SAN DIEGO
COMMUNITY POWER

Board of Directors

Special Meeting

May 30, 2024

Welcome
&
Call to
Order

Roll Call

Land Acknowledgement

Special Meeting Agenda

1. Adopt a Power100 Green-e Certified Product and Approve its Rate

2. Adopt a PowerBase Service and Approve its Rates

Item 1

Adopt a Power100 Green-e Certified Product and Approve its Rate

Recommendation:

Recommendation: Adopt a Power100 Green-e Certified Product and approve its pricing as a $0.02/kWh adder to the PowerOn service.

Presenters:
Aaron Lu, Sr. Rates & Strategy Analyst
Lucas Utouh, Sr. Director Data Analytics & Customer Operations

Background

SDCP currently offers two levels of services.

PowerOn	Power100
PowerOn 54.2% Renewable	**Power100** 100% Renewable

PowerOn – standard service offering with a minimum of 50% renewable power

Power100 – premium service with 100% renewable and carbon-free power

- $0.0075/kWh adder
- Adjusted to $0.01/kWh as of July 1, 2024

Customer Feedback and Needs

LEED Certification and SEC Disclosures

- Commercial and industrial customers desire a stand-alone 100% renewable and carbon-free Green-e® certified service

- Cater to Leadership in Energy and Environmental Design (LEED) rating goals
  - LEED is the world's most widely used green building rating system
  - Power100 Green+ will allow for project/buildings to earn LEED renewable energy points towards certification

- Cater to Securities and Exchange Commission (SEC) rules to enhance and standardize climate-related disclosure

Power100 Green-e Certified

Service Offering Details

- Effective as of July 1, 2024.

- This new service will be called Power100 Green+

- Priced as a $0.02/kWh adder to PowerOn.

- Initially available to commercial and industrial customers.

- Expects 2% of load will enroll; enrollment will be capped at 5% of load unless modified by the Board.

- Fiscal Impact:

  - $3.2 million in net annual revenue.

  - Estimate factored into fiscal projections reviewed and approved by the Board in SDCP's 2024 Rates Schedule.

- Sourced primarily from resources under long-term contract to SDCP: Duran Mesa (wind), IP Oberon (solar), Vikings Energy Farm (solar)

Public Comment for Item 1

Item 1

Adopt a Power100 Green-e Certified Product and Approve its Rate

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Presenter:
Aaron Lu, Sr. Rates & Strategy Analyst.
Lucas Utouh, Sr. Director Data Analytics & Customer Operations.

Item 2

Adopt a PowerBase Service and Approve its Rates

Recommendation:

Adopt PowerBase, a product available to no more than 15% of SDCP customer load that will not be available as a member agency-wide default service product, and approve the PowerBase rates in Attachment A to become effective on July 1, 2024.

Presenter:
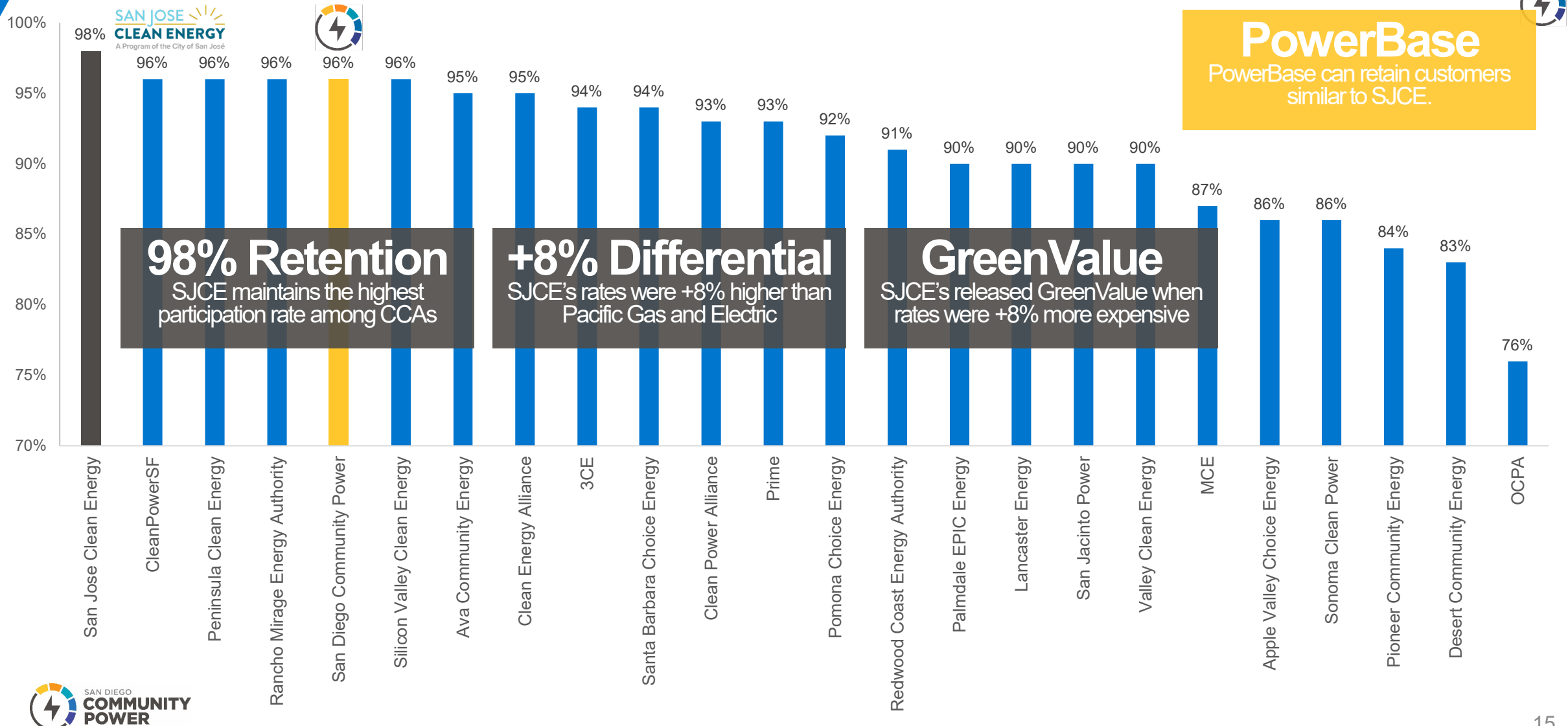Tim Manglicmot, Sr. Finance Manager
Lucas Utouh, Sr. Director Data Analytics & Customer Operations

Customer Choice and Needs

Balance competitive rates with SDCP financial stability

- Proposal enhances customer choice and meets the diverse needs of SDCP customers with a focus on affordability

- Proposal intends to mitigate opt-outs and assist in maintenance and accrual of reserves

- Initially offer rates that are 2.5% lower than SDGE's existing default service commodity rates that are effective as of March 1, 2024

- Closely aligned with the State of California's Renewable Portfolio Standards (RPS)

Participation Rates by CCA

PowerBase
PowerBase can retain customers similar to SJCE.

98% Retention
SJCE maintains the highest participation rate among CCAs

+8% Differential
SJCE's rates were +8% higher than Pacific Gas and Electric

GreenValue
SJCE's released GreenValue when rates were +8% more expensive

SDCP Financial Impacts

Projected FY 2024-25 Budget	Net Revenue	Total Expenses	Net Income
Current	$ 1,138,002,518	$ 1,097,896,502	$ 40,106,017
Proposed	$ 1,177,925,889	$ 1,137,634,546	$ 40,291,343
Difference	$ 39,923,370	$ 39,738,044	$ 185,326

- The PowerBase product **preserves customer participation** which by comparison to other CCAs is difficult to rebuild once it declines.

- In FY 2024-25, staff do not anticipate a substantial impact to net income if PowerBase is approved.

PowerBase

Service Offering Details

- Initially offer rates that are 2.5% lower than SDGE's existing default service commodity rates that are effective as of March 1, 2024.

- Not eligible for member agency-wide default service changes.

- Capped at no more than 15% of participating load; when 10% participation by load is reached, staff will return to the Board.

- Supports SDCP's mission to provide an affordable option that is cleaner than the competition.

- Supports SDCP's mission to achieve 100% renewable energy by 2035 or sooner through customer retention, especially for price sensitive customers.

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Bill Impacts

Residential

Rate: TOU-DR-1

Residential	SDGE	PowerBase	SDCP PowerOn	SDCP Power100	Savings:PowerBase Vs. SDGE
Generation	$47.14	$44.20	$49.94	$53.28	
*PCIA	$0.69	$2.42	$2.42	$2.42	
*Franchise Fees	$0.99	$0.99	$0.99	$0.99	
Total Generation Related Charges	$48.82	$47.61	$53.35	$56.69	-2.5%
SDGE Delivery	$83.97	$83.96	$83.96	$83.96	
Total Average Monthly Cost	**$132.79**	**$131.57**	**$137.31**	**$140.65**	-0.9%

Average Monthly Usage (kWh)   334

Vintage 2021

Please note that individual customers' actual bill impacts will vary with usage per month, by climate zone etc.

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Bill Impacts

Small Commercial

Rate: ALTOU (Secondary Voltage)

Large Commercial	SDGE	PowerBase	SDCP PowerOn	SDCP Power100	Savings:PowerBase Vs. SDGE
Generation	$3,335.32	$3,660.86	$4,011.34	$4,256.72	
*PCIA	$385.00	-$34.60	-$34.60	-$34.60	
*Franchise Fees	$91.80	$91.79	$91.79	$91.79	
	$3,812.12	$3,718.05	$4,068.53	$4,313.91	-2.5%
SDGE Delivery	$4,625.38	$4,624.89	$4,624.89	$4,624.89	
Total Average Monthly Cost	**$8,437.50**	**$8,342.94**	**$8,693.42**	**$8,938.80**	-1.1%

Average Monthly Usage (kWh)   24,538

Average Monthly Demand (kW)   67.6

Vintage 2020

Please note that individual customers' actual bill impacts will vary with usage and demand per month, by climate zone etc.

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Public Comment for Item 2

Item 2

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Tim Manglicmot, Sr. Finance Manager.
Lucas Utouh, Sr. Director Data Analytics & Customer Operations.

Adjournment

**Next Regular
Board of Directors Meeting**

June 27, 2024