EE – Energy Efficiency- the use of less energy to perform the same task or produce the same result. Energy-efficient homes and buildings use less energy to heat, cool, and run appliances and electronics, and energy-efficient manufacturing facilities use less energy.

ELCC – Effective Load Carrying Capacity – The additional load met by an incremental generator while maintaining the same level of system reliability. For solar and wind resources the ELCC is the amount of capacity which can be counted for Resource Adequacy purposes.

EPIC – Electric Program Investment Charge – The EPIC program was created by the CPUC to support investments in clean energy technologies that provide benefits to the electricity ratepayers of PG&E, San Diego Gas & Electric Company (SDG&E), and Southern California Edison Company (SCE)

ERRA – Energy Resource Recovery Account – ERRA proceedings are used to determine fuel and purchased power costs which can be recovered in rates. The utilities do not earn a rate of return on these costs, and only recover actual costs. The costs are forecast for the year ahead. If the actual costs are lower than forecast, then the utility gives money back, and vice versa.

ES – Energy Storage - the capture of energy produced at one time for use at a later time to reduce imbalances between energy demand and energy production.

ESA – Energy Storage Agreement - means a battery services contract, a capacity contract, demand response contract or similar agreement.

ESP – Energy Service Provider - An energy entity that provides service to a retail or end-use customer.

EV – Electric Vehicle - a vehicle that uses one or more electric motors for propulsion.

FCR – Flexible Capacity Requirements - “Flexible capacity need” is defined as the quantity of resources needed by the CAISO to manage grid reliability during the greatest three-hour continuous ramp in each month. Resources will be considered as “flexible capacity” if they can sustain or increase output, or reduce ramping needs, during the hours of “flexible need.” “FCR”



means the flexible capacity requirements established for LSEs by the CPUC pursuant to the CPUC Decisions.

GHG – Greenhouse gas - water vapor, carbon dioxide, tropospheric ozone, nitrous oxide, methane, and chlorofluorocarbons (CFCs). A gas that causes the atmosphere to trap heat radiating from the earth. The most common GHG is Carbon Dioxide, though Methane and others have this effect as well.

GRC – General Rate Case – Proceedings used to address the costs of operating and maintaining the utility system and the allocation of those costs among customer classes. For California's three large IOUs, the GRCs are parsed into two phases. Phase I of a GRC determines the total amount the utility is authorized to collect, while Phase II determines the share of the cost each customer class is responsible and the rate schedules for each class. Each large electric utility files a GRC application every three years for review by the Public Advocates Office and interested parties and approval by the CPUC.

GTSR – Green Tariff Shared Renewables - The GTSR program enables customers to receive 50 to 100 percent of their electricity demand from renewable sources. The GTSR program has two components: the Green Tariff (GT) component and the Enhanced Community Renewables (ECR) component. Through GT, a customer may pay the difference between their current generation charge and the cost of procuring 50 to 100 percent renewables. With ECR, a customer agrees to purchase a share of a community renewable (typically solar) project directly from a developer, and in exchange will receive a credit from their utility for the customer's avoided generation procurement.

GWh – Gigawatt-hour - The unit of energy equal to that expended in one hour at a rate of one billion watts. One GWh equals 1,000 megawatt-hours.

ICA – Integration Capacity Analysis - The enhanced integrated capacity and locational net benefit analysis quantifies the capability of the system to integrate Distributed Energy Resources (DERs) within the distribution system. Results are dependent on the most limiting element of the various power system criteria such as thermal ratings, power quality, system protection limits and safety standards of existing equipment.

IDER – Integrated Distributed Energy Resources – A CPUC proceeding that aims to more effectively coordinate the integration of demand-side resources in order to better meet customer and grid needs, while enabling California to attain its greenhouse gas reduction goals.

IDSMD – Integrated Demand-Side Management - an approach that joins together all the resources utilities have at their disposal to plan, generate and supply electricity in the most efficient manner possible.

IEP – Independent Energy Producers – California's oldest and leading nonprofit trade association, representing the interest of developers and operators of independent energy facilities and independent power marketers.

IMD – Independent Marketing Division - Under state law, IOUs are prohibited from lobbying or marketing on community choice unless the IOU forms an independent marketing division funded by shareholders rather than ratepayers. SDG&E' and its parent company Sempra were permitted by the CPUC to create such an independent marketing division, which allowed SDG&E to lobby against plans to create a CCA program.

IOU – Investor-Owned Utility – A private electricity and natural gas provider, such as SDG&E, PG&E or SCE, which are the three largest IOUs in California.



IRP – Integrated Resource Plan – A plan which outlines an electric utility’s resource needs in order to meet expected electricity demand long-term.

kW – Kilowatt – Measure of power where power (watts) = voltage (volts) x amperage (amps) and 1 kW = 1000 watts

kWh – Kilowatt-hour – This is a measure of consumption. It is the amount of electricity that is used over some period of time, typically a one-month period for billing purposes. Customers are charged a rate per kWh of electricity used.

LCE – Lancaster Choice Energy - the CCA that serves the City of Lancaster, California.

LCFS – Low Carbon Fuel Standard – A CARB program designed to encourage the use of cleaner low-carbon fuels in California, encourage the production of those fuels, and therefore, reduce greenhouse gas emissions.

LCR – Local (RA) Capacity Requirements – The amount of Resource Adequacy capacity required to be demonstrated in a specific location or zone.

LMP – Locational Marginal Price – Each generator unit and load pocket is assigned a node in the CAISO optimization model. The model will assign a LMP to the node in both the day-ahead and real time market as it balances the system using the least cost. The LMP is comprised of three components: the marginal cost of energy, congestion and losses. The LMP is used to financially settle transactions in the CAISO.

LNBA – Locational Net Benefits Analysis - a cost-benefit analysis of distributed resources that incorporates location-specific net benefits to the electric grid.

Load - An end use device or customer that receives power from an energy delivery system. Load should not be confused with Demand, which is the measure of power that a load receives or requires. See Demand.

LSE – Load-serving Entity – Entities that have been granted authority by state, local law or regulation to serve their own load directly through wholesale energy purchases and have chosen to exercise that authority.

LTPP – Long-Term Procurement Rulemaking - This is an “umbrella” proceeding to consider, in an integrated fashion, all of the Commission’s electric procurement policies and programs.

MCE – Marin Clean Energy - the first CCA in California that began serving customers in 2010. They serve customers in Contra Costa, Marin, Napa and Solano counties in Northern California.

MEO – Marketing Education and Outreach - a term generally used to describe various strategies to inform customers, such as to motivate consumers to take action on energy efficiency or conservation measures and change their behavior.

MW – Megawatt – measure of power. A megawatt equals 1,000 kilowatts or 1 million watts.

MWH – Megawatt-hour – measure of energy

NAESCO – National Association of Energy Service Companies - – an advocacy and accreditation organization for energy service companies (ESCOs). Energy Service Companies



contract with private and public sector energy users to provide cost-effective energy efficiency retrofits across a wide spectrum of client facilities.

NBC – Non-Bypassable Charge - fees that are paid on every kilowatt-hour of electricity that is consumed from the grid. These charges can be used to fund things like energy assistance programs for low-income households and energy efficiency programs. These charges apply even if customers buy grid-supplied power from an outside power company such as a CCA.

NDA – Non-Disclosure Agreement - a contract by which one or more parties agree not to disclose confidential information that they have shared with each other.

NEM – Net Energy Metering – A program in which solar customers receive credit for excess electricity generated by solar panels.

NRDC – Natural Resources Defense Council - non-profit international environmental advocacy group.

NP-15 – North Path 15 – NP-15 is a CAISO pricing zone usually used to approximate wholesale electricity prices in northern California in PG&E's service territory.

OIR – Order Instituting Rulemaking - A procedural document that is issued by the CPUC to start a formal proceeding. A draft OIR is issued for comment by interested parties and made final by vote of the five Commissioners of the CPUC.

OSC – Order to Show Cause - order requiring an individual or entity to explain, justify, or prove something.

ORA – Office of Ratepayer Advocates - the independent consumer advocate within the CPUC, now called Public Advocates office.

PA – Program Administrator (for EE Business Plans) IOUs and local government agencies authorized to implement CPUC-directed Energy Efficiency programs.

PCE – Peninsula Clean Energy Authority - CCA serving San Mateo County and all 20 of its cities and towns as well as the City of Los Banos.

PCC1 – RPS Portfolio Content Category 1 – Bundled renewables where the energy and REC are dynamically scheduled into a California Balancing Authority (CBA) such as the CAISO. Also known as "in-state" renewables.

PCC2 – RPS Portfolio Content Category 2 – Bundled renewables where the energy and REC are from out-of-state and not dynamically scheduled to a CBA.

PCC3 – RPS Portfolio Content Category 3 – Unbundled REC

PCIA or "exit fee" - Power Charge Indifference Adjustment (PCIA) is an "exit fee" based on stranded costs of utility generation set by the California Public Utilities Commission. It is calculated annually and assessed to customers of CCAs and paid to the IOU that lost those customers as a result of the formation of a CCA.

PCL – Power Content Label – A user-friendly way of displaying information to California consumers about the energy resources used to generate the electricity they sell, as required by AB 162 (Statute of 2009) and Senate Bill 1305 (Statutes of 1997).



PD – Proposed Decision – A procedural document in a CPUC Rulemaking that is formally commented on by parties to the proceeding. A PD is a precursor to a final Decision voted on by the five Commissioners of the CPUC.

PG&E – Pacific Gas & Electric - the IOU that serves 16 million people over a 70,000 square mile service area in Northern California.

PHC – Prehearing Conference - CPUC hearing to discuss the scope of a proceeding among other matters. Interested stakeholders can request party status during these.

Pnode – Pricing Node – In the CAISO optimization model, it is a point where a physical injection or withdrawal of energy is modeled and for which a LMP is calculated.

PPA – Power Purchase Agreement – A contract used to purchase the energy, capacity and attributes from a renewable resource project.

PRP – Priority Review Project - transportation electrification pilot projects approved by the CPUC pursuant to SB 350.

PRRR – Progress on Residential Rate Reform – Pursuant to a CPUC decision, the IOUs must submit to the CPUC and parties periodic updates on the progress of their efforts to assist customers with residential rate design changes related to rate reform, including tier collapse and transition to a default time of use rate.

PUC – Public Utilities Code - California statute that contains 33 Divisions, and the range of topics within this Code includes natural gas restructuring, private energy producers, telecommunication services, and specific municipal utility districts and transit authorities. Primary statute for governance of utilities as well as CCAs in California.

PURPA – Public Utilities Regulatory Policy Act - federal statute passed by Congress to encourage fuel diversity via alternative energy sources and to introduce competition into the electric sector. It was meant to promote energy conservation (reduce demand) and promote greater use of domestic energy and renewable energy (increase supply). The law was created in response to the 1973 energy crisis.

RA – Resource Adequacy - Under its Resource Adequacy (RA) program, the California Public Utilities Commission (CPUC) requires load-serving entities—both independently owned utilities and electric service providers—to demonstrate in both monthly and annual filings that they have purchased capacity commitments of no less than 115% of their peak loads.

RAM – Renewables Auction Mechanism - a procurement program the Investor-owned Utilities (IOUs) may use to procure RPS eligible generation. The IOUs may use RAM to satisfy authorized procurement needs, for example, system Resource Adequacy needs, local Resource Adequacy needs, RPS needs, reliability needs, Local Capacity Requirements, Green Tariff Shared Renewables needs, and any need arising from Commission or legislative mandates.

RE – Renewable Energy - Energy from a source that is not depleted when used, such as wind or solar power.

REC - Renewable Energy Certificate - A REC is the property right to the environmental benefits associated with generating renewable electricity. For instance, homeowners who generate solar



electricity are credited with 1 solar REC for every MWh of electricity they produce. Utilities obligated to fulfill an RPS requirement can purchase these RECs on the open market.

RES-BCT – Renewables Energy Self-Generation Bill Credit Transfer - This program enables local governments and universities to share generation credits from a system located on one government-owned property with billing accounts at other government-owned properties. The system size limit under RES-BCT is 5 MW, and bill credits are applied at the generation-only portion of a customer's retail rate.

RFO – Request for Offers a competitive procurement process used by organizations to solicit the submission of proposals from interested parties in response to a scope of services.

RPS - Renewable Portfolio Standard - Law that requires CA utilities and other load serving entities (including CCAs) to provide an escalating percentage of CA qualified renewable power (culminating at 33% by 2020) in their annual energy portfolio.

SB – Senate Bill - a piece of legislation that is introduced in the Senate. In other words, the Senate, rather than the Assembly, is the house of origin in the legislature for the legislation.

SCE – Southern California Edison - the large IOU that serves the Los Angeles and Orange County area.

SCP – Sonoma Clean Power Authority - CCA serving Sonoma County and surrounding areas in Northern California.

SDG&E – San Diego Gas & Electric - the IOU that serves San Diego county, they own the infrastructure that delivers SDCP energy to customers.

SGIP – Self-Generation Incentive Program – A program which provides incentives to support existing, new, and emerging distributed energy resources (storage, wind turbines, waste heat to power technologies, etc.)

SUE – Super User Electric - electric surcharge that's intended to penalize consumers for excessive energy use.

SVCE – Silicon Valley Clean Energy - CCA serving Silicon Valley Area.

TCR EPS Protocol – The Climate Registry Electric Power Sector Protocol – Online tools and resources provided by The Climate Registry to assist organizations to measure, report, and reduce carbon emissions.

TE – Transportation Electrification - For the transportation sector, electrification means replacing fossil fuels with electricity as the means of powering light-duty vehicles, medium- and heavy-duty trucks, and buses. The primary goal is to reduce greenhouse gas (GHG) emissions and, ultimately, contribute to mitigating the effects of climate change on the planet.

Time-of-Use (TOU) Rates — The pricing of delivered electricity based on the estimated cost of electricity during a particular time-block. Time-of-use rates are usually divided into three or four time-blocks per 24 hour period (on-peak, mid-peak, off-peak and sometimes super off-peak) and by seasons of the year (summer and winter). Real time pricing differs from TOU rates in that it is based on actual (as opposed to forecasted) prices that may fluctuate many times a day and are weather sensitive, rather than varying with a fixed schedule.



TM – Tree Mortality - refers to the death of forest trees and provides a measure of forest health. In the context of energy, the CPUC is tasked with utilizing its authority to extend contracts and take actions to authorize new contracts on bioenergy facilities that receive feedstock from high hazard zones.

TURN – The Utility Reform Network - A ratepayer advocacy group charged with ensuring that California IOUs implement just and reasonable rates.

Unbundled RECs - Renewable energy certificates that verify a purchase of a MWH unit of renewable power where the actual power and the certificate are “unbundled” and sold to different buyers.

VPP – Virtual Power Plant – A cloud-based network that leverages an aggregation of distributed energy resources (DERs) to shift energy demand or provide services to the grid. For example, thousands of EV chargers could charge at a slower speed and hundreds of home batteries could discharge to the grid during a demand peak to significantly reduce the procurement of traditional supply resources.

VAMO – Voluntary Allocation, Market Offer - the process for SDG&E to allocate a proportional share of their renewable portfolio to SDCP and other LSEs within the service territory.

