



# Board of Directors

Regular Meeting

January 23, 2025





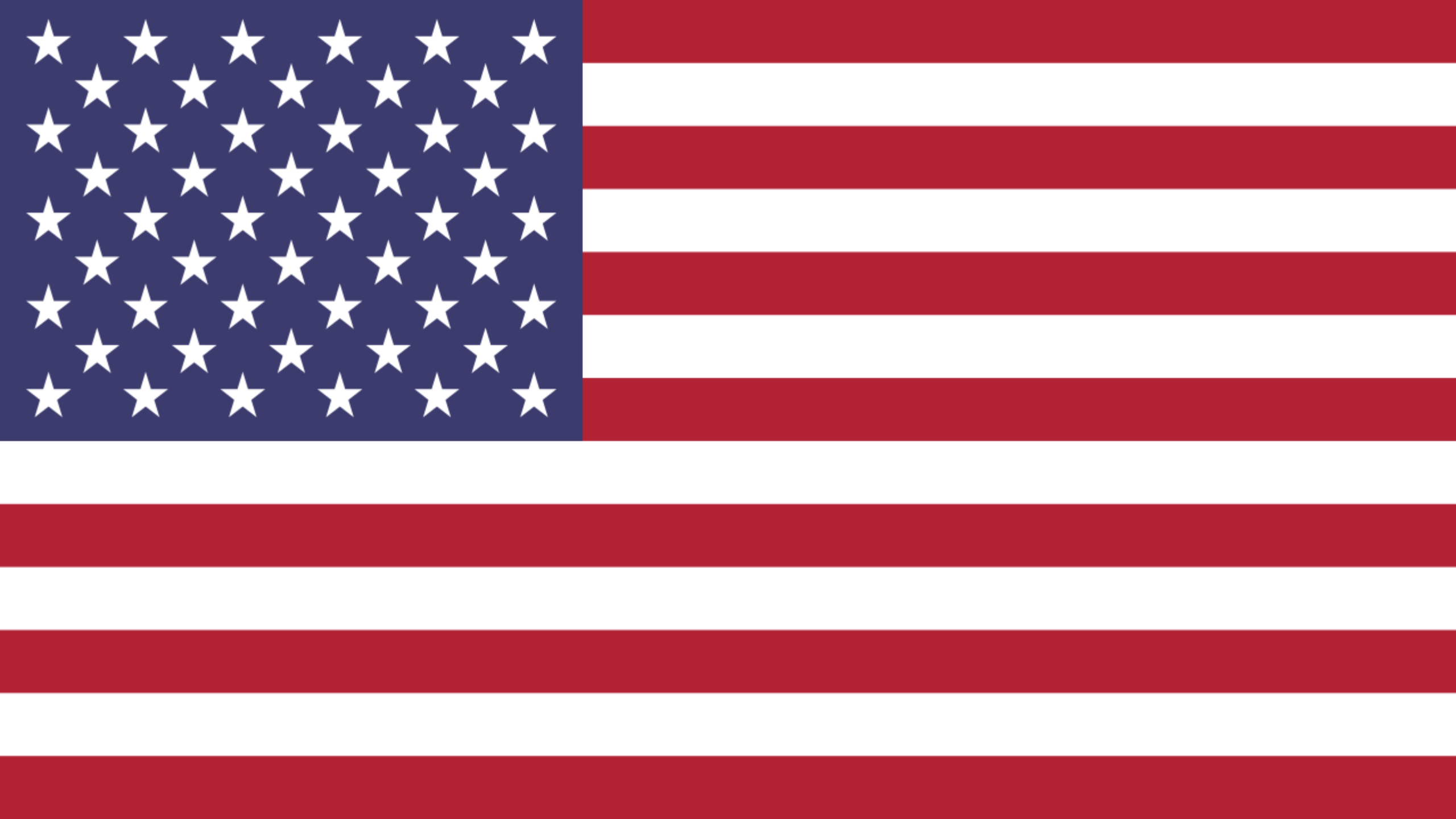
The background of the image is a deep blue water surface with visible ripples and reflections. A large, white, diagonal stripe runs from the top-left corner towards the bottom-right, creating a triangular white area in the center where the text is located.

**Welcome  
and  
Call to  
Order**



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

# Roll Call







# **Land Acknowledgement**



# Warm Welcome!



**Brittany Smith**

Senior Cybersecurity Analyst



**Amy Biltz**

Information Technology  
System Analyst



**Ruby Laity**


Assistant General Counsel



The background of the slide features a close-up of blue water with gentle ripples. A prominent white diagonal stripe runs from the top-left corner towards the bottom-right, creating a triangular white space on the left side where the text is located.

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Withdrawn  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



The background of the slide features a close-up photograph of blue water with gentle ripples. A prominent white diagonal stripe runs from the top-left corner towards the bottom-right, creating a triangular white space on the left side of the slide. The text is positioned within this white space.

# **Public Comment for Items not on the Agenda**



# Consent Calendar

1. **Approve December 12, 2024, Meeting Minutes**
2. **Receive and File Treasurer's Report for Period Ending November 30, 2024**
3. **Receive and File Update on Programs**
4. **Receive and File Update on Power Resources**
5. **Receive and File Update on Customer Operations**
6. **Receive and File Update on Human Resources**
7. **Receive and File Update on Marketing, Public Relations, and Local Government Affairs**
8. **Receive and File Update on Community Advisory Committee**
9. **Approve the 2025 Community Advisory Committee Work Plan**



The background of the slide features a close-up photograph of blue water with gentle ripples. A prominent white diagonal stripe runs from the top-left corner towards the bottom-right, creating a triangular white space on the left side of the slide. The text is positioned within this white space.

# **Public Comment for Consent Agenda**



# Regular Agenda

10. **Election of Officers for Community Power for Calendar Year 2025**
11. **Appointment of a Member to the Finance and Risk Management Committee**
12. **Adopt Resolution No. 2025-01 Approving the San Diego Regional Energy Network (SDREN) Energy Efficiency Programs and Budget Agreement with San Diego Gas and Electric (SDG&E) for Years 2024-2027 and Authorize the Chief Executive Officer to Accept, Appropriate and Expend the SDREN Funds in an Amount Not-to-Exceed \$124,274,206 in the FY 2024-25 Capital Budget and FY 2025-29 Capital Investment Plan, and Related Actions**
13. **Approval of Power Purchase Agreement Portfolio with Luminia CA DevCo I, LLC**
14. **Approval of Power Purchase Agreement with Luminia CA DevCo 4, LLC**
15. **Approve a Contract with Maher Accountancy for General Accounting Professional Services in an Up-to-Amount, Not-to-Exceed \$1,185,000 from February 1, 2025, Through January 31, 2028, and for Two Optional One-Year Extensions for a Total Up-to-Amount, Not-to-Exceed \$2,069,700, and Authorize the Chief Executive Officer to Execute the Contract**
16. **Authorize the Chief Executive Officer to Enter into a Sublease Agreement with CORELATION, INC. for Office Space**
17. **Approval of Community Advisory Committee Appointment for the County of San Diego (Unincorporated)**
18. **Update on 2025 Projected Rate Changes**
19. **Update on Regulatory and Legislative Affairs**
20. **Update on Solar Battery Savings Program**



# Item No. 10

**Election of Officers for Community Power for Calendar Year 2025**

## **Recommendation:**

**Elect a Chair and Vice Chair for Calendar Year 2025.**

Presenter:  
Chair LaCava

The background of the slide features a close-up photograph of blue water with gentle ripples. A wide, white diagonal stripe runs from the top-left corner towards the bottom-right, creating a triangular white space on the left side of the slide. The text is positioned within this white space.

# **Public Comment for Item No. 10**



# Item No. 11

**Appointment of a Member to the Finance and Risk Management Committee**

## **Recommendation:**

**Approve the Chair's Nomination of a New Member to the Finance and Risk Management Committee.**

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

# **Public Comment for Item No. 11**



# Item No. 12

**Adopt Resolution No. 2025-01 Approving the San Diego Regional Energy Network (SDREN) Energy Efficiency Programs and Budget Agreement with San Diego Gas and Electric (SDG&E) for Years 2024-2027 and Authorize the Chief Executive Officer to Accept, Appropriate and Expend the SDREN Funds in an Amount Not-to-Exceed \$124,274,206 in the FY 2024-25 Capital Budget and FY 2025-29 Capital Investment Plan, and Related Actions**

## **Recommendation:**

**Adopt Resolution No. 2025-01 (Attachment A) approving and authorizing the Chief Executive Officer to: (1) execute the San Diego Regional Energy Network (SDREN) Energy Efficiency Programs and Budget Agreement with SDG&E and to negotiate and execute any amendments, extensions, or renewals of such agreement (Attachment B); and (2) accept, appropriate, and expend the SDREN funds in an amount not to exceed \$124,274,206 in the FY 2024-25 Capital Budget and FY 2025-29 Capital Investment Plan; and (3) take all necessary action to administer, monitor, manage, and ensure compliance with the agreement and to negotiate and execute contracts with third parties to implement the agreement or use of funds.**

Presenter:

Colin Santulli, Director of Programs

Sheena Tran, Associate Director of Programs

# Regional Energy Network (REN)

In 2012, the CPUC issued a decision inviting local governments to collaborate and submit proposals for **a new model for administering energy efficiency programs**. REN criteria includes:

- Activities that utilities cannot or do not intend to undertake
- Pilot activities where there is no current utility offering and where there is potential for scalability to a broader geographic reach, if successful
- Activities serving hard-to-reach markets, whether or not there is another utility program that may overlap

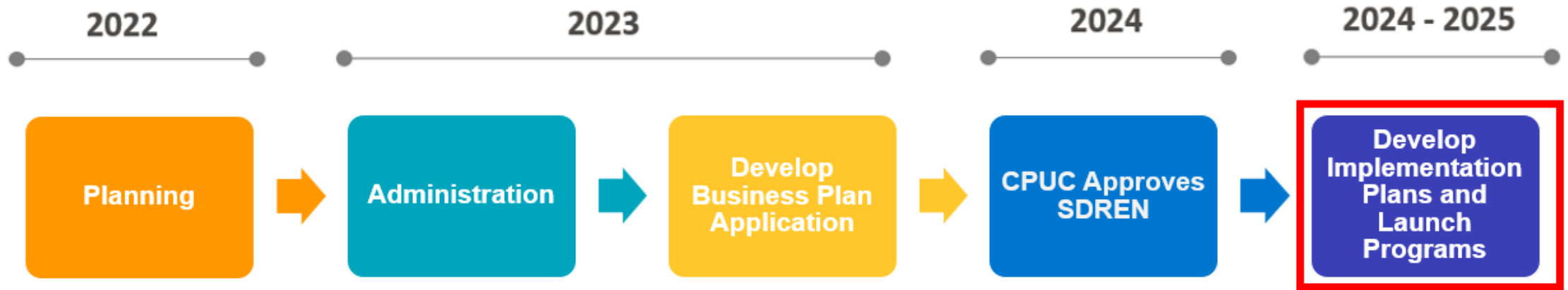


There were four RENs in the state when we decided to pursue creation of SD REN. *Tan shaded areas indicate existing REN territory*





# REN Formation Timeline



## May – October 2023:

- Governance Structure
- Draft Program Development
- Ongoing stakeholder engagement (20+ presentations)

## November – December 2023:

- 10/26 SDCP BoD Progress Update
- Compile letters of support
- 12/16 SDCP BoD Approved Business Plan filing

## January 2024 – January 2025:

- File Business Plan
- CPUC public process
- Develop and file Implementation Plans
- Execute Programs Agreement

# Regional Support

SDREN received support from dozens of businesses, community-based organizations, public agencies, and environmental groups throughout the San Diego region.





# SDREN Governance Structure



- **Oversight and Administration** – Portfolio-level vision and strategy; enact program changes during portfolio cycle; oversee future Business Plan development
- **Lead Program Administrator** – Fiscal, regulatory, procurement, program management
- **Advisory Committee** – Advisement on outreach & enrollment, feedback on program evaluation reports, recommendations on program improvements
  - Local & Regional Governments
  - CBOs
- **Program Operations Teams** – Oversee day-to-day program operations; primarily consist of program managers and 3rd party implementers

# SDREN Core Values



Integrate a collaborative and purposeful investment in the region's underserved and hard-to-reach communities



Grow a regional clean power economy that creates opportunities for the local workforce



Be a trusted local resource to coordinate regional policy, partnerships, and programs



# SDREN Programs

Sector	Program Name, Segment, and Target Audience	Budget
<b>Residential</b>	<ul style="list-style-type: none"> <li>• <b>Single Family</b> (Equity) - Homeowners and renters of single-family residences</li> <li>• <b>Multifamily</b> (Equity) - Tenants; Property owners/ managers</li> </ul>	- \$12M - \$23M
<b>Commercial</b>	<ul style="list-style-type: none"> <li>• <b>SMB Energy Coach</b> (Equity) - Small and medium businesses</li> <li>• <b>Efficient Refrigeration</b> (Equity) - Small corner stores and food donation centers</li> <li>• <b>Market Access Program</b> (Resource Acquisition) - Commercial property owners</li> </ul>	- \$7M - \$11M - \$17M
<b>Public</b>	<ul style="list-style-type: none"> <li>• <b>Climate Resilience Leadership</b> (Market Support) - Public agencies</li> <li>• <b>Tribal Engagement</b> (Equity) - Tribes</li> </ul>	- \$21M - \$2M
<b>Workforce, Education &amp; Training</b>	<ul style="list-style-type: none"> <li>• <b>Energy Pathways Program</b> (MS) - High school students</li> <li>• <b>Workforce Training &amp; Capacity Building</b> (MS) - Adult workforce &amp; employers</li> </ul>	- \$7M - \$12M
<b>Codes &amp; Standards</b>	<ul style="list-style-type: none"> <li>• <b>Codes &amp; Standards</b> - Public agencies i.e., Permitting authorities</li> </ul>	- \$7M

# SDREN Energy Efficiency Programs and Budget Agreement

- Defines SDG&E's and Community Power's roles and responsibilities
- Enables SDG&E payments to Community Power for SDREN authorized funds to implement programs
- Identifies a payment schedule for funds through 2027



# Resolution No. 2025-01

Approves and authorizes the Chief Executive Officer to:

1. Execute the San Diego Regional Energy Network (SDREN) Energy Efficiency Programs and Budget Agreement with SDG&E and to negotiate and execute any amendments, extensions, or renewals of such agreement (Attachment B); and
2. Accept, appropriate, and expend the SDREN funds in an amount not to exceed \$124,274,206 in the FY 2024-25 Capital Budget and FY 2025-29 Capital Investment Plan; and
3. Take all necessary action to administer, monitor, manage, and ensure compliance with the agreement and to negotiate and execute contracts with third parties to implement the agreement or use of funds.

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

# **Public Comment for Item No. 12**



# Item No. 13

**Approval of Power Purchase Agreement Portfolio with Luminia CA DevCo I, LLC**

## **Recommendation:**

**Approve Power Purchase Agreements and a Framework Agreement, in substantially final forms, for a Local RFO portfolio with Luminia CA DevCo I, LLC, for up to 3.7 MW of rooftop(s) photovoltaic (PV) generation for twenty years and authorize the Chief Executive Officer to execute the agreements.**

Presenter:

Morgan Adam, Sr. Manager of Local Renewable Development

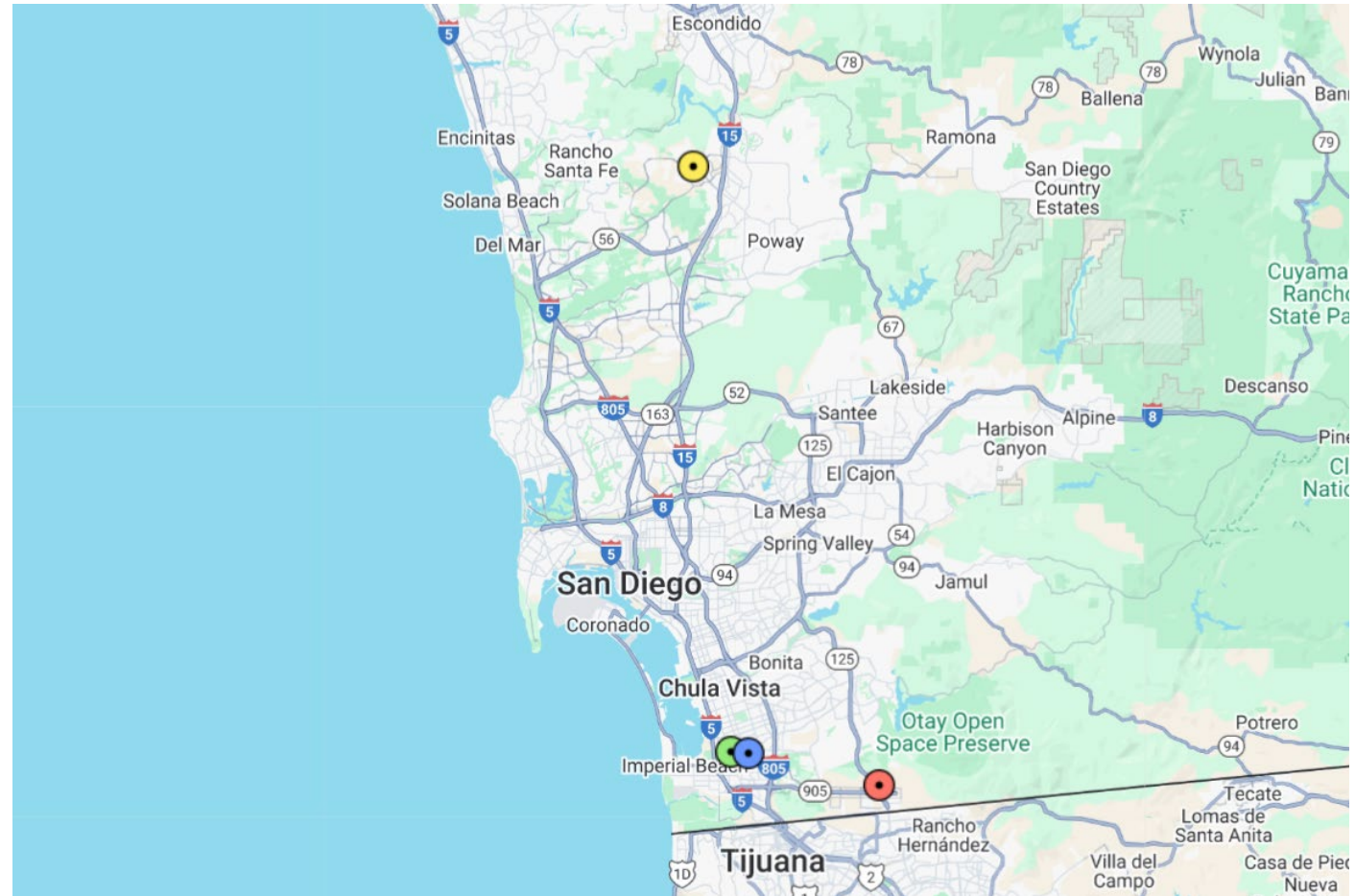
# SDCP Long-Term Procurement

- Goal of 75% renewables by 2027, 100% renewables by 2035
  - 15% of load served by new, local infill resources by 2035
- Long-term PPAs provide developers with a certain revenue stream against which they can finance up-front capital requirements, incentivizing new incremental renewable energy and storage buildout.
- Long-term PPAs provide power supply cost certainty in Community Power's portfolio.
- This project came through a competitive solicitation Community Power issued in late 2023 for local, distributed projects. The project was shortlisted by SDCP's energy contract working group.



# Luminia Rooftop Portfolio : Project Summary

- 3.7 MW PV across four (4) commercial rooftops – 500kW to 1.5MW each
- Location: San Diego County
  - Chula Vista (2)
  - City of San Diego
  - County of San Diego



# Luminia Rooftops: Key Terms

- **Product:** Energy and Renewable Portfolio Standard (RPS) credits
- **Pricing:** Fixed for a 20-year term
- **Timeline:** Guaranteed Commercial Operation Date is March 31, 2027
- SDCP receives financial compensation for failure to meet certain performance requirements including but not limited to meeting the guaranteed commercial operation date and meeting performance metrics over the delivery term.
- A separate Framework Agreement will manage development of the individual site PPAs at a portfolio level. The Framework Agreement governs a process by which the four (4) PPAs presented for approval here may be replaced by PPAs at different site locations not to exceed the aggregate 3.7 MW PV portfolio.



# Luminia Rooftops: Staff Analysis

- The Luminia rooftops portfolio will contribute to Community Power's 100% renewable by 2035 target, providing approximately 7,400 MWh of renewable energy per year.
- The portfolio will also contribute to Community Power's 15% local infill by 2035 target
- The long-term purchase of energy and RPS attributes will provide Community Power with cost certainty over the term of this PPA.
- Luminia is a local, San Diego-based solar and storage developer founded in 2019 that focuses on distributed and community solar projects across the country with over 50 MW of commercial and community solar projects in operation and development in California and New England.

## Luminia Rooftops: Workforce Development and Community Benefits

- Over \$2.5 MM in roof or land lease revenue to local building and property owners over the term
- Over \$2 MM in local labor wages and salaries during the construction phases of the projects
- Developer commitment to using local labor, prevailing wages and hiring from San Diego-based apprenticeship programs
- Infill rooftop PV sites take advantage of previously developed/disturbed, under-utilized rooftop space for energy projects



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

# **Public Comment for Item No. 13**

# Item No. 14

## **Approval of Power Purchase Agreement with Luminia CA DevCo 4, LLC**

### **Recommendation:**

**Approve Power Purchase Agreement, in substantially final form, with Luminia CA DevCo 4, LLC, for 1.7 MW of rooftop and carport canopy photovoltaic (PV) generation for twenty years and authorize the Chief Executive Officer to execute the agreement.**

Presenter:

Morgan Adam, Sr. Manager of Local Renewable Development

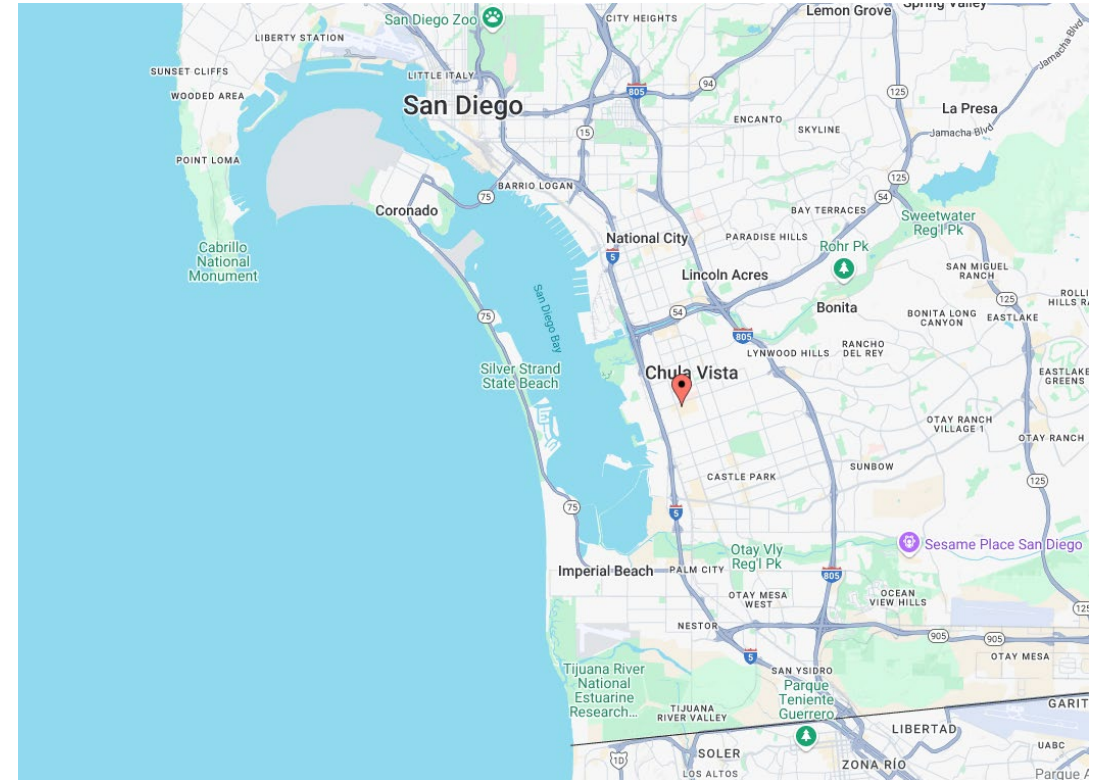
# SDCP Long-Term Procurement

- Goal of 75% renewables by 2027, 100% renewables by 2035
  - 15% of load served by new, local infill resources by 2035
- Long-term PPAs provide developers with a certain revenue stream against which they can finance up-front capital requirements, incentivizing new incremental renewable energy and storage buildout.
- Long-term PPAs provide power supply cost certainty in Community Power's portfolio.
- This project came through a competitive solicitation Community Power issued in mid-2023 for local, distributed projects as part of **Community Power's Solar Advantage Program**. The project was shortlisted by SDCP's energy contract working group.



# Luminia CV Retail Center: **Project Summary**

- 1.7 MW PV – rooftop and solar parking canopies
- Location: Retail center in Chula Vista
- First project to be contracted as part of Community Power's Solar Advantage Program (CPUC DAC-GT program)
  - CPUC subsidization of above market procurement and 20% electricity bill discounts for low-income residential customers



# Overview - Solar Advantage Program - Disadvantaged Communities Green Tariff (DAC-GT)

## Description & Benefits

- Designed to increase renewable energy generation among residential customers in DACs per CalEnviroScreen 4.0.
- Offers **100% renewable energy** to customers who are eligible for the California Alternate Rates for Energy (CARE) or Family Electric Rate Assistance Program (FERA) discounts.
- Provides an additional **20% discount** on the electricity and delivery portion of the customers' bills.
- Funding for DAC-GT is fully refundable by the CPUC.

## Program Capacity & Enrollment\*

	DAC-GT
MW Allocation	20.16
Estimated Customer Enrollment	~9,000

\*Eligible customers will be auto-enrolled when new projects come online.



# Luminia CV Retail Center: **Key Terms**

- **Product:** Renewable energy and RPS credits
- **Pricing:** Fixed for a 20-year term
- **Timeline:** Guaranteed Commercial Operation Date is June 30, 2027
- SDCP receives financial compensation for failure to meet certain performance requirements including but not limited to meeting the guaranteed commercial operation date and meeting performance metrics over the delivery term.
- Agreement is contingent upon subsequent PPA approval from the CPUC



# Luminia CV Retail Center: Staff Analysis

- The Luminia CV retail center project will contribute to Community Power's 100% renewable by 2035 target, providing approximately 3,600 MWh of renewable energy per year.
- The portfolio will also contribute to Community Power's 15% local infill by 2035 target
- The long-term purchase of energy and RPS attributes will provide Community Power with cost certainty over the term of this PPA.
- Projects that are approved through this program will not only benefit low-income customers in Community Power's territory through bill discounts but will also be partially subsidized for above market procurement costs through CPUC program funding.
- Luminia is a local, San Diego-based solar and storage developer founded in 2019 that focuses on distributed and community solar projects across the country with over 50MW of commercial and community solar projects in operation and development in California and New England.

## Luminia CV Retail Center: Workforce Development and Community Benefits

- Over \$1.75 MM in property rents and improvements over the term of the agreement
- Over \$1 MM in local labor wages and salaries during the construction phases of project
- Developer commitment to use local labor, prevailing wage, and hiring from San Diego-based apprenticeship programs
- Developer commitment to work with shopping center owner to help with community outreach including on-site displays and organizing educational days, in coordination and collaboration with the City of Chula Vista
- Infill rooftop and carport PV sites take advantage of previously developed/disturbed, under-utilized rooftop and parking space for energy projects

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

# **Public Comment for Item No. 14**



# Item No. 15

**Approve a Contract with Maher Accountancy for General Accounting Professional Services in an Up-to-Amount, Not-to-Exceed \$1,185,000 from February 1, 2025, Through January 31, 2028, and for Two Optional One-Year Extensions for a Total Up-to-Amount, Not-to-Exceed \$2,069,700, and Authorize the Chief Executive Officer to Execute the Contract**

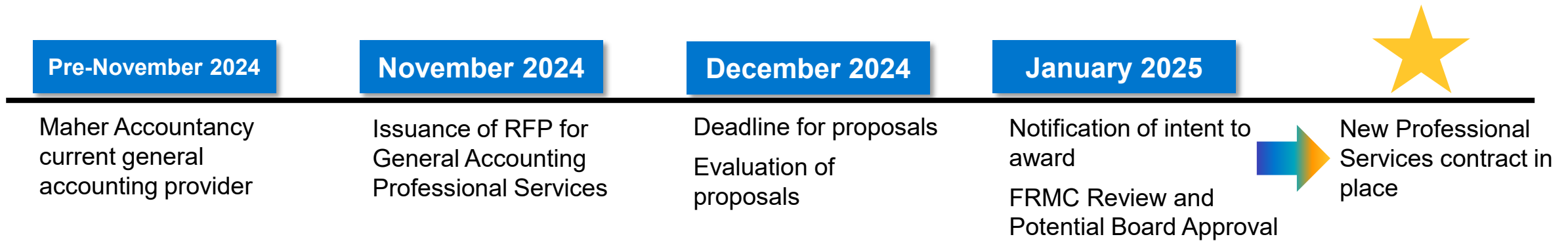
## **Recommendation:**

**Approve a Contract with Maher Accountancy for General Accounting Professional Services in an Up-to-Amount Not-to-Exceed \$1,185,000 from February 1, 2025 through January 31, 2028, and for Two Optional One-Year Extensions for a total up-to-amount, not-to-exceed \$2,069,700, and Authorize the Chief Executive Officer to Execute the Contract.**

Presenter:

Dr. Eric Washington, Chief Financial Officer

# General Accounting Professional Services Timeline



# Approval of Contract with Maher Accountancy

**Recommendation:** Approve a Contract with Maher Accountancy for General Accounting Professional Services in an Up-to-Amount Not-to-Exceed \$1,185,000 from February 1, 2025 through January 31, 2028, and for Two Optional One-Year Extensions for a total up-to-amount, not-to-exceed \$2,069,700, and Authorize the Chief Executive Officer to Execute the Contract.



<b>Term</b>	<ul style="list-style-type: none"><li>Initial three-year term of 2/1/25 to 1/31/28</li><li>Two optional one-year extensions</li></ul>
<b>Not-to-Exceed</b>	<ul style="list-style-type: none"><li>Initial three-year term: \$1,185,000</li><li>Two optional one-year extensions</li><li><b>Total: \$2,069,700</b></li></ul>
<b>Scope of Work</b>	<ul style="list-style-type: none"><li>Monthly Financial Operational Assistance (\$28,000/month)</li><li>Financial Statement Audit Support (\$16,000/yearly audit)</li><li>Contingency for out-of-scope items (\$75,000 for the initial term and \$25,000 additional for each optional one-year extension)</li><li>Additional scope since FRMC: 5% annual escalator</li></ul>



The background of the slide features a close-up photograph of blue water with gentle ripples. A wide, white diagonal stripe runs from the top-left corner towards the bottom-right, creating a triangular white space on the left side of the slide. The text is positioned within this white space.

# **Public Comment for Item No. 15**

# Item No. 16

**Authorize the Chief Executive Officer to Enter into a Sublease Agreement with CORELATION, INC. for Office Space**

## **Recommendation:**

**Authorize the Chief Executive Officer to enter into a sublease agreement with CORELATION, INC., for office space located at 2305 Historic Decatur Road, San Diego, CA, in the amount of \$638,208, plus utilities, for 24 months, with a potential option to extend for an additional year, and related documents.**

Presenter:

Dr. Eric Washington, Chief Financial Officer



# Approval to Enter into a Sublease Agreement

## JPA Section 3.2.5

### Property Lease

Per section 3.2.5 of the Joint Powers Agreement, the ability to lease any property is a power which may be exercised at the discretion of the SDCP Board of Directors.

- Supports continued growth
- Much needed meeting space
- Dedicated storage space
- Space is fully built out

### Proposed Lease

*2305 Historic Decatur Road, San Diego, California 92106*

#### Key Terms:

- Lease term: 24 months
- Option to extend one year
- Three months abated rent
- Size: 8,864 square feet
- Cost: \$3.00/square ft. per month
- **No budget impact in FY 2024-25**

**\$26,592**  
*Monthly Lease*





# SD Community Power Staffing



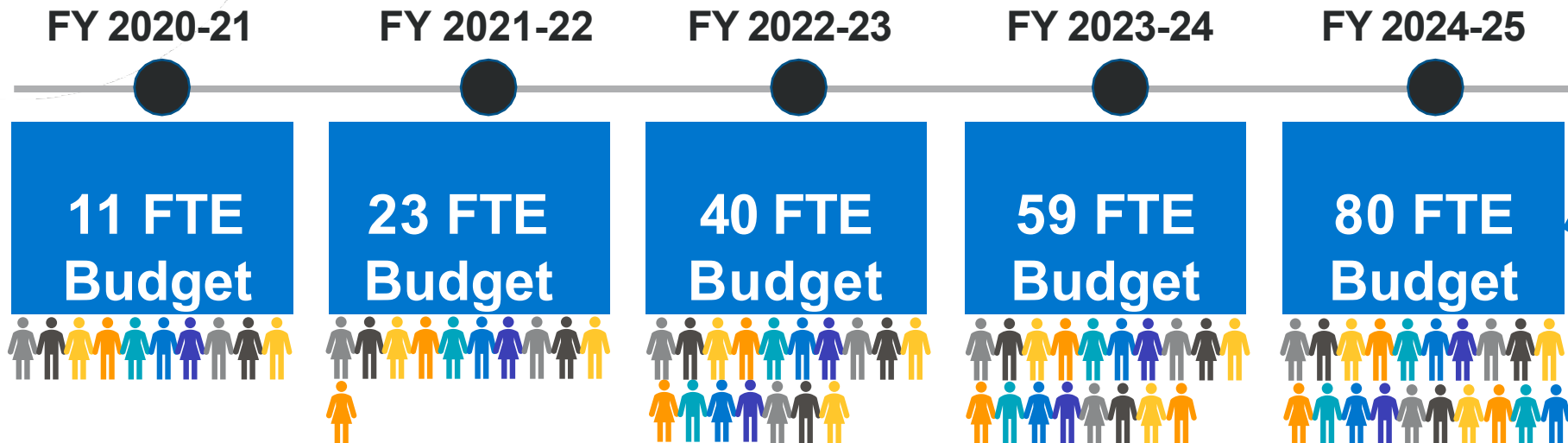
## Current Lease

2305 Historic Decatur  
Road, San Diego,  
California 92106

- Lease term: 11/1/23 to 10/31/25
- Option to extend to 10/31/26
- Size: 13,704 square feet
- Cost: \$3.75/square ft. per month

70+  
People  
Capacity

\$51,390  
Monthly Lease



The hiring strategy proposes that SD Community Power will continue to grow beyond the 80 full-time employees that are currently authorized in the FY 2024-25 budget.

# Approval to Enter into a Sublease Agreement

## JPA Section 3.2.5

### Property Lease

Per section 3.2.5 of the Joint Powers Agreement, the ability to lease any property is a power which may be exercised at the discretion of the SDCP Board of Directors.

#### Proposed Lease

*2305 Historic Decatur Road, San Diego, California 92106*

##### Key Terms:

- Lease term: 24 months
- Option to extend one year
- Three months abated rent
- Size: 8,864 square feet
- Cost: \$3.00/square ft. per month
- **No budget impact in FY 2024-25**

**\$26,592**  
*Monthly Rent*

#### Current Lease

*2305 Historic Decatur Road, San Diego, California 92106*

##### Key Terms:

- Lease term: 11/1/23 to 10/31/25
- Option to extend to 10/31/26
- Size: 13,704 square feet
- Cost: \$3.75/square ft. per month

**\$51,390**  
*Monthly Rent*

#### Total Lease

- **Total square feet:** 22,568
- **Total monthly rent:** \$77,982
- **Total annualized rent:** \$935,784

The background of the slide features a close-up photograph of blue water with gentle ripples. A wide, white diagonal stripe runs from the top-left corner towards the bottom-right, creating a triangular white space on the left side of the slide. The text is positioned within this white space.

# **Public Comment for Item No. 16**



# Item No. 17

**Approval of Community Advisory Committee Appointment for the County of San Diego (Unincorporated)**

**Recommendation:**

**Approve the Appointment of Ross Pike to the Community Advisory Committee for the County of San Diego (Unincorporated).**

Presenter:

Xiomalys Crespo, Sr. Community Engagement Manager

# Membership Criteria & Selection Process

- The Community Advisory Committee (CAC) includes 2 members from each member agency.
- Appointments are to prioritize residents from diverse social, economic, and racial backgrounds that are representative of all residents within Community Power's service territory.
- Staff promoted the vacancy via social media, the Board of Directors, the CAC and directly engaging with member agency staff and the public; and worked with Director Lawson-Remer's staff to review applications and determine a nomination for appointment based on Membership Terms & Criteria.
- Director Lawson-Remer has nominated Ross Pike.



The background of the slide features a close-up photograph of blue water with gentle ripples. A wide, white diagonal stripe runs from the top-left corner towards the bottom-right, creating a triangular white space on the left side of the slide. The text is positioned within this white space.

# **Public Comment for Item No. 17**



# Item No. 18

## Update on 2025 Projected Rate Changes

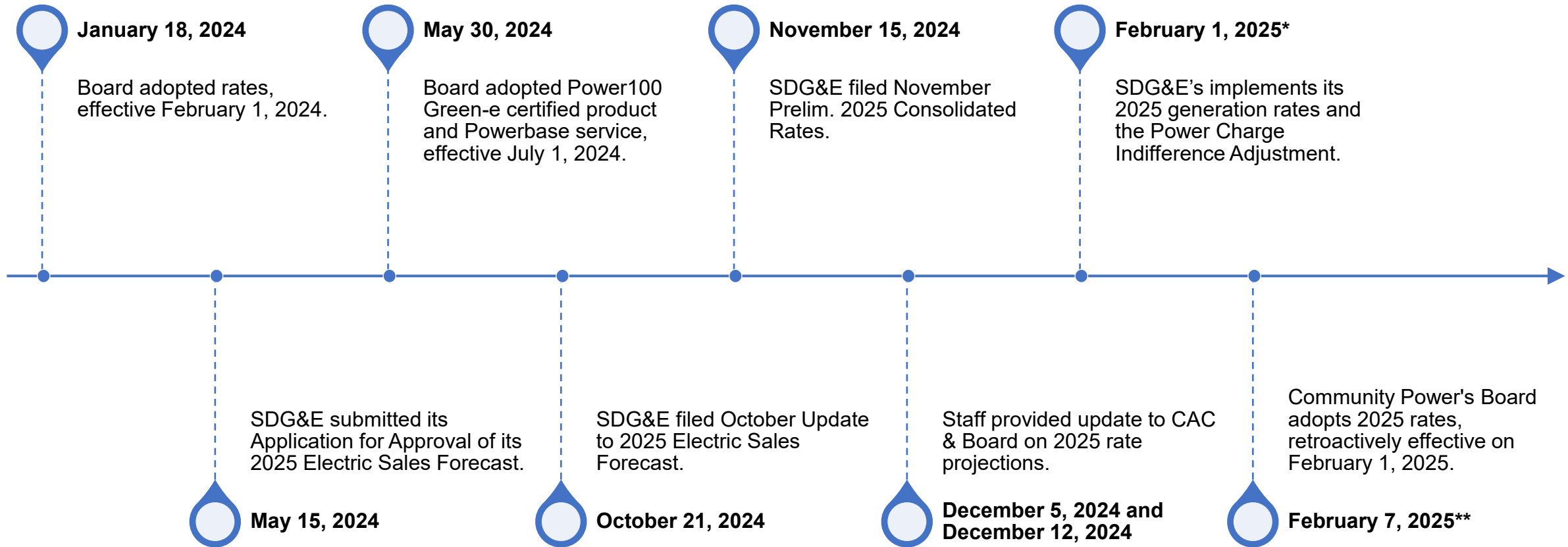
### **Recommendation:**

**Receive and file an update on San Diego Community Power's 2025 projected rate changes.**

Presenter:

Lucas Utouh, Sr. Director of Data Analytics and Customer Operations  
Aaron Lu, Rates and Strategy Manager

# 2025 Rates Timeline



**\*SDG&E filed an extension request to the Commission on Dec. 9, 2024 to implement rates on Feb. 1, 2025, to allow for additional time to include 2024 General Rate Case revenue requirements and to reduce rate volatility. The Commission granted the extension on Dec. 19, 2024.**

**\*\*SDG&E filed consolidated filing for 2025 rates on Jan. 21. Community Power staff is analyzing the latest information to bring proposed 2025 rates to the Board of Directors on Feb. 7, 2025.**

# Rate-Setting Process Overview

## Rate Development Policy Objectives:

- Cost Recovery,
- Reserves,
- Rate Competitiveness and Customer Value,
- Rate Stability,
- Equity Among Customers,
- Rate Structure Simplicity and Comparability,
- Transparency,
- Avoidance of Cost Shifting, and
- Cost of Service.



# Rate-Setting Process Overview

## What are the components of Community Power rates?

### Time of Use – TOUDR2-Residential

Residential: TOUDR2	SDG&E 44.8% Renewable	SDCP PowerBase 45% Renewable	SDCP PowerOn 54.2% Renewable + 12.8% Carbon Free	SDCP Power100 100% Renewable
Generation Rate (\$/kWh)	\$0.13901	\$0.13027	\$0.14720	\$0.15720
SDG&E Delivery Rate (\$/kWh)	\$0.26248	\$0.26246	\$0.26246	\$0.26246
SDG&E PCIA (\$/kWh)	\$0.00206	\$0.00727	\$0.00727	\$0.00727
Franchise Fees (\$/%)	\$0.00305	\$0.00305	\$0.00305	\$0.00305
Total Electricity Cost (\$/kWh)	\$0.40660	\$0.40305	\$0.41998	\$0.42998
Average Monthly Bill (\$)	\$163.86	\$162.43	\$169.25	\$173.28

Average Monthly Usage: 403 kWh

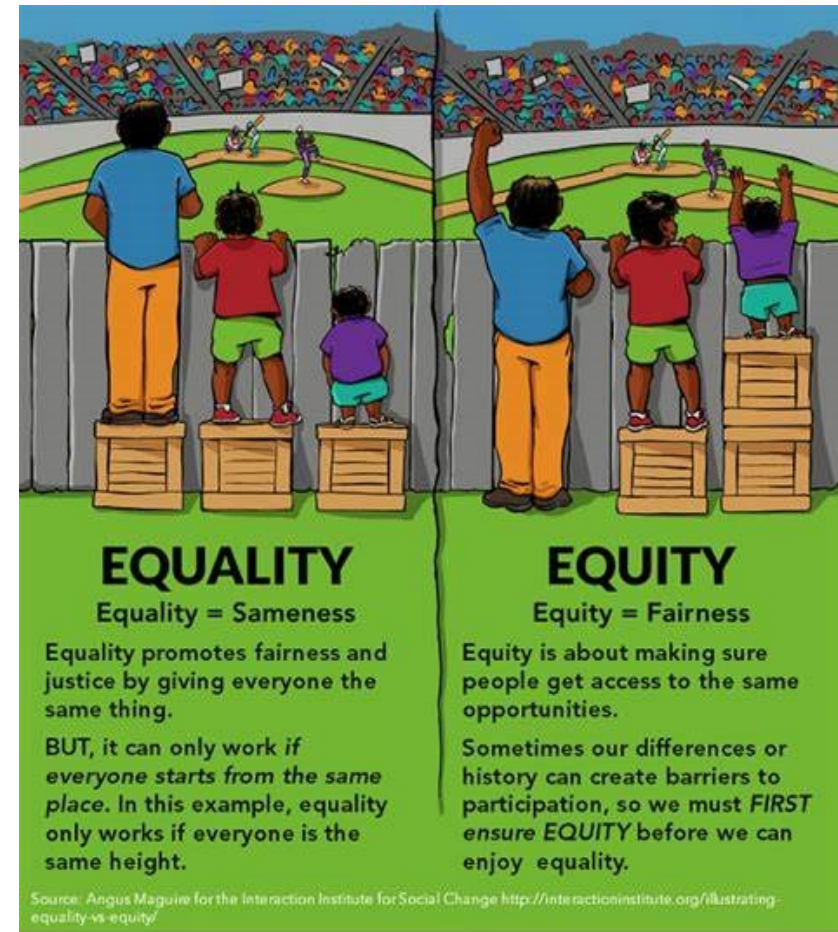
SDG&E rates effective October 1, 2024 | SDCP rates effective July 1, 2024

- Generation costs
- SDG&E Delivery costs
- Additional fees
  - Power Charge Indifference Adjustment (PCIA) includes above-market costs related to power supply commitments that the utilities made many years ago.
  - Franchise fees is a surcharge applied to electricity transported over SDG&E systems that are constructed in public streets and highways. All customers i.e., bundled and un-bundled, are assessed Franchise Fees.

# Rate Setting Mechanics

## Equality vs. Equity:

- Equality means an individual or a group of people is given the same resources or opportunities.
- Equity recognizes that each person has different circumstances and allocates the exact resources and opportunities needed to reach an equal outcome.
- The proposed trifurcation will maintain a fair, equitable, and balanced rate structure that does not create winners and losers across our customers.

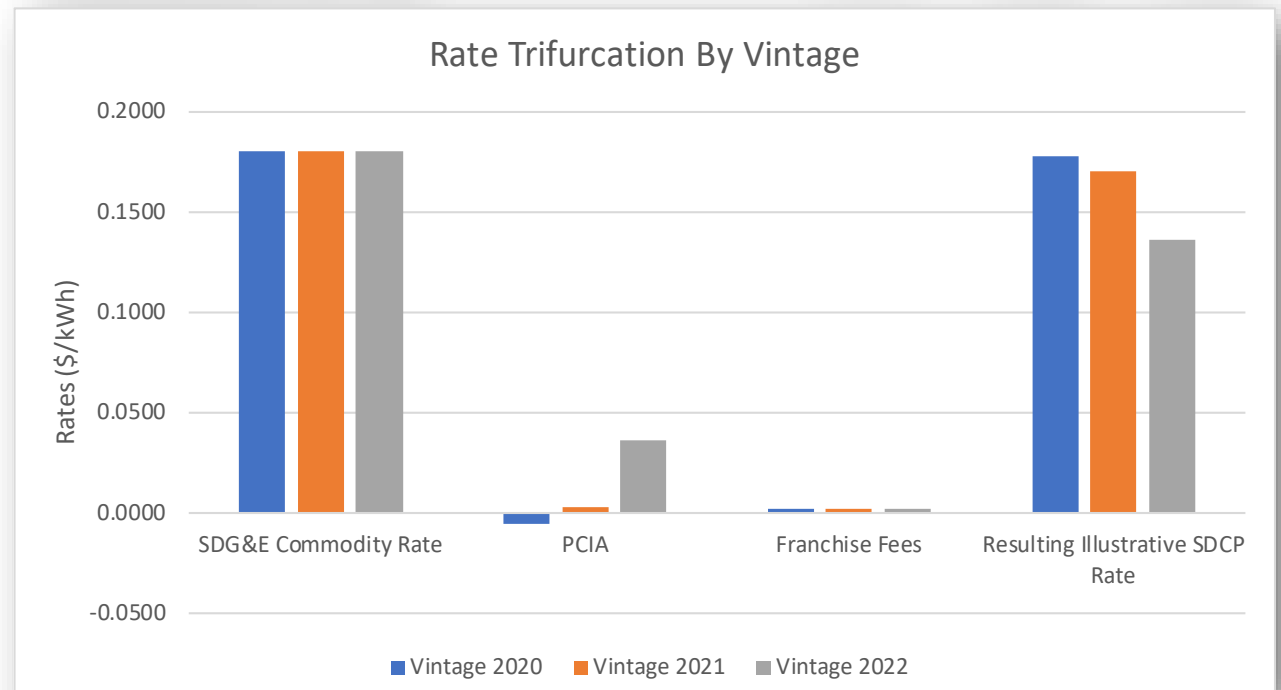


# Rate Setting Mechanics

- Community Power's Phase 1 and 2 customers (vintage 2020), Phase 3 customers (vintage 2021), and Phase 4 customers (vintage 2022) are all charged a different Power Charge Indifference Adjustment (PCIA) by SDG&E because they are enrolled in different “vintage” years.
- Due to the substantial deltas expected between PCIA vintages 2020, 2021, and 2022, staff will recommend to the Board trifurcation of three sets of rates in 2025.

Illustrative Rate Setting Process Based On Trifurcation

Competitive Factor (Discount)	3%	3%	3%
Rates (\$/kWh)	Vintage 2020	Vintage 2021	Vintage 2022
SDG&E Commodity Rate	0.1800	0.1800	0.1800
PCIA	-0.0051	0.0027	0.0364
Franchise Fees	0.0020	0.0020	0.0020
<b>Resulting Illustrative SDCP Rate</b>	<b>0.1777</b>	<b>0.1700</b>	<b>0.1362</b>





# 2025 Commodity Rate Projections

Illustrative SDG&E commodity rates, effective 02-01-2025

Customer Class	SDG&E Avg. Commodity Rate (\$/kWh)							SDG&E Avg. Commodity Rate Change (%)				
	1/1/2023	1/1/2024	3/1/2024	10/1/2024*	1/1/2025**	1/1/2025***	2/1/2025	1/1/2023 - 1/1/2024	1/1/2024 - 3/1/2024	3/1/2024 - 10/1/2024	10/1/2024 - 1/1/2025	10/1/2024 - 2/1/2025
Residential	0.1967	0.1514	0.1517	0.1517	0.1519	0.1622	0.1578	-23.03%	0.19%	0.00%	6.96%	4.03%
Small Commercial	0.1742	0.1283	0.1285	0.1285	0.1288	0.1385	0.1348	-26.34%	0.19%	0.00%	7.78%	4.85%
M/LC&I	0.2039	0.1578	0.1581	0.1581	0.1578	0.1660	0.1616	-22.61%	0.18%	0.00%	5.04%	2.21%
Agricultural	0.1455	0.1120	0.1122	0.1122	0.1116	0.1174	0.1142	-23.00%	0.18%	0.00%	4.61%	1.78%
Lighting	0.1286	0.0991	0.0993	0.0993	0.0995	0.1063	0.1034	-22.92%	0.19%	0.00%	7.07%	4.13%
System Total	0.1947	0.1499	0.1502	0.1502	0.1503	0.1595	0.1552	-23.03%	0.19%	0.00%	6.20%	3.32%

\* SDG&E 10/1/2024 rate change did not revise commodity rates and PCIA

\*\* SDG&E proposed 1/1/2025 rates from Oct. 2025 ERRRA Update, filed 10/21/2024.

\*\*\* SDG&E proposed 1/1/2025 rates from Nov. Consolidated Rates Filing, filed 11/15/2024.

- SDG&E's system avg. commodity rates are projected to increase by 3.32%.
- The primary driver for the increase in commodity rates is the SDG&E's 2022 General Rate Case impacts.

# Next Steps

- Staff is reviewing SDG&E's recently filed final 2025 commodity rates and PCIA rates, that will go into effect on February 1, 2025.
- Staff continues to monitor updates from SDG&E & CPUC.
- Due to variation in PCIA for vintage years, staff will continue to recommend trifurcated rates.
- Staff will recommend to the Board to adopt a rate change on February 7, 2025.

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

# **Public Comment for Item No. 18**



# Item No. 19

## Update on Regulatory and Legislative Affairs

**Recommendation: Receive and file the Update on Regulatory and Legislative Affairs.**

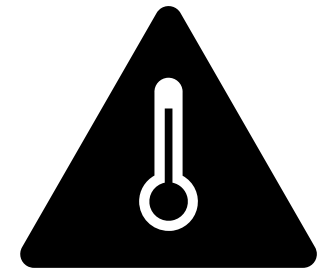
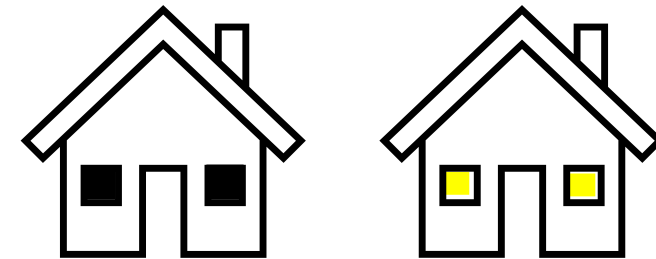
Presenters:

Aisha Cervantes-Cissna, Senior Policy Manager  
Patrick Welch, Senior Legislative Manager

# Disconnections

## New Disconnection and Reconnection Policies Being Considered

- Investor-Owned Utilities (IOUs) must restore service to a residential customer whose service was previously terminated for nonpayment upon a customer entering into a payment plan or agreement.
- When can the California Public Utilities Commission (CPUC) authorize IOUs to disconnect customers again after reconnection?
- Should an IOU take into account a customer's ability to pay before terminating service due to nonpayment?
- Should there be limits on the number of reconnections allowed?
- Should the CPUC limit the amount an IOU can collect from a customer that is unable to pay their bill?
- Should disconnection prohibitions due to extreme heat be expanded?



# Disconnections

## California Community Choice Association (CalCCA) Position


- Balance customer protections with arrearages to mitigate the level of arrearages going back into rates
- Hire a third party to perform a holistic examination of disconnection protection and payment programs
- Adopt expanded disconnection protections for high *and* low temperature risks





# Legislative Update

- Community Power and other Community Choice Aggregators (CCAS) issued a budget letter requesting \$200 million for California Energy Commission program that could support programs like Solar Battery Savings.
- Governor Newsom's January 10 budget proposal includes \$180 million for the program (plus \$20 million for admin support). State budget must be finalized and adopted by June 15.
- New 2-year legislative session began on December 2. The main policy focus for 2025 will likely be affordability and wildfires.
- Community Power's Regulatory & policy Platform supports state and federal funding "that enables SDCP to provide 100% renewable energy or sooner."



December 4, 2024

Joe Stephenshaw  
Director, Department of Finance  
1021 O Street, Suite 3110  
Sacramento, CA 95814

**Subject:** Funding the California Energy Commission's (CEC) Distributed Electricity Backup Assets (DEBA) Program Will Help Ratepayer Affordability

Dear Director Stephenshaw,

The 2024 Budget Act included a \$200 million set aside from the Greenhouse Gas Reduction Fund (GGRF) for DEBA in 2025-26. We urge you to work with the Governor to follow through on this commitment and include the appropriation in the January budget proposal.

# Legislative Update

- **Federal:** The new Congress was sworn in on January 3. Community Power staff is monitoring potential changes Inflation Reduction Act renewable energy and storage tax credits.
- Community Power's Congressional letter advances the following:
  - No retroactive changes
  - Protect the Investment Tax Credit and Production Tax Credit.
  - The Energy Communities and Domestic Content tax credit adders have been materially beneficial.
  - Home Energy Efficiency Improvement Credit (HEEIC), and the Residential Clean Energy Credit are critical to local resource development.
- Consistent with the Policy Platform's support for deep decarbonization, promoting local development, and achieving strong financial stability.



January 22, 2025

The Honorable Scott Peters, 50<sup>th</sup> District  
United States House of Representatives  
2369 Rayburn House Office Building  
Washington, DC 20515

**Subject:** Protecting Electricity Tax Credits to Benefit San Diego Ratepayers, Regional Economic Development, and Encourage Local Electricity Generation and Storage

Dear Congressman Peters,

San Diego Community Power is the state's second largest community choice aggregator, providing clean, affordable, and reliable electric generation service and customer programs to over 955,000 customer accounts. It was founded to develop a wide range of renewable and energy storage resources, energy efficiency programs, foster regional economic benefits, and promote electric rate stability. SD Community Power is governed by a joint board of elected representatives from the cities of San Diego, La Mesa, Encinitas, Chula Vista, Imperial Beach, National City, and the County of San Diego.

As the 119<sup>th</sup> Congress works on energy policies, we want to highlight the role that key Inflation Reduction Act (IRA) tax provisions play in maintaining electric reliability and affordability – and promoting regional economic development – in the San Diego region. We urge you to work with your colleagues to protect the ratepayer benefits of the Investment Tax Credit (ITC), the Production Tax Credit (PTC), the Home Energy Efficiency Improvement Credit (HEEIC), and the Residential Clean Energy Credit (RCEC). We also ask that you prevent any retroactive changes to current energy tax credits to honor existing financial commitments and avoid unnecessary shocks to energy markets.

SD Community Power signed eight power purchase agreements (PPAs) in 2024 that presume ITC or PTC benefits. Overall, we are working to bring 1.6 gigawatts (GWs) of renewable energy generation and 1 GW of energy storage online through 2028, enough to power 1.2 million homes. The projects are important for affordability and are important drivers of regional economic development; they have helped create over 2,800 well-paying construction jobs through project-labor agreements and more than 50 permanent jobs.

There are many factors that impact the pricing of these projects, such as high interest rates, inflation, supply chain problems, and electric transmission constraints, all of which have pushed PPA prices up, raising costs for ratepayers. The core provisions of the ITC and PTC, including the prevailing wage incentives, have counteracted these upward cost

Sincerely,

A handwritten signature in black ink, appearing to read "Karin Burns".

Karin Burns  
Chief Executive Officer  
San Diego Community Power

SD Community Power Energy Tax Credit Letter (January 22, 2025) – Page 2

ower invest in reliable, local sources of clean electricity  
mmunity and domestic content incentives have also  
n pricing of certain projects.

ally sets the unbundled, retail generation rates for our  
wholesale market prices, the Board was able to reduce  
savings for San Diego ratepayers. Moving forward,  
projects are expected to come online between now and  
ng increased stability to SD Community Power rates  
that reduce exposure to wholesale costs, which  
SD Community Power expects to have a continued need  
eration and storage projects, and the ITC and PTC will  
g costs down.

process of launching several customer programs to  
ance customer resiliency, and promote ratepayer  
s Solar Battery Savings program provides incentives to  
th the RCEC to make it affordable to install batteries in  
r control their peak energy costs. Batteries from the  
power plant (VPP), which is also capable of aggregating  
pliances, like electric heat pumps, which are made  
a two consumer facing tax credits are critical to  
cing SD Community Power's local electricity resource  
ctric reliability.

Please don't hesitate to reach out if there is anything  
port your efforts to maintain key tax credits that benefit



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

# **Public Comment for Item No. 19**



# Item No. 20

## Update on Solar Battery Savings Program

### Recommendation:

**Receive and File Update on Solar Battery Savings Program.**

#### Presenters:

Emily Fisher, Senior Program Manager

Colin Santulli, Director of Programs

# Evolution of Customer Generation Credits

Net Metering allows your home to send energy produced (on site) back to the grid for energy credits to reduce your utility bill.

## Net Energy Metering

**(NEM) 1.0:** Customers credited for energy exported to the grid at the same rate they were paying for energy (kWh in = kWh out).

**Pre - July 1, 2017**

## Net Energy Metering

**(NEM) 2.0:** Customers credited for energy exported to the grid at the same rate they were paying for energy. Required paying an interconnection fee, transferring to a Time-of-Use (TOU) rate and added charges.

**July 1, 2017 – April 15, 2023**

## Net Billing Tariff (Solar Billing Plan, “NEM 3.0”):

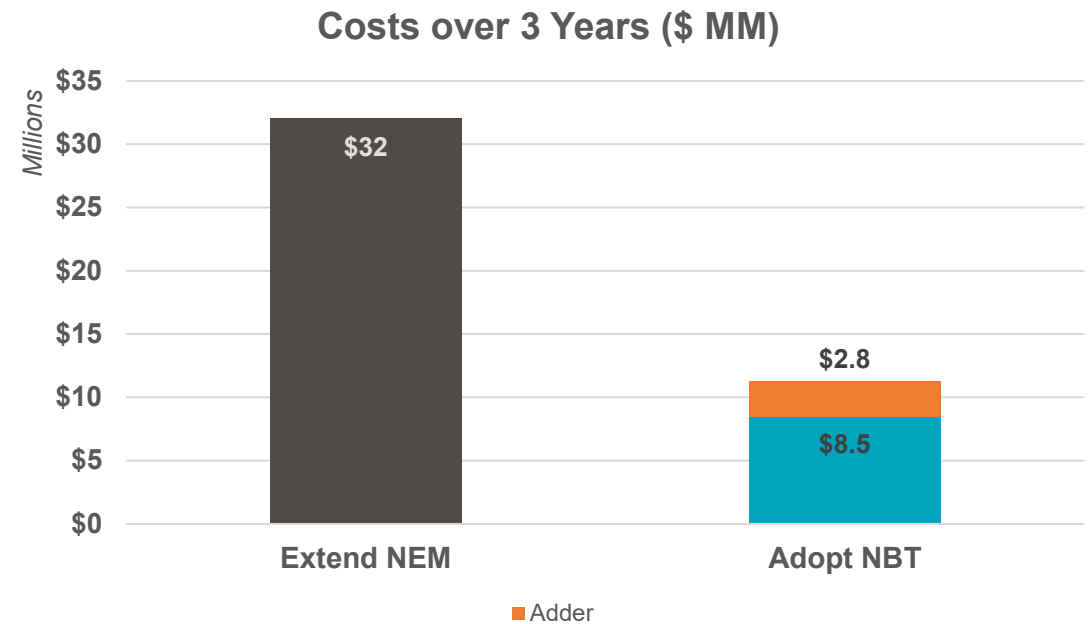
Customers credited at the avoided-cost calculator value when the energy is exported (ranging from ~\$0.02-\$3.00) depending on the month and hour.

**Post - April 15, 2023**

# Net Billing Tariff Adoption

- Staff conducted an in-depth analysis and forecast of solar growth to determine options.
- Staff determined that adopting NBT could save **all** Community Power customers over \$20.7 million over three years.
- These savings will be passed onto customers through rate savings, adders, and customer programs, such as battery incentives.

## Anticipated costs in millions



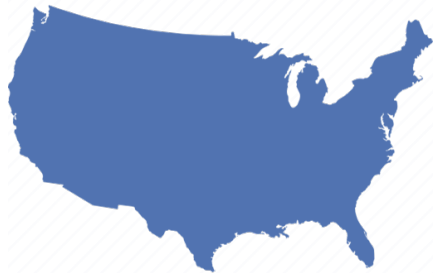


# Program Goals

- ✓ Install solar + storage in single-family homes throughout Community Power territory (*Target Goal: 50% of incentives to Communities of Concern*)
- ✓ Support clean energy and reliability
  - Local infill goal (15%)
  - Reliable capacity for on-peak hours
- ✓ Leverage non-Community Power incentives for our customers
- ✓ **Build strong relationships with our customers and the industry**



# Research for Program Development



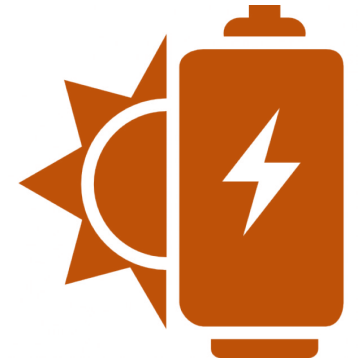
Research on  
national and  
statewide programs



Discussions with  
other CA CCAs  
about existing or  
planned programs



Engagement with  
CALSSA and other  
industry orgs



Interviews, feedback  
and workshops with  
industry

# Program Parameters

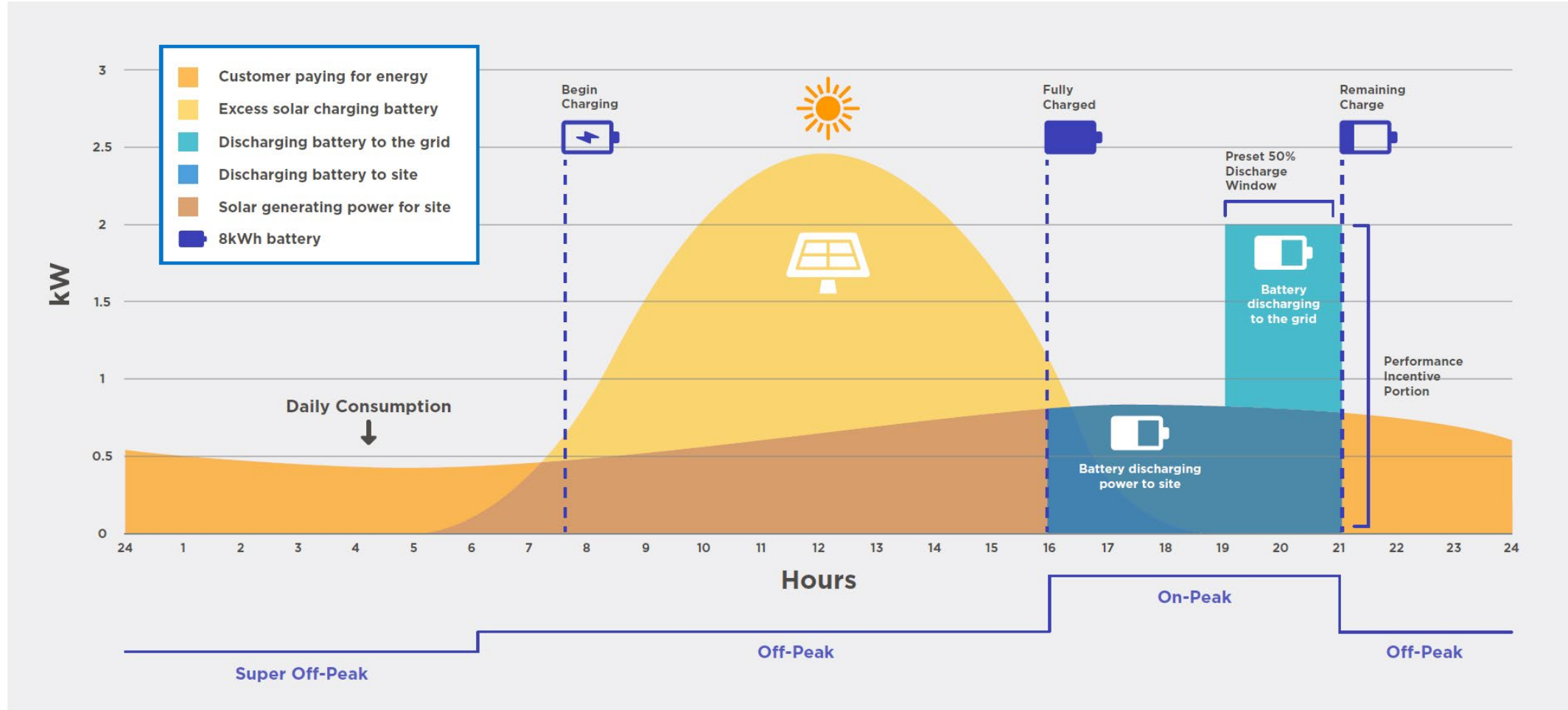
Program Incentives		
	Market Rate	CARE/FERA and/or Communities of Concern
Solar Upfront Incentive	N/A	Up to \$450/kW-AC <sup>1</sup>
Storage Upfront Incentive	\$350/kWh (nameplate useable capacity)	Up to \$500/kWh <sup>2</sup> (nameplate useable capacity)
Storage Performance Incentive	\$0.10/kWh (based on actual performance over the dispatch period during on-peak periods)	

<sup>1</sup>Up to based on if customer is eligible for other solar incentives, i.e., SGIP, DAC-SASH and City of San Diego Solar Equity Program

<sup>2</sup>Up to based on if customer is eligible for other upfront storage incentives, i.e., SGIP



# How the Program Works



Solar power generation window will vary based on seasonality and weather.

# Program Training

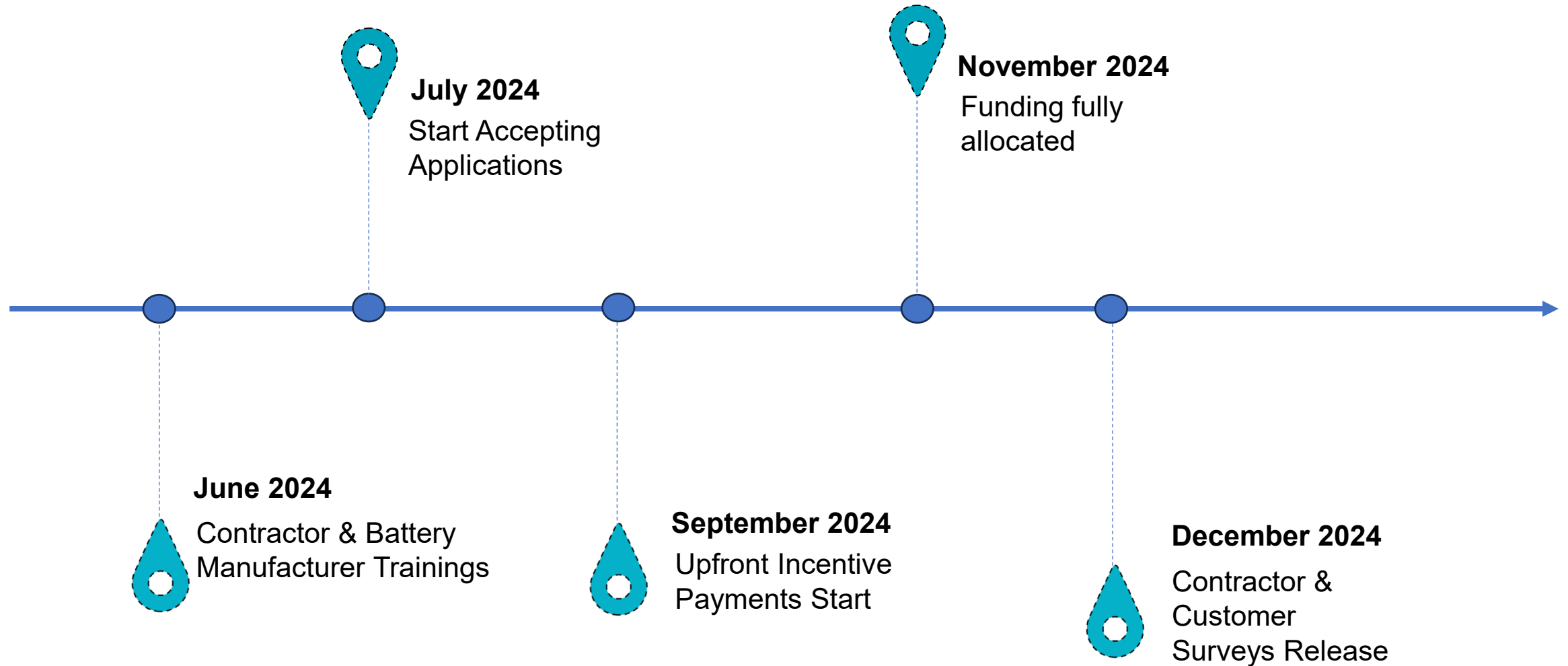
## Contractors

- Contractors are the messengers to our customers regarding the program
- Mandated contractor training
  - Trained 44 contractors ahead of program launch at a local distributor and International Brotherhood of Electrical Workers (IBEW)'s training facilities
  - Converted training to virtual format following program launch

## Battery Manufacturers

- Program training held for interested battery manufacturers and shared virtually with battery manufacturers as they registered
- Individual meetings with battery manufacturers to discuss operationalizing the batteries and data sharing

# Program Timeline

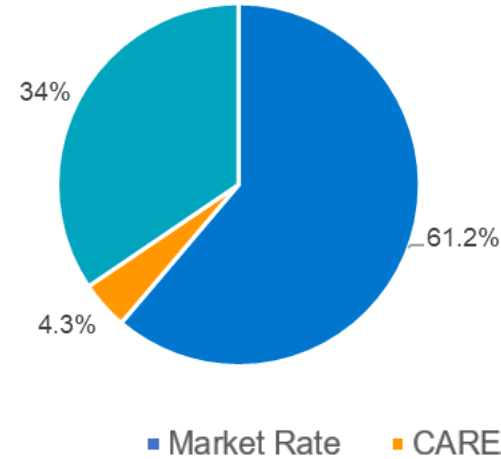


# Customer Success

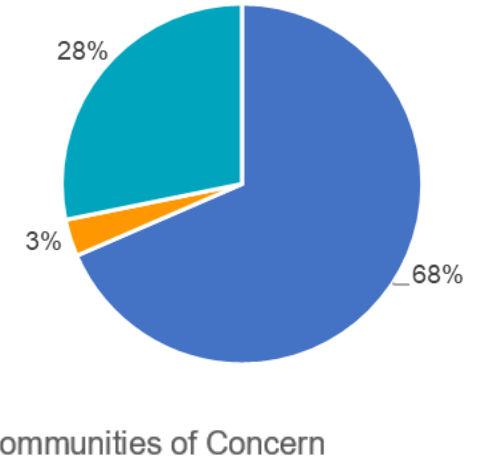
## Customer Participation:

- **Total Approved Projects:** 1,636 (87% approval rate)
- **Total Approved Batteries:** 2,249
- **Total Projects Paid:** 572 (35%)
- **Average Incentive:** \$6,870
  - \$6,150 – Market Rate
  - \$8,469 – Non-Market Rate
- 55% of customers had additional solar added; 18% of those customers had a solar incentive
- **7.4 MW Enrolled**

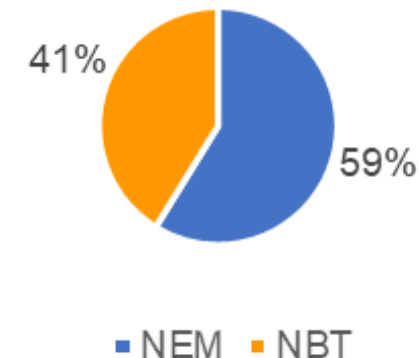
Distribution Based on Budget



Distribution Based on Projects



Customer Type





# Contractor Engagement

- **77%** of approved contractors have participated
- **37%** of contractors are DBE
- **4%** of contractors are union
- **37%** of contractors have less than 15 projects

# of Employees	# of Contractors
<=10 employees	20
10-50 employees	17
>50 employees	15

Contractor Name	Total Projects	% of Projects
Baker Home Energy	410	25%
TMAG Industries Inc, DBA Stellar Solar	176	11%
Sunline Energy	144	9%
Aloha Solar Power & Electrical Services Inc.	131	8%
KBI Electric, Inc. DBA Build Brothers	85	5%
Semper Solaris	76	5%
SolHome	64	4%
Homegrown Energy Solutions LLC	60	4%
Tesla, Inc.	59	4%
Solar Tech Energy	50	3%
Cosmic Solar Inc.	47	3%
Solare Energy, Inc.	40	2%
Johnson Solar	33	2%
SunVantage	31	2%
Sattler Solar Inc	25	2%
G C Electric Solar	24	1%
Alltech Solar, Inc.	21	1%
Palomar Solar LTD	18	1%
Incentive Solar	18	1%
San Diego Solar Inc	15	1%

# Battery Manufacturer Engagement

- 14 Approved Battery OEMs
- 46 Approved Battery Products
- 8 OEMs with products enrolled

OEM	# of Batteries Approved
Tesla	1,857 (83%)
Enphase	254 (11%)
sonnen	101 (4.5%)
Franklin	12 (<1%)
NeoVolta	7 (<1%)
StackRack	7 (<1%)
PointGuard	4 (<1%)
Canadian Solar	3 (<1%)
<b>Total</b>	<b>2,249</b>



# Updates & Next Steps

- Featured as a case study in the Department of Energy's Virtual Power Plant Liftoff report on Jan 10, 2025.
- Distributed program survey to contractors and participating customers
- Complete initial program evaluation in Q1 2025 to inform a future relaunch later this year
- Evaluate & develop a non-residential pilot

## Pathways to Commercial Liftoff: **Virtual Power Plants 2025 Update**





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

# **Public Comment for Item No. 20**



The background of the slide is a vibrant blue water surface with gentle ripples. A large, white, diagonal stripe runs from the top-left corner towards the bottom-right, creating a modern, geometric design. The text is positioned within the white stripe.

# **Report by Chief Executive Officer**

# Report by Chief Executive Officer

## Updates

- Community outreach at local libraries
- Successful Board Orientation last week!
- Customer Feedback Survey is live
  - Open to all residents and businesses in our service territory
  - Promotional materials to be provided
- Community Power to provide updates to member agencies between Feb. and April
- Community Power is still hiring!





The background of the slide features a close-up photograph of blue water with gentle ripples. A large, white, diagonal stripe runs from the top-left corner towards the bottom-right, creating a modern, geometric design. The text is centered within the white stripe.

# **Directors' Comments**





**Adjournment**





# Next Special Board of Directors Meeting

February 7, 2025  
10 a.m.

