



Board of Directors

Regular Meeting

February 27, 2025





**Welcome
and
Call to
Order**

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Roll Call





Land Acknowledgement

Welcome Staff



Caryn Lai

Senior Counsel



Stephen Yi

Associate Director of Data
Analytics and IT



Jennine Camara

Director of Portfolio
Management

The background of the slide is a vibrant blue water surface with gentle ripples. A wide, white diagonal stripe runs from the top-left corner to the bottom-right corner, creating a sense of movement and division. The text is centered within this white stripe.

**Welcome
New Board
Members**

Welcome New Board Members




Sean Elo-Rivera
City of San Diego
Councilmember



Marco San Antonio
City of Encinitas
Councilmember

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Withdrawn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

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Public Comment for Items not on the Agenda

Consent Calendar

- 1. Approve January 17, 23, and February 7, 2025, Meeting Minutes**
- 2. Receive and File Treasurer's Report for Period Ending December 31, 2024**
- 3. Receive and File Update on Programs**
- 4. Receive and File Update on Power Services**
- 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 Regulatory and Legislative Affairs**
- 9. Approve Request for Board Member Travel to CalCCA Annual Conference April 28-30, 2025, in Irvine, CA**

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Public Comment for Consent Agenda

Regular Agenda

10. **Community Advisory Committee Quarterly Report**
11. **Presentation on Clean Energy Prepayment Financing**
12. **Adopt Resolution No. 2025-02 to Approve a Designation of Presiding Officer Policy**
13. **Appointment of a New Member to the Finance and Risk Management Committee**
14. **Amendment of the FY 2024-25 Operating Budget, the FY 2024-25 Capital Budget, and the FY 2025-29 Capital Investment Plan**
15. **Approve Amended and Restated Energy Storage Service Agreement with Eusmod Project I, LLC**
16. **Approve Energy Storage Service Agreement with North Johnson Energy Center, LLC**
17. **Approve Energy Storage Services Agreement Portfolio with Luminia CA DevCo 5, LLC**
18. **Update on Strategic Planning Goals for FY2026-2028**

Item No. 10

Community Advisory Committee Quarterly Report

Recommendation:

Receive and File Community Advisory Committee Quarterly Report.

Presenter:


Matthew Vasilakis, Community Advisory Committee Chair

Quarterly Report on Community Advisory Committee (CAC)

October 2024 through January 2025

Topics Discussed

- Customer Operations Metrics and Data Tracking
- Solar Battery Savings
- Flex Load Strategy
- 5-Year Key Organizational Highlights and Strategic Planning Process Overview
- Allocation from Pacific Gas & Electric Greenhouse Gas-Free Attributes
- 2025 CAC Work Plan
- 2025 Projected Rate Changes
- Strategic Partnerships



Community Advisory Committee
2025 Work Plan

Focus	Description	Outcomes
Equity Overview	Prioritize justice, equity, diversity, and inclusion by working with the Community Power Board and Staff.	Ensure that the CAC provides input from an equity perspective on the tasks brought before them and monitor the equitable distribution of programming and service levels.
Training and Educational Presentations	CAC members may receive training and invite and hold educational presentations to the wider CAC to assist members in providing ongoing support to Community Power staff and its Board to achieve the mission, vision, core values, and goals of the agency.	<p>Ensure 100%-member compliance with the following required trainings, regulations, and form submissions:</p> <ul style="list-style-type: none">• California Public Records Act• Ralph M. Brown Act• Ethics Training• Sexual Harassment Prevention Training• Statement of Economic Interests <p>Ensure CAC is knowledgeable of Community Power operations as well as external issues that may impact the organization, which may include:</p> <ul style="list-style-type: none">• Community Power Orientation• Strategic Planning Process Overview & Participation• California Community Choice Association• Programs Overview and Programs-Specific Education• Finance & Rate Setting Process• Legislative Session 101• Conflict of Interest and Ethical Conduct Policy• Battery Storage Guidelines and Community Impact• Local Infill Development• Community Power Website Guidance• State Efforts on Geothermal Energy

Board-Approved 2025 CAC Work Plan

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Public Comment for Item No. 10

Item No. 11

Presentation on Clean Energy Prepayment Financing

Recommendation:

Receive and File Presentation on Clean Energy Prepayment Financing.

Presenter:

Dr. Eric Washington, Chief Financial Officer/Treasurer
Mike Berwanger, PFM Financial Advisors



SAN DIEGO
**COMMUNITY
POWER**

Energy Prepayment Discussion

February 27, 2025

PFM Financial Advisors LLC

1150 S. Olive Street,
10th Floor
Los Angeles, CA 90015

213.489.4075



Prepayment Transaction Overview

Goal – Reduce cost of power purchases by 8% or more

How – Leverage use of tax-exempt bonding capacity to secure long-term supply

Background

Codified in the U.S. tax law

Used since the 1990s largely for natural gas transactions

Over 100 transactions totaling over \$75 billion completed in the U.S. – mostly for gas

18 energy prepayment transactions totaling \$17.8 billion completed last few years for 10 California Community Choice Aggregators:

- Ava Community Energy (AVA)
- Silicon Valley Clean Energy (SVCE)
- Marin Clean Energy (MCE)
- San Jose Clean Energy (SJCE)
- Sonoma Clean Power (SCP)
- Pioneer Community Energy (Pioneer)
- Clean Power Alliance (CPA)
- Central Coast Community Energy (3CE)
- Peninsula Clean Energy (PCE)
- San Diego Community Power (SDCP)



San Diego Community Power – 2024 Prepayment Transaction

CCCFA issued \$1,000,500,000 in tax-exempt bonds on behalf of SDCP in November 2024

- 30-year transaction with an initial put period of November 2032
- For the initial period, 4,113,481 MWhs have been assigned into the deal
- Total cashflow savings of \$53.2 million are expected
- Annual savings of \$6.8 million (which represents 12% of assigned energy procurement costs) have been locked in till 2032



Prepayments That Have Been Completed by CCAs in California

Date	Amt. (\$000)	Issuer	Description	Beneficiary	Prepay Counterparty
09/2021	1,234,720	California Community Choice Financing Authority	Elec (Green)	SVCE, AVA	Morgan Stanley
11/2021	602,655	California Community Choice Financing Authority	Elec (Green)	MCE	Goldman Sachs
07/2022	931,120	California Community Choice Financing Authority	Elec (Green)	AVA	Morgan Stanley
01/2023	459,640	California Community Choice Financing Authority	Elec (Green)	Pioneer	Goldman Sachs
01/2023	841,550	California Community Choice Financing Authority	Elec (Green)	SVCE	Morgan Stanley
02/2023	998,780	California Community Choice Financing Authority	Elec (Green)	CPA	Goldman Sachs
06/2023	958,290	California Community Choice Financing Authority	Elec (Green)	CPA	Goldman Sachs
08/2023	997,895	California Community Choice Financing Authority	Elec (Green)	AVA	Morgan Stanley
10/2023	647,750	California Community Choice Financing Authority	Elec (Green)	3CE	Goldman Sachs
12/2023	1,038,285	California Community Choice Financing Authority	Elec (Green)	MCE	Goldman Sachs
01/2024	1,101,625	California Community Choice Financing Authority	Elec (Green)	SVCE	Morgan Stanley
08/2024	1,524,180	California Community Choice Financing Authority	Elec (Green)	CPA	Goldman Sachs
10/2024	959,825	California Community Choice Financing Authority	Elec (Green)	PCE	Goldman Sachs
11/2024	1,243,210	California Community Choice Financing Authority	Elec (Green)	SJCE	Morgan Stanley
11/2024	1,152,995	California Community Choice Financing Authority	Elec (Green)	CPA	RBC Capital Markets
11/2024	1,000,500	California Community Choice Financing Authority	Elec (Green)	SDCP	Morgan Stanley
11/2024	775,590	California Community Choice Financing Authority	Elec (Green)	SCP	Goldman Sachs
12/2024	1,290,750	California Community Choice Financing Authority	Elec (Green)	CPA	Goldman Sachs
Total	\$17,759,360				

*All transactions to date have achieved @ 9.5% savings or better.
Most recent transactions have been over 12%.*

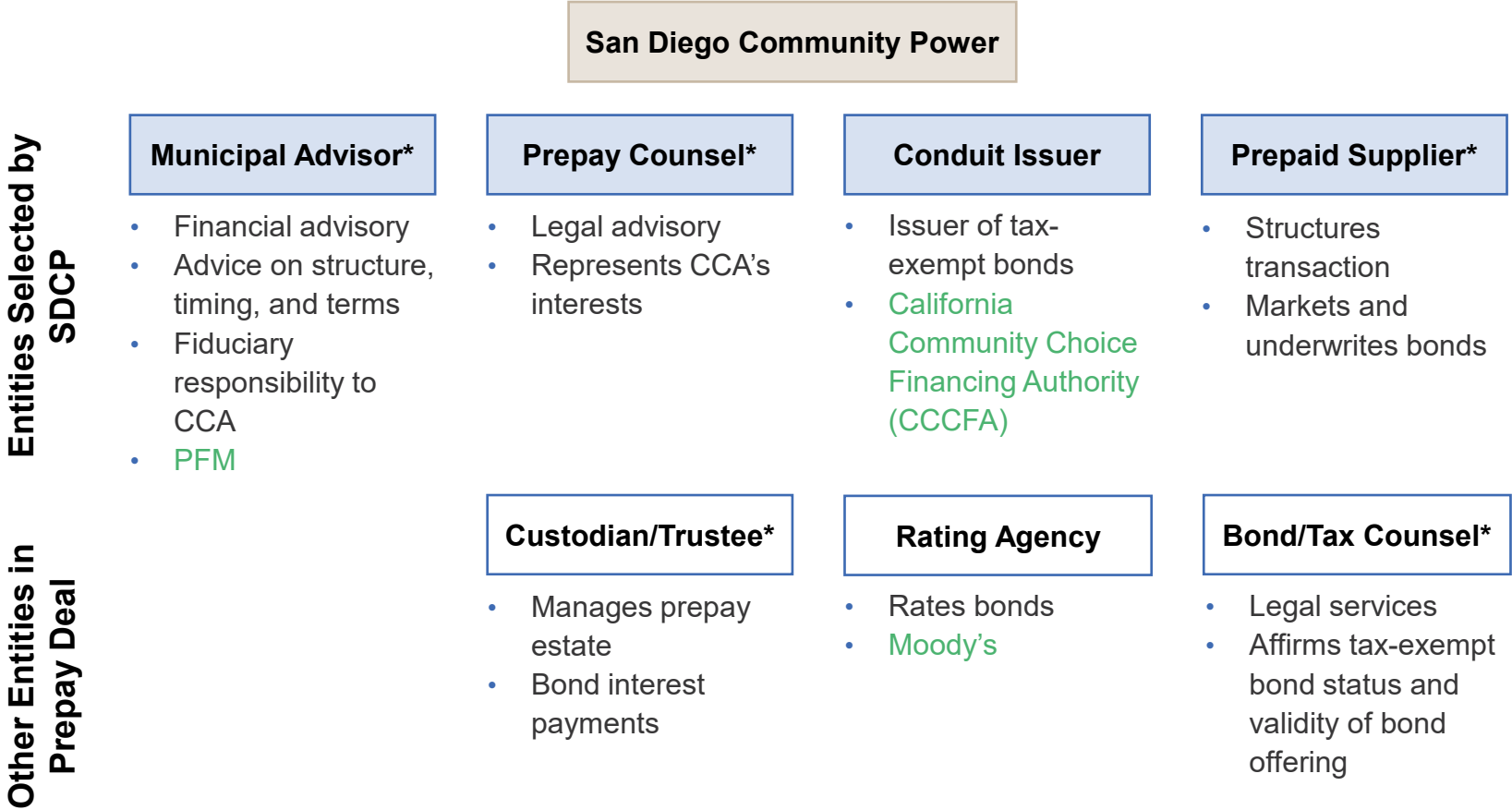


Prepayments That Have Been Completed by Public Utilities in California

Date	Amt. (\$000)	Issuer	Description	Beneficiary
06/2006	230,845	Vernon Natural Gas Fin Auth	Nat. Gas	City of Vernon Elec
01/2007	209,350	Roseville Natural Gas Fin Auth	Nat. Gas	City of Roseville Elec
05/2007	757,055	Northern Ca Gas Auth No. 1	Nat. Gas	SMUD
09/2007	887,360	Long Beach Bond Fin Auth	Nat. Gas	City of Long Beach
10/2007	504,445	So. Ca Pub Power Auth	Nat. Gas	Multiple MOUs
10/2007	251,695	Long Beach Bond Fin Auth	Nat. Gas	City of Long Beach
08/2009	901,620	M-S-R Energy Authority	Nat. Gas	MID/Redding/SVP
10/2009	514,160	So. Ca Pub Power Auth (Windy Flats)	Elec (Wind)	LADWP, Mult. MOUs
04/2010	778,665	Cal. Statewide Comm Dev Auth	Nat. Gas	SMUD
11/2010	394,700	So. Ca Pub Power Auth (Milford 1 & 2)	Elec (Wind)	LADWP, Mult. MOUs
12/2018	539,615	Northern Ca Energy Auth	Gas/Elec	SMUD
05/2024	592,270	So. Ca Pub Power Auth	Elec	APU
01/2025	984,120	Central Valley Energy Auth	Gas/Elec	TID
02/2025	865,770	San Joaquin Valley Clean Energy Auth	Elec	MID
Total	\$8,411,670			



Pre-Pay Deal Team

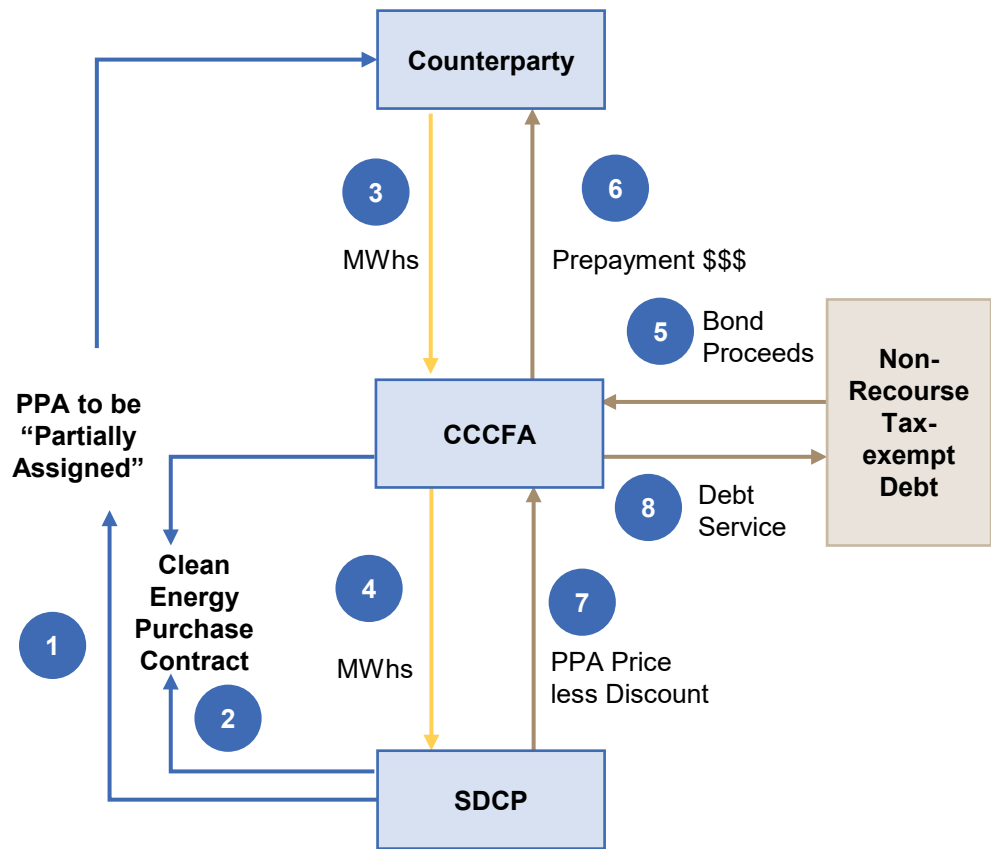


Green Font = firms that will be used for the prepay transaction
*Fees paid on contingency from bond proceeds



Summary of Energy Prepayment Structure Mechanics

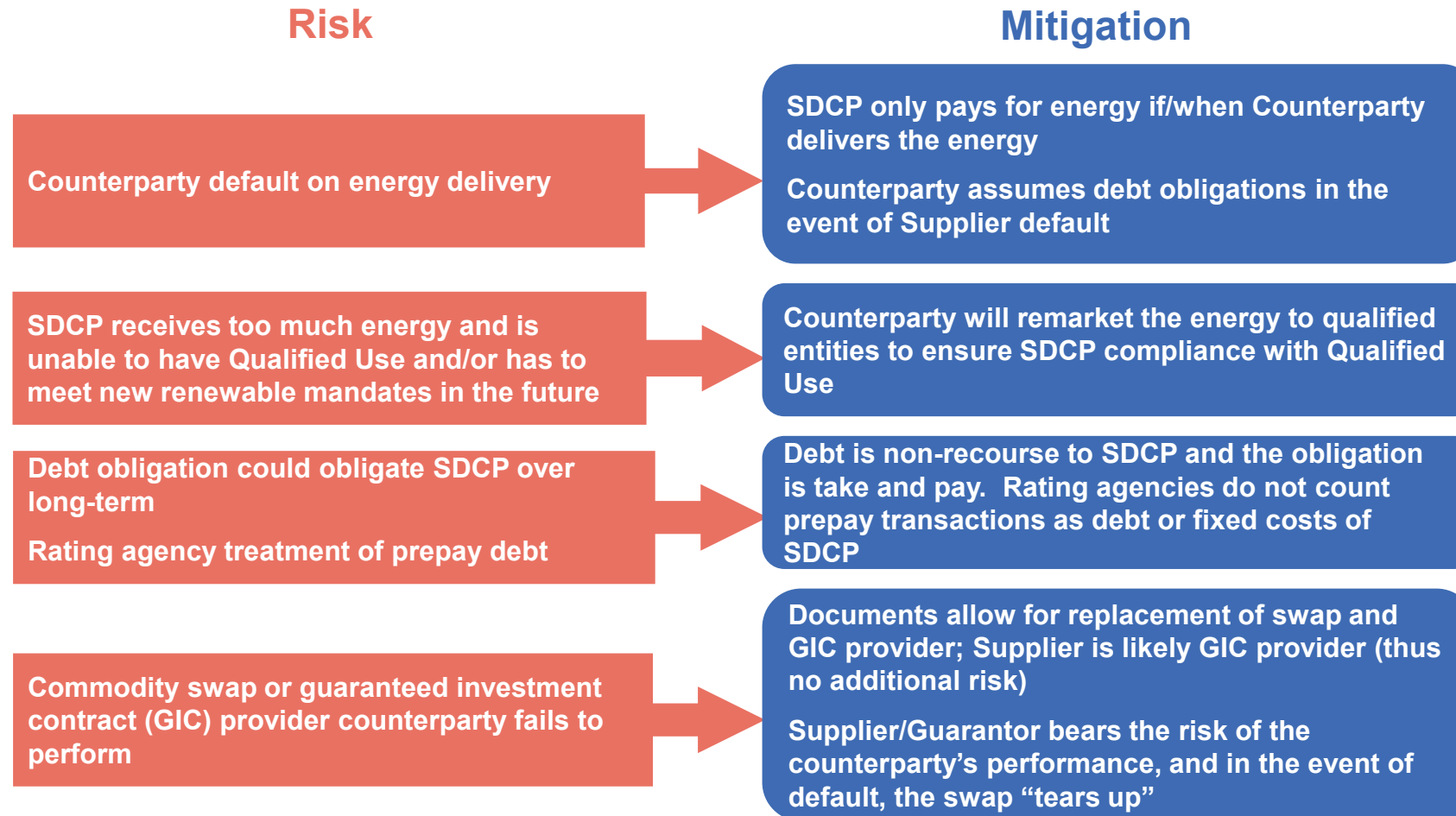
- 1) SDCP partially assigns PPAs to Counterparty
- 2) SDCP and CCCFA execute a Clean Energy Purchase Contract
- 3) Counterparty delivers power to CCCFA via a Master Power Supply Agreement
- 4) CCCFA delivers power to SDCP
- 5) CCCFA issues non-recourse tax-exempt bonds
- 6) CCCFA makes a prepayment to Counterparty for a 30-year power supply
- 7) SDCP makes payments to the CCCFA net of savings
- 8) CCCFA makes debt payments with payments from SDCP





Favorable Risk Allocation – “Take-and-Pay” Structure

Key Risk – Transaction terminates and SDCP no longer receives expected savings



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Public Comment for Item No. 11

Item No. 12

Adopt Resolution No. 2025-02 to Approve a Designation of Presiding Officer Policy

Recommendation:

Adopt Resolution No. 2025-02 to approve a Designation of Presiding Officer Policy to set a process for identifying the Director to preside over a Community Power Board of Directors (“Board”) meeting in the absence of the Board Chair or Vice Chair and the Committee member to preside over a Community Power Committee meeting, in the absence of the Committee Chair or Vice Chair, if the Committee has appointed a Vice Chair.

Presenter:

Veera Tyagi, General Counsel

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Public Comment for Item No. 12

Item No. 13

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

Recommendation:

That the Board of Directors consider the appointment of a new member to the Finance and Risk Management Committee to fill the vacancy left by Community Power Board Chair and Mayor of Imperial Beach, Paloma Aguirre.

Presenter:
Chair Paloma Aguirre

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Public Comment for Item No. 13

Item No. 14

Amendment of the FY 2024-25 Operating Budget, the FY 2024-25 Capital Budget, and the FY 2025-29 Capital Investment Plan

Recommendation:

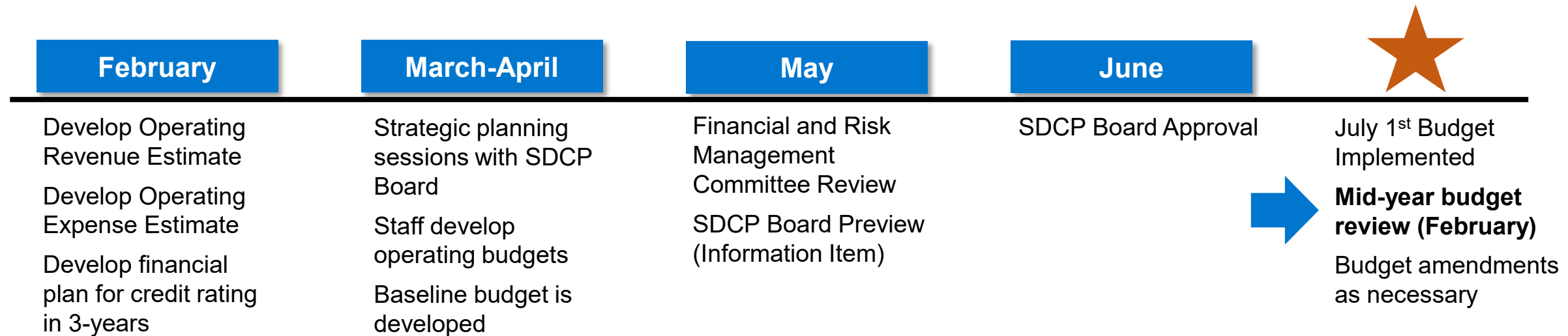
Approve Amending the FY 2024-2025 Operating Budget, the FY 2024-2025 Capital Budget, and the FY 2025-2029 Capital Investment Plan.

Presenter:

Dr. Eric Washington, Chief Financial Officer/Treasurer
Tim Manglicmot, Director of Finance

Budget Timeline

The Board adopted schedule for budget development is the following.



Budget Principles for FY 2024-25



- **Maintain Fiscal Responsibility**
- **Maintain Sufficient Reserves**
- **User-Friendly Financial Reports**
- **Model Best Practices**
- **Facilitate Engagement**
- **Promote Transparency**
- **Community Focused**

Proposed FY 2024-25 Amended Budget

FY 2025

Operational Revenue
\$1,177.9M

Total Expense
\$1,143.9M

Net Position
+\$34.0M

FY 2025 Amended

Operational Revenue
\$1,221.3M

Total Expense
\$1,187.1M

Net Position
+\$34.2M

Proposed FY 2024-25 Amended Budget

FY 2025

FY 2025 Amended

Operational Revenue

\$1,177.9M

+\$43.3 million

Approved rate change,
effective February 1, 2025

Operational Revenue

\$1,221.3M

Total Expense

\$1,143.9M

+\$43.2 million

Higher energy costs,
reduced non-energy
costs, and CIP investment

Total Expense

\$1,187.1M

Net Position

+\$34.0M

+\$0.2 million

Increase to net position
over adopted budget

Net Position

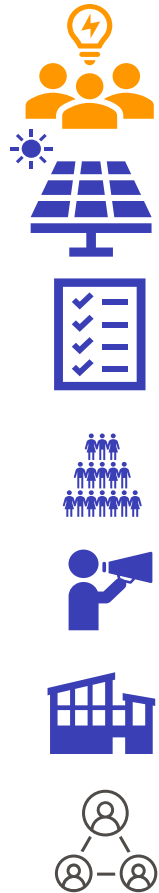
+\$34.2M

Budget Amendment – Summary

Item	FY 25 Amended Budget, \$M	FY 25 Approved Budget, \$M	Difference
Gross Revenue	1,243.0	1,233.4	9.6
Less Uncollectible Accounts	(21.7)	(54.5)	(33.7)
Net Revenue	1,221.3	1,177.9	43.3
Cost of Energy	1,116.8	1,073.7	43.2
Non-Energy Costs	50.8	53.8	(3.0)
Subtotal Operating Expense	1,167.6	1,127.5	40.2
Debt Service	1.3	1.3	0.0
Capital Investment Program	18.2	15.2	3.0
Total Expense	1,187.1	1,143.9	43.2
Net Position	34.2	34.0	0.2

Proposed FY 2024-25 Budget Amendment

Budget Changes by Category

	Revenue	Board approved rate change on 2/7/2025.	FY25 (amendment) \$1,243.0m	FY25 (approved) \$1,233.4m
	Cost of Energy	Increases in renewable and resource adequacy energy prices.	FY25 \$1,116.8m	FY25 \$1,073.6m
	Professional Services	Increase in personnel is lowering the need for professional services.	FY25 \$24.3m	FY25 \$24.8m
	Personnel	Recruitment strategy of 7 new staff growing the agency to 87 total staff.	FY25 \$18.6m	FY25 \$18.6m
	Marketing and Outreach	Marketing and Outreach budget remains relatively even.	FY25 \$2.9m	FY25 \$3.0m
	General and Administrative	Reduced spending through fiscal prudence.	FY25 \$4.9m	FY25 \$7.4m
	Capital Budget	Proposed SBS investment of an additional \$3.0 million.	FY25 \$147.6m	FY25 \$144.6m

Budget – CCA Comparison

Community Choice Aggregator	Years Est. (JPA eff. Date)	Customer Accounts*	Cost of Energy, \$M**	Non-Energy Costs, \$M	Net Ratepayer Revenue, \$M	Energy Costs/Net Revenue (%)
Clean Power Alliance	Jun 2017	1,044,116	1,393.3	67.5	1,582.4	88%
San Diego Community Power	Oct 2019	954,418	1,073.7	53.8	1,177.9	91%
Ava Community Energy	Dec 2016	643,500	771.9	45.3	881.7	88%
Marin Clean Energy	Dec 2008	586,906	668.8	45.5	787.9	85%
Central Coast Community Energy	Mar 2018	447,166	665.3	65.1	745.9	89%
Peninsula Clean Energy	Feb 2016	314,175	423.4	57.1	451.9	94%

*Customer are from CalCCA as of December 2024 (<https://cal-cca.org/cca-impact/>).

**Cost of energy, non-energy costs and ratepayer revenue are from FY25 adopted budgets. SDCEP costs and revenue are from its proposed FY25 budget amendment.

***SDCEP includes CIP and debt service costs whereas most other CCAs do have minimal or zero debt service costs.

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Public Comment for Item No. 14

Item No. 15

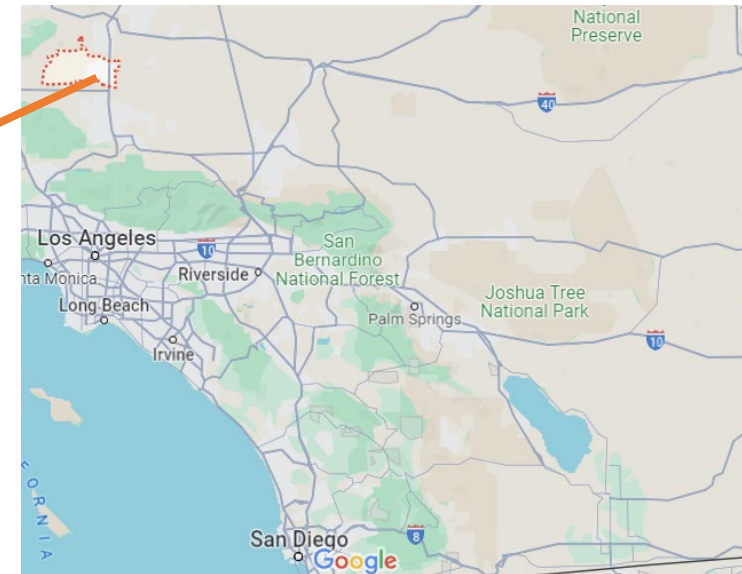
Approve Amended and Restated Energy Storage Service Agreement with Euismod Project I, LLC

Recommendation:

Approve Amended and Restated Energy Storage Service Agreement with Euismod Project I, LLC for a 200 MW (8-hour) Battery Energy System Storage (BESS) facility with a 20-year term.

Euismod: Project Summary

- 200MW/1,600MWh (8-hour) lithium-ion battery
- **Location:** Kern County
- **Developer:** Aypa



Euismod: Project Summary – Battery Technology

- Aypa has safety as its top priority, and it employs a multi-layered approach to ensure it
 - Partners with top battery manufacturers for quality control
 - Implements a detailed, site-specific Emergency Response Plan (ERP) with local fire officials and third-party experts
- Their systems feature gas, smoke, and fire detection, ventilation, fail-safe mechanisms, and 24/7 monitoring
- Aypa offers direct, site-specific response training to fire officials and first responders
- The Euismod project is being developed in full compliance with the most advanced fire and safety standards available today, including NFPA 855, UL9540, IFC 2021, NFPA 69 or 68, UN 38.3, UL 864, and UL 9540A.
 - Specifically, they are adhering to the comprehensive framework established by Kern County, which is widely regarded as a benchmark for BESS safety

Euismod: Key Terms

- **Product:** Full toll and Resource Adequacy benefits
- **Pricing:** Fixed for a 20-year term
- **Timeline:** Guaranteed Commercial Operation Date is June 1, 2028
- SDCP would receive financial compensation in the event of seller's failure to successfully achieve certain development milestones as well as seller's failure to meet guaranteed storage capacity, availability, and efficiency rates.

Eusimod: Amendment Scope

- **Delivery Term:** 20 year vs. 15 year
- **Battery Duration:** 8-hour vs. 4-hour
- Pricing adjustment based on the modified delivery term and duration
- Clean up edits for resource availability calculations and slice of day resource adequacy accounting

Eusimod: Developer Experience

- Aypa Power, formerly known as NRStor C&I, was founded in Toronto in 2017 with its first project coming online in 2018.
- In March of 2020, the business was acquired by Blackstone and changed its name to Aypa Power.
- Aypa has **33 solar and lithium-ion battery energy storage projects** either under construction or in operation to date, with 18 projects in various stages of development in California.

Eusimod: Staff Analysis

- Project would contribute to SDCP's reliability and capacity targets
- Pricing is competitive with comparable RA offers received from SDCP's recent RFOs
- Project would help fulfill SDCP's long-lead time Mid-Term Reliability requirements for long duration energy storage
- The long-term purchase of capacity, energy arbitrage, and ancillary services will provide SDCP with significant value and cost certainty over the term of this ESSA

Eusimod: Workforce Development & Community Benefits

- The project is estimated to create approximately **110 construction jobs** and **4 permanent jobs**
- Aypa partners with skilled and experienced contractors to perform the work required for its projects. As a component of our agreement with our selected contractor, they will be required to **utilize a Project Labor Agreement (PLA)**. The PLA will cover all construction work and will comply with the standards set forth in State legislation.
- The project is located in a rural desert area with no residential or sensitive receptors in close proximity
- The project has committed **\$100,000** to a community benefit fund to benefit SDCP customers



Public Comment for Item 15

Item No. 16

Approve Energy Storage Service Agreement (ESSA) for the North Johnson Energy Center (NJEC) Project

Recommendation:

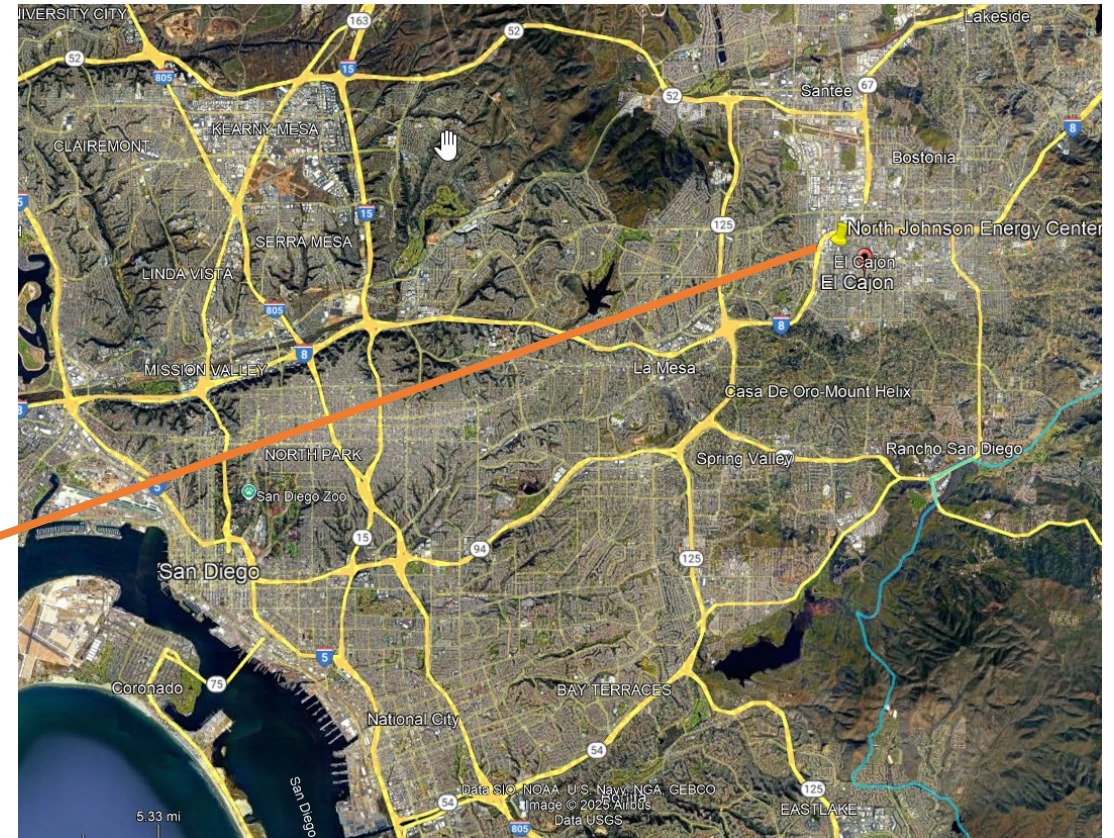
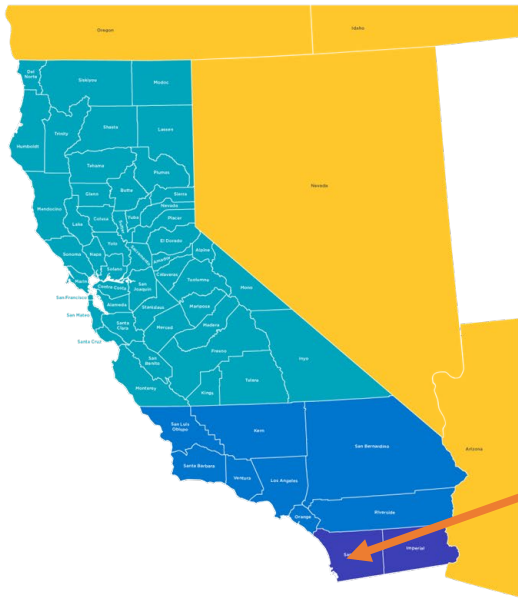
Approve Energy Storage Service Agreement with North Johnson Energy Center, LLC for a 50 MW/200 MWh, 4-hour battery energy storage facility with a 15-year term

Presenter:

Kenny Key, Director of Power Contracts

NJEC: Project Summary

- North Johnson Energy Center (NJEC) is a stand-alone storage project being developed by Wellhead Electric Company, Inc. (Wellhead)
- 50MW/200MWh (4-hour) lithium-ion battery
- **Location:** El Cajon



NJEC: Project Summary – Battery Technology

- North Johnson Energy Center (NJEC) has selected batteries supplied by Tesla
 - Tesla MegaPack2XL's have an excellent safety record
 - Since 2023, 10,000 MegaPack2XL's have been placed into service with no major incidents
- MegPack 2XL design features with an objective of safety
 - Purpose built containers with California Fire Code compliant spacing
 - Liquid cooling system
 - Relatively small grouping of cells
 - Lithium-Iron Phosphate (LFP) chemistry that is intrinsically very safe and design limits potential for thermal runaway without external activation

NJEC: Developer Experience

- Wellhead Electric
 - Sacramento Based Business
 - In business since 1985, same owner/family
 - Developer, owner and operator of power/storage projects
 - Award-winning merger of standby gas-turbine peaker generator with battery storage, reduces GHG emission up to 90%
 - Utility scale projects supplying California's utilities
 - Diverse portfolio (gas peakers, peaker-battery hybrids, storage, and solar) of 11 projects totaling ~525 MW – all in California

NJEC: Key Terms

- **Product:** Full toll and Resource Adequacy benefits
- **Pricing:** Fixed for a 15-year term
- **Timeline:** Guaranteed Commercial Operation Date is June 1, 2026
- SDCP would receive financial compensation in the event of seller's failure to successfully achieve certain development milestones as well as seller's failure to meet guaranteed efficiency rates once the project is operational.

NJEC: Staff Analysis

- The project would contribute to SDCP's local capacity target
- With commercial operations commencing in 2026, the project would help fulfill SDCP's Mid-Term Reliability requirements under CPUC D.21-06-025
- Pricing is competitive with comparable product offerings received from SDCP's recent RFO
- The long-term purchase of capacity, energy arbitrage, and ancillary services will provide SDCP with significant value and cost certainty over the term of this ESSA.

NJEC: Workforce Development and Community Benefits

- Wellhead is committed to using union labor at the project and has committed to entering into a **Project Labor Agreement** that is near execution
- Project development will bring approximately **130 clean-energy jobs** throughout construction and will be staffed during operations by Wellhead's 6-person San Diego area O&M staff
- Project is located in a disadvantaged community and will help displace local and regional gas-fired generation in peak hours and fewer renewable curtailments will occur
- Wellhead is **providing scholarships** to local high schools for students continuing education in the areas of Science, Technology, Engineering and Math

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Public Comment for Item No. 16

Item No. 17

Approve Energy Storage Services Agreement Portfolio with Luminia CA DevCo 5, LLC

Recommendation:

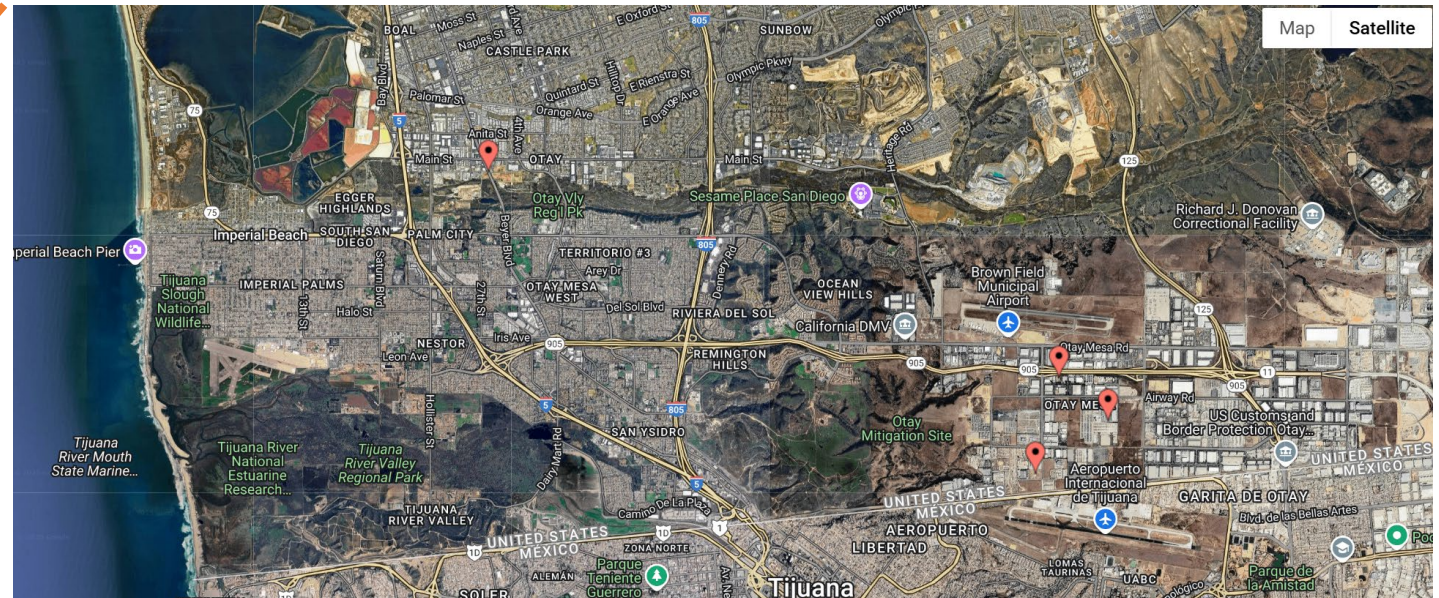
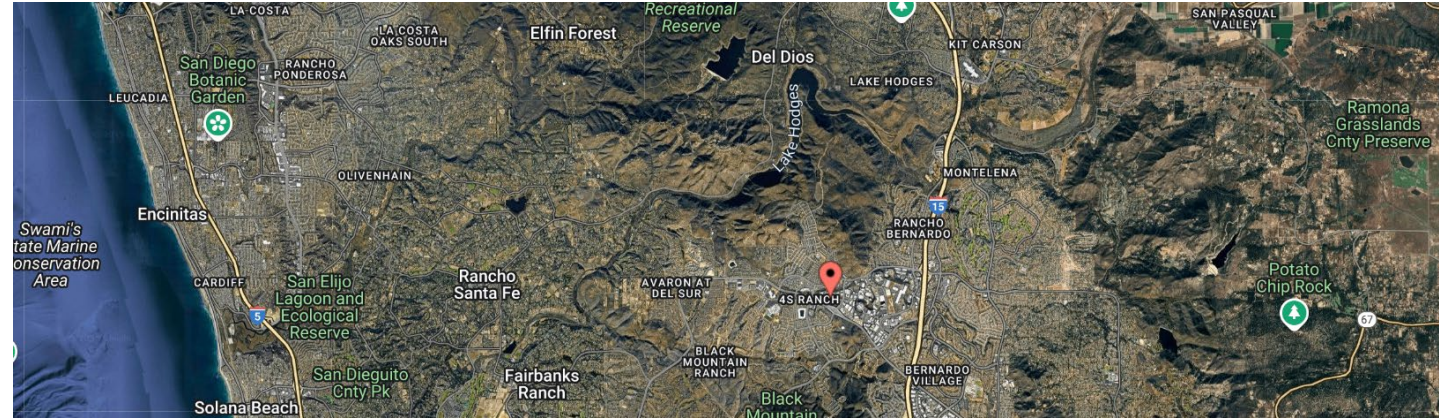
Approve Energy Storage Services Agreements (ESSAs) and a Framework agreement, in substantially final forms, for a Local RFO portfolio with Luminia CA DevCo 5, LLC, for up to 20.6 MW of 4-hr duration battery energy storage systems (BESS) for twenty years and authorize the Chief Executive Officer to execute the agreements.

Presenter:

Morgan Adam, Senior Local Development Manager

Luminia ESSA : Project Summary

- Portfolio of five (5) distributed batteries by local developer, Luminia – 3MW to 6MW each
- Aggregated capacity - 20.6 MW (4-hour) lithium-ion battery energy storage systems (BESS)
- **Location:** Cities of San Diego and Chula Vista & County of SD



Luminia ESSA : Project Summary – BESS Technology

- Projects will source Tier-1 containerized solutions adhering to UL 9540A and NFPA 855 guidelines, including the following attributes:
 - Liquid cooling system
 - Lithium-Iron Phosphate (LFP) is safer than other li-ion chemistries with respect to thermal runaway, having a higher temperature threshold.
 - California Fire Code compliant spacing
- Projects, all located in secure facilities, will also have Emergency Response Plans (ERPs) and will focus on early detection to ensure reliable and safe operation
- 24/7 monitoring via sensors with on-site visual and technical inspections
- Commitment to safety extends from site selection and design, through transportation and construction, to decommissioning and recycling of the equipment at end of life

Luminia ESSA : Developer Experience

- Luminia LLC
 - San Diego headquarters since formation in 2019
 - Employs fifteen San Diego professionals in their local office
 - Developer, owner and operator of power/storage projects with focus 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.
 - Rooftop PPA portfolio with Luminia were approved by the Board last month

Luminia ESSA : Key Terms

- **Product:** Full toll and Resource Adequacy benefits
- **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 ESSAs at a portfolio level. The Framework Agreement governs a process by which the five (5) ESSAs presented for approval here may be replaced by ESSAs at different site locations not to exceed the aggregate 20.6 MW portfolio.

Luminia ESSA : Staff Analysis

- The project would contribute to SDCP's local & infill/DER capacity targets
- The long-term purchase of capacity, energy arbitration, and ancillary services will provide SDCP with significant value and cost certainty over the term of these ESSAs.
- Pricing is competitive with comparable product offerings received through other SDCP solicitations

Luminia ESSA : Workforce Development and Community Benefits

- Over \$2.5 MM in local labor wages and salaries during the construction phases of the projects
- Commitment to use local labor, prevailing wages and hiring from San Diego-based apprenticeship programs
- All sanitation, equipment rental, and waste services are to be provided by local companies and to work with community-based organizations to ensure that all RFPs are posted to local boards and released in appropriate community boards.
- Up to an estimated \$2.9 MM in property tax revenue feeding to local jurisdictions



Public Comment for Item No. 17

Item No. 18

Update on Strategic Planning Goals for FY2026-2028

Recommendation:

Receive and file an update on the Strategic Plan Goals for FY 26-28 of San Diego Community Power.

Presenter:

Karin Burns, Chief Executive Officer



San Diego Community Power

Strategic Plan Goals
FY 2026 – FY 2028

Karin Burns, CEO

February 2025



Our Agenda

- ✓ Review of what is Not Changing
- ✓ Review & Discuss Proposed Goals from each department level team
- ✓ Feedback /Q&A
- ✓ Next Steps



Mission — To provide affordable clean energy and invest in the community to create an equitable and sustainable future for the San Diego region



Vision — To become a global leader and inspire innovative solutions to climate change by powering our communities with 100% affordable clean energy while prioritizing equity and sustainability

Values: The "JIST" of Community Power

Our core values:

- **J**ustice, Equity, Diversity and Inclusion (JEDI)
- **I**mpact
- **I**ntegrity
- **I**nnovation
- **S**ervant Leadership
- **T**ogetherness



Proposed Updated Organizational Goals



Financial Stability

*Practice fiscal strategies to
promote long-term organizational
sustainability*



Proposed Goals

- ✓ Execute at least 6 clean pre-payment transactions over the next 3 years aimed at generating \$30M of annual savings on power costs
- ✓ Obtain a public investment grade credit rating by November 2027
- ✓ Build reserves by \$150M to maintain a reserve target of *at least* 180 Days Cash On Hand by December 2027
- ✓ Develop Rate Stabilization Reserve of \$70M to mitigate power cost fluctuations and economic downturns
- ✓ Continue to enhance and implement financial controls and policies to meet or exceed best practices - including contracting, risk management, and procurement



Energy Portfolio Development

Provide sufficient, reasonably priced, clean electricity to our customers



Proposed Goals

- ✓ Develop a clean energy portfolio with renewable content of 100% no later than 2035, with interim targets of 75% by 2027 and 85% by 2030
- ✓ Support development of 1 Gigawatt of local renewable and clean energy capacity by 2035, of which 300 MW will be distributed energy resources (DERs) enabled by Community Power programs, tariffs, and procurement
- ✓ Prudently manage the power portfolio to minimize risk and customer costs
- ✓ Ensure cost-effective compliance with RA and RPS requirements and all other regulatory obligations
- ✓ Create high quality local jobs in renewable energy that support healthy families and vibrant communities



Community Program Delivery

Implement energy projects and programs that reduce greenhouse gas emissions, align energy supply and demand, and provide benefits to community stakeholder groups

Proposed GOALS

- ✓ Deliver 150 Megawatts of local capacity from distributed energy resources (DERs) and our Virtual Power Plant (VPP) by 2035, including expansion of the Solar Battery Savings program
- ✓ Launch all San Diego Regional Energy Network (SDREN) programs and make them available to customers by FY 2026
- ✓ Create and implement a program evaluation framework for all programs/pilots by FY 2026
- ✓ Increase program funding opportunities from external sources and internal cost savings



Legislative and Regulatory

*Advocate for public policies
that advance Community Power
organizational priorities*



Proposed Goals

- ✓ Continuously educate and engage policymakers developing policies to ensure those policies are consistent with Community Power's regulatory and legislative policy platform
- ✓ Sponsor and support legislation consistent with our policy platform, mission, vision, values & needs
- ✓ Advocate for regulatory outcomes and seek to leverage opportunities consistent with our policy platform, mission, vision, values, and needs
- ✓ Continue to actively participate in trade associations, organizations & coalitions of which we are a member to advance our policy platform
- ✓ Identify external funding opportunities & develop a strategic plan to guide our pursuit of opportunities that align with our policy platform, mission, values, & needs

Public Affairs

Develop trusted brand reputation to help drive participation in programs and support customer service and retention



Proposed Goals

- ✓ Establish Community Power as a trusted public agency that collaborates and engages with other local governments and stakeholders
- ✓ Develop a robust Power Network of local nonprofits to support programs, build community relationships, and reinvest in the communities we serve
- ✓ Increase brand awareness through outreach, education, and strategic communications to help customers understand their energy usage, save money, and utilize customer offerings
- ✓ Develop and execute effective communications & marketing plans to encourage San Diego residents to take advantage of programs they qualify for to enhance their energy efficiency

Customer Operations

Ensure high customer retention and satisfaction



Proposed Goals

- ✓ Evolve rate strategy to ensure competitiveness, affordability, and fiscal sustainability
- ✓ Develop customer strategies to increase retention and engagement
- ✓ Resolve billing issues with SDG&E that cause customer confusion and complaints
- ✓ Identify options to develop best in class customer service, including a potential energy advisor center
- ✓ Identify ways to help address, resolve, and reduce outstanding arrearages

Human Resources

Ensure excellence by adopting sustainable business practices and fostering a workplace culture of innovation, diversity, transparency and integrity

Proposed Goals

- ✓ Evolve into a learning organization by Q4 2026, with an emphasis on professional development for our staff and people leaders
- ✓ Ensure all employees are formally trained in workplace violence prevention, emergency preparedness and any additional safety meetings annually
- ✓ Hire top talent according to plan and budget; launch internal job board (Q1) and finalize 3-year staffing plan (Q3)
- ✓ Track and ensure 80%+ employee satisfaction through consistent improvement, onboarding survey metrics, and annual baseline surveys
- ✓ Finalize current internship design and launch a successful summer intern program by FY 2027 for local college & community college students interested in the clean energy industry
- ✓ Launch succession planning in FY 26 with E-Team and leadership

Next Steps

- ✓ Final reviews by SDCP team
- ✓ Final set of goals presented at the regular CAC meeting on March 13th for recommended approval
- ✓ Final set of goals presented at regular Board meeting on March 27th for approval
- ✓ April - June: Staffing and resourcing, individual and departmental annual goal setting, and incorporation into FY 26 budget

Thank you!

Q&A





Public Comment for Item No. 18



Report by Chief Executive Officer

Report by Chief Executive Officer



This week's presentation at the City of San Diego

Member Agency Presentation	Date
San Diego	Feb. 25
Chula Vista	TBD
Encinitas	TBD
Imperial Beach	April 5
La Mesa	TBD
National City	March 4
County of San Diego	TBD

Report by Chief Executive Officer

Customer Feedback Survey

- Survey is open to all residents and businesses in our service territory
- Promotional materials have been provided
- Please continue to share with constituents
- Let us know if you have questions
- Thank you!



SHARE YOUR
FEEDBACK &
**WIN A
\$500
GIFT CARD!**

**TAKE OUR
SURVEY**

 SAN DIEGO
COMMUNITY
POWER

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.

Directors' Comments



Adjournment



Next Regular Board of Directors Meeting

March 27, 2025

