AGENDA

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

Thursday, April 24, 2025
5:00 p.m.

Don L. Nay Port Administration Boardroom
3165 Pacific Hwy.
San Diego, CA 92101

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

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

1. Providing oral comments during a meeting. Anyone attending in person desiring to address the Board of Directors is asked to fill out a speaker's slip and present it to the Clerk of the Board. To provide remote comments during the meeting, join the Zoom meeting by computer, mobile phone, or dial-in number. On Zoom video conference by computer or mobile phone, use the "Raise Hand" feature. This will notify the moderator that you wish to speak during a specific item on the agenda or during non-agenda Public Comment. Members of the public will not be shown on video but will be able to speak when called upon. If joining the meeting using the Zoom dial-in number, you can raise your hand by pressing *9. Comments will be limited to three (3) minutes.

2. Written Comments. Written public comments must be submitted prior to the start of the meeting to clerkoftheboard@sdcommunitypower.org. Please indicate a specific agenda item when submitting your comment. All written comments received prior to the meeting will be provided to Members of the Board. In the discretion of the Chair, the first ten (10) submitted comments shall be stated into the record of the meeting.

Comments read at the meeting will be limited to the first 400 words. Comments received after the start of the meeting will be collected, sent to the Members of Board, and be part of the public record.

If you have anything that you wish to be distributed to the Board, please send it to clerkoftheboard@sdcommunitypower.org.

The public may participate using the following remote options:

Teleconference Meeting Webinar https://sdcommunitypower-org.zoom.us/j/94274587066

Telephone (Audio Only) (669) 900-6833 or (346) 248-7799 | Webinar ID: 94274587066

WELCOME

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

SPECIAL PRESENTATIONS AND INTRODUCTIONS

- **Introduction of New Community Power Staff**

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

PUBLIC COMMENTS

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

CONSENT CALENDAR

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

1. **Approve March 27, 2025, Meeting Minutes**

2. **Receive and File Treasurer's Report for Period Ending February 28, 2025**

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 Community Advisory Committee Monthly Report**

REGULAR AGENDA

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

9. **Quarterly Update on Regulatory and Legislative Affairs**

Recommendation: Receive and File Quarterly Update on Regulatory and Legislative Affairs.

10. **Adopt Resolution No. 2025-03, Authorizing the Chief Executive Officer to: (1) Execute the Memorandum of Understanding ("MOU") in Substantially Final Form with Los Angeles County, through its Internal Services Department and to Negotiate and Execute any Amendments, Extensions or Renewals of the MOU; (2) Accept, Appropriate, and Expend the Equitable Building Decarbonization ("EBD") Funds in an Amount not to exceed $1,409,316 in the FY 2025-26 Capital Budget and FY 2025-29 Capital Investment Plan; and (3) Take all Necessary Action to Administer, Monitor, Manage and Ensure Compliance with the MOU and to Negotiate and Execute Agreements with Third-Parties to Implement the MOU or Use of Funds in Accordance with Applicable Policies, Including the Procurement Policy**

Recommendation: Adopt Resolution No. 2025-03, Authorizing the Chief Executive Officer to: (1) Execute the Memorandum of Understanding ("MOU") in substantially final form with Los Angeles County, through its Internal Services Department and to negotiate and execute any amendments, extensions or renewals of the MOU; (2) accept, appropriate, and expend the Equitable Building Decarbonization ("EBD") funds in an amount not to exceed $1,409,316 in the FY 2025-26 Capital Budget and FY 2025-29 Capital Investment Plan; and (3) take all necessary action to administer, monitor, manage and ensure compliance with the MOU and to negotiate and execute agreements with third-parties to implement the MOU or use of funds in accordance with applicable policies, including the Procurement Policy.

11. Updates to San Diego Community Power Board and Committee Compensation and Reimbursement Policy

Recommendation: Adopt Resolution No. 2025-04 amending San Diego Community Power Board and Committee Compensation and Reimbursement Policy ("Policy") to increase the per diem compensation for advisory committee members; increase the cap on monthly per diem compensation for members who sit on more than one Board, Committee, or Working Group; allow committee members to receive a per diem for activities attended on behalf of Community Power, including outreach.

CHIEF EXECUTIVE OFFICER REPORT

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

DIRECTOR COMMENTS

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

ADJOURNMENT

The San Diego Community Power Board of Directors will adjourn to a regular meeting scheduled on Thursday, May 22, 2025, at 5 pm.

Compliance with the Americans with Disabilities Act

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

Availability of Board Documents

Copies of the agenda and agenda packet are available at https://sdcommunitypower.org/resources/meeting-notes/. Late-arriving documents related to a Board meeting item which are distributed to a majority of the Members prior to or during the Board meeting are available for public review as required by law. Public records, including agenda-related documents, can be requested electronically at clerkoftheboard@sdcommunitypower.org or by mail to San Diego Community Power, P.O.

BOX 12716, San Diego, CA 92112. The documents may also be posted on Community Power's website. Such public records are also available for inspection, by contacting clerkoftheboard@sdcommunitypower.org to arrange an appointment.

SAN DIEGO COMMUNITY POWER (COMMUNITY POWER)
BOARD OF DIRECTORS

Don L. Nay Port Administration Boardroom
3165 Pacific Hwy.
San Diego, CA 92101

REGULAR MEETING MINUTES
March 27, 2025

WELCOME

CALL TO ORDER

Chair Aguirre called the Community Power Board of Directors regular meeting to order at 5 p.m.

ROLL CALL

PRESENT: Chair Aguirre, City of Imperial Beach; Vice Chair Lawson-Remer, County of San Diego (arrived at 5:14 p.m.); Director Elo-Rivera, City of San Diego (arrived at 5:23 p.m.); Director Inzunza, City of Chula Vista; Director San Antonio, City of Encinitas; Director Suzuki, City of La Mesa; and Director Yamane, City of National City

ABSENT: None

Staff Present: Chief Executive Officer Burns; Chief Operating Officer Clark; Chief Commercial Officer Vosburg; General Counsel Tyagi; Director of Power Contracts Key; Associate Director of Origination Torres; Clerk of the Board Hernandez; and Assistant Clerk of the Board Vences

SPECIAL PRESENTATIONS AND INTRODUCTIONS

- Chair Aguirre acknowledged the Kumeyaay Nation and all the original stewards of the land.
- Chair Aguirre acknowledged newly appointed Finance and Risk Management Committee members: Chair Yamane, Vice-Chair Suzuki, and Director Inzunza.

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

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

PUBLIC COMMENTS

Scott Andrews, Neighborhood National Bank representative, provided public comments.

CONSENT CALENDAR

1. Approve February 27, 2025, Meeting Minutes

2. Receive and File Treasurer's Report for Period Ending January 31, 2025

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. Receive and File Community Advisory Update

10. Approve Strategic Plan Goals for FY2026-2028

There were no public comments on Consent Item Nos. 1-10.

Motioned by Director Inzunza and seconded by Director San Antonio to approve Consent Calendar Item Nos. 1 through 10. The motion carried 5/0 unanimously as follows:

AYES:	Chair Aguirre, Directors Inzunza, San Antonio, Suzuki, and Yamane
NOES:	None
ABSTAINED:	None
ABSENT:	Vice Chair Lawson-Remer and Director Elo-Rivera

REGULAR AGENDA

11. Approve Community Advisory Committee Member for the City of La Mesa

Mr. Clark provided an overview of CAC appointment process and Shaun Sumner's background and qualifications.

Director Suzuki expressed appreciation to Mr. Sumner for willingness to serve on the CAC.

Mr. Sumner expressed gratitude for the opportunity to serve.

There were no public comments on Item No. 11.

Motioned by Director Suzuki and seconded by Chair Aguirre to approve the appointment of Shaun Sumner to the Community Advisory Committee (CAC) for the City of La Mesa. The motion carried 5/0 unanimously as follows:

AYES:	Chair Aguirre, Directors Inzunza, San Antonio, Suzuki, and Yamane
NOES:	None
ABSTAINED:	None
ABSENT:	Vice Chair Lawson-Remer and Elo-Rivera

12. Approve Contract with Power Settlements Consulting and Software, LLC for Professional Services for Energy Trading Risk Management in a not-to-exceed amount of $4,115,956

Mr. Key presented the proposed Contract with Power Settlements Consulting and Software, LLC for Professional Services for Energy Trading Risk Management.

There were no public comments on Item No. 12.

After Board member discussion, Director Yamane motioned and seconded by Director Inzunza to approve a contract with Power Settlements Consulting and Software, LLC ("Power Settlements") with a not-to-exceed amount of $4,115,956 over the initial term of five years, and a yearly automatic renewal after the initial term, until San Diego Community Power (Community Power) provides a notice of termination, for Energy Trading Risk Management Subscription Software, Update and Support Services, and Hosting Services, and authorize the Chief Executive Officer to execute the contract. The motion carried 7/0 unanimously as follows:

AYES:	Chair Aguirre, Vice Chair Lawson-Remer, Directors Elo-Rivera, Inzunza, San Antonio, Suzuki, and Yamane
NOES:	None
ABSTAINED:	None
ABSENT:	None

13. Approve Resource Adequacy and TB4 Agreement with Athos Storage, LLC

Ms. Torres presented the proposed Resource Adequacy and TB4 Agreement with Athos Storage, LLC.

There were no public comments on Item No. 13.

Motioned by Director Inzunza and seconded by Director Yamane to approve a15-year Resource Adequacy and TB4 Agreement with Athos Storage, LLC for a 200 MW (4-hour) battery energy storage facility and authorize the Chief Executive Officer to execute the agreement. The motion carried 7/0 unanimously as follows:

AYES:	Chair Aguirre, Vice Chair Lawson-Remer, Directors Elo-Rivera, Inzunza, San Antonio, Suzuki, and Yamane
NOES:	None
ABSTAINED:	None
ABSENT:	None

14. Approve Amended and Restated Renewable Power Purchase Agreement with Yellow Pine Solar III, LLC

Mr. Key presented the proposed Amended and Restated Renewable Power Purchase Agreement with Yellow Pine Solar III, LLC

There were no public comments on Item No. 14.

After Board member discussion, Director Yamane motioned and seconded by Director Suzuki to approve an Amended and Restated Renewable Power Purchase Agreement with Yellow Pine Solar III, LLC and authorize the Chief Executive Officer to execute the agreement. The motion carried 7/0 anonymously as follows:

AYES:	Chair Aguirre, Vice Chair Lawson-Remer, Directors Elo-Rivera, Inzunza, San Antonio, Suzuki, and Yamane
NOES:	None
ABSTAINED:	None
ABSENT:	None

15. Approve Amendments to Long-Term Resource Adequacy Agreements with EnerSmart

Mr. Key presented the amendments to Long-Term Resource Adequacy Agreements with EnerSmart.

Cristina Marquez, IBEW569 representative, provided public comments.

After Board member discussion Director Suzuki motioned and seconded by Director Yamane to approve the four proposed amendments to long-term Resource Adequacy Agreements with

EnerSmart's subsidiaries, set up as LLCs for each project, for a total purchase of 10.5 MW of Resource Adequacy (EnerSmart El Cajon BESS LLC 3.0 MW, EnerSmart Imperial Beach BESS LLC 3.0 MW, EnerSmart Mesa Heights BESS LLC 3.0 MW, EnerSmart Chula Vista BESS LLC 1.5 MW), with the amendment to require use of local labor, when possible, and union labor on portions of the project for the contracts with EnerSmart El Cajon BESS LLC and EnerSmart Imperial Beach BESS LLC, and authorize the Chief Executive Officer to execute the agreements. The motion carried 7/0 unanimously as follows:

AYES:	Chair Aguirre, Vice Chair Lawson-Remer, Directors Elo-Rivera, Inzunza, San Antonio, Suzuki, and Yamane
NOES:	None
ABSTAINED:	None

16. Approve Energy Consulting Services Agreement with Pacific Energy Advisors, Inc. up to $775,000 for Energy Consulting Services through March 31, 2029

Mr. Vosburg presented proposed Energy Consulting Services Agreement with Pacific Energy Advisors, Inc. up to $775,000 for Energy Consulting Services through March 31, 2029.

There were no public comments on item No. 16.

Motioned by Director Yamane and seconded by Director Inzunza to approve Energy Consulting Services Agreement with Pacific Energy Advisors, Inc. for up to $775,000 for Energy Consulting Services through March 31, 2029, and subject to autorenewal at the same monthly rate with 3% annual increases until terminated and authorize the Chief Executive Officer to execute the Agreement in substantially the form attached hereto, with such changes as are approved by the Chief Executive Officer and reviewed and approved as to form by the General Counsel. The motion carried 7/0 unanimously as follows:

AYES:	Chair Aguirre, Vice Chair Lawson-Remer, Directors Elo-Rivera, Inzunza, San Antonio, Suzuki, and Yamane
NOES:	None
ABSTAINED:	None

CHIEF EXECUTIVE OFFICER REPORT

Ms. Burns reported on Community Power's ongoing efforts and recent activities and events.

DIRECTOR COMMENTS

There were no comments from directors.

ADJOURNMENT

Community Power Board of Directors adjourned at 6:14 p.m. to the next regular Board meeting scheduled on Thursday, April 24, 2025, at 5 p.m.

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Maricela Hernandez, MMC, CPMC
Clerk of the Board

SAN DIEGO COMMUNITY POWER
Staff Report – Item 2

TO: Board of Directors

FROM: Eric W. Washington, Chief Financial Officer/Treasurer

VIA: Karin Burns, Chief Executive Officer

SUBJECT: Treasurer's Report for Period Ending February 28, 2025

DATE: April 24, 2025

RECOMMENDATION:

Receive and File Treasurer's Report for Period Ending February 28, 2025.

BACKGROUND:

San Diego Community Power (Community Power) maintains its accounting records on a full accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) as applicable to governmental enterprise funds. Community Power has prepared its year-to-date financial statements for the eight-month period ended February 28, 2025, along with budgetary comparisons.

Additionally, on May 25, 2023, the Community Power Board of Directors (Board) adopted the Community Power Investment Policy, which was subsequently revised on June 27, 2024. The objectives of the Investment Policy are to (1) safeguard the principal of investment funds, (2) meet the liquidity needs of Community Power, (3) achieve a return on funds invested, and (4) exercise a high standard of care on investment funds. The Investment Policy additionally includes provisions for regular reporting to the Financial and Risk Management (FRMC) which will be included in the Treasurer's Report.

In an effort to increase public transparency and in alignment with section 1.a of the Community Power Delegated Contract Authority Policy, Community Power will also report newly executed contracts between $50,000 and $125,000 for goods and services in the Treasurer's Report.

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

On June 27, 2024, the Community Power Board of Directors (Board) approved the Fiscal Year 2024-25 Operating Budget that included net operating revenues of $1,177,925,889 total expenses of $1,143,919,262 and a resulting net position of $34,006,627. The approved Fiscal Year 2024-25 budget also includes a capital budget to fund 16 projects, totaling 23 active projects during the fiscal year for $16,434,280.

Subsequently, on February 27, 2025, the Board approved an amendment to the FY 2024-25 Operating Budget to increase total net operating revenues to $1,221,258,172 and total expenses to $1,187,090,169, resulting in a net position of $34,168,003. Additionally, the Board approved an amendment to the FY 2024-25 Capital Budget to increase total expenses to $144,212,340 and an amendment to the FY 2025-29 Capital Investment Plan to $155,910,762.

ANALYSIS AND DISCUSSION:

Financial Results

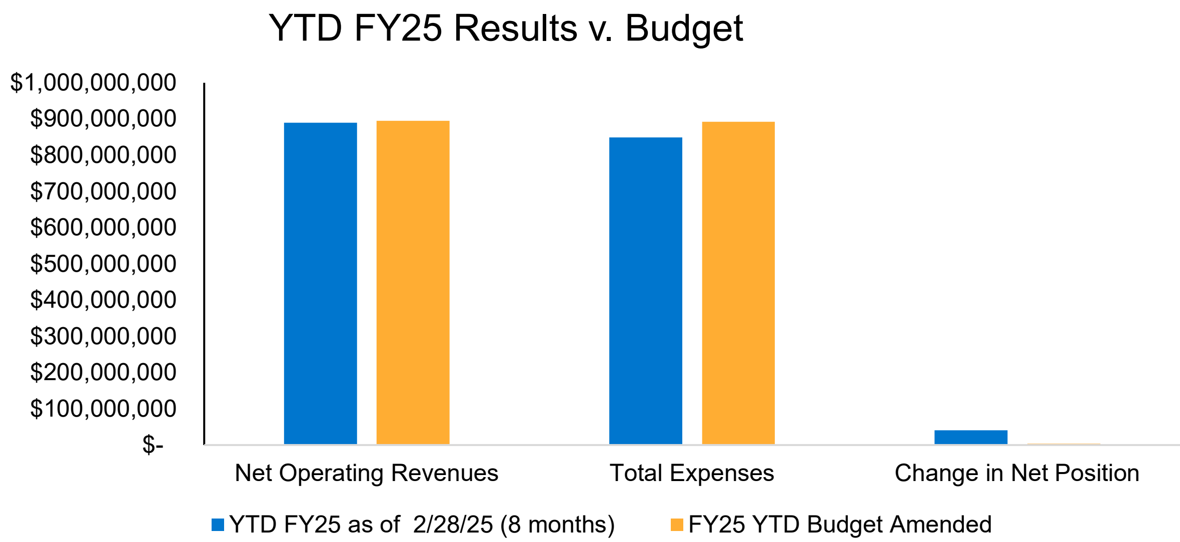
Actual financial results for the period ended February 28, 2025: $889.4 million in net operating revenues were reported compared to $895.4 million budgeted for the period. $849.0 million in total expenses were reported (including $812.1 million in energy costs) compared to $892.0 million budgeted for the period (including $839.1 million budgeted for energy costs). After expenses, Community Power's change in net position of $40.4 million was reported year-to-date for Fiscal Year 2024-25. The following is a summary of the actual results compared to the Fiscal Year 2024-25 Amended Budget.

Table 1: Budget Comparison Versus Actual Result

Budget Comparison				
	YTD FY25 as of 2/28/25 (8 months)	FY25 YTD Budget Amended	Budget Variance ($)	Budget (%)
Net Operating Revenues	$ 889,365,348	$ 895,382,644	$ (6,017,296)	99%
Total Expenses	$ 849,007,302	$ 892,030,201	$ (43,022,899)	95%
Change in Net Position	**$ 40,358,046**	**$ 3,352,443**	**$ 37,005,603**	

- Net operating revenues finished $6.0 million (or 1.0 percentage points) under the budget and was largely in line with expectations.
- Operating expenses finished $43.0 million (or 5.0 percentage points) under the budget due to the sale of certain renewable resources and a reclassification of CAISO settlement fees from January 2025.

Figure 1: Budget Comparison versus Actual Results



For the eight-month period ending February 28, 2025, Community Power contributed $40,358,046 to its net position compared to the expected contribution of $3,352,443 per the Fiscal Year 2024-25 budget. Total Community Power reserves at the end of the period were $41,821,518 based on cash and cash equivalents – unrestricted, and total available liquidity (including lines of credit) was $554,321,518. Community Power has a total Fiscal Year 2024-25 year-end reserve target of $575,822,041 which is equivalent to 180-days of total operating expenses as set in Community Power's Reserve Policy and Strategic Goals

Investment Portfolio Report

Chandler Asset Management manages Community Power's investment portfolio. As of March 31, 2025, the market value of the portfolio was $61.0 million compared to the $50.8 million market value as February 28, 2025. The rise in market value is also reflective of an additional $10.0 million transferred into the investment account and accrued interest during the month. The following is a snapshot of overall characteristics of the portfolio.

Portfolio Characteristics

Average Modified Duration	2.45
Average Coupon	3.80%
Average Purchase YTM	4.37%
Average Market YTM	3.84%
Average Credit Quality*	AA+
Average Final Maturity	2.93
Average Life	2.54

Account Summary

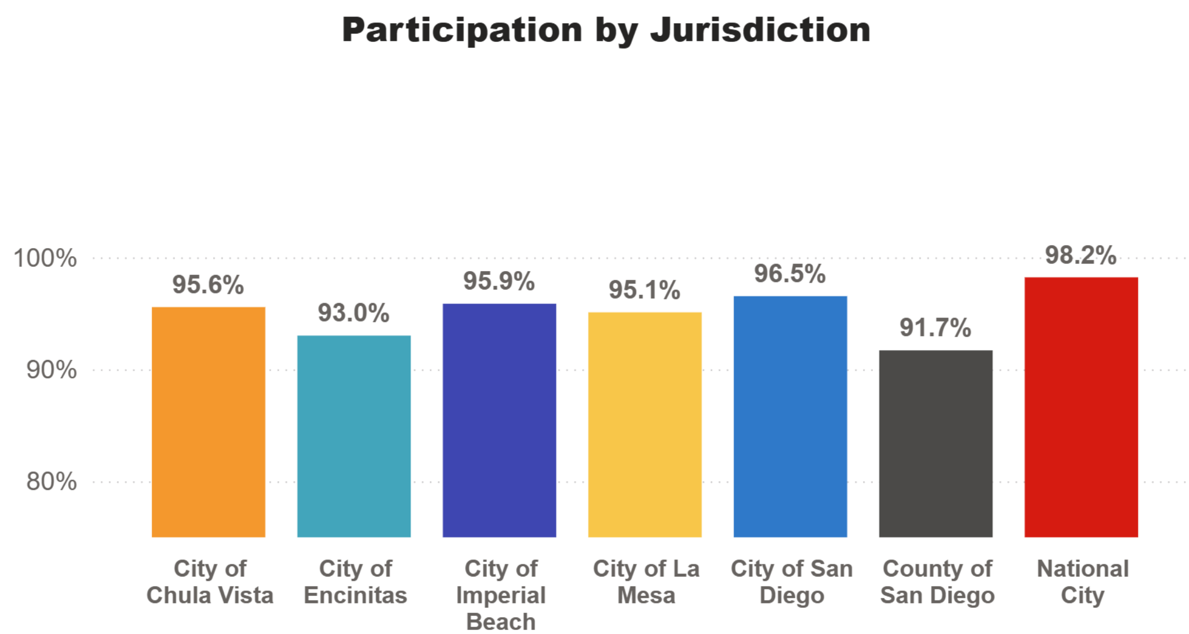
	End Values as of 02/28/2025	End Values as of 03/31/2025
Market Value	50,804,073.60	60,993,504.06
Accrued Interest	344,604.94	421,571.65
Total Market Value	**51,148,678.53**	**61,415,075.71**
Income Earned	195,984.72	195,714.34
Cont/WD	0.00	10,000,000.00
Par	51,009,166.20	61,178,447.16
Book Value	50,582,020.72	60,702,336.32
Cost Value	50,541,912.18	60,662,964.62

Contract Execution between $50,000 and $125,000

In March 2025, Community Power executed the following contract between $50,000 and $125,000: San Diego FC for $120,000 for a 2025 Local Sponsorship Agreement.

Metrics

Figure 2: Participation Rates as of 4/1/2025



Jurisdiction	Service Option Default	Eligible Accounts	Enrolled Accounts	Participation Rate
City of Chula Vista	**PowerOn**	98,635	94,255	95.6%
City of Encinitas	**Power100**	28,804	26,792	93.0%
City of Imperial Beach	**PowerOn**	10,852	10,403	95.9%
City of La Mesa	**PowerOn**	29,514	28,066	95.1%
City of San Diego	**PowerOn**	624,704	603,071	96.5%
County of San Diego	**PowerOn**	190,214	174,419	91.7%
National City	**PowerOn**	19,431	19,085	98.2%
Total		**1,002,154**	**956,091**	**95.4%**

The Phase 4 mass enrollment process in National City and Unincorporated County of San Diego for Non-Net Energy Metering (NEM) customers was officially completed as of May 2023. The participation rate for Community Power reflects full enrollment of current member agencies. We are reporting on the opt outs and eligible accounts associated with the phase based on those accounts that we have noticed for enrollment on a rolling basis as of the reporting month.

Staff are also presenting the state of Community Power Arrearages related to financial risk for FRMC consideration and for regular review. Additional metrics can be added by request. The below arrearage data includes Community Power's Receivables aged 120+ Days as of April 1, 2025.

Figure 3: State of Community Power Arrearages as of 4/1/2025

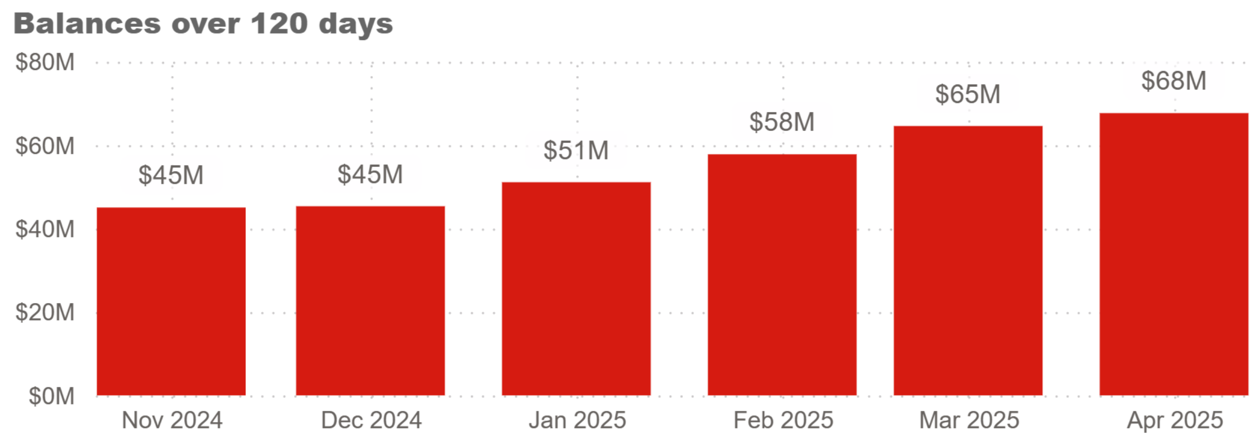
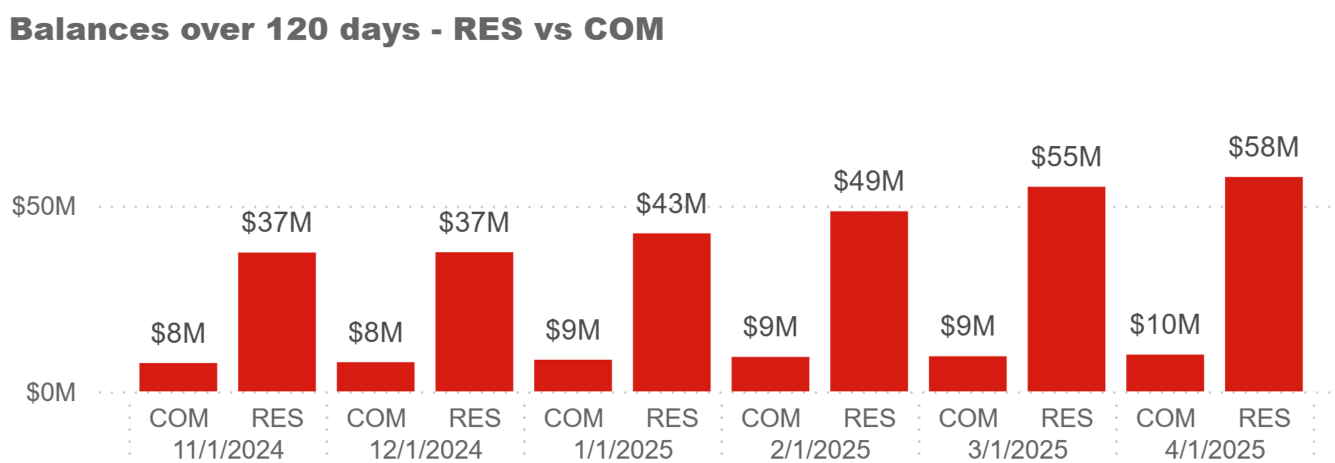


Figure 4: State of Community Power Arrearages Residential vs Commercial as of 4/1/2025



FISCAL IMPACT:

N/A

ATTACHMENTS:

A: 2025 Year-to-Date Period Ended February 28, 2025, Financial Statements.

ITEM 2
ATTACHMENT A

MAHER
ACCOUNTANCY

ACCOUNTANTS' COMPILATION REPORT

Management
San Diego Community Power

Management is responsible for the accompanying financial statements of San Diego Community Power (a California Joint Powers Authority) which comprise the statement of net position as of February 28, 2025, and the related statement of revenues, expenses, and changes in net position, and the statement of cash flows for the eight months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, conclusion, nor provide any assurance on these financial statements.

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

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

Maher Accountancy
San Rafael, CA
April 9, 2025

1101 Fifth Avenue, Suite 200 San Rafael, CA 94901 415 459 1249 mahercpa.com

SAN DIEGO COMMUNITY POWER
STATEMENT OF NET POSITION
As of February 28, 2025

ASSETS	
Current assets	
Cash and cash equivalents - unrestricted	$ 341,821,518
Cash and cash equivalents - restricted	500,000
Accounts receivable, net of allowance	94,058,487
Accrued revenue	47,010,134
Prepaid expenses	2,406,081
Other receivables	18,117,223
Deposits	9,587,494
Investments	2,442,941
Total current assets	515,943,878
Noncurrent assets	
Cash and cash equivalents - restricted	1,147,000
Investments	48,009,966
Capital assets, net of depreciation and amortization	418,277
Total noncurrent assets	49,575,243
Total assets	565,519,121
LIABILITIES	
Current liabilities	
Accrued cost of electricity	123,215,516
Accounts payable	2,855,661
Other accrued liabilities	1,960,050
State surcharges payable	399,036
Deposits - energy suppliers	3,193,000
Lease liability	386,191
Advances from grantors	2,377,908
Total current liabilities	134,387,362
Noncurrent liabilities	
Deposits - energy suppliers	4,410,450
Total noncurrent liabilities	4,410,450
Total liabilities	138,797,812
NET POSITION	
Restricted for security collateral	1,647,000
Unrestricted	425,074,309
Total net position	$ 426,721,309

See accountants' compilation report.

SAN DIEGO COMMUNITY POWER
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Eight Months Ended February 28, 2025

OPERATING REVENUES	
Electricity sales, net	$ 888,881,673
Grant revenue	352,500
Other income	1,221,850
Total operating revenues	890,456,023
OPERATING EXPENSES	
Cost of electricity	813,149,910
Contract services	13,260,257
Staff compensation	10,468,331
Other operating expenses	10,063,755
Depreciation and amortization	341,567
Total operating expenses	847,283,820
Operating income	43,172,203
NON-OPERATING REVENUES (EXPENSES)	
Investment income	8,588,829
Interest expense	(422,105)
Nonoperating revenues (expenses), net	8,166,724
CHANGE IN NET POSITION	51,338,927
Net position at beginning of year	375,382,382
Net position at end of year	$ 426,721,309

See accountants' compilation report.

SAN DIEGO COMMUNITY POWER
STATEMENT OF CASH FLOWS
Eight Months Ended February 28, 2025

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	$ 929,881,595
Receipts from grantors	2,730,408
Receipts of supplier security deposits	4,917,455
Other operating receipts	1,199,656
Payments to suppliers for electricity	(815,023,843)
Payments for other goods and services	(25,089,610)
Payments for deposits and collateral	(1,920,050)
Payments for staff compensation	(10,049,844)
Payments of state surcharges	(1,822,861)
Net cash provided by operating activities	84,822,906
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Proceeds from bank note	55,500,000
Principal payments - bank note	(55,500,000)
Interest payments	(393,961)
Net cash provided (used) by noncapital financing activities	(393,961)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Payments of lease liability	(411,120)
Net cash used by capital and related financing activities	(411,120)
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income received	7,837,109
Purchase of investments	(49,828,526)
Net cash provided (used) by investing activities	(41,991,417)
Net change in cash and cash equivalents	42,026,408
Cash and cash equivalents at beginning of year	301,442,110
Cash and cash equivalents at end of year	$ 343,468,518
Reconciliation to the Statement of Net Position	
Cash and cash equivalents (unrestricted)	$ 341,821,518
Restricted cash - current	500,000
Restricted cash - noncurrent	1,147,000
Cash and cash equivalents	$ 343,468,518
NONCASH INVESTING ACTIVITIES	
Unrealized appreciation and timing differences in investment income	$ 751,720

SAN DIEGO COMMUNITY POWER
STATEMENT OF CASH FLOWS (continued)
Eight Months Ended February 28, 2025

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating income	$ 43,172,203
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation and amortization expense	341,567
(Increase) decrease in:	
Accounts receivable, net	9,453,678
Accrued revenue	29,853,289
Prepaid expenses	32,612,319
Other receivables	(12,101,026)
Deposits	2,574,705
Increase (decrease) in:	
Accrued cost of electricity	(24,900,799)
Accounts payable	(2,152,217)
Advances from grantors	2,377,908
Other accrued liabilities	796,735
State surcharges payable	(129,906)
Deposits - energy suppliers	2,924,450
Net cash provided by operating activities	$ 84,822,906

ACCOUNTANTS' COMPILATION REPORT

Board of Directors
San Diego Community Power

Management is responsible for the accompanying operating fund and capital investment program fund budgetary comparison schedules of San Diego Community Power (SDCP), a California Joint Powers Authority, for the eight months ended February 28, 2025 and for determining that the budgetary basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any assurance on this special purpose budgetary comparison statement.

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

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

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

Maher Accountancy

San Rafael, CA
April 9, 2025

1101 Fifth Avenue, Suite 200 San Rafael, CA 94901 415 459 1249 mahercpa.com

SAN DIEGO COMMUNITY POWER
OPERATING FUND
BUDGETARY COMPARISON SCHEDULE
Eight Months Ended February 28, 2025

	Year-to-Date				Annual	
	Amended Budget	**Actual**	**Amended Budget Variance (Under) Over**	**Actual/ Amended Budget %**	**Amended Budget**	**Amended Budget Remaining**
REVENUES AND OTHER SOURCES						
Gross Ratepayer Revenues	911,330,935	$ 904,714,171	(6,616,764)	99%	1,243,010,863	$ 338,296,692
Less: Uncollectible Customer Accounts	(15,948,291)	(15,832,498)	115,793	99%	(21,752,690)	(5,920,192)
Grant Revenue	-	352,500	352,500	na	-	(352,500)
Other Income	-	131,175	131,175	na	-	(131,175)
Total Revenues and Other Sources	895,382,644	889,365,348	(6,017,296)		1,221,258,173	331,892,825
OPERATING EXPENSES						
Cost of Energy	839,136,095	812,059,235	(27,076,860)	97%	1,116,836,549	304,777,314
Professional Services and Consultants	16,230,904	12,295,651	(3,935,253)	76%	24,346,342	12,050,691
Personnel Costs	12,378,592	10,468,331	(1,910,261)	85%	18,567,895	8,099,564
Marketing and Outreach	1,985,739	1,361,825	(623,914)	69%	2,978,593	1,616,768
General and Administration	3,273,174	2,009,256	(1,263,918)	61%	4,909,761	2,900,505
Total Operating Expenses	873,004,504	838,194,298	(34,810,206)		1,167,639,140	329,444,842
Operating Income (Loss)	22,378,140	51,171,050	28,792,910		53,619,033	2,447,983
NON-OPERATING REVENUES (EXPENSES)						
Investment Income	-	8,588,829	8,588,829	na	-	(8,588,829)
Interest and Related Expenses	(850,667)	(1,226,803)	(376,136)	144%	(1,276,000)	(49,197)
Transfer to Capital Investment Program	(18,175,030)	(18,175,030)	-	100%	(18,175,030)	-
Total Non-Operating Revenues (Expenses)	(19,025,697)	(10,813,004)	8,212,693		(19,451,030)	(8,638,026)
NET CHANGE	$ 3,352,443	$ 40,358,046	$ 37,005,603		$ 34,168,003	$ (6,190,043)

See accountants' compilation report.

SAN DIEGO COMMUNITY POWER
Staff Report – Item 3

TO: Board of Directors

FROM: Jack Clark, Chief Operating Officer
Colin Santulli, Senior Director of Programs

VIA: Karin Burns, Chief Executive Officer

SUBJECT: Update on Programs

DATE: April 24, 2025

RECOMMENDATION:

Receive and file update on customer energy programs.

BACKGROUND:

Staff will provide regular updates to the Board of Directors ("Board") regarding the following Community Power customer energy programs: Commercial Programs, Residential Programs, Flexible Load Programs, Solar + Energy Storage Programs, and San Diego Regional Energy Network.

ANALYSIS AND DISCUSSION:

Updates on customer energy programs are detailed below.

Commercial Programs

Commercial Application Assistance Pilot Project

Status: On January 31, 2025, the pilot project was closed to new customers. Existing work with customers was completed at the end of March 2025. TRC, the pilot implementer, is developing a pilot summary report that will share results, lessons learned, and recommendations for improvements.

Next Steps: Staff will work with TRC to develop the pilot summary report and evaluate the need for this type of program offering.

Efficient Refrigeration Pilot Project

Status and Next Steps: Please refer to Item 3 of the March 2025 Board agenda for the most recent update on this pilot project.

Residential Programs

California Energy Commission ("CEC") Equitable Building Decarbonization Direct Install ("EBD DI") Program

Status: Pending Board adoption of Resolution No. 2025-03, Staff will execute a Memorandum of Understanding ("MOU") between Community Power and Los Angeles County and the Southern California Equitable Building Decarbonization Coalition to conduct marketing, outreach, and education to single-family, multifamily, and manufactured homes in under-resourced communities and assist LA County in coordinating and integrating other programs into the EBD Program.

Next Steps: In April 2025, Staff is seeking Board adoption of Resolution No. 2025-03.

Flexible Load Programs

Smart Home Flex Pilot Project

Status: As of April 2025, the program reached its 2,000-thermostat goal and staff closed applications to new thermostat enrollment.

Starting Summer 2025, Community Power will initiate "Smart Flex Events" during times when energy demand and grid stress are anticipated to be high. During a Smart Flex Event, customers will receive a notification and the temperature settings on their smart thermostat will be automatically adjusted to reduce energy usage and potentially reducing customers' bills.

Next Steps: Staff is continuing to work with Virtual Peaker to prepare for the Smart Flex Events this summer and add electric heat pump water heaters with built-in smart capability.

EV Flex Connect Pilot Project (formerly Managed Charging Pilot Project)

Status and Next Steps: Please refer to Item 3 of the March 2025 Board agenda for the most recent update on this pilot project.

Solar and Energy Storage Programs

Disadvantaged Communities–Single-Family Affordable Solar Homes ("DAC-SASH") Readiness Pilot Project

Status and Next Steps: Please refer to Item 3 of the February 2025 Board agenda for the most recent update on this pilot project.

Net Energy Metering ("NEM") and Net Billing Tariff ("NBT")

Status and Next Steps: Please refer to Item 2 of the December 2023 Board agenda for the most recent update on this program.

Solar Battery Savings ("SBS") Program

Status and *Next Steps*: Please refer to Item 20 of the January 2025 Board agenda for the most recent update on this program.

Solar Advantage Program (previously Solar for Our Communities)

Status: Following Community Power Board of Director's January approval of the Luminia LLC Power Purchase Agreement ("PPA"), Community Power's first Solar Advantage Program project, staff submitted Advice Letter 31-E on February 25, 2025, for approval of the fully executed PPA with Luminia LLC. The California Public Utilities Commission ("CPUC") Energy Division approved Advice Letter 31-E on March 27, 2025, with no changes.

In addition to the Luminia LLC project, there remains an additional eligible offer that was received from the first Solar Advantage Program Request for Offer ("RFO"). Delays outside of the control of Community Power were experienced due to the release of Decision 24-05-065. Decision 24-05-065 discontinued the Community Solar Green Tariff ("CSGT") program and transferred all remaining unprocured capacity assigned to this tariff to the modified Disadvantaged Community Green Tariff ("DAC-GT") program, resulting in staff needing to adjust the solicitation offer selection process to reflect these changes. As such, Community Power requested an extension with the CPUC to deliver a potential PPA from the remaining additional eligible offer from the first RFO.

On March 24, 2025, the CPUC approved Community Power's extension request for an executed PPA for one of the eligible offers received from the first RFO. The approved extension allows for the executed PPA to be submitted to the CPUC by June 25, 2025.

Additionally, pursuant to Resolution E-4999, Resolution E-5246 and Decision ("D.") 24-05-065, staff filed Advice Letter 32-E on April 1, 2025, for approval of its program budget estimates and marketing, education, and outreach ("ME&O") plan for the DAC-GT program for Program Year ("PY") 2026.

Lastly, staff released the second Request for Offers ("RFO") for Solar Advantage Program resources on April 7, 2025. Staff held two pre-RFO webinars to notify developers of the opportunity with healthy attendance in addition to one post-RFO webinar on April 15, 2025, at 3:00 P.M. PDT.

Next Steps: Staff will continue to negotiate with the remaining eligible offer from the first RFO.

Staff will track project construction and commissioning of the Luminia project over the next 30 months. Eligible customers will be auto enrolled and receive program benefits in Q3 2027 after the "Guaranteed Commercial Operation Date" on June 30, 2027.

For the second RFO, the deadline for electronic question submittal from developers will be May 6, 2025, 5:00 P.M. PDT with a final Questions and Answers ("Q&A") addendum posted to Community Power's Solicitation website on May 19, 2025. Community Power's second RFO will remain open until September 8, 2025, at 5:00 P.M. PDT. Subsequential

RFOs will be released until Community Power's MW allocation for the Solar Advantage Program (20.16 MW total) is fulfilled.

San Diego Regional Energy Network ("SDREN")

SDREN

<u>*Status*</u>: Staff have continued activities required for the successful launch of SDREN programs. In December 2024, staff developed a phased schedule to release solicitations for program implementers. The Phase 1 solicitations (administrative, regulatory, and reporting support and cross-cutting sector programs) were released on February 4, 2025, questions were due on February 11, 2025, and responses to questions were posted on Community Power's solicitation webpage on February 19, 2025. The Phase 1 solicitations closed on March 25, 2025. The Phase 2 solicitations (residential and public sector programs) were released on March 6, 2025, questions were due on March 13, 2025, and responses to questions were posted on Community Power's solicitation webpage on March 20, 2025. The Phase 2 solicitations are planned to close on April 24, 2025.

<u>*Next Steps*</u>: Staff anticipate releasing the Phase 3 solicitation (commercial sector programs) in May 2025 and awarding contracts for the Phase 1 and 2 solicitations by Q3 CY 2025.

FISCAL IMPACT:

N/A

ATTACHMENTS:

N/A

SAN DIEGO COMMUNITY POWER
Staff Report – Item 4

TO: Board of Directors

FROM: Byron Vosburg, Chief Commercial Officer

VIA: Karin Burns, Chief Executive Officer

SUBJECT: Update on Power Services

DATE: April 24, 2025

RECOMMENDATION:

Recommendation to receive and file update on Power Services.

BACKGROUND:

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

ANALYSIS AND DISCUSSION:

Power Services Staffing
Building out a team of experienced, knowledgeable energy professionals has long been a top priority and allows Community Power not only to solicit, negotiate, and administer contracts for energy supply effectively, but also to monitor market activity, manage risk, bring in-house several activities that have historically been completed by consultants, and to dedicate additional resources to local and distributed energy procurement and development efforts. The Power Services team is now fourteen people strong. The Power Services team has two open positions currently, and is excited to continue stable, prudent growth through 2025.

Administrative Updates
In March 2025, the Board approved a new professional services agreement, for energy risk trade management software, with Power Settlements and Community Power terminated its professional service agreement with the prior vendor. Community Power expects to complete implementation of the new energy risk trade management software in 2025.

Long-term Renewable Energy Solicitations
As Community Power strives to meet its environmental, financial, and regulatory compliance goals and requirements, long-term power purchase agreements (PPAs) are 3 renewable generation facility developers with the certain revenue stream against which they can finance up-front capital requirements, so each long-term PPA that Community

Power signs with a developing facility will underpin a new, incremental renewable energy project. In addition, long-term PPAs lock in renewable energy supply around which Community Power can build its power supply portfolio while also providing power supply cost certainty. Moreover, the California Renewable Portfolio Standard (RPS), as modified in 2015 by Senate Bill 350, requires that Community Power provide 65% of its RPS-required renewable energy from contracts of at least ten years in length. Finally, in California Public Utilities Commission (CPUC) Decision (D.) 21-06-025, the CPUC required each Load Serving Entity (LSE) in California to make significant long-term purchase commitments for resource adequacy from new, incremental generation facilities that will achieve commercial operation during 2023 through 2026 for purposes of "Mid Term Reliability" (MTR). These requirements have been augmented and extended into 2026 and 2027 via CPUC D.23-02-040.

In pursuit of long-term contracts for renewable energy and storage, over the past 24 months, staff have released several Requests for Offers (RFOs) and Requests for Proposals (RFPs). Staff issued an "All-Source RFO" in September 2024 with an emphasis on clean, firm resources to meet MTR requirements and enhance the Community Power portfolio. Staff shortlisted and waitlisted projects in December 2024 using Community Power's Energy Project Evaluation Criteria and has since kicked off negotiations. Staff is also issuing an RFO targeted for clean-firm resources (e.g. geothermal) in Q2 to help achieve MTR requirements and increase technology diversity in Community Power's portfolio.

Staff remain in negotiations for additional resources that are expected to be online between 2026 and 2029. Staff and the Energy Contracts Working Group (ECWG) evaluate all submissions from solicitations prior to entering negotiations with selected participants. Assuming that staff and shortlisted developer(s) can agree to mutually agreeable contracts consistent with terms authorized by the ECWG, staff then review draft terms with the Community Power Board for approval and authorization to execute the relevant documents.

Local Development

Community Power's rolling Local RFI remains open and, in the last twelve months, has yielded eight Board-approved contracts for local generation and storage facilities. After consultation with the ECWG, Community Power Board of Directors has approved a portfolio of PV PPAs and energy storage and service agreements and is actively negotiating with three local projects submitted to the Local RFI in Q4 2024. Community Power also released an RFO for distributed renewable energy resources (DERs), focusing on a broad range of distribution-level renewable projects within San Diego County. Additional agreements resulting from the RFO are expected and will be presented to the Board when ready. Other ongoing local initiatives include a Feed-in-Tariff Program revamp and expansion, expected in the first half of this year, and continued collaboration with member agency staff and other local agencies to identify strategic opportunities to further infill development.

As Program Administrators of the CPUC's Disadvantaged Communities Green Tariff (DAC-GT) program, Community Power completed its first solicitation last year. The first DAC-GT PPA, with Luminia LLC, a local developer, was presented to and approved by the Board in January with another portfolio of PPAs expected to be presented in Q2. The second DAC-GT solicitation round was released on April 7th and will be accepting offers through September 8th.

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

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

Short-Term RPS Procurement

Community Power staff continues to actively manage its environmental portfolio and closely monitor the market for opportunities to optimize its renewable and carbon-free portfolios. Community Power has recently been evaluating solicitation offers, bilateral offers, and products that meet needs for multiple portfolios – creating greater value for its customers. Community Power will continue to prioritize environmental targets while also ensuring value for our customers.

Market Update

Due to limited resource availability in the broader Western Interconnection, lingering supply chain impacts and long interconnection queues that have delayed development of new-build energy resources, and implementation of tariffs and duties on foreign imports, the market for renewable energy and resource adequacy (RA) resources continues to be exceptionally tight and expensive. Staff are working with developers, industry groups, the CPUC, and CA Governor's Office and legislators to i) develop near-term solutions while also actively procuring short-term energy and capacity products and long-term energy resources to meet Community Power 's portfolio needs practically and cost-effectively, and ii) to establish a portfolio of resources that will provide value to Community Power and California's clean, reliable energy needs into the future.

Near-term California power markets have been on a slight decline due to relatively mild winter weather and light heating demand but remain sensitive to extreme temperatures and unexpected supply shortages.

FISCAL IMPACT:

N/A

ATTACHMENTS:

N/A

SAN DIEGO COMMUNITY POWER
Staff Report – Item 5

TO: Board of Directors

FROM: Jack Clark, Chief Operating Officer
Lucas Utouh, Senior Director of Data Analytics and Customer Operations

VIA: Karin Burns, Chief Executive Officer

SUBJECT: Update on Customer Operations

DATE: April 24, 2025

RECOMMENDATION:

Receive and file an update on various customer operations' initiatives.

BACKGROUND:

Staff will provide regular updates to the Board of Directors centered around tracking customer opt actions (i.e., opt outs, opt ups, opt downs, and re-enrollments) as well as customer engagement metrics. The following is a brief overview of items pertaining to customer operations.

ANALYSIS AND DISCUSSION:

A) Enrollment Update

As of March 24, 2025, Community Power is serving a cumulative total count of **956,091** active accounts.

Customers with newly established accounts or who have moved into a new service address within any and all of our member jurisdictions receive 2 post-enrollment notices through the mail at their mailing address on file within 60 days of their account start date to notify them that they have defaulted to Community Power electric generation service.

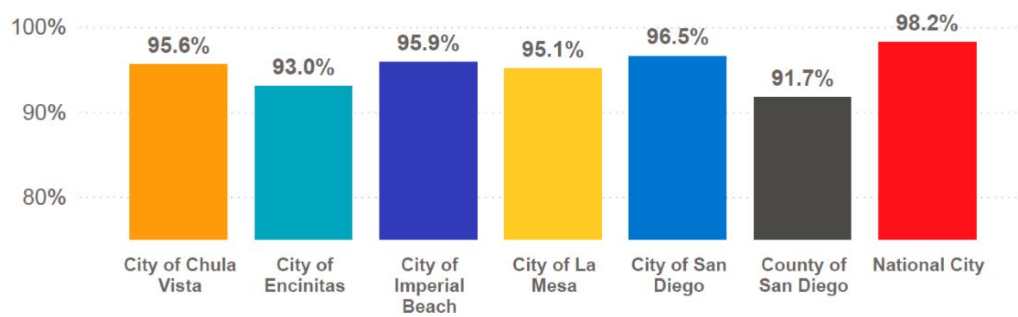
B) Customer Participation Tracking

The below charts summarize customer elections into Community Power's four (4) available service levels:

Enrolled Accounts	Participation Rate
956,091	95.4%

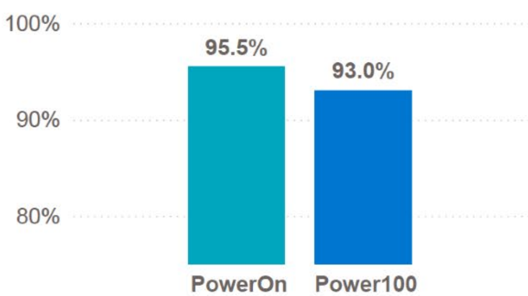
Participation

Participation by Jurisdiction

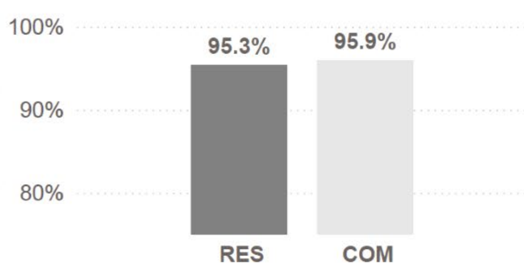


Jurisdiction	Service Option Default	Eligible Accounts	Enrolled Accounts	Participation Rate
City of Chula Vista	PowerOn	98,635	94,255	95.6%
City of Encinitas	Power100	28,804	26,792	93.0%
City of Imperial Beach	PowerOn	10,852	10,403	95.9%
City of La Mesa	PowerOn	29,514	28,066	95.1%
City of San Diego	PowerOn	624,704	603,071	96.5%
County of San Diego	PowerOn	190,214	174,419	91.7%
National City	PowerOn	19,431	19,085	98.2%
Total		**1,002,154**	**956,091**	**95.4%**

Participation by Default Service Option



Residential vs Commercial Participation

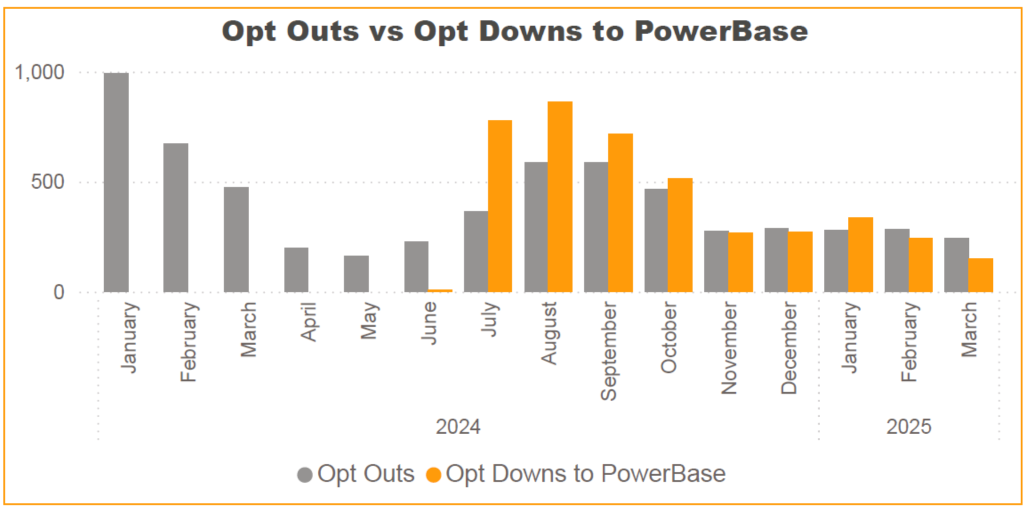


Service Option

PowerBase		PowerOn		Power100		Power100 Green+	
Enrolled	**3,801**	**Enrolled**	**918,051**	**Enrolled**	**34,238**	**Enrolled**	**1**
Participation	**0.4%**	**Participation**	**96.0%**	**Participation**	**3.6%**	**Participation**	**0.0%**

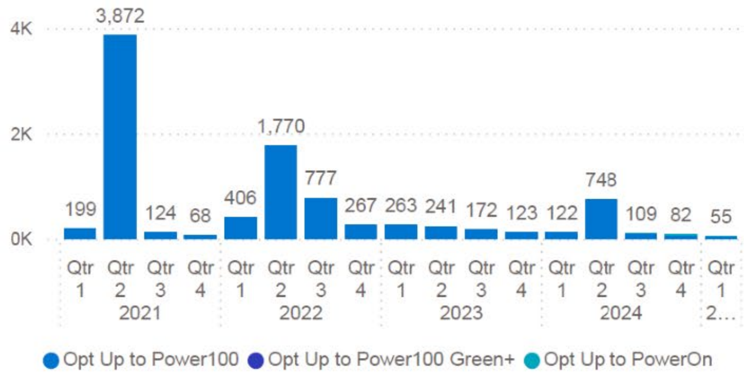
Service Option Enrollment Summary

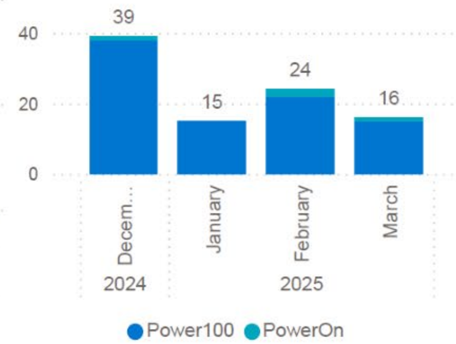
Jurisdiction	Service Option Default	Enrolled Accounts	Power Base Enrolled	Power Base %	PowerOn Enrolled	PowerOn %	Power 100 Enrolled	Power 100 %	Power100 Green+ Enrolled	Power100 Green+ %
City of Chula Vista	**PowerOn**	94,255	364	0.4%	92,985	98.7%	906	1.0%		
City of Encinitas	**Power100**	26,792	140	0.5%	425	1.6%	26,227	97.9%		
City of Imperial Beach	**PowerOn**	10,403	29	0.3%	10,297	99.0%	77	0.7%		
City of La Mesa	**PowerOn**	28,066	113	0.4%	27,687	98.6%	266	0.9%		
City of San Diego	**PowerOn**	603,071	1,999	0.3%	595,133	98.7%	5,938	1.0%	1	0.0%
County of San Diego	**PowerOn**	174,419	1,115	0.6%	172,512	98.9%	792	0.5%		
National City	**PowerOn**	19,085	41	0.2%	19,012	99.6%	32	0.2%		
Total		**956,091**	**3,801**	**0.4%**	**918,051**	**96.0%**	**34,238**	**3.6%**	**1**	**0.0%**



Opt Up History

Total Opt Ups	Opt Ups Current*
9,398	8,074





Opt Ups by Jurisdiction

Jurisdiction	2021	2022	2023	2024	2025-1	2025-2	2025-3	Total
City of Chula Vista	710	175	61	49	2	3		**1,000**
City of Encinitas	18	1	1	3				**23**
City of Imperial Beach	60	29	11	6				**106**
City of La Mesa	155	120	19	12		1	1	**308**
City of National City			12	24				**36**
City of San Diego	3,316	2,895	488	340	11	17	10	**7,077**
County of San Diego	4		207	627	2	3	5	**848**
Total	**4,263**	**3,220**	**799**	**1,061**	**15**	**24**	**16**	**9,398**

Opt Ups by Customer Class

Customer Class	2021	2022	2023	2024	2025-1	2025-2	2025-3	Total
Commercial	4,256	296	232	701	2	7	4	**5,498**
Residential	7	2,924	567	360	13	17	12	**3,900**
Total	**4,263**	**3,220**	**799**	**1,061**	**15**	**24**	**16**	**9,398**

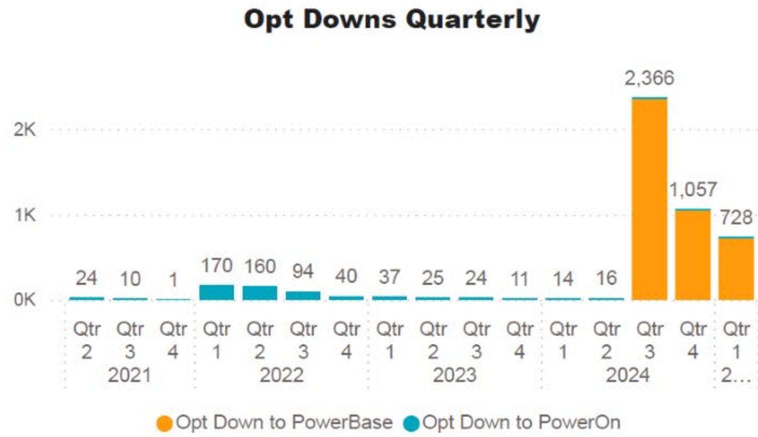
Opt Ups by Method

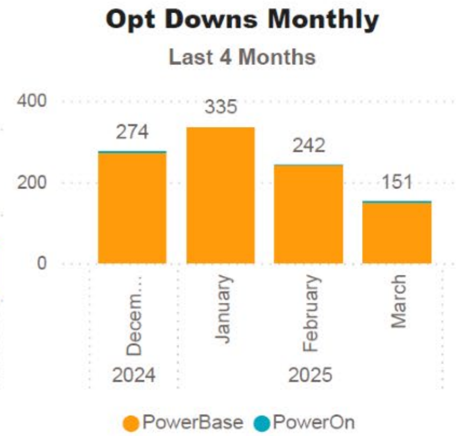
Opt Method	2021	2022	2023	2024	2025-1	2025-2	2025-3	Total
CSR	4,232	1,372	301	817	5	9	7	**6,743**
IVR	4	85	84	42	1	1	1	**218**
Web	27	1,763	414	202	9	14	8	**2,437**
Total	**4,263**	**3,220**	**799**	**1,061**	**15**	**24**	**16**	**9,398**

*Current indicates the account is open with SDG&E and this opt action is their latest opt action

Opt Down History

Total Opt Downs	Opt Downs Current*
4,777	4,280





Opt Downs by Jurisdiction

Jurisdiction	2021	2022	2023	2024	2025-1	2025-2	2025-3	Total
City of Chula Vista		2	4	286	79	17	12	**400**
City of Encinitas	35	429	74	150	13	9	5	**715**
City of Imperial Beach		1		31	1	3		**36**
City of La Mesa		4		106	9	5	2	**126**
City of National City				36	3	7	1	**47**
City of San Diego		28	13	1,792	155	139	98	**2,225**
County of San Diego			6	1,052	75	62	33	**1,228**
Total	**35**	**464**	**97**	**3,453**	**335**	**242**	**151**	**4,777**

Opt Downs by Customer Class

Customer Class	2021	2022	2023	2024	2025-1	2025-2	2025-3	Total
Commercial	34	23	9	508	27	8	11	**620**
Residential	1	441	88	2,945	308	234	140	**4,157**
Total	**35**	**464**	**97**	**3,453**	**335**	**242**	**151**	**4,777**

Opt Downs by Method

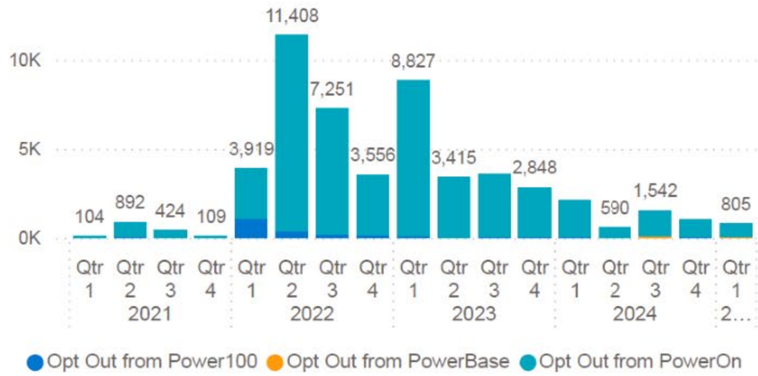
Opt Method	2021	2022	2023	2024	2025-1	2025-2	2025-3	Total
CSR	31	311	65	2,560	245	151	90	**3,453**
IVR	4	26	3	309	28	37	17	**424**
Web		127	29	584	62	54	44	**900**
Total	**35**	**464**	**97**	**3,453**	**335**	**242**	**151**	**4,777**

*Current indicates the account is open with SDG&E and this opt action is their latest opt action

Opt Out History

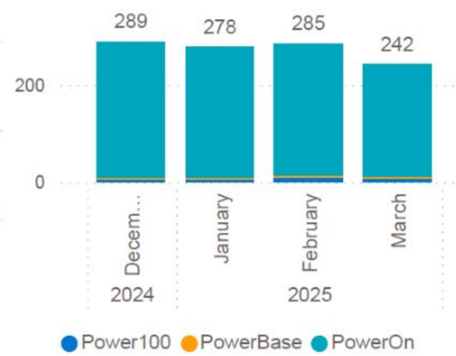
Total Opt Outs	Opt Outs Current*
52,450	45,372

Opt Outs Quarterly



Opt Outs Monthly

Last 4 Months



Opt Outs by Jurisdiction

Jurisdiction	2021	2022	2023	2024	2025-1	2025-2	2025-3	Total
City of Chula Vista	267	3,466	747	412	20	26	23	**4,961**
City of Encinitas	66	1,870	230	118	7	11	8	**2,310**
City of Imperial Beach	32	343	99	60	1	1	3	**539**
City of La Mesa	84	1,269	235	128	10	9	6	**1,741**
City of National City			285	75	4	10	6	**380**
City of San Diego	1,078	19,185	3,185	1,836	111	138	83	**25,616**
County of San Diego	2	1	13,902	2,670	125	90	113	**16,903**
Total	**1,529**	**26,134**	**18,683**	**5,299**	**278**	**285**	**242**	**52,450**

Opt Outs by Customer Class

Customer Class	2021	2022	2023	2024	2025-1	2025-2	2025-3	Total
Commercial	1,492	535	1,686	345	22	19	10	**4,109**
Residential	37	25,599	16,997	4,954	256	266	232	**48,341**
Total	**1,529**	**26,134**	**18,683**	**5,299**	**278**	**285**	**242**	**52,450**

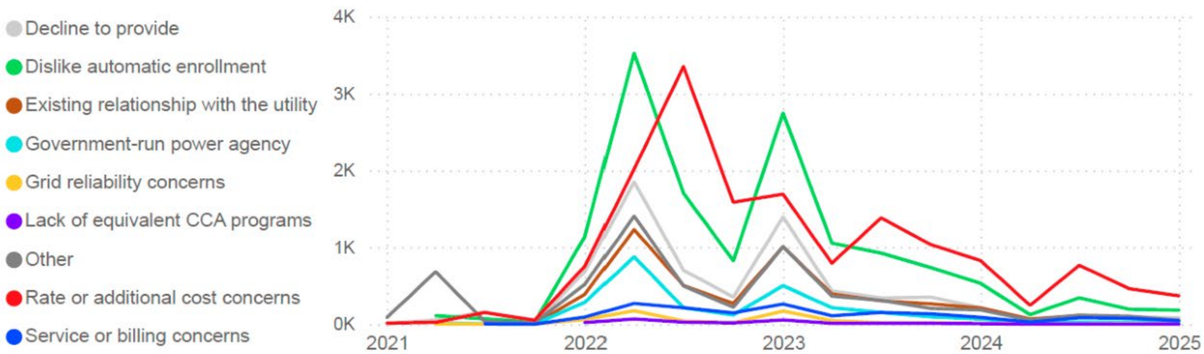
Opt Outs by Method

Opt Method	2021	2022	2023	2024	2025-1	2025-2	2025-3	Total
CSR	1,104	6,962	4,706	1,653	95	81	90	**14,691**
IVR	102	4,886	3,789	1,284	44	43	50	**10,198**
Web	323	14,286	10,188	2,362	139	161	102	**27,561**
Total	**1,529**	**26,134**	**18,683**	**5,299**	**278**	**285**	**242**	**52,450**

*Current indicates the account is open with SDG&E and this opt action is their latest opt action

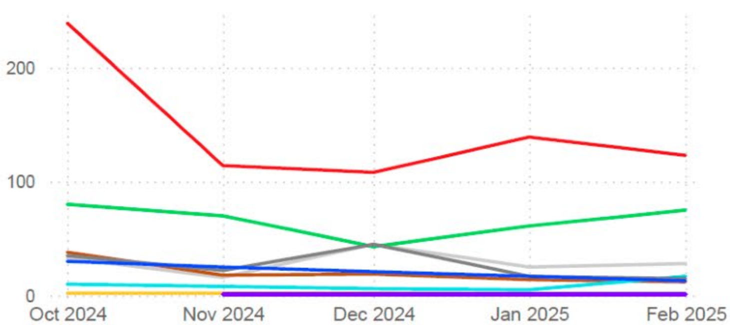
Opt Out Reason Summary

Opt Outs by Reason Quarterly



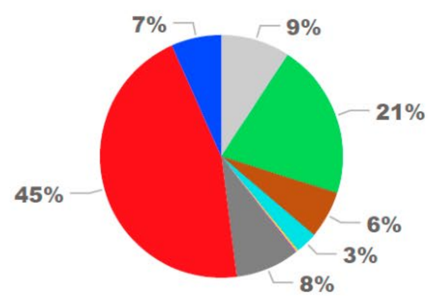
Opt Outs by Reason Monthly

Last 6 Calendar Months



Opt Out Reason Distribution

Last 6 Calendar Months



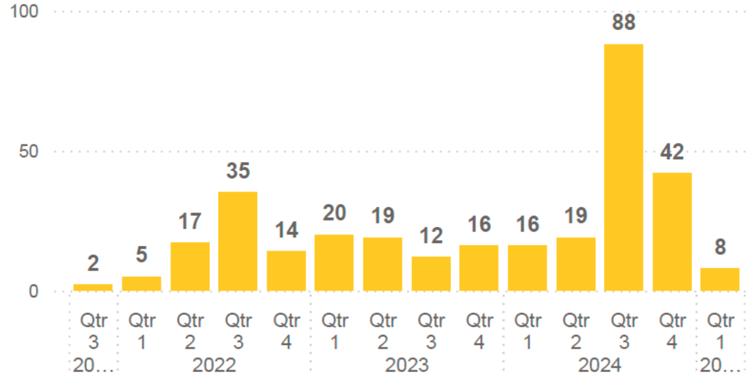
Opt Outs by Reason Table

Opt Out Reason	2021	2022	2023	2024	2025-1	2025-2	2025-3	Total
Decline to provide	228	3,583	2,519	465	25	28	28	**6,876**
Dislike automatic enrollment	203	7,187	5,458	1,188	61	75	45	**14,217**
Existing relationship with the utility	2	2,389	1,968	462	14	12	22	**4,869**
Government-run power agency	24	1,491	961	129	5	17	5	**2,632**
Grid reliability concerns	7	293	252	20		1		**573**
Lack of equivalent CCA programs		131	90	12		1	2	**236**
Other	819	2,636	1,884	453	17	15	18	**5,842**
Rate or additional cost concerns	240	7,706	4,897	2,297	139	123	107	**15,509**
Service or billing concerns	6	718	654	273	17	13	15	**1,696**
Total	**1,529**	**26,134**	**18,683**	**5,299**	**278**	**285**	**242**	**52,450**

Re-Enrollment Requests

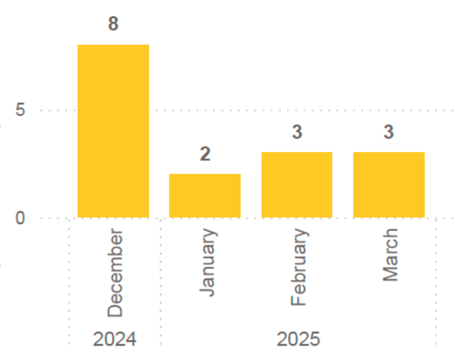
Excludes closed accounts

Re-Enrollments Quarterly



Re-Enrollments Monthly

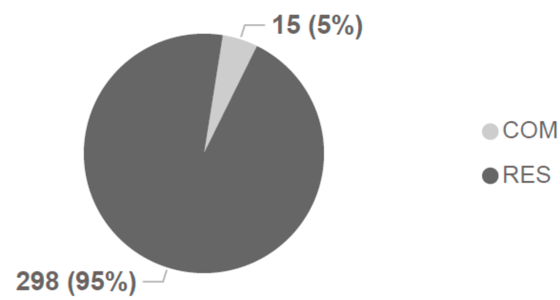
Last 4 Months



Re-Enrollments by Jurisdiction

Jurisdiction	Accounts
City of Chula Vista	22
City of Encinitas	25
City of Imperial Beach	3
City of La Mesa	6
City of National City	1
City of San Diego	192
County of San Diego	64
Total	**313**

Re-Enrollments Residential vs Commercial

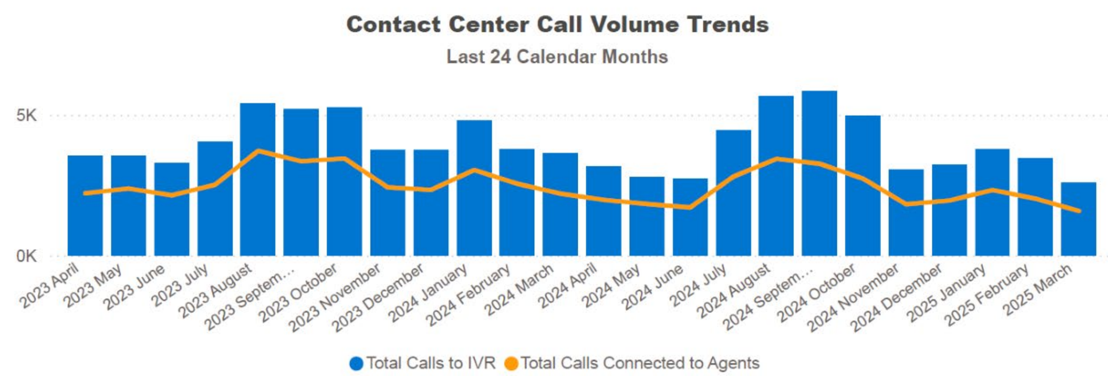


D) Contact Center Metrics

As anticipated, call volumes have continued to decrease as a result of the temperate weather and lower winter electricity rates.

The chart below summarizes contact made by customers into the Contact Center broken down by month:

Contact Center Metrics



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

	2021	2022	2023	2024	2025-1	2025-2	2025-3	Total
Total Calls to IVR	2,289	47,118	52,977	48,073	3,790	3,471	2,574	**160,292**
Total Calls Connected to Agents	1,401	30,174	34,173	29,332	2,328	2,019	1,583	**101,010**
Avg Seconds to Answer	20.00	11.50	6.75	18.08	8.00	19.00	20.00	**13.81**
Avg Call Duration (Minutes)	8.5	9.8	9.6	9.6	9.1	8.6	8.5	**9.4**
Calls Answered within 60 Seconds (75% SLA)	96.23%	95.50%	97.57%	91.74%	95.34%	89.61%	90.69%	**94.99%**
Abandon Rate	0.57%	0.36%	0.19%	0.72%	0.43%	1.56%	44.00%	**1.38%**

Customer Service Emails

	2021	2022	2023	2024	2025-1	2025-2	2025-3	Total
Emails Received	272	2,894	2,116	1,271	117	79	70	**6,819**
Emails answered or escalated within 24 hours	257	2,821	2,107	1,270	117	79	70	**6,721**
Completion %	94%	96%	100%	100%	100%	100%	100%	**98%**

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

As of this latest reporting month, Community Power has 10 Dedicated Customer Service Representatives staffed at the Contact Center and 1 Supervisor. Robust Quality Assurance (QA) procedures are firmly in place to ensure that customers are getting a world-class customer experience when they contact Community Power.

FISCAL IMPACT:

N/A

COMMITTEE REVIEW:

This item was presented that the April 10, 2025, Community Advisory Committee meeting. Committee members unanimously received and filed the report.

ATTACHMENTS:

N/A

SAN DIEGO COMMUNITY POWER

SAN DIEGO COMMUNITY POWER
Staff Report – Item 6

TO: Board of Directors

FROM: Chandra Pugh, Senior Director of People Operations and Administration

VIA: Karin Burns, Chief Executive Officer

SUBJECT: Human Resources Update

DATE: April 24, 2025

RECOMMENDATION:

Receive and file update on Human Resources.

BACKGROUND:

Staff provides the updates below to the Board of Directors regarding Community Power's human resources activities.

ANALYSIS AND DISCUSSION:

We are actively recruiting for the following roles:

Chief Commercial Officer
Community Engagement Coordinator
Data Analyst
Executive Assistant
Sr. Rates Analyst
Sr. Origination Associate
Procurement Analyst

This month we welcomed our new Strategic Finance Manager, Jeb Spengler, and our new Senior Program Associates, Cody Harrison and Marlene Mauer.

Jeb will be leading several strategic initiatives within the Finance department including the agency's clean prepayment financing program and the agency's credit-rating efforts.

He comes to Community Power with a very strong finance background and with a solid reputation in the CCA industry. Jeb most recently served as a municipal advisor for San Jose Clean Energy on its latest prepayment transaction and prior to that, oversaw the ratings analysis and research functions for Fitch Ratings, which included coverage of the CCA industry.

Cody Harrison, who is joining the Programs team, has a wide array of energy and sustainability experience. He brings a strong passion for decarbonization, and creative problem solving and will be supporting the Solar Battery Savings Program.

Marlene Maurer is joining the Programs team as a Senior Program Associate. Marlene comes to us from the Center for Sustainable Energy (CSE), where she was managing EV programs on the east coast. Marlene is a self-starter and a problem solver. She will be supporting the Solar Battery Savings Program.

FISCAL IMPACT:

N/A

ATTACHMENTS:

N/A

SAN DIEGO COMMUNITY POWER
Staff Report – Item 7

TO: Board of Directors

FROM: Jack Clark, Chief Operating Officer
Jen Lebron, Senior Director of Public Affairs

VIA: Karin Burns, Chief Executive Officer

SUBJECT: Update on Public Affairs

DATE: April 24, 2025

RECOMMENDATION:

Receive and file an update on marketing, public relations, and local government affairs activities for San Diego Community Power (Community Power).

BACKGROUND:

Community Power has engaged in a variety of public relations, marketing, community outreach, and local government affairs activities to drive awareness, spark community engagement, and maintain high customer enrollment.

ANALYSIS AND DISCUSSION:

Community Power's Public Affairs Department has been participating in events across our member agencies as it aims to increase general awareness and answer questions in a friendly, helpful manner.

Recent and Upcoming Public Engagement Events

San Diego Festival of Science and Engineering
Spring Fling Business Expo
San Diego Women's Week
National City STEAM Collaborative
Chula Vista Sustainability Commission
Chulla Vista Community Collaborative
San Diego 350 Youth Climate Summit
Encinitas State of the City Address
Imperial Beach Collaborative
North Park Farmers Market

Las Palmas Senior Food Distribution
Transportation Justice Expo
Olivewood Gardens Clean Energy Project Fundraiser
Startup San Diego First Mondays
Chula Vista Community Collaborative
National City Collaborative
Sunset Sweet: Manzanita Canyon Cleanup
New Children's Museum Innovators LAB Grand Opening
South Bay Earth Day
Taste of City Heights
City of San Diego Climate Equity Working Group
San Diego Regional Climate Collaborative
County of San Diego Earth Day Fair
Imperial Beach Collaborative
La Mesa Earth Day
Sony Electronics Earth Day
Nature Day at El Toyon Elementary
Roots & Renewal: The Environmental Health Coalition's 45th Anniversary
Spring Valley Day
Ramona Earth Day Festival
South County Economic Development Corporation Economic Summit
Chicano Federation Annual Unity Luncheon
Infocast California Energy Transition Summit
San Diego Regional Chamber of Commerce Small Business Summit
San Diego Regional Economic Development Corporation Annual Dinner
Discover Fallbrook Community Expo
Cyclovia Encinitas
North San Diego County Business Chamber
Equality Awards

Marketing, Communications and Outreach

San Diego Community Power celebrated its partnership with the New Children's Museum on April 12 with the grand opening of its new Innovators LAB and expanded art studio. The space creates space for up to 200 people of all ages to participate in programming such as art classes, workshops and artist meet-and-greets.

The Public Affairs team has been working diligently behind the scenes to support programmatic efforts, including the launch of the San Diego Regional Energy Network and relaunch of the Solar Battery Savings program. It is also ramping up efforts to promote pilot programs, including one that helps customers repair their roofs to be ready for solar installations, and another that will distribute grants to small businesses that would benefit from more efficient refrigerators. The Public Affairs team is working closely with internal and external stakeholders to encourage participation in these programs and leveraging relationships with community partners to amplify our marketing and outreach efforts.

Community Power has continued its efforts to connect with local leaders through meetings and at community events.

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

Local Government Affairs

Community Power continues to meet with and work with local governments and tribal nations throughout the greater San Diego region. It has made a concerted effort to reach out to newly elected officials in all seven member agencies to provide education about the organization.

FISCAL IMPACT:

N/A

ATTACHMENTS:

N/A

SAN DIEGO COMMUNITY POWER
Staff Report – Item 8

TO: Board of Directors

FROM: Jack Clark, Chief Operating Officer
Jen Lebron, Senior Director of Public Affairs

VIA: Karin Burns, Chief Executive Officer

SUBJECT: Community Advisory Committee Monthly Report

DATE: April 24, 2025

RECOMMENDATION:

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

BACKGROUND:

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

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

At the direction of the Board Chair, the CAC provides quarterly presentations to the Board of Directors in the regular agenda (with the most recent one taking place during the February 27, 2025, regular meeting) and monthly reports in the consent agenda. The next quarterly update is expected to take place later this spring.

ANALYSIS AND DISCUSSION:

During the April 10, 2025, regular CAC meeting:

- Chair Vasilakis (City of San Diego) welcomed new CAC member Shaun Sumner (City of La Mesa), new Community Power staff, and led the unanimous approval of the consent agenda, which included updates on Customer Operations, Marketing, Public Relations and Local Government Affairs, and Programs.
- The Regulatory and Legislative Affairs team provided its quarterly presentation. Members asked questions around financing and undergrounding provisions on

Senate bills being supported by Community Power, which include SB 239, SB 302, SB 330, SB 540, and SB 710. Members recognized the work of the Regulatory and Legislative Affairs team and offered up their support in representing their communities when advocating for critical issues at different decision-making levels.

- Members also received a presentation on Equitable Building Decarbonization Direct Install Program, which is only open to low-income communities and will include renters. Members asked questions around the interaction between the San Diego Community Power Network and the Community Clean Energy Grant Program, as well as mapping of low-to-moderate-income populations as part of the program's targeted outreach efforts.
- The Power Services team also provided an overview of items they will bring to the CAC in the coming months, which include those that the CAC has previously expressed interest in, such as local infill procurement, progress towards a 100% renewable energy by 2035, battery safety, and the Energy Proposal Evaluation Criteria. Members thanked Chief Commercial Officer Byron Vosburg for his contributions to the agency as he departs Community Power and requested future presentations on feed-in tariff programs and battery storage safety concerns.
- A committee member shared an announcement on the successful fundraising and installation of a solar and storage system for a local nonprofit. Another shared an announcement on the signing of an agreement for a development project with key sustainability measures. No Board of Directors items were recommended.

As of April 24, 2025, the CAC has one vacancy representing the City of Chula Vista. Members of the public must be residents, community leaders, and/or business owners of the respective jurisdictions and may submit their applications electronically. The vacancies continue to be advertised at meetings, community events, and through Community Power's social media.

FISCAL IMPACT:

N/A

ATTACHMENTS:

N/A

SAN DIEGO COMMUNITY POWER
Staff Report – Item 9

TO: Board of Directors

FROM: Jack Clark, Chief Operating Officer
Laura Fernandez, Senior Director of Regulatory and Legislative Affairs
Patrick Welch, Associate Director of Legislative Affairs Aisha Cervantes Cissna, Senior Policy Manager
Dean Kinports, Senior Strategic Policy Manager
Stephen Gunther, Regulatory Manager

VIA: Karin Burns, Chief Executive Officer

SUBJECT: Update on Regulatory and Legislative Affairs

DATE: April 24, 2025

RECOMMENDATION:

Receive and file the update on regulatory and legislative affairs.

BACKGROUND:

Staff will provide its quarterly update to the Board of Directors regarding Community Power's regulatory and legislative engagement. In addition to reviewing the regulatory and legislative updates outlined below, staff will provide an overview of Community Power's Board approved Regulatory & Legislative Platform, which is included as an attachment.

ANALYSIS AND DISCUSSION:

A) Regulatory Updates

Power Charge Indifference Adjustment

On March 18, 2025, Community Power's trade association, the California Community Choice Association (CalCCA), filed extensive opening comments on the California Public Utilities Commission's (CPUC) new order instituting rulemaking (OIR) on the Power Charge Indifference Adjustment (PCIA) and other matters related to the Energy Resource Recovery Account (ERRA) annual forecast and compliance proceedings. For additional background information, see the March 2025 regulatory update to the Board of Directors on page 49.

CalCCA's comments addressed both the overall scope and framing of the proceeding, as well as responded to five specific proposals from the CPUC Energy Division regarding adjustments to the Resource Adequacy (RA) Market Price Benchmark (MPB) for consideration in an expedited Track 1. CalCCA made the following arguments:

- The CPUC has an obligation to ensure indifference for both bundled and unbundled customers.
- Overall customer affordability will not be achieved through modifications to the RA MPB and should not be used as a justification to benefit bundled customers.
- The PCIA and ERRA frameworks currently benefit bundled customers.
- Any CPUC Decision on the staff proposals must be based on transparent data and modeling demonstrating the rate impacts on bundled and unbundled customers.
- Positions on Track 1 proposals:

Energy Division Proposal	CalCCA Position
Include all transactions available for given delivery year for all system, flex, and local RA forecast and final adders	**Reject**: Inclusion in the RA MPB of all transactions deliverable, rather than transacted in a year, does not reflect current market value as required by the RA MPB Framework
Exclude affiliate transactions from the calculation of the MPB	**Support**: Risk of price manipulation and distorting the accuracy of the RA MPB
Exclude swap and sleeve transactions from the MPB	**Support**: To the extent the CPUC can identify such transactions in an objective and transparent manner
Consider using monthly values for the MPBs	**Support**: More accurately reflects seasonal prices
Consider using one value for all MPBs, including system, local and flexible	**Support**: Maximizes the overall transaction sample size

Opening comments were filed by five other parties/joint parties. On April 2, 2025, CalCCA filed reply comments, which reiterated positions in opening comments, asked the CPUC to reject the Joint Investor-Owned Utilities (IOU) and The Energy Reform Network's (TURN) proposals to change the renewables portfolio standard (RPS) MPB in Track One, and requested the Joint IOUs' hedging and portfolio management concerns be deferred to Track Two.

A prehearing conference was held on April 7, 2025, and a CalCCA representative presented the CCA arguments. A proposed decision on Track One issues is expected in May 2025.

Resource Adequacy

On March 17, 2025, CalCCA filed reply comments on Track 3 proposals in the CPUC Resource Adequacy (RA) proceeding. With over twenty parties filing opening comments, CalCCA addressed many different party proposals, with a focus on replying to opposition to hourly obligation trading, supporting recommendations for the CPUC to continuing to develop and vet Energy Division's loss of load expectation (LOLE) modeling that determines the planning reserve margin (PRM), and supporting a system RA waiver process, among other recommendations. A proposed decision on the Track 3 proposals is expected to be issued in May 2025.

Green Access Proceeding

On April 1, 2025, the CPUC issued a Ruling in the Green Access Proceeding asking for party input on questions regarding implementation and associated issues for a Community Renewable Energy (CRE) Program and the modified Green Tariff Program established by Decision 24-05-065. For additional background information on the Decision and CRE program, see the June 2024 regulatory update to the Board of Directors, pages 65-67. The Ruling questions primarily focus on potential adjustments to the CRE program necessary to align with requirements and guidance for receiving the $250 million in grant funds awarded to the State of California through the U.S. Environmental Protection Agency's (EPA) Solar for All competition, given the new administration. Community Power is engaging with a group of CCAs potentially interested in offering the new CRE program. The Ruling also poses questions regarding cost recovery of under-collected legacy costs from San Diego Gas & Electric's (SDG&E) Green Tariff program, which Community Power will respond to jointly with Clean Energy Alliance (CEA). Opening Comments are due April 21 and reply comments due May 1, 2025.

SDG&E's Cost of Capital Application

SDG&E filed its Cost of Capital Application requesting that the CPUC approve its proposed cost of capital for Test Year 2026 for cost of equity and cost of long-term (LT) debt. SDG&E proposes an overall weighted average cost of capital/return on rate base of 8.21% based on the following capital structure and costs of capital:

- 46% LT debt at a cost of 4.62%; and
- 54% common equity with a return on equity (ROE) of 11.25%

SDG&E's cost of capital set in its last application (i.e., for 2023 test year) was 42.25% LT debt at a cost of 4.34%, 52% common equity at a cost of 10.23%, and 2.75% preferred equity at a cost of 6.22%, with an overall rate of return of 7.45%. SDG&E's proposal would increase its overall rate of return by 0.76% and its annual revenue requirement by $96.45

million. Protests are due 30 days after the application is publicly posted, which will be on or around April 24, 2025.

The CPUC adopted a uniform cost of capital mechanism (CCM) for PG&E, SCE, and SDG&E in D.08-05-035, which established the 3-year cost of capital proceeding cycle and provided two mechanisms for cost of capital adjustments during interim years:

- Formula Adjustment Mechanism, which operates based on changes in market interest rates relative to a benchmark, and;
- an application process based on extraordinary or catastrophic events.

Responses/protests to the application are due April 24 and replies are due May 5.

SDG&E Energy Resource Recovery Account (ERRA) Compliance

The purpose of the ERRA Compliance proceeding reviews SDG&E's actual energy procurement performance in the previous year against their approved forecast. Any difference between the forecasted costs and the actual costs is tracked in a balancing account. This mechanism ensures that customers ultimately pay for the actual costs incurred by SDG&E.

SDG&E 2021 ERRA Compliance Case

On April 3, 2025, the CPUC adopted the Proposed Decision (PD) finding that SDG&E meets the standard for compliance process and includes the modifications requested by Community Power surrounding the status of the Green Tariff Shared Renewables program, and maintains the requirement that SDG&E conduct additional audits and provide internal control documents in future ERRA Compliance Proceedings. The PD finds that for the 2021 Record Year, SDG&E complied with all the requirements that the CPUC reviews during the ERRA compliance process. Based on the methodology approved in D.23-06-054, SDG&E is directed to return $20,191 in Public Safety Power Shutoffs (PSPS) Unrealized Revenues, with interest, to ratepayers for the 2021 Record Year. The PD notes that cost recovery for the Green Tariff Shared Renewable program is moot as recovery of these costs was requested in SDG&E’s 2024 ERRA Forecast proceeding. The PD requires SDG&E to prepare internal control documents by its next ERRA compliance filing and to allow parties access to these documents under a non-disclosure agreement (NDA). The PD also found it reasonable to require SDG&E to conduct annual internal audits of the Portfolio Allocation Balancing Account and Non-Fuel Generation Balancing Account, in addition to the annual ERRA audits it currently conducts.

Community Power filed comments on the Decision on March 17 and reply comments on March 24 supporting the PD's requirements that will increase transparency on SDG&E's accounting and reduce burdens going forward.

SDG&E 2023 ERRA Compliance Case

SDG&E held a "meet and confer" with intervening parties and it was agreed upon based on the record that evidentiary hearings would not be necessary and that the proceeding could be resolved by the California Public Utilities Commission (CPUC) based on the record. As such, the Administrative Law Judge cancelled evidentiary hearings. Opening Briefs are due April 18 and Reply briefs due May 9, 2025. A Proposed Decision is expected in the 3rd quarter of 2025.

SDG&E submitted its reply to Community Power's protest of Advice Letter 4607-E. In its reply, SDG&E agreed with Community Power's position that it should be allowed to properly functionalize the costs and revenues associated with distribution-related batteries for 2022, 2023, and onward. To resolve any of its concerns about being non-compliant with the 2024 General Rate Case (GRC) decision, SDG&E asked Energy Division to clarify that the GRC decision did not intend to limit SDG&E's ability to correct its accounting to 2024 and beyond. This would resolve any further dispute on this issue in the 2022 ERRA Compliance proceeding and the 2023 ERRA Compliance proceeding.

Renewable Customer Generation Programs for Priority Communities

In January, the California Public Utilities Commission opened a Rulemaking on Customer-Generated Renewables Programs for Priority Communities, which will consider programmatic changes and updates to the Solar On Multifamily Affordable Housing (SOMAH) program, Disadvantaged Communities Single-Family Affordable Homes (DAC-SASH) program, and Renewable Energy Self-Generation Bill Credit Transfer (RES-BCT) tariff to better serve community-based organizations, local governments, and tribes, thereby advancing the State's climate equity goals. Community Power is party to the proceeding with the goal of supporting the extension of the SOMAH program, stress the importance of maintaining robust consumer protections and alignment with new net billing tariffs to preserve customer value for the DAC-SASH program, and advocate for modernizing the RES-BCT program to better serve community-based organizations, local governments, and tribes.

The CPUC held a Prehearing Conference (PHC) on April 7, 2025. The purpose of the PHC was to (1) take appearances and update the service list; (2) review the proposed scope, schedule, and categorization; and (3) consider any related procedural matters necessary to resolve this proceeding efficiently. During the PHC, Assigned Commissioner Baker noted how much the solar landscape has changed since these programs were originally developed, and stated that this proceeding will consider changes to improve the efficiency and cost-effectiveness of these programs within that context. Commissioner Baker acknowledged that he continues to believe rooftop solar will play an important role in California's energy mix and recognized challenges at the federal level that might raise costs, but also noted that California ratepayers are very cost burdened and face the highest utility rates in the nation. He stated that the Commission must change this trajectory, and that he will evaluate proposals in this proceeding through that lens. To that end, multiple parties requested that the scope of the proceeding include affordability. It is expected that a final scoping ruling will be issued, outlining the schedule and next steps, in the coming months.

Smart Meter Decision Petition for Modification Requesting SDG&E to Continue to Provide Real-Time Data to Customers

On April 1, 2025, Community Power, Clean Energy Alliance (CEA), and Mission:Data (Joint Parties) filed a reply to responses, requesting that the Commission clarify that SDG&E is required to provide real time usage data access to its customers.

The Joint Parties' reply was to responses filed by SDG&E, Voltus, and the California Efficiency + Demand Management Council to the Petition for Modification of the Joint Parties. The original joint petition requested the Commission clarify a previous decision that SDG&E must continue to provide its distribution customers with real-time (or near real-time) energy usage data access to SDG&E's Advanced Metering Infrastructure. This decision, which approved SDG&E's discontinuation of funding for ZigBee-based connectivity in its smart meters, is now being challenged because it fails to ensure that customers receive the real-time (or near real-time) energy usage data access while SDG&E transitions from Smart Meter 1.0 devices to Smart Meter 2.0 devices. The Petition was supported by Voltus and the California Efficiency + Demand Management Council, both parties recognizing the importance of real-time data access. SDG&E requests that the Commission reject the petition, stating that it is infeasible and impractical for SDG&E to reinstate the ZigBee/HAN connections or offer additional customer support.

Order Instituting Rulemaking to Establish Policies, Processes, and Rules to Ensure Safe and Reliable Gas Systems in California and Perform Long-Term Gas System Planning ("Long Term Gas Planning")

On September 26, 2024, the California Public Utilities Commission (CPUC or Commission) issued an *Order Instituting Rulemaking* (OIR) *to Establish Policies, Processes, and Rules to Ensure Safe and Reliable Gas Systems in California and Long-Term Gas System Planning* (Long Term Gas Planning proceeding). A key purpose of the proceeding is to plan for the transition from gas to decarbonized energy sources. Community Power is currently participating in this proceeding via a Joint CCA group (as opposed to the California Community Choice Association, CalCCA).

On November 13, 2024, the CPUC issued a *Ruling Seeking Comments Regarding Interim Actions* to decarbonize before the Commission. In comments, the Joint CCAs recommend leveraging General Rate Case (GRC) and Energy Resources Recovery Account (ERRA) proceedings for transparency in gas system costs and urge utilities to share detailed data on gas distribution infrastructure changes in CCA service areas. The Joint CCAs encourage the Commission to focus on retiring most fossil fuel infrastructure, suggesting the use of securitization to manage costs, and advocate for incorporating California Energy Commission (CEC) demand forecasts into planning. Additionally, the Joint CCAs propose requiring demand forecast tables in GRC proceedings and evaluating non-pipeline alternatives to uphold a comprehensive approach to utilities' service obligations. Reply Comments were filed on April 1, 2025. The Joint CCAs did not file.

On March 11, 2025, parties filed Opening Comments in the CPUC's Natural Gas Planning proceeding on the Natural Gas System Mapping procedures outlined in Appendix A of the recently issued Assigned Commissioner's *Ruling on Senate Bill 1221 Mapping Staff Proposal and Directions to Utilities* (Ruling). In short, Senate Bill 1221 requires mapping of current gas infrastructure data that will ultimately help identify pilot decarbonization zones. In Opening Comments, Joint CCAs argued that interactive maps should be updated semi-annually and integrate data from electrification efforts to align with state climate goals. The Joint CCAs recommend coordination among utilities and local governments to manage electric circuit impacts and advocate for a standardized methodology to prioritize pipeline replacements, reducing gas dependency. Additionally, the Joint CCAs say that IOUs should collaborate with communities and governments to refine mapping accuracy, incorporating feedback through regular public workshops.

On March 18, the Joint CCAs filed Reply Comments expressing agreement with the staff proposal and stakeholders' expressed need for data beyond the "planned retirement" of gas infrastructure. The Joint CCAs support Cal Advocates (a.k.a. Public Advocates Office) that the CPUC should require the inclusion of leak data in gas system mapping and endorse the staff proposal's method for providing detailed, current data. The Joint CCAs also advocate for explicit access to this data for Local Energy Suppliers, including CCAs. However, the Joint CCAs refute the gas utilities' claim that sharing the data is unsafe.

B) State Legislative Activities Update

Bill Positions

February 21 was the last day legislators could introduce new bills in 2025. Over 2,300 new bills were introduced. Community Power staff are reviewing over 150 bills that relate to energy procurement, energy efficiency, customer programs, rate design, affordability, general government issues, and more. Community Power is currently supporting the following bills (letters of support are attached):

- SB 239 (Arreguin), which would modernize teleconferencing protocols for subsidiary bodies, like the Community Advisory Committee. It is sponsored by the League of California Cities and California State Association of Counties, among others.
- SB 302 (Padilla), which would conform state tax law to federal tax law with respect to transferable tax credits under the Inflation Reduction Act, potentially saving 1%-

6% on project costs. It is sponsored by American Clean Power, the Solar Energy Industries Association, and the Large-Scale Solar Association.

- SB 330 (Padilla), which would address ratepayer affordability issues by establishing a pilot project to publicly finance certain electrical transmission facilities. It is sponsored by The Utility Reform Network and Net Zero California.
- SB 331 (Padilla), which seeks to expedite building certain transmission lines by providing the option of completing California Environmental Quality Act (CEQA) review for certain transmission lines at the California Energy Commission instead of the California Public Utilities Commission. It is a reintroduction of SB 1165 (Padilla) from 2024, which Community Power also supported. That bill was held on the Senate Committee on Appropriations suspense file.
- SB 540 (Becker), which would facilitate the California Independent System Operator's ability to operate and participate in a West-wide energy market that will deliver affordability, reliability, and greenhouse gas emission reduction benefits. It is sponsored by the Coalition of California Utility Employees, the State Association of Electrical Workers, the Environmental Defense Fund, and the Natural Resources Defense Council. It is also supported by the California Community Choice Association (CalCCA), among others.
- SB 710 (Blakespear), which eliminates the sunset date on a law that allows rooftop solar and battery storage systems to be excluded from a property tax reassessment. It is sponsored by the California Solar & Storage Association.

Legislative positions and associated letters of support or opposition are kept up-to-date on this Community Power webpage: https://sdcommunitypower.org/legislative-priorities/

Other Community Power State Legislative Activities

Community Power staff has been working with the Legislature on three funding matters:

- Community Power has engaged with the Senate Budget Subcommittee #2 on Resources, Environmental Protection and Energy regarding the limitations of the Self-Generation Incentive Program (SGIP) at the CPUC. The state funded program provides incentives for certain customers to install batteries in their homes. The program could help enable additional enrollments in Community Power's Solar Battery Savings program. However, program rules currently prevent Community Power customers from accessing the incentives. Senator Catherine Blakespear raised the issue during a recent Budget Subcommittee #2 hearing. CPUC staff offered to provide follow up information to the Senator's office.
- Community Power representatives testified at the March 12 Assembly Budget Subcommittee #4 on the Climate Crisis, Resources, Energy and Transportation in support of the funding for the California Energy Commission's Distributed Electricity Backup Assets (DEBA) program, which is a potential funding avenue for distributed batteries. The February staff report included our DEBA letter.
- Community Power staff, along with representatives from Marin Clean Energy, The Energy Coalition, and the California Energy and Efficiency Demand Management

Council have been meeting with key stakeholders to advance energy efficiency priorities, as outlined in the attached coalition letter.

C) Federal Activities Update

Community Power staff continues to monitor and engage on Congressional and executive matters.

Recent Federal Executive Actions

- **Tariffs impacts.** An additional 20% import tariff was placed on goods from China, where over 80% of solar and battery components are sourced from. There is an additional 25% import tariff on steel and aluminum (up from 10%), which are core components to renewable energy and energy storage projects. Earlier this month, additional reciprocal tariffs of 10% or more were imposed on all countries. Collectively, these could influence the cost of renewable energy and energy storage projects, depending on other factors such as the ability for project developers to find domestic sources.
- **Executive order impacts.** The President's January Unleashing American Energy Executive Order called for a pause on disbursements from the 2022 Inflation Reduction (IRA) Act and the 2021 Infrastructure Investment and Jobs Act (IIJA). The order had a temporary impact on the Home Electrification and Appliance Rebate program, an IRA grant program run by the California Energy Commission. The pause was temporary and the grant has been re-opened. The $290 million program provides heat pump rebates up between $4,000-$14,000 to California homeowners. The Order also rescinded prior federal direction for federal agencies to be on 100% clean energy by 2035, thereby ceasing Community Power discussions with relevant military installations in San Diego County.

Potential Congressional Actions

Both the House of Representatives and U.S Senate are in the process of adopting reconciliation resolutions to extend the 2017 Tax Cut and Jobs Act (Tax Act), which expires at the end of the year. It is anticipated that Congress will need to identify $1.5 trillion - $4.5 trillion in budget savings in order to meet reconciliation process rules and to extend the 2017 Tax Act. It is anticipated that the reconciliation process will likely address energy tax credit issues. The approach adopted by the House and Senate in their respective reconciliation resolutions are fundamentally different, both in their content and timing. As a result, the Congress has not yet written or debated a particular reconciliation bill.

- **Energy tax credit considerations.** The reconciliation blueprint of the majority party in the House of Representatives signals an interest to repeal energy tax credits that "push unreliable, unproven and expensive green technologies," citing that "green energy tax giveaways…are expected to cost at least $870 billion through 2031." Community Power is closely monitoring this discussion within the reconciliation process. The Investment Tax Credit and Production Tax Credit were modified and expanded by the IRA in 2022. Each provides a 30% tax credit for utility-scale clean energy generation and storage projects, such as the projects Community Power has contracted for. There are additional 10% credit adders for projects in energy communities and those that meet specific domestic content targets.

- **Tax-exempt revenue bonds.** The House Ways & Means Committee has signaled that municipal financing could be addressed in the reconciliation process as a way to pay for extending the 2017 Tax Act. Community Power recently entered into a $1 billion pre-pay transaction that will save customers $6.8 million annually. Tax-free municipal revenue bonds are the foundation for pre-pay transactions.
- **Consumer-level electricity tax credits.** Community Power staff is monitoring developments on the IRA's Home Energy Efficiency Improvement Credit (HEEIC), which helps homeowners save up to $3,200 for improvements like more efficient electric hot water heaters, and the Residential Clean Energy Credit (RCEC), which provides a 30% tax credit for residential solar and storage assets. Both are available to Community Power customers. Changes to these tax credits would not directly impact Community Power since they are claimed by individual taxpayers, but they are important to reducing the cost of clean energy technologies adopted by customers.

Community Power Positions

Community Power joined a joint CCA letter to Congress, which builds on the letter Community Power previously sent to the San Diego Congressional delegation in January. The joint CCA letter is included as an attachment. The priorities outlined in the letter are:

- Maintain tax-exempt status for municipal bonds.
- Preserve federal energy tax incentives, including the Investment and Production Tax Credits, and elective pay, as well as the Energy Efficiency Home Improvement Credit, Residential Clean Energy Credit, and Clean Vehicle Credits.
- Streamline transmission development.
- Tariffs could create new affordability headwinds.
- Uphold existing lease contracts and federal grant commitments.

Community Power Engagement in Washington DC

Community Power staff also attended a lobby day in Washington DC with the Local Energy Aggregation Energy Network (LEAN), the national trade association of CCAs. Community Power staff met with:

- House Ways & Means Committee professional staff.
- House Energy & Commerce Committee professional staff.
- The Clean Energy Buyers Association.
- Citizens for Responsible Energy Solutions.
- Th Offices of U.S. Senator's Alex Padilla and Adam Schiff.

- The Congressional offices of Representative Scott Peters, Sara Jacobs, Mike Levin, and Darrel Issa.

In the meetings, Community Power staff advanced the priorities outlined in the aforementioned letter.

FISCAL IMPACT:

N/A

COMMITTEE REVIEW:

Staff presented this update to the Community Advisory Committee at the April 10, 2025, meeting.

ATTACHMENTS:

A: Letter of Support for SB 239 (Arreguin)
B: Letter of Support for SB 302 (Padilla)
C: Letter of Support for SB 330 (Padilla)
D: Letter of Support for SB 331 (Padilla)
E: Letter of Support for SB 540 (Becker)
F: Coalition Support Letter for SB 540 (Becker)
G: Letter of Support for SB 710 (Blakespear)
H: Coalition Support Letter re Energy Efficiency
I: Joint CCA Congressional Letter
J: Community Power Federal Collateral
K: Community Power Policy Platform

ITEM 9
ATTACHMENT A

March 20, 2025

The Honorable Maria Elena Durazo
Senate Committee on Local Government
1021 O Street, Room 7530
Sacramento, CA 95814

RE: SB 239 (Arreguin) Open meetings: teleconferencing: subsidiary body. (As introduced 1/30/2025) - SUPPORT

Dear Senator Durazo,

On behalf of San Diego (SD) Community Power, I write this letter in support of SB 239 (Arreguin), which modifies Brown Act teleconferencing rules for public subsidiary bodies that serve in an advisory capacity to a legislative body. SD Community Power is governed by a Board of Directors that is advised by a Community Advisory Committee (CAC), which is a subsidiary body that provides a venue for public engagement and support.

As San Diego's community-driven clean energy provider, we greatly value opportunities to engage directly with our local communities. SD Community Power was formed in 2019 and started service in 2021. Our early public meetings, held under COVID emergency Brown Act provisions, proved that virtual and hybrid meetings are productive, increased public participation, and expanded public participation opportunities for members of the community to participate in our Board of Directors meetings. Importantly, the virtual meeting rules increased the pool of people able to serve on our CAC. In contrast, rigid, outdated Brown Act travel requirements have unfortunately led to the loss of valuable CAC members. We believe the flexibility of teleconferencing, as seen during the state of emergency, is essential for fostering public participation and maintaining a diverse and engaged CAC.

For these reasons, we support SB 239 (Arreguin) to modernize the Brown Act teleconferencing rules for advisory bodies. We thank Senator Arreguin for leading this initiative. If you have any questions about our perspective, please contact Amy Costa, at amy@fullmoonstrategies.com.

Sincerely,

Patrick Welch

Patrick Welch
Senior Legislative Manager

CC: The Honorable Jessie Arreguin, 7th Senate District

SD Community Power is the second largest Community Choice Aggregator (CCA) in the State that provides renewable and clean electricity service to the cities of Chula Vista, Encinitas, Imperial Beach, La Mesa, San Diego, and National City in addition to unincorporated San Diego County for a total of nearly 960,000 customer accounts. SD Community Power's mission is to provide affordable clean energy and invest in the community to create an equitable and sustainable future for the San Diego region. SD Community Power is the first CCA in the state with a governing board adopted goal of 100% clean energy by 2035, ten years ahead of the statewide goal.

ITEM 9
ATTACHMENT B

March 19, 2025

The Honorable Jerry McNerney
Chair, Senate Committee on Revenue & Taxation
State Capitol, 410
Sacramento, CA 95814

RE: SB 302 (Padilla) Personal Income Tax Law and Corporation Tax Law: exclusions: environmental credits – SUPPORT

Dear Senator McNerney,

On behalf of San Diego (SD) Community Power, I write in support of SB 302 (Padilla), which will help optimize the renewable energy and storage marketplace as well as reduce costs to ratepayers. This bill is of particular importance as ratepayers have faced increased electric bills in recent years due to many factors.

SD Community Power's mission is to provide 100% clean energy by 2035 or sooner and is simultaneously taking actions to promote ratepayer affordability. Last year, our Board of Directors lowered rates by an average of 18% and this year lowered rates again by another 2.8%. Our Board also recently approved a $1 billion, 30-year Clean Energy Project Revenue bond issued by the California Community Choice Financing Authority, which is expected to save our ratepayers around $6.8 million annually.

SD Community Power has contracted for over 3.4 gigawatts (GWs) of renewable energy and energy storage. The power purchase agreements (PPAs) for these projects incorporate the federal Investment Tax Credit (ITC) or the Production Tax Credit (PTC), which were re-authorized and expanded by the Inflation Reduction Act (IRA). Each provides a roughly 30% federal tax credit, which reduces the cost of the PPA, saving our ratepayers money.

The IRA allows project developers to transfer tax credits as a means to raise capital in an effort to finance renewable and energy storage projects. These advance transfers are not taxable under federal law. While many areas of California law conform to federal tax law, it does not do so in this case. That means, transferred IRA tax credits are not taxed by the federal government, but they are by California.

SB 330 (Padilla) fixes this gap by conforming California's tax code to the relevant provisions of federal law, enabling renewable energy developers to garner the full

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benefits of the IRA and pass those savings – potentially up to 6% of a project's cost - onto ratepayers when they enter into a PPA with a load-serving entity like SD Community Power.

Thank you for considering our position. We applaud Senator Padilla's leadership to advance solutions that promote a clean, reliable, and affordable electric grid. If you have any questions about our perspective, please contact Amy Costa, at amy@fullmoonstrategies.com.

Sincerely,

Patrick Welch
Senior Legislative Manager

Cc: The Honorable Steve Padilla, State Senator, 18th District

ITEM 9
ATTACHMENT C

March 19, 2025

The Honorable Josh Becker
Chair, Senate Committee on Energy, Utilities & Communications
1021 O Street, Suite 3350
Sacramento, CA 95814

RE: SB 330 (Padilla) Electrical transmission infrastructure: financing – SUPPORT

Dear Senator Becker,

On behalf of San Diego (SD) Community Power, I write in support of SB 330 (Padilla), which establishes a public financing framework for the construction of transmission lines selected through the California Independent System Operator's (CAISO) transmission planning process (TPP). Reliable transmission with available capacity is essential to achieve our mission of 100% renewable energy by 2035 and deep decarbonization of the San Diego region. In recognition of upholding affordability, SD Community Power supports expanding low-cost financing for clean energy to promote affordable rates for all.

According to the CAISO's 20-year transmission outlook, between $45.8 billion to $63.2 billion in high voltage transmission investments may be needed to support the state's clean energy goals. A large portion of these costs are attributable to high voltage transmission needed to support offshore wind development and to import wind power from other states. As a result, the Public Advocates Office (PAO) estimates that the high voltage transmission access charge (HV TAC) – which is paid by all ratepayers in the CAISO footprint, including SD Community Power ratepayers – may increase by 350% by 2045. This cost escalation does not reflect growth in the low voltage TAC, which is paid by ratepayers on a regional basis.

Networked transmission lines in the CAISO footprint are constructed, financed, and operated by participating transmission owners (PTOs), which are private companies, most often investor-owned utilities. While PTOs have tremendous expertise, their financing costs are higher compared to public agencies. For example, PTOs generally benefit from a return on equity of around 11% and have higher cost debt structures. In contrast, public agencies don't earn a return on equity and can issue tax-exempt revenue bonds, which can be used to facilitate a pre-pay transaction that can reduce borrowing costs by between 8-12%. A recent UC Berkeley report on improving transmission financing found that the use of public sector financing could reduce transmission costs to ratepayers by up to 57%, either through a public-private partnership model or through outright public ownership.

In supporting SB 330 (Padilla), SD Community Power offers several matters for further consideration as the bill advances through the legislative process:

- Public financing should be appropriately aligned with the CAISO's competitive solicitation process for building new transmission lines approved through the TPP.
- Building transmission lines through the TPP is a complex endeavor that requires expertise and a long-term commitment. Accordingly, rather than allowing various entities to be designated with authority to implement pilot projects, it may be prudent to designate a lead agency that can partner with other state and local agencies.
- The bill appears to apply to policy-driven transmission projects in the CAISO's TPP, but this is not entirely clear. Further precision on which categories of projects are covered in the pilot program may help sharpen the focus of publicly backed investment.

In closing, we thank Senator Padilla for his continued leadership to advance forward thinking transmission solutions. If you have any questions about our position, please contact Amy Costa, at amy@fullmoonstrategies.com.

Sincerely,

Patrick Welch

Patrick Welch
Senior Legislative Manager

Cc: The Honorable Steve Padilla, 18th Senate District

ITEM 9

ATTACHMENT D

March 19, 2024

The Honorable Josh Becker
Chair, Senate Committee on Energy, Utilities & Communications
1021 O Street, Suite 3350
Sacramento, CA 95814

Subject: SB 331 (Padilla) State Energy Resources Conservation and Development Commission: certification of facilities: electrical transmission projects – SUPPORT

Dear Senator Becker,

On behalf of San Diego (SD) Community Power, I write in support of SB 331 (Padilla). It is essential that approved transmission projects are completed in a timely manner to support deliverability of SD Community Power's 3.4 gigawatts (GWs) of new, cost-competitive renewable generation and energy storage projects.

According to the California Independent System Operator's (CAISO's) 20-year transmission outlook, between $45.8 billion to $63.2 billion in high voltage transmission investments may be needed to support the state's clean energy goals. Additional investments are also needed in the low-voltage transmission system. In short, there is a lot of work to be done to ensure the transmission network can reliably deliver renewable and clean energy.

SB 331 (Padilla) gives the option for transmission developers to select to have the California Energy Commission conduct the California Environmental Quality Act review for projects at 138 kilovolts or higher, as opposed to the California Public Utilities Commission. This is consistent with the opt-in permitting process for eligible facilities that was established by the Legislature and Governor via AB 205 (2022).

The Public Advocates Office Transmission Data Dashboard shows that 167 out of 296 transmission projects approved by the CAISO are still ongoing. Thirty-two projects dating back to 2009-2016 are delayed. Every transmission project, based on its size and scope, may have different reasons for delay, but it's clear that innovative thinking like SB 331 (Padilla) is needed to increase the speed at which projects are completed.

We thank Senator Padilla for his continued attention to this critical issue. If you have any questions about our position, please contact Amy Costa, at amy@fullmoonstrategies.com.

Sincerely,

Patrick Welch

Patrick Welch
Senior Legislative Manager

Cc: The Honorable Steve Padilla, State Senator, 18th District

SD Community Power is the second largest Community Choice Aggregator (CCA) in the State that provides renewable and clean electricity service to the cities of Chula Vista, Encinitas, Imperial Beach, La Mesa, San Diego, and National City in addition to unincorporated San Diego County for a total of nearly 960,000 customer accounts. SD Community Power's mission is to provide affordable clean energy and invest in the community to create an equitable and sustainable future for the San Diego region. SD Community Power is the first CCA in the state with a governing board adopted goal of 100% clean energy by 2035, ten years ahead of the statewide goal.

ITEM 9
ATTACHMENT E

February 28, 2025

The Honorable Josh Becker
Chair, Senate Committee on Energy, Utilities & Communications
1021 O Street, Suite 3350
Sacramento, CA 95814

RE: SB 540 (Becker & Stern) Independent System Operator: independent regional organization – SUPPORT

Dear Senator Becker,

On behalf of San Diego (SD) Community Power, I write to thank you for your leadership to deliver ratepayer savings, reduce greenhouse gas (GHG) emissions, and to enhance grid reliability. SD Community Power is pleased to support SB 540 (Becker & Stern).

The legislation will allow the California Independent System Operator (CAISO) to operate, and participate in, an independently governed regional organization to operate a day-ahead electricity market available to balancing authority areas in the entire Western United States. Importantly, SB 540 (Becker & Stern):

- Preserve's California's and SD Community Power's ability to make resource choices to meet state and local adopted goals, and which best serve customer needs.
- Includes a transparent governance process that provides equitable representation of the interests of all market participants.
- Includes an appropriate withdrawal protocol in response to potential federal action or other significant changes in market rules or operations detrimental to California ratepayers or that contravene state policy.
- Preserve's California's and SD Community Power's commitment to preserving union work opportunities in the energy sector and keeping jobs in California.

The integrated and independent electricity market envisioned by SB 540 (Becker & Stern) will result in many benefits, including ratepayer savings. A recent study estimates that California could see nearly $800 million annually in lower system costs, including up to $471 million to CAISO market participants. The integrated market would provide SD Community Power with another tool to continue to keep downward pressure on generation rates; in 2024, the SD Community Power Board reduced rates on average by 18% and lowered rates by another 2.8% in February of this year.

The bill will also support SD Community Power's goal of deep decarbonization and the state's goal of achieving net-zero GHG emissions by 2045. It is estimated that an independently governed integrated market could help reduce GHG emissions from the electric sector by over 11% and reduce natural gas fired generation by 31%. There is also strong evidence to suggest that the market will enhance grid reliability through more efficient resource dispatch based on a broader market footprint. The market may increase generation available for planning reserve margins by 25% and under the worst-case stress event, could cut the hours of unserved energy in half. This is critical as California and the West continue to experience more frequent and severe weather events.

California already has experience with a real-time energy market known as the Western Energy Imbalance Market (WEIM). It operates under shared market rules that allow the participants to efficiently buy and sell power. The WEIM, which captures about 5% of all wholesale market transactions, has provided CAISO market participants with over $1 billion in benefits, avoided over 1 million tons of carbon emissions, and has increased grid flexibility by providing access to surplus energy across a broader footprint. The independent governed day-ahead market envisioned by SB 540 (Becker & Stern) will help California realize similar benefits for the other 95% of wholesale electricity transactions.

In closing, we appreciate that SB 540 (Becker & Stern) is the product of deliberative stakeholder engagement through the West-Wide Governance Pathways Initiative. Launch Committee members involved in the process brought stakeholders together from around the West to design market mechanisms that will support a truly independent day-ahead market. We are thankful for their efforts.

If you have any questions about our position, please contact Amy Costa, at amy@fullmoonstrategies.com.

Sincerely,

Patrick Welch

Patrick Welch
Senior Legislative Manager

Cc: The Honorable Henry Stern, State Senator, 27th District

ITEM 9
ATTACHMENT F

SUPPORT – SB 540 (Becker and Stern) - as introduced, February 20, 2025

CCUE Coalition of California Utility Employees

CSAEW California & Nevada State Association of Electrical Workers

UA

NRDC

Environmental Defense Fund

Google

Western States Council SMART Sheet Metal | Air | Rail | Transportation California - Arizona - Nevada - Hawaii

CalChamber

Microsoft

amazon

CEBA Clean Energy Buyers Association

Union of Concerned Scientists

RIVIAN

E2

CLECA California Large Energy Consumers Association

Ceres

Advanced Energy United™

SEIA Solar Energy Industries Association®

CALCCA Advancing Local Energy Choice

California Environmental Voters

San Diego Community Power

SVLG Silicon Valley Leadership Group

edp Renewables

Pattern

Mitsubishi Cement Corporation

IEPA

MCE

Western Freedom

Silicon Valley Clean Energy

Sierra Nevada®

WPTF Western Power Trading Forum

American Clean Power California

PSG Pacific Steel Group

Western Resource Advocates wra

leap

March 7, 2025

The Honorable Senator Becker
Chairman, Senate Utilities, Energy, and Communications Committee
1021 O Street, Suite 3350
Sacramento, CA 95814

RE: SUPPORT - SB 540 (Becker, Stern) – as introduced February 20, 2025

Dear Senator Becker,

We are writing to express our strong support for SB 540. This bill provides the statutory authorization necessary to implement the Pathways Proposal which would make electricity more affordable for California consumers while protecting California's procurement, environmental, reliability, and other public interest policies.

Developed by a large and diverse set of stakeholders, the Proposal would create a new, independent regional organization that would be solely responsible for setting energy market rules. The California Independent System Operator (CAISO) would continue to operate the markets as it does today, as well as continuing its role in operating the transmission system, transmission system planning, and balancing authority functions. SB 540 ensures the expertise and infrastructure that the CAISO has built is maintained, further protecting investments in current energy markets.

Creating an independent organization responsible for energy market rules would enable more utilities across the West to participate in consolidated electricity markets, making electricity in California more affordable and reliable while also reducing emissions in California.

SB 540 Provides More Affordable Electricity

This legislation, and the consolidated electricity markets it enables, would provide much needed energy affordability benefits to Californians. A new analysis conducted for the California Energy Commission (CEC) determined a West-wide day-ahead market could produce nearly $800 million in annual cost savings for California customers.[1]

SB 540 Improves Electric Reliability

The legislation would enhance the reliability of California's power grid by enabling more efficient and coordinated management of energy supply and demand across the Western region. With better access to shared resources, grid operators will be better equipped to draw on a wider resource pool during peak demand periods, reduce the likelihood of blackouts, and support the

[1] John Tsoukalis, et al., Brattle Group, "Preliminary Day-Ahead Market Impact Study: Impact of Market Footprints on California Customers" (Prepared for California Energy Commission, January 24, 2025).

resilience of the grid in the face of growing challenges such as extreme weather events and climate-driven disruptions.[2]

SB 540 Increases Use of Clean Energy

A consolidated western energy market will maximize use of existing clean energy generation and enable a faster, more affordable clean energy future. SB 540 makes more clean energy available both in California and around the West by reducing curtailment (deliberately reducing output below what could have been produced), a growing problem for solar and wind power generators in California. The CEC study determined the expanded market would reduce wind and solar curtailment by 10 percent. This improvement would reduce air pollution by displacing other less efficient emitting resources and enhance the financial foundation for clean energy investment and jobs by enabling California to use and sell more of its clean energy.[3]

With 80% of energy customers in the West now served by utilities with net-zero carbon energy mandates, the demand for clean energy resources will continue to grow. Maximizing use of existing clean generation is the fastest, most affordable way to reduce emissions.

SB 540 Protects Consumers and California Energy Policy

SB 540 would permit CAISO and California investor-owned utilities to participate in the independently governed energy markets only if the new regional organization meets guardrails designed to protect consumers and ensure that California can continue to set its own procurement, environmental, reliability, and other public interest policies. These protections include:

- public interest protections in the corporate documents;
- specific roles and engagement with state regulators and consumer advocate offices including access to market data;
- transparent and accessible operations including an office of public participation;
- independent market analysis and monitoring to protect consumers;
- engagement with states, local power authorities, and federal power marketing agencies to evaluate potential impacts of proposed market rule and tariff changes to state, local, and federal policies; and
- retention of the right to withdraw from the energy markets governed by the new regional organization if participation were no longer in the interests of their customers.

The diverse set of signatories on this letter represent an unprecedented coalition of consumer advocates, organized labor, environmental advocates, clean energy developers, investor-owned

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[2] See Tsoukalis, et al. and Michael Wara, et al., Stanford Climate & Energy Policy Program, "Grid Regionalization in the West: Reliability Benefits from Increased Cooperation in Electricity Markets and Operations"(Prepared for California Energy Commission, January 24, 2025).
[3] John Tsoukalis, et al., Brattle Group, "Preliminary Day-Ahead Market Impact Study: Impact of Market Footprints on California Customers" (Prepared for California Energy Commission, January 24, 2025).

utilities, public power, and large customers who strongly support SB 540. For all of the above reasons, we support this legislation and request your support.

Sincerely,

Advanced Energy United (AEU)
Amazon
American Clean Power – California (ACP)
CA & NV State Association of Electrical Workers (IBEW)
CalCCA
California Chamber of Commerce
California Environmental Voters
California Large Energy Consumers Association (CLECA)
California State Pipe Trades Council
Ceres
Clean Energy Buyers Association (CEBA)
Coalition of California Utility Employees (CCUE)
E2 | Environmental Entrepreneurs
EDP Renewables
Environmental Defense Fund (EDF)
Google
Independent Energy Producers Association (IEPA)
Leap
MCE Community Choice Energy
Microsoft
Mitsubishi Cement Corporation
Natural Resources Defense Council (NRDC)
Pacific Steel Group (PSG)
Pattern Energy
Rivian
San Diego Community Power
Sierra Nevada Brewing Co.
Silicon Valley Leadership Group (SVLG)
Silicon Valley Clean Energy
Solar Energy Industries Association (SEIA)
Union of Concerned Scientists (UCS)
Western Freedom
Western Power Trading Forum (WPTF)
Western Resource Advocates (WRA)
Western States SMART Council

CC: Senator Henry Stern, Co-Author
Members, Senate Utilities, Energy, and Communications Committee
Nidia Bautista, Chief Consultant
Kerry Yoshida, Republican Caucus Consultant

Edson Perez
Senior Principal
Advanced Energy United (AEU)

Nate Hill
Head of Energy Policy
Amazon

Alexander L. Jackson
Executive Director
American Clean Power – California (ACP)

John Doherty
Secretary/Treasurer
CA & NV State Association of Electrical Workers (IBEW)

Beth Vaughan
Chief Executive Officer
CalCCA

Jonathan Kendrick
Policy Advocate
California Chamber of Commerce

Melissa Romero
Policy Advocacy Director
California Environmental Voters

Christian Lenci
Chair
California Large Energy Consumers Association (CLECA)

Mike Hartley
Executive Director
California State Pipe Trades Council

Kelly Trombley
Director, State Policy, West
Ceres

Priya Barua
Senior Director of Market & Policy Innovation
Clean Energy Buyers Association (CEBA)

Hunter Stern
Chair
Coalition of California Utility Employees (CCUE)

Susan Nedell
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E2 | Environmental Entrepreneurs

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EDP Renewables

Katelyn Roedner Sutter
California State Director
Environmental Defense Fund (EDF)

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Head of Energy Market Development, US-West
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Jan Smutny-Jones, Esq.
Chief Executive Officer, General Counsel
Independent Energy Producers Association (IEPA)

Collin Smith
Regulatory Affairs Manager
Leap

Dawn Weisz
Chief Executive Officer
MCE Community Choice Energy

Robyn Hines
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Microsoft

Austin Marshall
President/C.O.O.
Mitsubishi Cement Corporation

Victoria Rome
CA Government Affairs Director
Natural Resources Defense Council (NRDC)

Mark Olson
Vice President of Mill Operations
Pacific Steel Group (PSG)

Varner Seaman
Director of Government Affairs
Pattern Energy

Coley Girouard
Lead, Energy Market Enablement and Utility Strategy
Rivian

Patrick Welch
Senior Legislative Manager
San Diego Community Power

Mandi McKay
Sustainability & Social Impact Officer
Sierra Nevada Brewing Co.

Monica V. Padilla
Chief Executive Officer
Silicon Valley Clean Energy

Laura Wilkinson
SVP, Strategy & External Affairs
Silicon Valley Leadership Group (SVLG)

Stephanie Doyle
California State Affairs Director
Solar Energy Industries Association (SEIA)

Daniel Barad
Western States Policy Manager
Union of Concerned Scientists (UCS)

Kathleen Staks
Executive Director
Western Freedom

Scott Miller
Executive Director
Western Power Trading Forum (WPTF)

Vijay Satyal
Deputy Director, Regional Markets and Transmission
Western Resource Advocates (WRA)

Dion Abril
Executive Administrator
Western States SMART Council

ITEM 9
ATTACHMENT G

March 19, 2025

The Honorable Jerry McNerney
Chair, Senate Committee on Revenue & Taxation
State Capitol, 410
Sacramento, CA 95814

RE: SB 710 (Blakespear) Property taxation: active solar energy systems: extension – SUPPORT

Dear Senator McNerney,

On behalf of San Diego (SD) Community Power, I write in support of SB 710 (Blakespear), which will continue a long-standing property tax exclusion that supports the deployment of distributed solar and energy storage systems.

California has just over 18 gigawatts (GWs) of distributed solar installed today, with 1-2 GWs being added by residents yearly. Customers have also installed over 3 GWs of energy storage. According to the California Energy Commission's inaugural SB 100 Joint Agency Study, much more distributed solar is needed to meet California's 100% renewable and zero-carbon energy goal. The study assumes 39 GWs – or more than twice what is installed today – will be installed to help meet the 2045 goal (page 104).

In achieving its own goal of 100% clean energy by 2035 or sooner, SD Community Power is striving to build 1 GW of local clean energy capacity by 2035, of which 300 MW will be distributed energy resources (DERs). To start on this goal, SD Community Power recently launched its' Solar Battery Savings program, which has helped over 1,600 customers install batteries in their homes. We also recently launched the Solar Advantage Program, which will build small scale solar projects in disadvantaged communities.

SB 710 (Blakespear) ensures that customers aren't penalized by California's property tax law. Without it, residents' properties would be revalued at higher rates if they choose to install distributed solar and/or storage systems, creating a barrier to further progress. We respectfully urge your support. If you have any questions about our perspective, please contact Amy Costa, at amy@fullmoonstrategies.com.

Sincerely,

Patrick Welch

Patrick Welch
Senior Legislative Manager

Cc: The Honorable Catherine Blakespear, State Senator, 38th District

SD Community Power is the second largest Community Choice Aggregator (CCA) in the State that provides renewable and clean electricity service to the cities of Chula Vista, Encinitas, Imperial Beach, La Mesa, San Diego, and National City in addition to unincorporated San Diego County for a total of nearly 960,000 customer accounts. SD Community Power's mission is to provide affordable clean energy and invest in the community to create an equitable and sustainable future for the San Diego region. SD Community Power is the first CCA in the state with a governing board adopted goal of 100% clean energy by 2035, ten years ahead of the statewide goal.

ITEM 9
ATTACHMENT H

MCE

SAN DIEGO COMMUNITY POWER

CALIFORNIA Efficiency + Demand Management COUNCIL

CIVICWELL

BREATHE CALIFORNIA of the Bay Area, Golden Gate, and Central Coast

ICAN

CENTER for BIOLOGICAL DIVERSITY

PENINSULA CLEAN ENERGY

The Climate Reality Project
ORANGE COUNTY, CA CHAPTER

Pleasant Hill CALIFORNIA

WAVE ACTION FUND
WOMEN FOR AMERICAN VALUES AND ETHICS

SoCalREN

CELEBRATING 150
SAN RAFAEL
THE CITY WITH A MISSION
established 1874

RISING SUN
CENTER FOR OPPORTUNITY

Citizens' Climate Lobby
Orange County
Central Chapter

ORANGE COUNTY POWER AUTHORITY
YOUR CLEAN ENERGY CHOICE

BEI Building Electrification Institute
CITIES DRIVING CHANGE

SIERRA BUSINESS COUNCIL

ACT NOW BAY AREA
REGIONAL SOLUTIONS to the GLOBAL CLIMATE CHALLENGE

3C-REN

SAN JOSÉ COMMUNITY ENERGY ADVOCATES

ORANGE COUNTY ENVIRONMENTAL JUSTICE

NRDC

the Energy Coalition

CLIMATE ACTION CAMPAIGN
SAN DIEGO | ORANGE COUNTY | LOS ANGELES

SAN JOSE CLEAN ENERGY

NREN
Northern Rural Energy Network

DGI DEMOCRATS of GREATER IRVINE

CA DEMOCRATIC PARTY
ASSEMBLY DISTRICT 73
ELECTED DELEGATES

SILICON VALLEY CLEAN ENERGY

SGVCOG

City of VALLEJO California

CLEAN ENERGY ALLIANCE

Acterra

ACTION FOR A HEALTHY PLANET

ASSOCIATION OF BAY AREA GOVERNMENTS

BAYREN

I-REN
INLAND REGIONAL ENERGY NETWORK

MOTHERS OUT FRONT Silicon Valley

March 11, 2025

The Honorable Josh Becker
Chair, Senate Committee on Energy, Utilities and Communications
1021 O Street, Suite 3350
Sacramento, CA 95814

Subject: Joint Comments on Oversight Hearing to Address Electricity Utility Bill Affordability While Advancing the State's Clean Energy Goals: Energy Efficiency Programs are Vital to an Equitable Clean Energy Transition and Maintaining Grid Reliability

Dear Senator Becker,

We, the undersigned organizations, write to thank you for focusing on ratepayer affordability during your first hearing of 2025. Our organizations represent a broad cross section of local governments, community choice aggregators, regional energy networks, businesses, and non-profit organizations that are committed to the state's clean energy transition and who share the concern that unaffordable electric bills could undermine our important efforts to stem the impacts of climate change through clean electricity. We believe the state can and must advance both climate progress and electric affordability for all Californians, and energy efficiency programs are a vital tool for gaining ground in both areas.

Throughout the course of your recent oversight hearing, several stakeholders suggested that bill savings could be achieved by repealing, or otherwise altering, ratepayer-funded energy efficiency programs. To the contrary, we respectfully urge you to consider the vital role that energy efficiency plays in California's clean energy future and in supporting the most marginalized members of our communities, including low- and middle-income households.

This letter provides information that we hope you will find valuable in informing your deliberations on legislative solutions to the ratepayer affordability crisis. We stand ready to work with you to find the appropriate balance of program offerings, as well as opportunities to improve existing programs to better meet today's energy needs.

<u>Energy Efficiency Delivers Important Benefits Including Affordability</u>

The Governor's Executive Order N-5-24 tasked the California Public Utilities Commission (CPUC) and the California Energy Commission (CEC) with, among other things, examining the benefits and costs to ratepayers of programs they oversee that may be unduly adding to rates or whose funding should more appropriately come from a non-ratepayer source. While the CPUC's report states that shifting programs could reduce rates minimally, it also cautions that repealing the programs would eliminate the benefits they provide. The data, as outlined below, actually show that energy efficiency programs provide myriad benefits and that repealing them would undermine affordability and the state's clean energy transition.

- **Energy efficiency programs are a small and declining component of customer bills and are not driving up bills or exacerbating the affordability crisis.** The CPUC's report in response to Executive Order N-5-24 shows that energy efficiency was 1.5% of revenue collected from ratepayers in 2024.[1] This is down from 2.2% of revenue collected from ratepayers in 2023.[2] This is because energy efficiency revenues declined slightly while the revenue requirement of the investor-owned utilities (IOUs)[3] increased significantly from $39.6 billion to $54 billion. According to an independent analysis, energy efficiency program costs to ratepayers decreased by 32% on an inflation adjusted basis over the past 10 years.[4] California's programs are more cost-effective on a per customer basis than the programs in 39 other states.[5]

- **Energy efficiency is critical for California's world-leading clean energy transition.** In 2023 alone, energy efficiency programs helped Californians:
    - Avoid using 11,276 gigawatt-hours (GWh) of electricity,
    - Avoid using 153,559,891 therms of gas,
    - Shave 1.9 gigawatts (GW of demand, and
    - Avoid 11,353,046 tons of GHG emissions.
    - Combined, energy efficiency provided enough energy savings and environmental benefits to avoid over 11.3 million tons of GHG emissions, which is equivalent to the annual energy use of over 1.5 million homes.[6]

  These results are achievable because California law has long recognized energy efficiency as a key strategy for enacting the state's clean energy goals in an affordable manner. For example, California's loading order calls for energy efficiency as a priority resource to address electric demand, and the Clean Energy and Pollution Reduction Act of 2015 established the goal of doubling energy efficiency savings by 2030.[7] Beyond energy savings, EE programs also provide the training, support and education needed for workers and contractors to advance California's clean energy transition.

- **Statewide, energy efficiency is overwhelmingly cost-effective.** California's full ecosystem of EE programs is designed to meet both statewide goals and the needs

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[1] CPUC, CPUC Response to Executive Order N-5-24, Table A-2, p. 31.
[2] CPUC, Table 1.1 (revenue requirement) and Table 5.1 (energy efficiency costs) from the 2023 California Electric and Gas Utility Costs Report, https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/office-of-governmental-affairs-division/reports/2024/2023-ab-67-report.pdf.
[3] The revenue requirement is the amount of money an IOU must collect from customers to pay for its costs.
[4] Edward Randolph and Michel Florio, What is Driving Up Electric Rates in California?.
[5] ACEEE, 2022 State Energy Efficiency Scorecard, available at: https://www.aceee.org/sites/default/files/pdfs/u2206.pdf, pp. 26 (CA highest for public benefits nationwide), 37-40 (ranked 40th and 24th for highest electric EE and gas EE spending nationwide).
[6] California Energy and Data Reporting System (CEDARS), 2023 Confirmed Claim Summary.
[7] Public Utilities Code Section 454.5 and Public Resources Code Section 25310.

of all customers. The CPUC evaluates EE spending and performance at the individual program, portfolio and collective statewide level. Under even the strictest cost-effectiveness tests, including the one referenced by the CPUC in its response to the Executive Order,[8] the statewide suite of EE programs is highly cost-effective.[9]

- **Energy efficiency is critical for maintaining a stable grid in an era of rapidly increasing demand for electricity.** The CEC estimates that total electricity consumption will increase by as much as 74%, and peak demand will increase by as much as 45%, by 2040.[10] Many ratepayer-supported energy efficiency programs help shave peak load through measures that enable demand response and load flexibility measures, making them vital tools for managing this substantial load growth. Importantly, the CEC's load forecasts, which are the basis for electricity procurement, assume at least 1.9 GWs in achievable energy efficiency savings. Without these programs, load serving entities (LSEs) will need to buy an additional 1.9 GW statewide to cover the shortfall, and those costs will be passed on to customers.

- **Many energy efficiency programs are designed to provide energy and bill savings to disadvantaged customers and communities.** Energy efficiency is one of the only tools customers can use to protect themselves against high rates, and energy efficiency helps to reduce power procurement costs and GHG emissions at the same time. If customers cannot reduce their usage through energy efficiency, they are more at risk of falling behind on their bills and even being disconnected. For example, the Energy Savings Assistance Program (ESA) serves exclusively low-income customers, but a significant portion of the non-income qualified energy efficiency portfolio also serves customers earning less than the area or statewide median income, rural customers, affordable multi-family housing, and small businesses.

- **Successful energy efficiency programs depend on reliable, predictable multi-year funding.** Funding certainty allows administrators to plan ahead with confidence, which h elps ensure that all customers can participate. It also improves cost-effectiveness by allowing for bulk purchasing, efficient use of administrative resources, and other economies of scale. Sustainable and reliable funding is also essential to support nearly 300,000 energy efficiency jobs and 53,000 EE businesses across California.[11] Neither the State General Fund nor the Greenhouse Gas

[8] CPUC Response to Executive Order N-5-24, pp. 12-13.
[9] The CPUC measures EE portfolio cost-effectiveness with multiple tests including the Program Administrator Cost (PAC) test and the Total Resource Cost (TRC) test. In 2023, under the PAC test each dollar invested in EE produced $8 of benefits and under the TRC test each dollar invested in EE avoided $3 of otherwise necessary electric and gas costs. *See*, CPUC, CEDARS, 2023 Claims available at: https://cedars.cpuc.ca.gov/claims/all-confirmed-dashboard/ (2023 Claims, Portfolios, All Sectors).
[10] Peak demand refers to the time when statewide energy usage is highest, typically 4-9pm on summer days, and power is most expensive to supply during this time.
[11] E4TheFuture, Energy Efficiency Jobs in America 2023, available at: https://e4thefuture.org/wp-content/uploads/2023/10/Energy-Efficiency-Jobs-in-America-2023.pdf.

Reduction Fund (GGRF) are able to provide the necessary funding certainty to sustain these valuable programs and ensure they remain cost effective.

Revisiting Energy Efficiency Metrics

While we firmly believe in the value of energy efficiency programs, we also recognize that any program can be improved and welcome the opportunity to do so through a fair and deliberative process. As part of its response to Executive Order N-5-24, the CPUC evaluated ratepayer costs and benefits of energy efficiency programs and concluded that opening a new energy efficiency proceeding that focuses on cost-effectiveness in 2025 is the optimal pathway and venue to further reduce ratepayer costs.[12] **We agree with the CPUC that opening a new energy efficiency proceeding is the best course of action to affirm that energy efficiency programs are meeting their intended goals.** The CPUC has already committed to opening a new proceeding later this year that will utilize a more modern lens to examine energy efficiency programs.[13] The CPUC is also creating a dashboard that will facilitate greater public and legislative oversight by visualizing program impacts. We are confident that the new energy efficiency proceeding is well suited to refine energy efficiency programs consistent with the legislature's commitment to energy affordability.

We look forward to working with you on solutions to the affordability crisis that preserve the state's energy efficiency programs to ensure they can be administered to reduce customer bills, benefit the neediest communities, play a role in supporting the clean energy transition, and help manage the state's growing load.

Sincerely,

Patrick Welch
Senior Legislative Manager
San Diego Community Power

Stephanie Chen
Director of Legislative Affairs
MCE

Joseph Desmond
Executive Director
California Efficiency + Demand Management Council

Merrian Borgeson
Policy Director, California
Climate & Energy Natural Resources Defense Council (NRDC)

Ayn Craciun
OC Policy Director
Climate Action Campaign

Art Taylor
Chief Strategy & Program Officer
Rising Sun Center for Opportunity

[12] CPUC, CPUC Response to Executive Order N-5-24, p. 18.

[13] CPUC, Decision (D.) 25-01-006, p. 5. The Commission recognized that "energy efficiency programs have evolved significantly since we opened R.13-11-005 in 2013" and that the new proceeding would have a modern focus that ensures "effective oversight of these energy efficiency programs moving forward."

Marisa Creter
Executive Director
San Gabriel Valley Council of Governments

Bernadette Austin
CEO
CivicWell

Patricia Cheng Terry
Senior Portfolio Manager
Northern Rural Energy Network

Amy Luna Capelle
Executive Director
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Roger Lin
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Alejandra Tellez
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Maika Llorens Gulati
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City of San Rafael

Lisa Swanson
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Climate Reality Project Orange Co.

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Democrats of Greater Irvine

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Demian Hardman-Saldana
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LGSEC

Scott Green
Senior Gov Affairs Manager
San Jose Clean Energy

Kev Abazajian
Chair
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Anne Mohr
Elected Delegate
Assembly District 73 Delegates
California Democratic Party

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Greg Wade
CEO
Clean Energy Alliance

Linda Hutchins-Knowles,
Co-Founder & Team Coordinator
Mothers Out Front Silicon Valley

Andrew B. Fremier
Executive Director
Association of Bay Area Governments

Jane Elias
Section Director, Energy Programs
Bay Area Regional Energy Network

Casey Dailey
Director of Energy & Sustainability
Programs
Western Riverside Council of
Governments

cc: Members, Senate Committee on Energy, Utilities and Communications
The Honorable Mike McGuire, Senate President pro Tem

ITEM 9
ATTACHMENT I

April 1, 2025

Dear Congressional Leaders,

We, the undersigned California Community Choice Aggregators (CCAs), write to thank you for your ongoing support for local customer choice in energy. Formed and led by local governments in more than 200 towns, cities, and counties throughout the state, California's 25 CCAs collectively serve over 14 million residents and businesses with electric service options that support local energy priorities. Our organizations support lowering energy costs, creating good jobs, and increasing America's economic competitiveness. California CCAs have invested billions of dollars in over 18 gigawatts of new-build generation and energy storage projects, supporting over 36,000 energy construction jobs and helping California and the West reliably meet the rising demand for electricity while providing savings for our customers.

As the 119th Congress considers energy and tax legislation, we want to share our priorities and urge you to help ensure that Californians can continue to receive affordable and reliable electricity for years to come.

Maintain the tax-exempt status for municipal bonds

Securing long-term power purchasing agreements (PPAs) with our energy developer partners is critical to the CCA mission of delivering reliable energy to customers at competitive rates. As local government agencies, many CCAs leverage the municipal bond market and execute "prepay" transactions that provide meaningful energy procurement cost savings.

Through prepay transactions, CCAs are financing the development of new large-scale energy projects that create good-paying jobs and help meet rising energy demand across the most populous state in the country – all while reducing costs for our customers. Since 2021, the California Community Choice Financing Authority (CCCFA) has issued $16 billion in prepayment tax-exempt bonds on behalf of CCAs, saving participating community choice customers roughly $100 million annually in electricity costs. The savings enabled by this crucial financial mechanism would not be possible without the U.S. tax code excluding interest earned on the bonds from gross income for federal income tax purposes.

As Congress considers new tax legislation in 2025, we urge members to preserve the tax-exempt status of municipal bonds so that CCAs and local governments throughout the country have the economic certainty they need to continue making meaningful investments in the communities they serve.

Preserve federal energy tax incentives

To meet the nation's growing demand for electricity and create good-paying jobs, power producers rely on certainty and stability in the U.S. tax code to finance new generation projects. CCAs, as purchasers of wholesale electricity, depend on the continued steady development of new energy projects to serve our customers. Likewise, customers throughout the state are benefiting from new and extended tax incentives to electrify their homes and make them more energy efficient, reducing their energy bills and their emissions footprint.

Since the Inflation Reduction Act (IRA) became law in 2022, its suite of tax incentives has spurred businesses and consumers to invest nearly $500 billion in energy projects and manufacturing located throughout the country, strengthening the U.S. supply chain and revitalizing the economy.[1] These investments have also helped improve the reliability of the U.S. energy grid, increase U.S. energy production, and put downward pressure on energy prices. Even more of this affordable energy supply is needed to meet customer demand in the future.

According to a recent study conducted by NERA Economic Consulting, a full repeal of the IRA's investment and production tax credits would increase delivered electricity prices nationwide by an average of 9.2% by 2029.[2] In California, rates could increase for residential customers by 9.6% and for commercial and industrial customers by 12.8%. Another study by Aurora Energy Research found that by 2040, customer energy bills could increase by an average of $142 a year and California could lose up to 6,500 clean energy jobs.[3] It is clear that any changes to IRA tax credits will have harmful impacts; the only question is the exact timing and magnitude of those impacts.

We therefore urge members of Congress to ensure America continues to invest in the entire energy sector and remains competitive on the global stage by maintaining the energy tax incentives already on the books and strengthened by the IRA. That includes the Energy Efficient Home Improvement Credit (25C), Residential Clean Energy Credit (25D), Previously Owned Clean Vehicle Credit (25E), New Clean Vehicle Credit (30D), Commercial Clean Vehicle Credit (45W), Advanced Manufacturing Production Credit (45X), Clean Electricity Production Credit (45Y), Clean Electricity Investment Credit (48E), and the elective pay and transferability mechanisms associated with these credits.

Strengthen the U.S. energy grid through streamlined transmission development

To truly address the nationwide energy emergency and meet rising demand for electrical power, we urge our Congressional leaders to pursue an "all of the above" energy approach that includes low-cost wind, solar, battery, and geothermal sources, and continue to improve and refine the Federal government's transmission planning and permitting process.

According to the Department of Energy, the U.S. will need to expand transmission systems by 60% by 2030 and may need to triple those systems by 2050 to meet the country's growing clean electricity demands.[4] The California Independent System Operator (CAISO), in its latest 20-Year Transmission Outlook, estimates that the state will need anywhere from $45.8 billion to $63.2 billion in new high voltage transmission lines by 2045.[5]

All energy customers, regardless of the energy sources they use, stand to benefit from more reliable legal and regulatory processes to support the timely and cost-effective development of transmission needed to power our communities and increase energy resiliency.

Tariffs on critical energy manufacturing components may create new affordability headwinds

As U.S. domestic manufacturing ramps up to meet the country's growing energy needs, having reliable access to critical manufacturing components (e.g., batteries, turbines, photovoltaic panels) is essential for maintaining a stable and affordable energy supply. Although ongoing Federal investments are being made to rapidly reduce U.S. dependence on foreign supply chains, the energy industry is still reliant on many key components produced in other countries to meet rising demand.

As the Administration contemplates the implementation of new and increased tariffs on imports, we urge federal leaders to carefully consider the impacts that these policies may have on the U.S. energy sector, the hundreds of thousands of Americans it employs in good-paying construction and manufacturing jobs, and the price customers pay for electricity. It is likely that new tariffs on steel, aluminum, and Chinese goods may impact the pricing of energy projects key to domestic energy generation and storage.

Uphold existing lease contracts and commitments to federal grant and loan awardees

Many CCAs are partnering with the federal government to secure resources to complete customer-facing energy projects, including solar and storage installations for low-income households, building decarbonization retrofits, and electric vehicle charging. CCAs are also working with developers who have finalized lease agreements with the federal government to build much-needed energy generation and transmission infrastructure. These local electrification programs and new development activities increase resilience and reliability, create jobs, reduce customer energy bills, and provide added tangible benefits for the communities that CCAs serve, helping to alleviate the strain on our nation's energy grid and ensuring all residents have access to affordable energy options.

The administration's ongoing pause in federal grant and loan funding and uncertainty surrounding federal lease agreements are putting many of these projects – and others across the country – in jeopardy and adding costly and unnecessary delays, to the ultimate detriment of

American taxpayers and businesses. We respectfully request our Congressional leaders to do everything in their power to ensure the federal government honors all its existing and future commitments so that awardees and counterparties have the certainty needed to deliver meaningful projects that enrich the lives of Americans everywhere.

Thank you again for your consideration and we look forward to continuing working together to strengthen community choice and expand energy savings for all our customers.

Sincerely,

Howard Chang
Chief Executive Officer
Ava Community Energy

Robert Shaw
Chief Executive Officer
Central Coast Community Energy

Greg Wade
Chief Executive Officer
Clean Energy Alliance

Ted Bardacke
Chief Executive Officer
Clean Power Alliance

Jeffery Bernstein
Chair of the Board
Desert Community Energy

Dawn Weisz
Chief Executive Officer
MCE

Joe Mosca
Chief Executive Officer
Orange County Power Authority

Shawn Marshall
Chief Executive Officer
Peninsula Clean Energy

Elizabeth Burks
Executive Director
Redwood Coast Energy Authority

Karin Burns
Chief Executive Officer
San Diego Community Power

Zach Struyk
Acting Director
San Jose Clean Energy

Monica V. Padilla
Chief Executive Officer
Silicon Valley Clean Energy

CC: California Congressional Delegation

[1] **Bermel, Lily, et al.** *Clean Investment Monitor: Tallying the Two-Year Impact of the Inflation Reduction Act.* Rhodium Group, MIT Center for Energy and Environmental Policy Research, 7 Aug. 2024, https://rhg.com/wp-content/uploads/2024/08/Clean-Investment-Monitor_Tallying-the-Two-Year-Impact-of-the-Inflation-Reduction-Act-1.pdf.

[2] **Tuladhar, Sugandha, PhD, et al.** *Electricity Price Impacts of Technology-Neutral Tax Incentives With Incremental Electricity Demand from Data Centers.* NERA Economic Consulting, 10 Feb. 2025, https://cebuyers.org/wp-content/uploads/2025/02/CEBA_Electricity-Price-Impacts-of-Technology-Neutral-Tax-Incentives-With-Incremental-Electricity-Demand-From-Data-Centers_February-2025.pdf.

[3] **Bonahoom, Lizzie, et al.** *Impact of Reform to Clean Energy Tax Credits on Investment, Jobs and Consumer Bills.* Aurora Energy Research LLC, 6 Jan. 2025, https://auroraer.com/insight/impact-of-reform-to-clean-energy-tax-credits-on-investment-jobs-and-consumer-bills/.

[4] **U.S. Department of Energy.** *Queued Up… But in Need of Transmission.* 2024, https://www.energy.gov/policy/queued-need-transmission.

[5] **California Independent System Operator.** *2024 20-Year Transmission Outlook.* 31 July 2024, https://www.caiso.com/documents/2024-20-year-transmission-outlook-jul-31-2024.pdf.

ITEM 9
ATTACHMENT J

SAN DIEGO COMMUNITY POWER

2025

ADVANCING LOCAL, CUSTOMER SOLUTIONS FOR ELECTRIC AFFORDABILITY, RELIABILITY AND ECONOMIC DEVELOPMENT IN THE SAN DIEGO REGION

San Diego Community Power is the second-largest community choice aggregator in California, serving nearly 1 million customer accounts with reliable, competitively-priced clean energy generation and energy efficiency programs. Founded in 2019 with the goal of achieving 100% clean energy by 2035, Community Power is developing a diverse portfolio of clean energy resources and energy storage solutions while working to maintain long-term electric rate stability for its customers.

Lowering rates & offering customers electricity choice

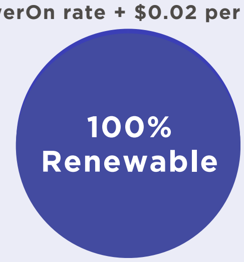
Community Power's Board of Directors sets the generation rates and approves financial transactions for renewable and energy storage projects. In 2024, the Board of Directors:

- Lowered residential rates on average by 18% due to market conditions, with an additional 2.8% reduction implemented by the Board in February 2025
- Created a new rate offering, PowerBase, the most competitively priced rate available
- Approved a $1 billion, 30-year Clean Energy Project Revenue bond issued by the California Community Choice Financing Authority, expected to save ratepayers around $6.8 million annually

New

Power100 Green+

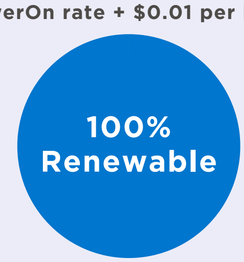
PowerOn rate + $0.02 per kWh



Carbon-Free and Green-e® Certified

Power100

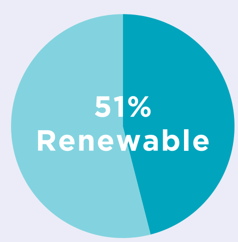
PowerOn rate + $0.01 per kWh



Carbon-Free

PowerOn

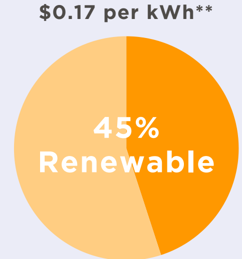
$0.19 per kWh**



New

PowerBase

$0.17 per kWh**



San Diego Regional Energy Network to promote affordability & enhance grid reliability

In 2024, Community Power and the County of San Diego secured approval from the California Public Utilities Commission to form the San Diego Regional Energy Network (SDREN), which will offer 10 energy efficiency programs focused on achieving energy savings, reducing emissions, enhancing grid reliability and educating customers on how to reduce energy usage. In the first four years, the programs are projected to reduce electric and natural gas consumption equivalent to the energy use of 1,700 homes, result in millions of dollars of ratepayer savings and reduce peak demand.

"Energy efficiency is a proven tool for lowering utility bills and making homes more affordable."

– American Council for an Energy-Efficient Economy
(2025 Outlook for Building Efficiency: Focus on Affordability, 2025)

Procuring affordable, clean energy & storage to boost domestic electricity production & strengthen grid reliability

In November 2024, Community Power celebrated the launch of Arevon's Vikings Energy Farm in Imperial County, marking its first large-scale, local renewable energy project.

Community Power has entered into a total of 13 power purchase agreements that assume federal clean energy tax credits and are expected to come online between 2024 and 2027. These agreements will help stabilize energy rates for Community Power customers by locking in fixed prices, which will protect against fluctuations in the often volatile wholesale energy market.

1.6 GW of new clean generation projects + **1.8 GW** of energy storage projects = **3.4 GW** of total projects online by 2027

That's enough to power nearly **1.2 MILLION** homes.

PROJECT STATUS	ONLINE TODAY	UNDER DEVELOPMENT
SOLAR	212 MW	1,167 MW
WIND	50 MW	150 MW
BATTERY	154 MW	1,618 MW
LONG DURATION STORAGE	0 MW	200 MW

Local jobs impact

Through the use of project labor agreements and union workers, the local workforce is supported by creating:

2,800+	CONSTRUCTION JOBS
50+	PERMANENT JOBS

Unlocking local energy capacity to reduce costs & support grid reliability

Community Power launched the Solar Battery Savings Program in July 2024. Over 1,600 customers were approved to install over 2,200 batteries in their homes, with nearly 40% of funding going to customers in communities of concern and CARE/FERA customers. The program is expected to result in 7.4 megawatts (MWs) of controllable, local capacity to help participating customers reduce their peak energy costs and support the local grid. This creates cost savings for all Community Power customers by minimizing the need to buy expensive peak load resources and lowering our resource adequacy obligations.

Call to action

Preserve key energy tax credits

It is estimated that eliminating the Investment (48E) and Production (45Y) Tax Credits would raise electric bills by $4 a month by 2030 and $8 a month by 2040.

Protect tax-exempt revenue bonds

Community Power's recent bond transaction saves ratepayers $6.8 million annually. We have a goal of approving additional transactions that would save at least $40 million annually, or roughly $6 a month for average residential customers and roughly $15 a month for average small business customers.

Maintain customer affordability

The Home Energy Improvement Credit (25C) and the Residential Clean Energy Credit (25D) help homeowners control their energy costs by making efficient heat pumps, hot water heaters and solar + storage systems more affordable.

Stay Connected for the Latest Updates

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San Diego Community Power

San Diego Community Power

Scan the QR code to learn more:

ITEM 9
ATTACHMENT K

San Diego Community Power Regulatory & Legislative Platform

Overview and Purpose

San Diego Community Power's (SDCP) Regulatory & Legislative Platform (Platform) serves as a guide to the SDCP Board of Directors, SDCP staff, and SDCP advocates in their efforts and engagement on policy matters of interest to SDCP. The Platform allows both Board members and staff to pursue actions at the local, regional, state, and federal legislative and regulatory levels in a consistent manner and with the understanding that they are pursuing actions in the best interest of the organization and its mission, its member agencies, and its customers. The Platform enables the organization to move swiftly to respond to issues before Legislature and Executive Branch agencies including, but not limited to, the California Public Utilities Commission (CPUC), the California Energy Commission (CEC), California Independent System Operator (CAISO), and the California Air Resources Board (CARB) so that SDCP's views can be heard on important matters in a timely fashion. This Platform applies, but is not limited to, statewide referenda, grant funding opportunities, and local ballot initiatives. The Platform is also applicable to opportunities arising out of recent federal legislation, including the Inflation Reduction Act as well as the Infrastructure Investment and Jobs Act. The Platform provides guidance to the Chief Executive Officer or their designee on positions that should be taken on legislative matters identified by the SDCP Director of Regulatory and Legislative Affairs or their designee and the California Community Choice Association (CalCCA) Board of Directors.

The Platform outlines the legislative and regulatory priorities and stances of SDCP with the intent to inform customers, stakeholders, representatives, and policymakers on the myriad of public policies that intersect with SDCP's priorities, programs, and services.

SDCP has three major policy priorities:

1. Accelerating Deep Decarbonization, Equitably and Expeditiously
2. Promoting Local Development, and
3. Stabilizing Community Choice Energy.

SDCP support of policies will be contingent upon that legislation or regulation adhering to these priorities as well as SDCP's organizational goals and priorities. Moreover, SDCP supports any and all policies that will preserve or enhance the ability of SDCP to promote these priorities at the local level.

Any questions regarding this Platform can be directed to Laura Fernandez, Director of Regulatory and Legislative Affairs, at lfernandez@sdcommunitypower.org.

General Policy Principles

SDCP has three general policy principles. These priorities serve as the foundation for all actions SDCP will take, including the lobbying and public comment for policies that promote those same guiding priorities. Public policy encompasses a myriad of subject and topic areas. However, as these policies intersect at the local level, they have the ability to impact SDCP revenues, programs, operations, and/or administrative discretion and control. SDCP will support policies that accelerate deep decarbonatization, promote local development, stabilize community choice, or any combination thereof. If a given policy does not meet these criteria, SDCP will oppose, support with amendments, adopt a neutral position, or in some cases take no stance on that policy or legislation. The General Policy Principles for SDCP are:

Accelerating Deep Decarbonization

- Support the creation or expansion of federal, state, and local policies, programs and funding that enable SDCP to provide 100% renewable energy by 2035 or sooner to customers within its service area as well as contribute to the State's efforts to reduce greenhouse gas emissions, including through building electrification and transportation electrification.
- Oppose any legislation, policies, programs, referenda, initiatives, unfunded mandates and budgets that would have an adverse impact on SDCP's ability to advance decarbonization through its procurement, programs, projects, and services.

Promoting Local Development

- Support any legislation, policy, funding, referenda, and budgets that enhance community choice energy providers' ability to invest in local clean energy, including infill solar and battery storage, as well as other distributed energy resources, grid resiliency, zero-emission transportation, all while promoting equity in the communities that it serves.
- Oppose any legislation, policy, funding, referenda, initiatives and budgets that limit or undermine SDCP's ability to invest in local clean energy, distributed energy resources, zero-emission transportation, all while promoting equity in the communities that it serves.

Stabilizing Community Choice

- Support any legislation, policies, funding, referenda, initiatives and budgets that maintain or improve the stability of community choice energy providers by ensuring regulatory structure is equitable and enables Community Choice Aggregators (CCAs) to meet their mission and goals. Maintaining local decision-making authority, including rate-setting authority and procurement of energy, as well as program design and administration, is a key pillar for this stability.
- Oppose any legislation, policies, funding, referenda, and budgets that undermine or circumvent CCAs and impede the ability of SDCP to achieve its mission and goals or its value proposition.

The list of policy positions below is by no means exhaustive. In addition to the general policy principles detailed above, SDCP takes the following more specific public policy positions:

I. **Governance and Authority**
   a. Oppose legislation and regulation that limits the local decision-making authority for CCAs, including rate-setting authority and procurement of energy and capacity to serve their customers.
   b. Oppose legislation and regulation that limits SDCP's ability to effectively serve its customers.

c. Support legislation and regulations that makes it easier for other cities and counties that are not served by a publicly owned utility to form a CCA, become members of SDCP or other CCAs, and oppose legislation and regulation that restricts that ability.
d. Support, as appropriate, legislation that facilitates public and board member participation in SDCP's governance and decision-making, including through the Community Advisory Committee, while maintaining a high standard of transparency.

II. Deep Decarbonization

a. Advocate for and support legislative and regulatory efforts to accelerate deep decarbonization of the energy sector, transportation and the built environment, including expanding access to low-cost financing for clean energy technologies.
b. Advocate for and support legislative and regulatory efforts to support and expand access to transportation and building electrification.
c. Advocate for and support policy efforts to ensure flexibility in program design so that local data and local needs directly inform program offerings.
d. Support state funding for electric vehicle infrastructure programs, including related electric vehicle grid connected programs and policies.
e. Advocate for and support legislative and regulatory efforts to provide incentives to support Communities of Concern achieving deep decarbonization.

III. Environmental Justice

a. Support legislation and regulation that supports the ability of Communities of Concern in the SDCP service area to have affordable, reliable and local clean energy.
b. Support legislation and regulation that strengthens the resilience of vulnerable communities to the impacts of climate change.
c. Support legislation and regulation that enables all communities, including emerging and historically marginalized communities in California, to participate in deep decarbonization efforts.
d. Support legislation, regulation and policies that internalize the externalities of carbon, through true cost pricing and social cost accounting.
e. Support legislation and initiatives that would reduce local air pollution, reduce other negative local impacts associated with energy production, and boost adoption of distributed energy resources within Communities of Concern.
f. Oppose legislation and regulations that have the potential to disproportionately and negatively impact communities of concern.

IV. Environmental Sustainability

a. Support legislation and initiatives that increase funding for the creation of sustainable and stable energy supply infrastructure.
b. Support legislation and initiatives that encourage the conservation of energy resources as well as the development of dynamic load-shifting capabilities.
c. Support legislation, regulation, and funding for renewable and advanced energy technology that increases efficient consumption.
d. Support legislation and funding for pilot energy and resource efficiency

programs.

e. Support legislation and initiatives with the goal of reducing and mitigating the effects of climate change and building local resiliency.

V. Investor-Owned Utility (IOU) Charges and Exit Fees - Power Charge Indifference Adjustment (PCIA)

a. Support efforts that seek to eliminate exit fees including the PCIA or wind down exit fees within a reasonable time frame.
b. Support efforts to minimize the cost of the PCIA generally and minimize its impact on SDCP's rates.
c. Support efforts to increase the transparency of IOU electricity contracts that provide the basis for PCIA charges.
d. Support legislation and regulation that would bring stability to the PCIA and/or provide new mechanisms for CCAs to securitize PCIA charges.
e. Support legislation and regulation that advances ratepayer equity.
f. Oppose legislation and regulation that would increase or expand exit fees on CCA customers.

VI. Resource Adequacy

a. Support legislation and regulation to address shortfalls in the Resource Adequacy market including transmission constraints, interconnection or project delays, and minimizing market power.
b. Oppose legislation and regulation that would supplant CCAs' procurement authority for Resource Adequacy or impose compliance penalties not grounded in market realities.
c. Support reform of the CPUC Resource Adequacy program to allow for stability in the resource adequacy value of existing resources and allow for departing load to access existing resources at fair market value.
d. Advocate for and support efforts to remove barriers to demand response, microgrids and behind the meter resources to provide Resource Adequacy.

VII. Nonbypassable Charges

a. Oppose legislation and regulation that restricts or limits SDCP's ability to procure its own energy products to meet state policy goals.
b. Support legislation that promotes a level playing field between CCAs and other market participants.
c. Support legislation that enhances the flexibility of CCA programs to support statewide procurement policy and develop and expand programs, local options, and rate design to support SDCP's community and customers.

VIII. Community Resilience

a. Advocate for and support funding for programs implemented by CCAs and their member jurisdictions to increase community resilience to wildfires, public safety power shutoff (PSPS) events and other potential service disruptions.
b. Support legislation and regulation that reduces barriers to microgrid and other distributed energy resource development by CCAs.
c. Oppose legislation and regulation that would enable IOUs to be the only developer of microgrids and other distributed energy resources.
d. Support legislation and regulation that increases development of

community-level resources and distributed energy resources that increase resilience and reduce the need for new transmission and distribution infrastructure.

IX. **Local Economic Development**

a. Support legislation and regulation that is consistent with SDCP's commitment to an inclusive and sustainable workforce.
b. Support legislation and regulation that enhances opportunities for CCAs to promote local economic development through locally designed programs that meet the unique needs of their member agencies, communities, and customers.
c. Support efforts to enhance development of local and regional sources of renewable energy, including supporting efforts to reform and expedite permitting processes
d. Support policies that ensure a just transition of workers into the non-fossil fuel, clean energy economy.
e. Support legislation and regulation that enables CCAs to collaborate with their member jurisdictions on local energy resources and projects to advance environmental objectives.
f. Advocate for and support efforts to direct state and federal funding to CCAs to deliver local energy resources and projects, as appropriate.

X. **California Energy Market Structure & Expansion**

a. Oppose legislation that expands direct access or the ability of electric service providers to selectively recruit CCA or IOU customers.
b. Support legislation that would create renewable content and environmental standards for electric service providers to match the products offered by CCAs.
c. Support legislation that changes California's market structures towards innovative models that reduce costs of energy service and support the expansion of carbon-free resources.
d. Support legislation that advocates for equitable and timely data access/sharing between the IOUs, CCAs and other LSEs to support accurate and timely load forecasts, which aid in overall statewide grid reliability and resiliency efforts.
e. Support regulatory and legislative efforts for the development of a regional market structure that enhances SDCP's mission to provide affordable renewable energy for a sustainable future for the San Diego region. This includes:
    i. Preserving SDCP's ability to make resource choices that best serve its customers' needs, as well as state and Board adopted goals.
    ii. Maintaining SDCP's commitment to an inclusive and sustainable workforce for the region, and keeping jobs in California and preserving union work opportunities in California's energy sector.
    iii. Maintaining a transparent governance process that provides equitable representation of the interests of all market participants.

iv. Focusing on customer benefit, with a particular focus on resource cost-savings for SDCP customers.
v. Enhancing grid reliability in a variable generation grid while achieving clean energy goals in the quickest way possible.
vi. Coordinating transmission planning, to the extent feasible. to enhance deliverability, reduce congestion, and help cost-effectively and reliably meet renewable and clean energy goals.

XI. Finance

a. Support legislation that enhances the financial standing of CCAs and their ability to receive a positive credit rating.
b. Oppose legislation that reduces or removes the tax-exempt status of municipal bonds.
c. Oppose any legislation that would divert CCA revenues to the State or other governmental entities.
d. Oppose policies that inequitably transfer risk from IOUs to CCAs(e.g. including within the implementation of the provider of last resort framework).
e. Oppose legislation that disrupts or impairs the ability of CCAs to maintain or achieve financial stability.

XII. Educational, Neighborhood and Social Services

a. Support legislation and regulation that aids or helps to fund SDCP to provide energy support services, education, and opportunities for reducing energy costs to people who are low-income, seniors, veterans, and/or people with disabilities, or otherwise have historically been marginalized. Support policies and efforts to ensure that services and education are offered in languages other than English.
b. Support legislation and regulation that increase targeted funding for energy efficiency, demand response, solar plus storage, transportation electrification programs, behind the meter programs, and energy literacy programs and services.
c. Support legislation and regulation that would result in improved indoor air quality. For example, policies that would require or encourage appropriate ventilation be added when efficiency improvements, such as weatherproofing, insulation and double pane windows are installed.

XIII. Rate Affordability and Modernization

a. Support legislative and regulatory efforts to promote affordable rates for all Californians while ensuring ratepayer equity and maintaining CCA ratemaking autonomy and financial solvency.
b. Support policies that enhance CCA timely access to quality billing data to enable demand flexibility initiatives and innovative rate design.
c. Oppose policy mandates that violate CCA ratemaking autonomy or impose fixed fees within the generation component of rates.
d. Oppose policies that would result in increasing utility customer delivery rates rather than utilizing alternative state or federal funding to accomplish stated policy goals.

SAN DIEGO COMMUNITY POWER
Staff Report – Item 10

TO: Board of Directors

FROM: Jack Clark, Chief Operating Officer
Colin Santulli, Senior Director of Programs
Tim Treadwell, Associate Director of Programs – Flex Load
Nelson Lomeli, Senior Program Manager

VIA: Karin Burns, Chief Executive Officer

SUBJECT: Adopt Resolution No. 2025-03, Authorizing the Chief Executive Officer to: (1) Execute the Memorandum of Understanding ("MOU") in substantially final form with Los Angeles County, through its Internal Services Department and to negotiate and execute any amendments, extensions or renewals of the MOU; (2) accept, appropriate, and expend the Equitable Building Decarbonization ("EBD") funds in an amount not to exceed $1,409,316 in the FY 2025-26 Capital Budget and FY 2025-29 Capital Investment Plan; and (3) take all necessary action to administer, monitor, manage and ensure compliance with the MOU and to negotiate and execute agreements with third-parties to implement the MOU or use of funds in accordance with applicable policies, including the Procurement Policy

DATE: April 24, 2025

RECOMMENDATION:

Adopt Resolution No. 2025-03 (Attachment A), authorizing the Chief Executive Officer to: (1) execute the attached Memorandum of Understanding ("MOU") in substantially final form with Los Angeles County, through its Internal Services Department and to negotiate and execute any amendments, extensions, or renewals of such MOU (Attachment B); (2) accept, appropriate, and expend the Equitable Building Decarbonization ("EBD") funds in an amount not to exceed $1,409,316 in the FY 2025-26 Capital Budget and FY 2025-29 Capital Investment Plan; and (3) take all necessary action to administer, monitor, manage, and ensure compliance with the MOU and to negotiate and execute agreements with third-parties to implement the MOU or use of funds in accordance with applicable policies, including the Procurement Policy.

BACKGROUND:

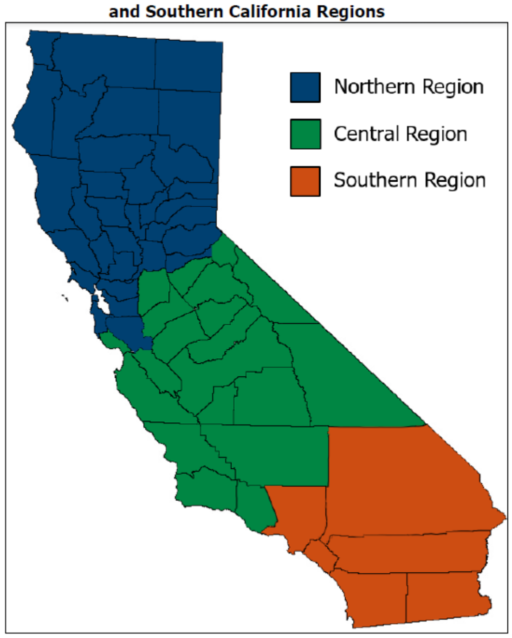
The EBD Program is a Statewide initiative to decarbonize buildings in a just and equitable transition. In the EBD Program Guidelines, the California Energy Commission ("CEC") acknowledges that *"building decarbonization must prioritize low-income, disadvantaged, and tribal communities, who bear the highest energy burden and have suffered the most from historical environmental injustices, economic disparities, and the current climate crisis. The participation of all California communities will be needed for the state to achieve its climate and energy goals."*

The EBD Program is available to single-family homes, multifamily homes (including apartments and condos) and mobile/manufactured homes located in disadvantaged communities as designated by CalEnviroScreen 4.0 and/or designated as low-income (where median household incomes are at or below 80 percent of the statewide median income or at/or below the threshold designated as low-income by the Department of Housing and Community Development). The EBD Program is open to homeowners and renters and includes tenant protection mechanisms for participating homes. The Program will provide direct installation of measures and equipment that:

- Electrify homes by replacing existing gas-fired space heating and cooling equipment, water heaters, and ranges or cooktops.
- Increase the homes' energy efficiency through insulation, air sealing, lighting, and/or solar window film.
- Upgrade electric panels to support the new electric equipment.
- Conduct basic remediation and safety upgrades, such as remediation of galvanized pipe, lead paint, asbestos, or mold, and energy efficiency work like air sealing and insulation.

The CEC divided the Statewide EBD Program into three regions – Northern, Central, and Southern, and allocated funding based on the relative population of under-resourced communities in each region. The Southern California region received $328.9 million in funding over five years, which includes $89 million of Federal Home Efficiency Rebates ("HOMES") funding.

Figure 1: Map of Northern, Central, and Southern California Regions



Source: CEC staff

Since May 2023, staff have been working with LA County through its Internal Services Department and the Southern California Equitable Building Decarbonization Coalition ("SoCal EBD Coalition"), which is made up of multiple Southern California agencies including Community Power, to have LA County serve as the Program Administrator for the southern region. Proposals in response to the CEC's solicitation for Program Administrators were due by the end of June 2024. In August 2024, the CEC selected LA County as the Program Administrator for the southern region, and in December 2025, the CEC formalized the agreement with LA County to administer the EBD Program. LA County anticipates launching the EBD Program in July 2025.

ANALYSIS AND DISCUSSION:

As part of the MOU, Community Power will serve as a subcontractor to LA County and receive $1,409,316 to conduct culturally-appropriate marketing, outreach, and education ("ME&O") to single-family, multifamily, and manufactured homes in under resourced communities and assist LA County in coordinating and integrating other programs into the EBD Program.

Community Power intends to issue a subsequent solicitation to community-based organizations ("CBOs") in its Power Network to conduct tailored ME&O activities to communities under the MOU for a total amount not exceeding $737,000. Since each CBO serves a unique community and have different approaches to ME&O, Staff anticipates partnering with 8-15 CBOs within its Power Network to engage with and serve the targeted populations identified as vulnerable to extreme climate risks and air pollution, underserved by existing programs, and experience high energy burdens.

The remaining $672,316 will be used by Community Power staff to support Power Network CBO ME&O activities and/or assist LA County in coordinating and integrating other programs into the EBD Program. This work will align and integrate new program offerings from the San Diego Regional Energy Network, Community Power, and other Statewide initiatives like TECH Clean CA. The funding will enable staff to collaborate with LA County, its implementer, and supporting teams to deliver additional benefits to residents, such as Community Power's Smart Home Flex pilot program, which helps reduce the operating costs of electric equipment and lowers emissions. Staff can also provide assistance in developing and implementing demand response and load flexibility strategies and activities.

Pursuant to Section 3.2.9 of the Joint Powers Agreement ("JPA"), Community Power has the power, at the discretion of the Board, to apply for, accept, and receive all licenses, permits, grants, loans, or other aid from any federal, state, or local public agency. Pursuant to Section 4.6.16, the Board is responsible for exercising the Specific Powers identified in Section 3.2, except those which the Board may elect to delegate to the Chief Executive Officer. The Chief Executive Officer ("CEO") is not authorized under the JPA or the Board's Budget Policy to accept, appropriate, and expend funds without Board approval.

The Board is authorized to do the following, and may delegate such authority to the CEO:

- Execute the MOU, and negotiate and execute any amendments, extensions, or renewals of the MOU;
- Accept, appropriate, and expend the EBD funds;
- Take all necessary actions to administer, monitor, manage, and ensure compliance with the MOU; and
- Negotiate and execute contracts with third parties to implement the MOU or use of the funds in accordance with applicable policies, including the Procurement Policy.
- Staff is seeking Board adoption of Resolution No. 2025-03 that will authorize the CEO to: 1) execute the attached MOU in substantially final form with LA County in substantially final form and perform related actions; 2) accept, appropriate, and expend $1,409,316 in EBD funds in the FY 2025-26 Capital Budget and FY 2025-29 Capital Investment Plan; and (3) take all necessary action to administer, monitor, manage, and ensure compliance with the MOU; and 4) negotiate and execute agreements with third-parties to implement the MOU or use of funds in accordance with applicable policies, including the Procurement Policy.

FISCAL IMPACT:

Community Power will receive $1,409,316 in funding – $737,000 will be provided to CBOs in the Power Network as subcontractors to Community Power to conduct ME&O activities while the remaining $672,316 will be for staff time to support Power Network CBO ME&O activities and/or support LA County in coordinating and layering with other programs.

ATTACHMENTS:

A. Resolution Number 2025-03, A Resolution of the Board of Directors of San Diego Community Power Authorizing Execution of the Memorandum of Understanding with Los Angeles County, through its Internal Services Department; Accepting, Appropriating, and Expending Funds; and Related Actions.
B. Memorandum of Understanding Between Los Angeles County, through its Internal Services Department, and San Diego Community Power Relating to Regional Partnerships for the Implementation of the California Energy Commission Equitable Building Decarbonization Direct Install Program.
C. "Attachment F CEC Invoice Template" to the Memorandum of Understanding Between Los Angeles County, through its Internal Services Department, and San Diego Community Power.

ITEM 10
ATTACHMENT A

RESOLUTION NUMBER 2025-03

A RESOLUTION OF THE BOARD OF DIRECTORS OF SAN DIEGO COMMUNITY POWER AUTHORIZING EXECUTION OF THE MEMORANDUM OF UNDERSTANDING WITH LOS ANGELES COUNTY, THROUGH ITS INTERNAL SERVICES DEPARTMENT; ACCEPTING, APPROPRIATING, AND EXPENDING FUNDS; AND RELATED ACTIONS.

A. San Diego Community Power ("Community Power") is a joint powers agency formed pursuant to the Joint Exercise of Powers Act, Cal. Gov. Code § 6500 *et seq.*, California Public Utilities Code § 366.2, and a Joint Powers Agreement first effective on October 1, 2019 ("JPA Agreement"), as amended from time to time.

B. On or around June 28, 2024, the Los Angeles County ("LA County") Internal Services Department ("ISD") submitted an application to the California Energy Commission ("CEC") Solicitation GFO-23-404 to Administer the Equitable Building Decarbonization ("EBD") Direct Install ("DI") Program in the Southern Region.

C. On or around August 7, 2024, the CEC released a Notice of Proposed Awards selecting and recommending LA County to be the Program Administrator for the EBD DI Program – Southern Region.

D. On or around November 13, 2024, the CEC at their regularly scheduled Business Meeting approved agreement EBD-24-004 with LA County for a block grant of $328,977,740 to administer the EBD DI Program in Southern California. The CEC approval of the agreement will allow LA County to implement the program in the Southern region and install efficient electric appliances, energy efficiency measures, and related upgrades directly to low-income households in single-family, multifamily, and manufactured homes in under-resourced communities.

E. The CEC agreement EBD-24-004 with LA County documents the following:
   (i) A total of $1,409,316 to Community Power as a subcontractor ("SDCP EBD Subcontractor Funds").
      (a) Of that amount, a total of $730,000 to local Community Based Organizations ("CBOs") as subcontractors to Community Power ("CBO EBD Subcontractor Funds").

F. Pursuant to section 3.2.9 of its JPA Agreement, Community Power may, at the discretion of the Board, apply for, accept, and receive licenses, permits, grants, loans or other aid from any federal, state or local public agency.

G. Pursuant to Section 4.6.16 of its JPA Agreement, the Board has the responsibility to exercise the Specific Powers identified in Sections 3.2 except those which the Board may elect to delegate to the Chief Executive Officer.

H. The Board, or its designee, is authorized to accept, appropriate, and expend the SDCP EBD Subcontractor Funds.

I. The Board, or its designee, is authorized to execute a Memorandum of Understanding ("MOU") with LA County, through its ISD, with respect to the EBD DI Program and SDCP EBD Subcontractor Funds.

J. The Board, or its designee, is authorized to take all necessary actions to administer, monitor, manage and ensure compliance and to negotiate and execute contracts with third parties to implement the MOU and/or use the SDCP EBD Subcontractor Funds in accordance with applicable policies, including the Procurement Policy.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Community Power as follows:

1. The Board of Directors has determined that the recitals herein are true and correct.

2. The Board of Directors hereby authorizes the Chief Executive Officer to execute the MOU with LA County, through its ISD, with respect to the EBD DI Program and SDCP EBD Subcontractor Funds, and to negotiate and execute any amendments, extensions, or renewals of the MOU.

3. The Board of Directors hereby authorizes the Chief Executive Officer to accept, appropriate, and expend the SDCP EBD Subcontractor Funds in an amount not to exceed $1,409,316 in the FY 2025-26 Capital Budget and FY 2025-29 Capital Investment Plan.

4. The Board of Directors hereby authorizes the Chief Executive Officer to take all necessary actions to administer, monitor, manage, and ensure compliance with the MOU, and to negotiate and execute agreements with third parties to implement the MOU or use of funds in accordance with applicable policies, including the Procurement Policy.

5. This resolution shall take effect immediately upon adoption.

PASSED, APPROVED AND ADOPTED at a meeting of the Board of Directors of San Diego Community Power held on April 24, 2025, with the following vote.

AYES:
NOES:
ABSTAINED:
ABSENT:

____
Paloma Aguirre Chair
Board of Directors
San Diego Community Power

ATTEST:	APPROVED AS TO FORM:
________________________________	________________________________
Maricela Hernandez, Clerk of the Board San Diego Community Power	Veera Tyagi, General Counsel San Diego Community Power

ITEM 10
ATTACHMENT B

MEMORANDUM OF UNDERSTANDING BETWEEN
THE LOS ANGELES COUNTY INTERNAL SERVICES DEPARTMENT

AND

SAN DIEGO COMMUNITY POWER

RELATING TO
REGIONAL PARTNERSHIPS FOR THE IMPLEMENTATION OF THE CALIFORNIA ENERGY COMMISSION EQUITABLE BUILDING DECABONIZATION DIRECT INSTALL PROGRAM

This Memorandum of Understanding ("MOU") is made and entered into on April 24, 2025, by and between the County of Los Angeles ("County"), through its Internal Services Department ("ISD"), and San Diego Community Power ("SDCP"), a member of the Southern California Equitable Building Decarbonization ("SoCal EBD") Coalition, who together are implementing the California Energy Commission ("CEC") Equitable Building Decarbonization ("EBD") Direct Install ("DI") Program. The EBD DI Program will accelerate large-scale residential building decarbonization efforts underway in Southern California for single-family homes, multifamily properties, manufactured housing, and public housing in under-resourced communities. Specifically, SDCP will be responsible for 1) conducting tailored and culturally relevant marketing, education, and outreach ("ME&O") activities to inform and engage potential participants about EBD, the EBD DI Program, and its benefits; and 2) providing technical assistance to ISD in developing and implementing demand response and load flexibility strategies and activities within the EBD DI Program. Activities will be informed by deep knowledge of the local needs, challenges, opportunities, and resources of communities, and delivered through established relationships.

1. PURPOSE

ISD, as the lead agency for implementation of the County's energy and environmental initiatives, is the recipient and administrator of the CEC EBD DI Grant Program for the Southern California region. On November 6, 2024, the Los Angeles County Board of Supervisors approved the acceptance of the 2024-2029 grant award to accelerate large scale residential building decarbonization funded by the EBD DI Program. ISD received an award of $328,977,740[1] from the CEC.

The approved grant budget by the CEC, for Calendar Years 2024-2029, will provide regional engagement, outreach, and implementation support for the CEC Southern California Equitable Building Decarbonization Direct Install Program. The County has requested assistance with general program design and support, program marketing, regional engagement support, energy planning, education and training, agency recognition, program motivation and competition, and identification of pilot activities. Community-based organizations (hereinafter "CBOs") shall be guided in their work by program documents provided by ISD, as well as ongoing coordination with the

[1] Contingent upon USDOE HOMES approved funding.

designated County task lead.

The purpose of the MOU is for SDCP to assist with the implementation of the CEC's Equitable Building Decarbonization program which seek to leverage their knowledge and perspective of their unique communities to increase the overall visibility and presence of projects, partnerships, and programs, generating new enrollments and registrations with communities and their members within their geographic region of influence, especially in hard to reach and under-resourced communities; also, to support the program's efforts related to project identification with prioritized communities within the respective region, coordinate and deliver education and training activities to enrolled communities and their members, and to provide technical expertise on integrating electrification measures into load flexibility programs, to manage energy usage, minimize customer bills, and reduce grid impacts. Finally, SDCP will work with the County to identify further potential strategies and activities to support the CEC EBD DI program and ensure all deliverables as it concerns their specific communities.

2. *TERM OF MOU*

This MOU shall be effective from April 24, 2025 through December 31, 2029, or until such time either ISD or SDCP decides to terminate this MOU.

3. *COMPENSATION FOR SERVICES*

ISD shall pay SDCP for its performance of services as described in the attached Scope of Work, and the payment shall constitute full and complete compensation for SDCP's services including administration and administrative support, marketing, education, and outreach activities of the aforementioned program in SDCP's respective local community. Said compensation shall be paid by ISD out of its 2024-2029 allocation of CEC funds, for allowable costs to be incurred for the express purposes specified. The parties understand and agree that such payment shall be conditioned upon the allocation determined by the CEC of said funds to ISD. Said funds shall be paid in accordance with the budget, which shall be provided on a yearly basis by ISD, as established in the program agreement with the CEC. Any money received by SDCP hereunder, and not incurred for costs pursuant hereto, and/or during the term of this MOU, shall be returned to ISD upon the expiration of the County Fiscal Years in which SDCP incurred costs for the Program.

4. *INVOICING, REPORTING & PAYMENTS*

ISD will receive monthly invoices from SDCP and shall review the invoices to ensure the following:

(1) That SDCP activities are consistent with the Scope of Work (SOW) contained in this MOU; and

(2) That sufficient budgetary authorization exists.

The following Invoicing, Reporting and Payment Requirements are applicable to the SOW:

(1) Time and Material Basis; Not to Exceed. All work will be performed on a time and material basis and subject to the general provisions set forth below.

General Provisions

(1) All charges shall be directly identifiable to, and required for, the authorized work or activity.

(2) SDCP shall notify the ISD agent responsible for the MOU at such time that SDCP reasonably ascertains that the forecasted cumulative charges may exceed any budgets authorized (whether by task, total amount authorized, or both) by either the County or SDCP.

(3) **Labor Related Costs Under Time and Material Basis.** To the extent applicable, SDCP shall invoice ISD, at the fixed hourly rates or Monthly Salary Rates for the applicable labor categories, for the performance of the authorized work by the SDCP's employees or agents as established in the ISD and CEC EBD agreement under the SDCP's respective budget form, as entered in the Direct Labor tab for rate caps Such fixed hourly rates or Monthly Salary Rates shall be inclusive of all of the SDCP's overhead costs (including all taxes and insurance), administrative and general fees. All labor related costs shall be charged at cost, without mark-up, and shall be necessary, reasonable, and ordinary. ISD will only reimburse for actual direct labor expenses incurred, not to exceed the rates specified in the Agreement. Rates must include dollars and cents.

(4) **Expenses.** All expenses shall be charged at cost, without mark-up, and shall be necessary, reasonable, and ordinary. Expenses shall also comply with federal, State, and County expense policies.

(5) **Material and Miscellaneous Costs.** Material and Miscellaneous Costs shall be substantiated with supporting documents and an invoice stating the unit price, quantity, and other information as required to identify the authorized work or activity. Materials are items under the agreement that do not meet the definition of Equipment and must be project-related. Food and drinks are not reimbursable expenses.

(6) **Subcontract Costs and Subcontractors.** Subcontracted work or activities shall be charged at the rates actually paid by SDCP. SDCP shall provide ISD with an additional invoice for any SDCP invoice that includes Subcontractor costs. SDCP shall at all times be responsible for the services or deliverables which are to be provided by SDCP or its Subcontractors, and for the acts and omissions of Subcontractors and persons directly or indirectly engaged by the Subcontractors. All expenses shall be charged at cost, without mark-up and must follow the same labor related costs established by CEC guidelines.

(7) **Travel Costs.** All travel costs are reimbursed at state rates, subject to any state-wide prohibition on travel, except in agreements between the Energy

Commission and a UC campus or the Federal Government. SDCP will only receive reimbursement for travel costs for transportation (i.e. Flights, car rental, mileage, taxi) and lodging at state rates. All other travel related costs, such as meals and incidental expenditures, are not covered. SDCP must obtain written pre-approval from ISD and Commission Agreement Manager for all travel listed on the agreement budget forms, in accordance with the terms and conditions of this MOU. Approved air travel costs shall in no case exceed the cost of economy or coach fares where said fares are reasonably available. A copy of an airfare receipt indicating the final cost for the trip as well as applicable supporting documents showing the traveler's starting point, travel destination, departure and return, and the purpose of the trip are required for each air travel reimbursement. Automobile travel from the County agents or representatives' office to any Program job site, function or activity shall be paid at applicable County travel expense rates and mileage. Either a mileage log showing miles driven for each trip or a Google Maps/ equivalent application printout showing the travel path shall be provided by SDCP for each mileage reimbursement request.

(8) **Records.** SDCP shall maintain, for a period of five (5) years after final payment, complete accounting records (and supporting documentation) of all invoiced costs. The County reserves the right to audit and copy any applicable documents related to the Work hours, all costs and expenses invoiced, and task completion records. Each invoice shall list the number of the Contract covered by each such invoice.

(9) **Key Personnel.** SDCP will appoint a representative who will be the primary contact between SDCP and the ISD, and who will be authorized to act on behalf of the SDCP. Such appointment shall be communicated in writing to ISD as soon as reasonably practicable, following the execution of this MOU. SDCP shall promptly notify ISD of any intended reassignment or proposed replacement of the key personnel who will be submitting invoicing and reporting information to ISD.

(10) **Activities Outside of Program Scope.** ISD shall not be required to pay SDCP for any activities undertaken by SDCP that are outside of the Scope of this MOU, but that are otherwise invoiced by SDCP.

(11) **Invoicing Requirements.** SDCP shall provide a monthly invoice to ISD within the 7th calendar day of every month for all reimbursable expenses incurred performing work under this Agreement in compliance with the Terms and Conditions for the prior month. Invoices must separate and distinguish Marketing, Education, Outreach, Planning and Material Development-Related, and Administrative activity costs. The invoice and supporting documents are for work performed by SDCP and its Subcontractors.

(12) **Invoice Deficiencies.** In the event ISD determines that SDCP's (or any of its Subcontractors' that are included for payment) invoices do not meet the

invoicing requirements of the MOU, lack accounting transparency, and/or lack sufficient material support, ISD will notify SDCP of the deficiencies and SDCP shall promptly correct such deficiencies. ISD has the right to review and approve the data and the methods used to develop the invoice documentation. However, the failure of ISD to conduct such review or grant such approval shall not relieve SDCP from its responsibilities and obligations under a particular invoice.

(13) **Payment by ISD.** ISD shall pay undisputed charges within net thirty (30) days of receiving invoices that follow the requirements set forth in this MOU. ISD has the right to withhold payment of particular charges that ISD disputes in good faith, pending the resolution of the dispute, and ISD will provide SDCP with notice of the amounts being withheld and the reasons for the dispute.

5. ISD RESPONSIBILITIES

A. ISD shall periodically monitor the project performance by SDCP on programs/projects activities by review of project records and meetings with SDCP's staff. ISD shall promptly notify SDCP of changes in any regulatory requirements, specifically governing the administration of funds, that become effective following the execution of this MOU.

B. ISD may, after review and evaluation of the programs, modify the amount of funds designated for the programs, and/or require SDCP to implement changes in the scope of services to be performed by SDCP, in alignment with the agreement established between ISD and CEC.

C. ISD authorizes SDCP staff to assist the CEC EBD DI Program in accordance with all applicable federal, State, and County laws and regulations. Where necessary, ISD shall make available designated staff to work with SDCP staff designated to assist the program on project-related activities.

6. AMENDMENT TO MOU

ISD may modify the amount of funds designated to assist the SDCP programs and/or modify the scope of services to be performed, subject to costs incurred or encumbered by contractual agreement, in alignment with the agreement established between ISD and CEC. However, any other changes to this MOU must be accomplished by written consent of both parties.

7. TERMINATION OF MOU

Either party may terminate this MOU by giving the other party 30 days written notice.

8. List of Attachments

A. Scope of Work

B. Budget

C. Schedule of Products (for reference only)

D. CEC EBD DI Program Terms and Conditions (for reference only)

E. DOE HOMES Terms and Conditions (for reference only)

F. CEC Invoice Template (for reference only; separately attached)

[Signatures continue on the following page.]

SIGNATURES

IN WITNESS WHEREOF, the ISD and the San Diego Community Power, by and through their duly authorized representatives have caused this MOU to be subscribed to on the day and year first above written.

COUNTY OF LOS ANGELES
INTERNAL SERVICES DEPARTMENT

By ______________
Michael Owh,
DIRECTOR

Date ___/___/___

SAN DIEGO COMMUNITY POWER

By ____________________
Karin Burns
CHIEF EXECUTIVE OFFICER

Date ___/___/___

APPROVED AS TO FORM:

____
Veera Tyagi
GENERAL COUNSEL

APPROVED AS TO FORM:

____
County Counsel

ATTEST:

____
Maricela Hernandez
CLERK OF THE BOARD

ATTACHMENT A

SCOPE OF WORK

Scope of Work (SOW) for Community Energy Partner: San Diego Community Power

The primary objective of this Scope of Work is to outline the roles, responsibilities, and approved activities for San Diego Community Power (SDCP), a community choice aggregator (CCA) participating in the California Energy Commission (CEC) Equitable Building Decarbonization Direct Install (EBD DI) Program in the Southern Region as a Program Partner ("Partner"). SDCP will complete the tasks outlined below under the direction of the Program Administrator, County of Los Angeles (LA County).

Program Overview

The EBD DI Program will accelerate large-scale residential building decarbonization efforts underway in Southern California for single-family homes, multifamily properties, manufactured housing, and public housing in under-resourced communities in approved Community Focus Areas. The Program includes community-based organization (CBO) and Partner-led marketing, outreach, and education (ME&O) to underserved communities for decarbonization measures for the purpose of connecting them with a program Decarbonization Concierge who will complete eligibility screenings. Specific, geotargeting to qualified addresses within the respective community focus areas shall be identified by LA County and the Implementation Team through the use of Recurve and additional qualifying data, compiled and then shared with CBOs and community partners to conduct ME&O activities through the guidance of the Area Coordinator. The ME&O Plan shall describe this process in detail.

SDCP will be responsible for conducting tailored and culturally relevant ME&O activities to inform and engage potential participants about EBD and its benefits. Activities will be informed by deep knowledge of the local needs, challenges, opportunities, and resources of communities, and delivered through established relationships. SDCP will be supported by a dedicated Area Coordinator who serves as the liaison between Partners and the Implementation Team. The Area Coordinator is the single point of contact for SDCP to facilitate effective and timely communication. The Area Coordinator will meet regularly with SDCP to collect activity logs, gather feedback and lessons learned from outreach efforts, and provide guidance and support as needed.

SDCP will further be responsible for providing technical expertise on controlling applicable decarbonized equipment installed to operationalize load flexibility capabilities, with the goals of managing energy usage, minimizing customer bills, and reducing grid impacts.

Roles and Responsibilities

SDCP will participate in activities to boost awareness and drive participation in EBD Direct Install among targeted Southern California community focus areas by educating residents on the environmental, economic, and health benefits of the program. SDCP project tasks are numbered pursuant to CEC EBD DI tasks, summarized below in Table 1 to take place in approved Community Focus Areas only.

Table 1. Task Summary

Task #	Task Name
5.8.1	Outreach Strategies
5.8.2	Education Activities
5.8.3	Participant Handoff
5.8.4	Meetings and Reporting

SDCP will perform contract management, including monitoring contract timelines, managing amendments, and ensuring all contractual obligations are met efficiently. SDCP will maintain detailed records of all expenditures and submit regular invoices as per the terms of its contract with LA County.

Monthly invoices shall be submitted clearly identifying Task 5.8, using the invoice template contained in **Attachment F** to the MOU (**CEC Invoice Template**) with all required supporting documentation, to the Program Administrator (LA County) by the 7th of every month.

Task 5.8.1. Outreach Strategies

SDCP will conduct culturally appropriate outreach and engagement in each Community Focus Area, under the guidance of the Area Coordinator and Program Implementer through community-based organizations that have joined their Power Network. SDCP is expected to utilize its partnership with CBOs in the Power Network to implement a variety of outreach strategies to effectively reach the target audience. Community events such as workshops, town hall meetings, and informational booths at local markets and festivals will provide opportunities for direct engagement. Digital campaigns will utilize social media, email newsletters, and community websites to disseminate information widely and engage with residents online. Print materials, including flyers, brochures, and posters, (provided by the Program) will be distributed in community centers, libraries, and local businesses to ensure that information is accessible to those who may not be reached through digital channels.

Initially, SDCP and/or its CBO partners will serve as the point of contact for households that have express interest in the EBD Direct Install Program. Interested residents will then be connected with the Program Implementer, ICF, to complete eligibility screening and assignment to an Intake Advisor for enrollment support and a program Decarbonization Concierge for long-term program support. CBO partners will customize outreach materials and conduct outreach for participating community to engage participants, as well as encourage local contractors and trade allies' participation. This includes translating materials into the languages spoken by communities, ensuring both cultural appropriateness and linguistic accuracy.

Task 5.8.1 Deliverables

- Attend annual Area Coordinator ME&O Strategy Meeting
- Annual outline of anticipated events and estimated target audience quantities per event type to Area Coordinator
- Identify the CBO partners in the Power Network that will be working on EBD DI and their anticipated outreach strategies.

Task 5.8.2 Education Activities

SDCP through its partnership with CBOs in the Power Network shall engage the community through various activities designed to educate and involve community members in the EBD Direct Install

Program. Workshops and demonstrations will provide hands-on experiences with decarbonization technologies such as heat pumps and induction cooktops, helping residents understand how these technologies work and the benefits they offer. Success stories, including testimonials and case studies from participants who have benefited from the program, will be shared to build trust and encourage others to enroll. Educational sessions will offer in-depth information on energy efficiency and decarbonization, helping community members make informed decisions. Partnerships with local schools, churches, and/or community groups will be established to co-host events and spread awareness, ensuring that outreach efforts are integrated into existing community activities. In planning education activities and interactions with the public, SDCP and the CBO partners are expected to adhere to the following guidelines and raise any concerns immediately to the assigned Area Coordinator.

- Provide potential program participants with educational materials in appropriate languages about the EBD Direct Install Program, the benefits of building decarbonization, and how the program's Decarbonization Concierge will provide support before, during, and after the retrofit project.
- Ensure outreach and engagement includes clear information on CEC-approved programs and products and does not include third-party services or products not associated with the EBD Direct Install Program or otherwise approved by CEC.
- Include prevention measures to ensure the CEC, California Climate Investments (CCI), and Department of Energy (DOE) names and logos, and the EBD Direct Install Program, are not used for private party advertising or gain, or to mislead or exploit property owners or occupants.

Task 5.8.2 Deliverables

- Quarterly update of confirmed events to Area Coordinator, including specific outreach activities, location of event, date of event, and estimated target audience attendees for each event.

Table 2. Approved Outreach & Education Activities

Outreach Event Types	Sample Approved Activities	Estimated Total Target Audience Reached (Number)
Church Socials	• Presentations • Discussions • Share education materials	• *TBD*
Community Parties	• Interactive games • Demonstrations • Testimonials & success stories	• *TBD*
Cultural Events	• Art showcases • Cultural performances • Informational booths	• *TBD*
Digital Campaigns	• Social media posts • Email newsletters • Online workshops	• *TBD*
Fairs and	• Booths with interactive displays	• *TBD*

Outreach Event Types	Sample Approved Activities	Estimated Total Target Audience Reached (Number)
Festivals	• Educational games • Giveaways	
Health Clinics	• Information tables at health fairs • Presentations at wellness workshops • In-office info/flyers on bulletin boards	• *TBD*
Neighborhood Meetings	• Presentations Q&A sessions • Distribution of informational packets • Showcase of completed project in neighborhood	• *TBD*
Partnership Events	• Co-hosted events with local schools and businesses • Distribution of educational materials • Speaking opportunities	• *TBD*
Public Events	• Informational booths • Workshops & demonstrations • Q&A sessions	• *TBD*
School-related Events	• Educational sessions and/or seminars or fairs where parents will be in attendance • Science, art or other fairs with expected attendance by the parents and/or general public	• *TBD*
Workshops/Other	• Hands-on demonstrations • Educational sessions • Tabling	• *TBD*

Task 5.8.3 Participant Handoff

SDCP through its Power Network CBO partners will conduct outreach and educational activities for the target audiences in each Community Focus Area and connect interested residents with the Program Implementer, ICF, to complete eligibility screening and assignment to an Intake Advisor for enrollment support and a program Decarbonization Concierge for long-term program support.

SDCP will support follow-up surveys, developed by ICF, to participating households.

Task 5.8.3 Deliverables

- Support potential participants in completing an Interest Form
- Provide a list of interested participants to the Program Implementer on a monthly basis by the 7th of the month.

Task 5.8.4. Meetings and Reporting

SDCP will track and report on program activity. SDCP will ensure adherence to program guidelines and quality standards in all outreach activities, and the timeliness and accuracy of reporting on outreach activities, and outcomes.

- **Event Attendance**: Record the number of attendees at community events, workshops, and meetings, and assess the level of engagement and interaction at these events.
- **Lead Generation**: Count the number of leads generated from outreach activities and potential participants handed off to the Intake Advisor.

Task 5.8.4 Deliverables

- Attend bi-weekly, or as established frequency, Area Coordinator meetings.
- Support event attendance, lead generation, and participant hand-off reporting with Area Coordinator.
- Submit marketing, education and outreach activity reports to Area Coordinators on a biweekly basis or as determined by Area Coordinators/ICF.

Task 7. Coordination and Layering with Other Programs

As requested by LA County, SDCP shall support EBD Program in coordinating and layering with other decarbonization, energy efficiency, or other related programs and initiatives in the region, including but not limited to those offered by SDCP.

Timeline

Work and deliverables are to be completed in accordance with the CEC Schedule of Products (**Attachment C**).

Budget (Attachment B)

Please see budget allocation (**Attachment B**). Per the EBD DI Terms and Conditions (**Attachment D**), any budgetary alterations shall adhere to Section 6. Changes to the Agreement.

Summary of Deliverables

Task #	Task Name	Deliverables
5.8.1	**Outreach Strategies**	• Attend annual Area Coordinator ME&O Strategy Meeting • Annual outline of anticipated events to Area Coordinator
5.8.2	**Education Activities**	• Quarterly update of confirmed events to Area Coordinator, including specific outreach activities, location, date, and anticipated target audience attendees for each event.
5.8.3	**Participant Handoff**	• Support potential participants in completing an Interest Form • Provide a list of interested participants to the Program Implementer on a monthly basis by the 7th of the month.
5.8.4	**Meetings and Reporting**	• Attend bi-weekly, or as established frequency, Area Coordinator meetings • Support event attendance, lead generation, and participant hand-off reporting with Area Coordinator. • Submit marketing, education and outreach activity reports to Area Coordinators on a biweekly basis or as determined by Area Coordinators/ICF.

Task #	Task Name	Deliverables
7	**Layering**	• As requested by LA County, SDCP shall support EBD Program in coordinating and layering with other decarbonization, energy efficiency, or other related programs and initiatives in the region, including but not limited to those offered by SDCP.

ATTACHMENT B

BUDGET

BUDGET SUMMARY

Name of Organization	**San Diego Community Power**	
Organization Type	Subcontractor	See Section I.B in Solicitation Manual for definitions

				State EBD Funds by Category			**Federal EBD Funds by Category**			**Total EBD Funds (State and Federal) by Category**		
Cost Category	**EBD Reimbursable Share**	**Match Share**	**Total**	**Administration**	**Project-Related**	**Project**	**Administration**	**Project-Related**	**Project**	**Administration**	**Project-Related**	**Project**
Direct Labor	$ 425,275	$ -	$ 425,275	$ -	$ 309,620	$ -	$ -	$ 115,655	$ -	$ -	$ 425,275	$ -
Fringe Benefits	$ 118,652	$ -	$ 118,652	$ -	$ 86,384	$ -	$ -	$ 32,268	$ -	$ -	$ 118,652	$ -
Total Labor	**$ 543,927**	**$ -**	**$ 543,927**	**$ -**	**$ 396,004**	**$ -**	**$ -**	**$ 147,923**	**$ -**	**$ -**	**$ 543,927**	**$ -**
Travel	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Materials/Miscellaneous	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subcontractors	$ 737,000	$ -	$ 737,000	$ -	$ 536,570	$ -	$ -	$ 200,430	$ -	$ -	$ 737,000	$ -
Total Other Direct Costs	**$ 737,000**	**$ -**	**$ 737,000**	**$ -**	**$ 536,570**	**$ -**	**$ -**	**$ 200,430**	**$ -**	**$ -**	**$ 737,000**	**$ -**
Indirect Costs	$ 128,389	$ -	$ 608,135	$ 93,473	$ -	$ -	$ 34,916	$ -	$ -	$ 128,389	$ -	$ -
Profit (not allowed for grant recipients)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Indirect and Profit	**$ 128,389**	**$ -**	**$ 608,135**	**$ 93,473**	**$ -**	**$ -**	**$ 34,916**	**$ -**	**$ -**	**$ 128,389**	**$ -**	**$ -**
Grand Totals	***$ 1,409,316***	***$ -***	***$ 1,889,062***	***$ 93,472.92***	***$ 932,573.51***	***$ -***	***$ 34,915.83***	***$ 348,353.12***	***$ -***	***$ 128,388.75***	***$ 1,280,926.63***	***$ -***
Amount of Funds to be Spent in California**			***Percent of Total***	***9%***	***91%***	***0%***	***9%***	***91%***	***0%***	***9%***	***91%***	***0%***
Percentage of Funds to be spent in California												

LABOR

Employee Name	Job Classification / Title	Cost Category (Select from drop-down menu)	Maximum Labor Rate ($ per hour)	# of Hours	State EBD Funds	Federal EBD Funds	Total EBD Funds (State+Fed)	Match Share	Total
To Be Hired	15 - Program Manager	Project-Related	$ 99.96	4,254	$ 309,620	$ 115,655	$ 425,275	$ -	**$ 425,275**
				Hourly Direct Labor Totals	**$ 309,620**	**$ 115,655**	**$ 425,275**	**$ -**	**$ 425,275**

FRINGE BENEFITS

Fringe Benefit Base Description (Employee or Job Classification/Title)	Cost Category (Select from drop-down menu)	Max. Fringe Benefit Rate (%)	Direct Labor Costs - State EBD Funds ($)	Direct Labor Costs - Federal EBD Funds ($)	Fringe Benefits - State EBD Funds	Fringe Benefits - Federal EBD Funds	Fringe Benefits - Total EBD Funds (State+Fed)	Match Share	Total
15 - Program Manager	Project-Related	27.90%	$ 309,620	$ 115,655	$ 86,384	$ 32,268	$ 118,652	$ -	**$ 118,652**
		Fringe Benefit Totals	**$ 309,620**	**$ 115,655**	**$ 86,384**	**$ 32,268**	**$ 118,652**	**$ -**	**$ 118,652**

TRAVEL, EQUIPMENT, AND MATERIALS & MISCELLANEOUS

No costs

SUBCONTRACTS

Cost Category (Select from drop-down menu)	Subcontractor or Vendor Name	Organization Type	Purpose and Cost Basis	CA Business Certifications DVBE/ SB/MB/None	State EBD Funds	Federal EBD Funds	Total EBD Funds (State+Fed)	Match Share	Total
Project-Related	TBD Community Based Organization	Support culturally-appropriate outreach and engagement through CBOs	Staff time, mileage, event, and/or materials costs to building and enhance CBO capacity		$ 53,657	$ 20,043	$ 73,700	$ -	$ 73,700
Project-Related	TBD Community Based Organization	Support culturally-appropriate outreach and engagement through CBOs	Staff time, mileage, event, and/or materials costs to building and enhance CBO capacity		$ 53,657	$ 20,043	$ 73,700	$ -	$ 73,700
Project-Related	TBD Community Based Organization	Support culturally-appropriate outreach and engagement through CBOs	Staff time, mileage, event, and/or materials costs to building and enhance CBO capacity		$ 53,657	$ 20,043	$ 73,700	$ -	$ 73,700
Project-Related	TBD Community Based Organization	Support culturally-appropriate outreach and engagement through CBOs	Staff time, mileage, event, and/or materials costs to building and enhance CBO capacity		$ 53,657	$ 20,043	$ 73,700	$ -	$ 73,700
Project-Related	TBD Community Based Organization	Support culturally-appropriate outreach and engagement through CBOs	Staff time, mileage, event, and/or materials costs to building and enhance CBO capacity		$ 53,657	$ 20,043	$ 73,700	$ -	$ 73,700
Project-Related	TBD Community Based Organization	Support culturally-appropriate outreach and engagement through CBOs	Staff time, mileage, event, and/or materials costs to building and enhance CBO capacity		$ 53,657	$ 20,043	$ 73,700	$ -	$ 73,700
Project-Related	TBD Community Based Organization	Support culturally-appropriate outreach and engagement through CBOs	Staff time, mileage, event, and/or materials costs to building and enhance CBO capacity		$ 53,657	$ 20,043	$ 73,700	$ -	$ 73,700
Project-Related	TBD Community Based Organization	Support culturally-appropriate outreach and engagement through CBOs	Staff time, mileage, event, and/or materials costs to building and enhance CBO capacity		$ 53,657	$ 20,043	$ 73,700	$ -	$ 73,700
Project-Related	TBD Community Based Organization	Support culturally-appropriate outreach and engagement through CBOs	Staff time, mileage, event, and/or materials costs to building and enhance CBO capacity		$ 53,657	$ 20,043	$ 73,700	$ -	$ 73,700
Project-Related	TBD Community Based Organization	Support culturally-appropriate outreach and engagement through CBOs	Staff time, mileage, event, and/or materials costs to building and enhance CBO capacity		$ 53,657	$ 20,043	$ 73,700	$ -	$ 73,700
				Total:	**$ 536,570**	**$ 200,430**	**$ 737,000**	**$ -**	**$ 737,000**

INDIRECT COSTS

Name of Indirect Cost	Maximum Rate	Indirect Cost Base Description	Cost Category (Select from drop-down menu)	Indirect Cost Base Amount	State EBD Funds	Federal EBD Funds	Total EBD Funds (State+Fed)	Match Share	Total
G&A	143.00%	Expenses Related to the general costs of running a business	Administration	$ 608,135	$ 93,473	$ 34,916	$ 128,389	$ 479,746	**$ 608,135**
				Total:	**$ 93,473**	**$ 34,916**	**$ 128,389**	**$ 479,746**	**$ 608,135**

PROFIT

No costs

ATTACHMENT C

SCHEDULE OF PRODUCTS

Task Number	*Task Name*	*Product(s)*	*Due Date*
1.1	**Attend Kick-off Meeting**		
		Kick-Off Meeting Agendas (CEC)	10 calendar days before Kick-Off Meetings
		Updated Schedule of Products and Due Dates	10 calendar days after Kick-off Meetings
1.2	**Critical Project Review (CPR) Meetings**		
	For each CPR Meeting	Agenda and a list of expected participants (CEC)	10 calendar days before CPR meeting
		CPR Report	10 calendar days before CPR meeting
		Schedule for written determination (CEC)	10 calendar days after CPR meeting
		Written determination (CEC)	As indicated in schedule for written determination
1.3	**Program Meetings and Briefings (2 per month for first year)**		
		Agenda and a list of expected participants (CEC)	10 calendar days before Meeting
		Written documentation of meeting agreements	5 calendar days after meeting
1.4	**Advisory Group**		
		List of potential Advisory Group members for the region	At Kick-off Meeting
		Final list of potential Advisory Group members (CEC)	30 calendar days after Kick-off Meeting
		List of confirmed Advisory Group members for the region	15 calendar days after receiving the list from CEC
		Advisory Group meeting agendas (CEC)	5 calendar days before Meetings
1.5	**Invoices**		
		Invoices	15th of every month or as specified by CAM
		True-up updates for advanced funds	15th of every month or as specified by CAM
1.6	**Monthly Progress Report**		
		Monthly progress reports	15th of every month
1.7	**Obtain and Execute Subawards**		
		List of subaward agreements and timeline for execution	At Kick-off Meeting
		Subaward agreements (Draft, if requested)	30 calendar days after Kick-off Meeting
		Subaward agreements (Final)	52 calendar days after Kick-off Meeting
1.8	**Annual Reports and Presentations**		
		Annual reports and presentations (Drafts)	January 30
		Annual reports and presentations (Finals)	15 calendar days after CAM provides comments on draft reports
1.9	**Final Report and Presentation**		
		Final report (Draft)	90 calendar days before the end of the agreement term
		Final report (Final)	60 calendar days before the end of the Agreement Term
1.10	**Final Meetings**		
		Written documentation of meeting agreements and unresolved activities	5 calendar days after final meeting
		Schedule for completing closeout activities	10 calendar days after final meeting

2	**Internal Controls, Processes and Procedures**		
		Internal controls, processes, and procedures	2 months after Kick-off Meeting
		Updated internal controls, processes, and procedures	As needed or requested by the CAM (no less than annually)
		Monthly fiscal accounting in Task 1.6 Monthly Progress Reports	15th of every month
3	**Program Data Collection and Reporting**		
		Project data	Daily or as specified by CAM
		Metrics and Data Reports	Within 15 calendar days of CAM request
4	**Assist CEC with DOE HOMES Application Components**		
		Responses for DOE application components (Draft)	Within 15 calendar days of request from CAM
		Responses for DOE application components (Final)	Within 15 calendar days of request from CAM
		Components for Consumer Protection Plan (Draft)	Within 15 calendar days of request from CAM
		Components for Consumer Protection Plan (Final)	Within 15 calendar days of request from CAM
		Components for Market Transformation Plan (Draft)	Within 15 calendar days of request from CAM
		Components for Market Transformation Plan (Final)	Within 15 calendar days of request from CAM
		Input on draft Community Benefits Plan, Education and Outreach Strategy, Utility Data Access Plan, and Privacy and Security Risk Assessment	Within 15 calendar days of request from CAM
5.1	**Community Focus Areas**		
		Proposed Initial Community Focus Areas List and Justification	As part of application
		Final Initial Community Focused Areas List	1 month after Kick-off Meeting
		Amended Community Focus Areas List and Justification	30 calendar days after request from the CAM
5.2	**Community Application Process**		
		Proposed Community Application Process and Selection Criteria	6 months after Kick-off Meeting
		Final Community Application Process and Selection Criteria	9 months after Kick-off Meeting
5.3	**Workforce Plan and Contractor Enrollment**		
		Workforce Plan outline	2 months after Kick-off Meeting
		Workforce Plan (Draft)	3 months after Kick-off Meeting
		Workforce Plan (Final)	5 months after Kick-off Meeting
		Data submitted as part of Task 3	See Task 3
5.4	**Standard Packages of Measures**		
		Packages of Measures	4 months after Kick-off Meeting
		Bi-Annual Report on Packages of Measures	June 30th and December 31st of each calendar year (excluding the fifth year)
5.5	**Pricing and Cost Caps**		
		Cost-Control Mechanisms	4 months after Kick-off Meeting
		Data submitted as part of Task 3	See Task 3
5.6	**Household/Property Targeting**		
		Household Identification and Screening Plan (Draft)	3 months after Kick-off Meeting
		Household Identification and Screening Plan (Final)	5 months after Kick-off Meeting
5.7	**Set-Aside for Manufactured Homes**		
		Manufactured and Mobile Homes Service Plan (Draft)	6 months after Kick-off Meeting
		Manufactured and Mobile Homes Service Plan (Final)	9 months after Kick-off Meeting
		Data submitted as part of Task 3	See Task 3
5.8	**Outreach and Engagement**		
		Outreach Materials	5 months after Kick-off Meeting
		Outreach and Engagement Log	Part of Task 3 Project Data

5.9	**Household Eligibility and Initial Enrollment**		
		Application Template	2 months after Kick-off Meeting
		Data submitted as part of Task 3	See Task 3
5.10	**Home Assessments**		
		Home Assessment Approach and Processes (Draft)	3 months after Kick-off Meeting
		Home Assessment Approach and Processes (Final)	5 months after Kick-off Meeting
		Updated Home Assessment Approach and Processes (if requested by CAM)	within 30 days of request from CAM
		Data submitted as part of Task 3	See Task 3
5.11	**Program Participation Agreements and Tenant Protections**		
		Program Participation Agreement Template	5 months after Kick-off Meeting
		Data submitted as part of Task 3	See Task 3
5.12	**Building Decarbonization Retrofits**		
		Data submitted as part of Task 3	See Task 3
		Post-installation Project Certificate Template (Draft)	5 months after Kick-off Meeting
		Post-installation Project Certificate Template (Final)	6 months after Kick-off Meeting
5.13	**Quality Assurance and Quality Control (QA/QC)**		
		Hotline Call Log Tracker	Weekly or as specified by the CAM
		QA/QC Procedures (Draft)	4 months after Kick-off Meeting
		QA/QC Procedures (Final)	6 months after Kick-off Meeting
		Data submitted as part of Task 3	See Task 3
5.14	**Participant Surveys**		
		Participant Survey (Draft)	5 months after Kick-off Meeting
		Participant Survey (Final)	9 months after Kick-off Meeting
		Data submitted as part of Task 3	See Task 3
6	**Continuous Improvement**		
		No Recipient Products for this Task	
7	**Coordination and Layering with Other Programs**		
		Coordination Plan (Draft)	4 months after Kick-off Meeting
		Coordination Plan (Final)	6 months after Kick-off Meeting
		Data submitted as part of Task 3	See Task 3
8	**Coordination with Other Programs and Public Interest Research**		
		Data submitted as part of Task 3	See Task 3

ATTACHMENT D

CEC EQUITABLE BUILDING DECARBONIZATION

DIRECT INSTALL PROGRAM TERMS AND CONDITIONS

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SECTION **PAGE NO.**

TERMS AND CONDITIONS

1. Grant Agreement

This project is being funded with a grant from the California Energy Commission's (CEC) Equitable Building Decarbonization Program. The Equitable Building Decarbonization Program is funded in part by the California Climate Investments[2] program, and is subject to the laws enacted for the administration of auction proceeds deposited into the Greenhouse Gas Reduction Fund, including without limitation: AB 109 (Chapter 249, Statutes of 2017); Health and Safety Code section 39710 et. seq.; and Government Code sections 16428.8 – 16428.95, including any amendments to these sections.

Under this Agreement, the Recipient shall develop and implement the Equitable Building Decarbonization Direct Install Program, which is a block grant program and governed by California Public Resources Code section 25665.3. Recipient understands that the CEC currently only has $19,096,500 of the potential $31,108,439 maximum possible funding for administrative costs under this Agreement and $171,868,500 of the potential $297,869,301 for incentives awarded under this Agreement. Therefore, upon execution of this Agreement, Recipient only has authority to spend up to $19,096,500 in administrative costs, not to exceed 10 percent of the total budget for state funds and 8 percent of the total budget for federal funds. In the future, the CEC may allocate none, some, or the entire remaining contingent amount up to a maximum amount of $31,108,439 in administrative costs. Recipient shall only be authorized to spend more than the existing $31,108,439 in administrative costs upon execution of an amendment to this Agreement that authorizes the Recipient to spend more funds.

The Recipient, as implementer of the Equitable Building Decarbonization Direct Install Program, is a conduit of the funds that will be awarded to provide assistance to Retrofit Awardees, and the grant-funded Retrofit Awards do not result in the performance of services by the Retrofit Awardees to the CEC, but the CEC is a real party in interest to the agreements between the Recipient and Retrofit Awardees. The CEC will not take title to equipment acquired by the Retrofit Awardees; and the performance under the Retrofit Awards is not controlled by the CEC. The Retrofit Awardees are being provided assistance to carry out their own projects and are not providing services to the CEC or Recipient. The Retrofit Awards directly benefit each Retrofit Awardee's project. The products produced by the Recipient are a by-product of the main purpose of the block grant. The products are used to monitor the use of grant funds and do not result in a service to the CEC.

[2] California Climate Investments is a statewide initiative that puts billions of Cap-and-Trade dollars to work reducing greenhouse gas emissions, strengthening the economy, and improving public health and the environment – particularly in disadvantaged communities.

This Agreement is comprised of the grant funding award, these Terms and Conditions, and all attachments, including Federal Award Terms and Conditions (Attachment 10). These Terms and Conditions are standard requirements for grant awards. The CEC may impose additional special conditions in this grant Agreement that address the unique circumstances of this project. Special conditions that conflict with these standard provisions take precedence.

The Recipient's authorized representative shall sign all copies of this Agreement and return all signed packages to the CEC's Grants and Loans Office within 30 days of receipt. Failure to meet this requirement may result in the forfeiture of this award. When all required signatures are obtained, an executed copy will be returned to the Recipient.

The term of this Agreement or the Agreement Period is the length of this Agreement between the CEC and the Recipient. Project means Recipient's specific project that is funded in whole by this Agreement. The Recipient's project will coincide with the Agreement Period.

All reimbursable work and/or the expenditure of funds must occur within the approved term of this Agreement. The CEC cannot authorize any payments until all parties sign this Agreement.

2. Documents Incorporated by Reference

The documents below are incorporated by reference into this Agreement. These terms and conditions will govern in the event of a conflict with the documents below, with the exception of the documents in subsections (e) and (f). Where this Agreement or California laws and regulations are silent or do not apply, the CEC will use the federal cost principles and acquisition regulations listed below as guidance in determining whether reimbursement of claimed costs is allowable. Documents incorporated by reference include:

<u>CEC Guidelines</u>

a. Equitable Building Decarbonization Direct Install Program Guidelines, https://www.energy.ca.gov/publications/2023/equitable-building-decarbonization-direct-install-program-guidelines.

<u>Solicitation Documents</u> (if award is made through a competitive solicitation)

b. The funding solicitation under which this Agreement was awarded.

c. The Recipient's proposal submitted in response to the solicitation.

California Air Resources Board Documents

d. California Air Resources Board, Funding Guidelines for Agencies that Administer California Climate Investments, www.arb.ca.gov/cci-fundingguidelines

Federal Cost Principles (applicable to state and local governments, Indian tribes, institutions of higher education, and nonprofit organizations)

e. 2 Code of Federal Regulations (CFR) Part 200, Subpart E (sections 200.400 et seq.).

Federal Acquisition Regulations (applicable to commercial organizations)

f. 48 CFR, Ch.1, Subchapter E, Part 31, Subpart 31.2: Contracts with Commercial Organizations (supplemented by 48 CFR, Ch. 9, Subchapter E, Part 931, Subpart 931.2 for Department of Energy grants).

Nondiscrimination

g. 2 California Code of Regulations (CCR), section 11099 et seq.: Contractor Nondiscrimination and Compliance.

General Laws

h. Any federal, state, or local laws or regulations applicable to the project that are not expressly listed in this Agreement.

3. Due Diligence

The Recipient is required to take timely actions which, taken collectively, move this project to completion. The Commission Agreement Manager (CAM) will periodically evaluate the project schedule and the Scope of Work tasks. If the CAM determines (1) the Recipient is not being diligent in completing the tasks in the Statement of Work or (2) the time remaining in this Agreement is insufficient to complete all project work tasks by the approved Agreement end term date, the CAM may recommend that this Agreement be terminated, and the Agreement may, without prejudice to any of the CEC's remedies, be terminated.

4. Products

a. **"Products"** are defined as any tangible item specified for delivery to the CEC in the Scope of Work, including but not limited to data, reports, plans, and other program documents. Unless otherwise directed, draft copies of all products identified in the Scope of Work and Schedule of Products shall be submitted to the CAM for review and comment in the manner and form specified in the Scope of Work.

b. If the CEC determines that a product is substandard given its description and intended use as described in this Agreement, CEC staff, without prejudice to any of the CEC's other remedies, may refuse to authorize payment for the product and any subsequent products that rely on or are based upon the product under this Agreement.

c. Failure to submit a product required in the Scope of Work may be considered material noncompliance with the Agreement terms. Without prejudice to any other remedies, noncompliance may result in actions such as the withholding of future payments or awards, or the suspension or termination of the Agreement.

5. Publications - Legal Statement on Reports and Products

a. The Recipient is encouraged to publish or otherwise make publicly available the results of the work conducted under the award.

No product or report produced because of work funded by this program shall be represented to be endorsed by the CEC, and all such products or reports shall include the following statement:

LEGAL NOTICE

> This document was prepared as a result of work sponsored by the California Energy Commission. It does not necessarily represent the views of the CEC, its employees, or the State of California. The CEC, the State of California, its employees, contractors, and subcontractors make no warranty, express or implied, and assume no legal liability for the information in this document; nor does any party represent that the use of this information will not infringe upon privately owned rights.

b. Acknowledgement of California Climate Investments

Recipients shall acknowledge the California Climate Investments program as the source of project funds, in any publications, websites, signage, invitations, and other media-related and public-outreach products. The standard funding language is:

The Equitable Building Decarbonization Program is part of California Climate Investments, a statewide initiative that puts billions of Cap-and-Trade dollars to work reducing greenhouse gas emissions, strengthening the economy, and improving public health and the environment – particularly in underresourced communities. The Cap-and-Trade program creates a financial incentive for industries to invest in clean technologies and develop innovative ways to reduce pollution. California Climate Investments projects include affordable housing, renewable energy, public transportation, zero-emission vehicles, environmental restoration, more sustainable agriculture, recycling, and much more. At least 35 percent of these investments are located within and benefiting residents of underresourced communities, low-income communities, and low-income households across California. For more information, visit the California Climate Investments website at: www.caclimateinvestments.ca.gov.

The Recipient is encouraged to display the California Climate Investments logo on equipment and signage to acknowledge the funding source.

Guidance on California Climate Investments logo usage, signage guidelines, and high-resolution files are contained in a style guide available at: http://www.caclimateinvestments.ca.gov/logo-graphics-request.

6. Changes to the Agreement

a. Procedure for Requesting Changes

The Recipient must submit a written request to the CAM for any change to the Agreement. The request must include:

- A brief summary of the proposed change;
- A brief summary of the reason(s) for the change;
- Justification for the change; and
- The revised section(s) of the Agreement, with changes made in underline/ strikethrough format.

b. Approval of Changes

No amendment or variation of this Agreement shall be valid unless made in writing and signed by both of the parties except for the CEC's unilateral termination rights in Section 11 of these terms. No oral understanding or agreement is binding on any of the parties. Changes to the Agreement must be approved at a CEC business meeting or by the Executive Director (or his/her designee).

The CAM or Commission Agreement Officer (CAO) will provide the Recipient with guidance regarding the level of CEC approval required for a proposed change.

c. Personnel or Subcontractor Changes

All changes below require advance written approval by the CAM, in addition to the appropriate level of CEC approval as described in subsection (b).

1) Replacement of Key Personnel, Subcontractors, and Vendors

The CAM must provide advance written approval of the replacement of personnel, subcontractors, and vendors who are identified in the Agreement and are critical to the outcome of the project, such as the Project Manager.

2) Assignment of New Personnel to an Existing Job Classification

If the Recipient or a subcontractor seeks to assign new personnel to a job classification identified in Attachment 4 (Budget Forms), the Recipient or subcontractor must submit the individual's resume and proposed job classification and rate to the CAM for approval. The proposed rate may not exceed the maximum rate identified for the job classification. Neither the Recipient nor any subcontractor may use the job classifications or rates of their subcontractors for personnel.

If the individual performs any work prior to the effective date of the amendment documenting the change, the Recipient will bear the expense of the work.

3) Promotion of Existing Personnel (Applies to Recipients and major subcontractors)

Promotion of existing Recipient and major subcontractor personnel to rates higher than those listed for their current classification in Attachment 4 will not be approved. The actual rates (e.g., direct labor rates, fringe benefit rates, and indirect rates) shall not exceed the approved rates in the Budget.

4) Addition of job classifications and changes in hours.

5) Increased direct operating expenses and rates that exceed the expenses and rates identified in Attachment 4.

7. Contracting and Procurement Procedures

This section provides general requirements for (a) an agreement between the Recipient and a third-party subcontractor[3] (subcontract), and (b) an agreement between the Recipient and a Retrofit Awardee (Retrofit Award). Where these terms require the Recipient to flow down terms to subcontractors and Retrofit Awardees, the Recipient shall ensure that its agreement with subcontractors and Retrofit Awardees also require the flow down of these terms to every lower-tiered level of sub-subcontractor and sub-Retrofit Awardee.

For subcontracts that are listed as "to be determined" in the Budget, the Recipient must submit a revised Budget to the CAM, identifying the subcontractor and specific items of cost expected to be incurred by that subcontractor. In addition, Recipient must have a fully executed subcontract or Retrofit Award before the subcontractor or Retrofit Awardee can incur any costs for which the Recipient will seek reimbursement.

The Recipient is required, where feasible, to employ contracting and procurement practices that promote open competition for all goods and services needed to complete this project. Recipient shall obtain price quotes from an adequate number of sources for all subcontracts.

The CEC will defer to the Recipient's own regulations and procedures as long as they reflect applicable state and local laws and regulations and are not in conflict with the minimum standards specified in this Agreement.

Upon request, the Recipient must submit to the CAM a copy of all solicitations for services or products required to carry out the terms of this Agreement and copies of the proposals or bids received.

[3] A subcontractor is any person or entity that receives grant funds directly from the Recipient and is entrusted by the Recipient to make decisions about how to conduct some of the block grant project activities. A subcontractor's role involves discretion over grant activities and is not merely just selling goods or services. A subcontractor cannot also be a Retrofit Awardee. A vendor is a person or entity that sells goods or services to the Recipient, Subcontractor, or any lower-tiered level of Sub-Subcontractor, in exchange for some of the grant funds, and does not make decisions about how to perform the grant's activities. A vendor's role is ministerial and does not involve discretion over grant activities.

The Recipient is responsible for handling all contractual and administrative issues arising out of or related to any subcontracts it enters into under this Agreement. Nothing contained in this Agreement or otherwise creates any contractual relation between the CEC and any subcontractors, and no subcontract may relieve the Recipient of its responsibilities under this Agreement. The Recipient agrees to be as fully responsible to the CEC for the acts and omissions of its subcontractors or persons directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Recipient.

The Recipient's obligation to pay its subcontractors is an independent obligation from the CEC's obligation to make payments to the Recipient. As a result, the CEC has no obligation to pay or enforce the payment of any funds to any subcontractor. The Recipient is responsible for establishing and maintaining contractual agreements with and reimbursing each subcontractor for work performed in accordance with the terms of this Agreement.

All subcontracts must incorporate all of the following:

- A clear and accurate description of the material, products, or services to be procured as well as a detailed budget and timeline.
- A detailed budget and timeline.
- Provisions that allow for administrative, contractual, or legal remedies in instances where subcontractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate.
- Provisions for termination by the Recipient, including termination procedures and the basis for settlement, and language conforming to the termination provision related to Executive Order N-6-22 – Russia Sanctions.
- A statement that further assignments will not be made to any third or subsequent tier subcontractor without additional advance written consent of the CEC.
- Language conforming to the following provisions:
    - Publications - Legal Statement on Reports and Products (Section 5)
    - Equipment (Section 10)
    - Travel and Per Diem (Section 13)
    - Standard of Performance (Section 14)
    - Fiscal Accounting Requirements (Section 16)
    - Indemnification (Section 17)
    - Nondiscrimination Statement of Compliance (Section 20.b)
    - Site Visits (Section 21)

    - Public Works – Payment of Prevailing Wages (Section 23)
    - Intellectual Property (Section 24)
    - Remedies for Non-Compliance (Section 25)
    - Enforcement (Section 26)
    - Receipt of Confidential Information and Personal Information (Section 28)
    - Conflicts of Interest (Section 31)
- Survival of the following provisions:
    - Equipment (Section 10)
    - Fiscal Accounting Requirements (Section 16)
    - Intellectual Property (Section 24)
    - Receipt of Confidential Information and Personal Information (Section 28)

Recipients who are subcontracting with University of California (UC) may use the terms and conditions negotiated by the CEC with UC for their subcontracts. Recipients who are subcontracting with the United States Department of Energy (DOE) national laboratories may use the terms and conditions negotiated with DOE.

Without limiting any of the CEC's other remedies, failure to comply with the above requirements may result in the termination of this Agreement.

Retrofit Awards funded in whole or in part by this Agreement must incorporate all of the following:

- Provisions that allow for administrative, contractual, or legal remedies in instances where Retrofit Awardees violate or breach contract terms, including Program Participation Agreement terms and the tenant protections therein, and provide for such sanctions and penalties as may be appropriate, including the repayment to CEC of grant funds spent under the Retrofit Award.
- Provisions for termination by the Recipient, including termination procedures and the basis for settlement, and language conforming to the termination provision related to Executive Order N-6-22 – Russia Sanctions.
- A statement that further assignments will not be made to any third or subsequent tier Retrofit Awardee without additional advance written consent of the CEC.
- Language conforming to the following provisions:
    - Equipment (Section 10)
    - Indemnification (Section 17)

    - Site Visits (Section 21)
    - Remedies for Non-Compliance (Section 25)
    - Enforcement (Section 26)
    - Receipt of Confidential Information and Personal Information (Section 28), if applicable
    - Conflicts of Interest (Section 31)
- Survival of the following provisions:
    - Equipment (Section 10)

8. Bonding and Insurance

The Recipient will follow its own bonding and insurance requirements relating to bid guarantees, performance bonds, and payment bonds without regard to the dollar value of the subcontract(s) as long as they reflect applicable state and local laws and regulations.

9. Permits and Clearances

The Recipient is responsible for ensuring all necessary permits and environmental documents are prepared and clearances are obtained from the appropriate agencies.

10. Equipment

Equipment is defined as having a useful life of at least one year, having an acquisition unit cost of at least $5,000, and purchased with grant funds. Equipment means any products, objects, machinery, apparatus, implements, or tools purchased, used, or constructed within the project, including those products, objects, machinery, apparatus, implements or tools from which over thirty percent (30%) of the equipment is composed of materials purchased for the project. For purposes of determining depreciated value of equipment used in the Agreement, the project shall terminate at the end of the normal useful life of the equipment purchased, funded and/or developed with CEC funds. The CEC may determine the normal useful life of such equipment.

Title to equipment and any appliance acquired by the Recipient with grant funds shall vest in the Recipient, and the Recipient may transfer title to Retrofit Awardees. Title to equipment acquired by Retrofit Awardees with grant funds, if any, shall vest in the Retrofit Awardee. The Recipient shall use the equipment in the project or program for which it was acquired as long as needed, whether or not the project or program continues to be supported by grant funds, and the Recipient shall not encumber the property without CAM approval. When no longer needed for the original project or program, the Recipient shall contact the CAM for disposition instructions.

The Recipient shall also flow to Retrofit Awardee any requirements developed in the Program Participation Agreements developed under the Scope of Work. The Recipient shall require Retrofit Awardee to comply with any limitations on equipment or appliance disposition provided in any lease addendum, deed recording, or other document provided by the Recipient.

11. Termination

This project may be terminated for any reason set forth below.

With Cause

The CEC may, for cause, terminate this Agreement upon giving five (5) calendar days advance written notice to the Recipient. In this event, the Recipient will use all reasonable efforts to mitigate its expenses and obligations.

The term "for cause" includes but is not limited to the following:

- Reorganization to a business entity unsatisfactory to the CEC;
- Retention or hiring of subcontractors, or replacement or addition of personnel, that fail to perform to the standards and requirements of this Agreement;
- The Recipient's inability to pay its debts as they become due and/or the Recipient's default of an obligation that impacts its ability to perform under this Agreement; or
- Significant change in state or CEC policy such that the work or product being funded would not be supported by the CEC.

Without Cause

The CEC may terminate this Agreement without cause upon giving thirty (30) days advance written notice to the Recipient. In this event, the Recipient will use all reasonable efforts to mitigate its expenses and obligations.

If this Agreement is terminated with or without cause, the CEC reserves the right to transfer this project to another Equitable Building Decarbonization regional administrator and Recipient will use good faith efforts to take steps to effectuate the transfer.

12. Stop Work

CEC staff may, at any time, by written notice to Recipient, require Recipient to stop all or any part of the work tasks in this Agreement. Stop work orders may be issued for reasons such as a project exceeding budget, standard of performance, out of scope work, delay in project schedule, misrepresentations and the like.

a. Compliance. Upon receipt of such a stop work order, Recipient shall immediately take all necessary steps to comply therewith and to stop the incurrence of costs allocable to the CEC.

b. Canceling a Stop Work Order. Recipient shall resume the work only upon receipt of written instructions from CEC staff.

13. Travel and Per Diem

a. The Recipient shall be reimbursed for travel and per diem expenses using the same rates provided to non-represented State employees, subject to any state-wide prohibition on travel. The Recipient must pay for travel in excess of these rates. The Recipient may obtain current rates from the CEC's website at: http://www.energy.ca.gov/contracts/TRAVEL_PER_DIEM.PDF.

b. For purposes of payment, Recipient's headquarters shall be considered the location of the Recipient's office where the employees' assigned responsibilities for this award are permanently assigned.

c. Travel identified in the Budget section of this Agreement is approved and does not require further authorization.

d. Travel that is not included in the Budget section of this Agreement shall require written authorization from the CAM and CAO prior to travel departure. The CEC will reimburse travel expenses from the Recipient's office location.

e. The Recipient must retain documentation of travel expenses in its financial records. The documentation must be listed by trip and include dates and times of departure and return, departure city, and destination city. Travel receipts, including for travel meals and incidentals, shall be submitted with payment requests requesting reimbursement from the CEC.

14. Standard of Performance

Recipient, its subcontractors, and their employees, in the performance of Recipient's work under this Agreement shall be responsible for exercising the degree of skill and care required by customarily accepted good professional practices and procedures used in the Recipient's field.

Any costs for failure to meet the foregoing standard or to correct otherwise defective work that requires re-performance of the work, as directed by CAM, shall be borne in total by Recipient and not the CEC.

It is the Recipient's duty to ensure that CEC funds are not misspent by subcontractors or misused by Retrofit Awardees. For example, Recipient must ensure CEC funds are used to reimburse or otherwise pay for allowable costs that are actually incurred. This includes that it is the Recipient's duty to develop internal controls to detect fraud, waste, and abuse.

In the event Recipient/subcontractor fails to perform in accordance with the above standard:

a. Recipient/subcontractor will re-perform, at its own expense, any task which was not performed to the reasonable satisfaction of the CAM. Any work re-performed pursuant to this paragraph shall be completed within the time limitations originally set forth for the specific task involved. Recipient/subcontractor shall work any overtime required to meet the deadline for the task at no additional cost to the CEC;

b. The CEC shall provide a new schedule for the re-performance of any task pursuant to this paragraph in the event that re-performance of a task within the original time limitations is not feasible; and

c. The CEC shall have the option to direct Recipient/subcontractor not to re-perform any task which was not performed to the reasonable satisfaction of the CAM pursuant to application of (a) and (b) above. In the event the CEC directs Recipient/subcontractor not to re-perform a task, the CEC and Recipient shall negotiate a reasonable settlement for satisfactory work performed. No previous payment shall be considered a waiver of the CEC's right to reimbursement.

Nothing contained in this section is intended to limit any of the rights or remedies which the CEC may have under law.

15. Payment of Funds

a. Advance funds for Retrofit Awards

This Agreement is for the Recipient to administer a block grant program. Under Public Resources Code section 25661(b) the CEC has authority to advance up to 25 percent of the clean energy program moneys allocated to recipients of a financial incentive, and Public Resources Code section 25660(c) confers block grant authority.

Under this Agreement, the Recipient can request but is not guaranteed to receive advance funds for Retrofit Awards (i.e., incentives). Funds will not be advanced for other project expenditures. It is solely within the CEC's discretion to allow advance funds. Because the CEC earns interest on the funds in its accounts, the CEC can lose interest if it advances funds long before Recipient actually pays out the funds (i.e., the funds sit in Recipient's account instead of the CEC's interest-earning account). The Recipient shall establish a separate ledger account or fund for receipt and disbursement of advance funds under this Agreement.

Accordingly, the Recipient, if allowed to receive advance funds for Retrofit Awards, shall take reasonable efforts to minimize the time between receiving advance funds and paying them out. The CEC can request at any time that the Recipient repay to the CEC any funds advanced to Recipient that the Recipient has not paid out, and the Recipient shall repay the unspent advanced funds within 10 days of receiving the CEC's request.

The Recipient shall pay to the CEC any interest it earns on advanced funds that cumulatively total more than $200. This means over the life of this Agreement, if the Recipient cumulatively earns more than $200 on advanced funds, any additional interest amounts after that shall be paid to the CEC. Alternatively, the CEC in its sole discretion, can instead subtract the interest amount over $200 from the amount paid to Recipient as requested in Recipient's future invoices.

In addition to other documentation the Recipient must provide under this Agreement, upon request by the CEC, the Recipient shall provide all documents related to advanced funds received and paid out and any interest earned on the funds.

b. Reimbursement for all other project expenditures

The CEC agrees to reimburse the Recipient for actual allowable expenditures incurred in accordance with the Budget. The rates in the Budget are rate caps, or the maximum amount allowed to be billed.

The Recipient can only bill for actual expenses incurred at the Recipient's actual rates not to exceed the rates specified in the Budget (e.g., direct labor rates, fringe benefit rates, and indirect rates). For example, if the Budget includes an employee's hourly rate of $50/hour but the employee is only paid $40/hour, the Recipient can only bill for $40/hour. Under the same example, if the employee earned $70/hour but the Budget only lists $50/hour, the Recipient can only bill for $50. Another example is if the maximum fringe benefit rate listed in the Budget is 20% but the Recipient's actual fringe benefit rate is only 15%, the Recipient can only bill at 15%. The actual rates (e.g., direct labor rates, fringe benefit rates, and indirect rates) should not exceed the approved rates in the Budget.

(1) Payment Requests

The Recipient may request payment from the CEC no more frequently than monthly. The final payment request must be received by the CEC along with the Final Report 60 days prior to the end of the Agreement term.

Payments will generally be made on a reimbursement basis for Recipient expenditures, i.e., after the Recipient has incurred the cost for a service, product, supplies, or other approved budget item. No reimbursement for food or beverages shall be made other than allowable per diem charges.

Funds in this Agreement have a limited period in which they must be expended. All Recipient expenditures must occur within the approved term of this Agreement.

(2) Documentation

All payment requests must be submitted using a completed Payment Request form and emailed to invoices@energy.ca.gov. This form must be accompanied by an itemized list of all charges and copies of all receipts or invoices necessary to document these charges for the CEC, including backup documentation for actual expenditures, such as timecards, vendor invoices, and proof of payment. Any payment request that is submitted without the itemization will not be authorized. If the itemization or documentation is incomplete, inadequate, or inaccurate, the CAM will inform the Recipient via a Dispute Notification Form (Std. 209) and hold the invoice until all required information is received or corrected. Any penalties imposed on the Recipient by a subcontractor because of delays in payment will be paid by the Recipient.

Any documentation in foreign currency must be converted to dollars, and the conversion rate must be included in your itemization.

(3) Certification

The following certification shall be included on each Payment Request form and signed by the Recipient's authorized officer:

> *I certify that this invoice is correct and proper for payment, and reimbursement for these costs has not and will not be received from any other sources, including but not limited to a government entity contract, subcontract, or other procurement method.*

Additional certification is required related to the payment of prevailing wages. Refer to Sections 20 and 23 of these terms and conditions for more information.

(4) Government Entity

Government Entity is defined as a governmental agency from California or any state or a state college or state university from California or any state; a local government entity or agency, including those created as a Joint Powers Authority; an auxiliary organization of the California State University or a California community college; the Federal Government; a foundation organized to support the Board of Governors of the California Community Colleges or an auxiliary organization of the Student Aid Commission established under Education Code 69522.

(5) Release of Funds

The CAM will not process any payment request during the Agreement term until the following conditions have been met:

- All required reports have been submitted and are satisfactory to the CAM.
- All applicable special conditions have been met.
- All appropriate permits or permit waivers from governmental agencies have been issued to the Recipient and copies have been received by the CAM.
- All products due have been submitted and are satisfactory to the CAM.
- Other prepayment conditions as may be required by the CAM have been met. Such conditions will be specified in writing ahead of time, if possible.

(6) Fringe Benefits, Indirect Overhead, and General and Administrative (G&A)

Indirect cost rates must be developed in accordance with generally accepted accounting principles. If the Recipient has an approved fringe benefits or indirect cost rate (indirect overhead or G&A) from their cognizant Federal Agency, the Recipient may bill at the federal rate up to the Budget rate caps if the following conditions are met:

- The Recipient may bill at the federal provisional rate but must adjust annually to reflect their actual final rates for the year in accordance with the Labor, Fringe, and Indirect Invoicing Instructions which can be accessed in this agreement.
- The cost pools used to develop the federal rates must be allocable to the CEC Agreement, and the rates must be representative of the portion of costs benefiting the CEC Agreement. For example, if the federal rate is for manufacturing overhead at the Recipient's manufacturing facility and the CEC Agreement is for research and development at their research facility, the federal indirect overhead rate would not be applicable to the CEC Agreement.
- The federal rate must be adjusted to exclude any costs that are specifically prohibited in the CEC Agreement.
- The Recipient may only bill up to the Agreement Budget rate caps unless and until an amendment to the Agreement Budget is approved.

(7) Retention

It is the CEC's policy to retain 10 percent of any payment request or 10 percent of the total CEC award until the end of the project. After the project is complete the Recipient must submit a completed payment request form requesting release of the retention. The CAM will review the project file and, when satisfied that the terms of the funding Agreement have been fulfilled, will authorize release of the retention.

Retention shall only be held for administrative costs.

The CEC may choose to release retention on an annual basis, if the Recipient's performance and completion of products and activities over the course of the year in question (referred to herein as a Retention Year) is determined by the CAM to be satisfactory. The Retention Year shall align with the reporting period for the Recipient's Annual Reports. After the completion of a Retention Year and submission of the associated Annual Report, the Recipient may submit a completed payment request form requesting release of retention pursuant to this paragraph.

(8) State Controller's Office

Payments are made by the State Controller's Office.

16. Fiscal Accounting Requirements

a. Accounting and Financial Methods

The Recipient shall establish a separate ledger account or fund for receipt and disbursement of CEC funds for each project funded by the CEC. Expenditure details must be maintained in accordance with the approved budget details using appropriate accounting practices.

b. Retention of Records

The Recipient shall retain all project records (including financial records, progress reports, and payment requests) for a minimum of three (3) years after the final payment has been received or five (5) years after the state grant term, whichever is later, unless otherwise specified in the funding Agreement.

Records for nonexpendable personal property acquired with grant funds shall be retained for five years after its final disposition or five years after the state grant term, whichever is later.

c. Audits

Upon written request from the CEC, the Recipient shall provide detailed documentation of all expenses at any time throughout the project. In addition, the Recipient agrees to allow the CEC or any other agency of the State, or their designated representative, upon written request, to have reasonable access to and the right of inspection of all records that pertain to the project during the term of this Agreement and for a period of three (3) years thereafter or three years after the federal grant term, whichever is later, unless the CEC notifies the Recipient, prior to the expiration of such three-year period, that a longer period of record retention is necessary. Further, the Recipient agrees to incorporate an audit of this project within any scheduled audits, when specifically requested by the State. Recipient agrees to include a similar right to audit in any subcontract.

Recipients are strongly encouraged to conduct annual audits in accordance with the single audit concept. The Recipient should provide two copies of the independent audit report and any resulting comments and correspondence to the CAM within 30 days of the completion of such audits.

17. Indemnification

The Recipient agrees to indemnify, defend, and save harmless the State, its officers, agents, and employees from any and all claims and losses accruing or resulting to Recipient, the CEC, and to any and all contractors, subcontractors, Retrofit Awardees, vendors, materialmen, laborers, and any other person, firm, or corporation furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm, or corporation who may be injured or damaged by the Recipient in the performance of this Agreement.

This includes repayment to CEC for funds advanced which were not spent, either by the Recipient or a subcontractor, in accordance with the terms of this Agreement.

18. Workers' Compensation Insurance

a. Recipient hereby warrants that it carries Worker's Compensation Insurance for all of its employees who will be engaged in the performance of this Agreement, and agrees to furnish to the CAM satisfactory evidence of this insurance at any time the CAM may request.

b. If Recipient is self-insured for worker's compensation, it hereby warrants such self-insurance is permissible under the laws of the State of California and agrees to furnish to the CAM satisfactory evidence of this insurance at any time the CAM may request.

19. *General Provisions*

a. Governing Law

It is hereby understood and agreed that this Agreement shall be governed by the laws of the State of California as to interpretation and performance.

b. Independent Capacity

The Recipient, and the agents and employees of the Recipient, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the CEC.

c. Assignment

Without the written consent of the CEC in the form of a formal written amendment, this Agreement is not assignable or transferable by Recipient either in whole or in part.

d. Timeliness

Time is of the essence in this Agreement.

e. Unenforceable Provision

In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

f. Waiver

No waiver of any breach of this Agreement shall be held to be a waiver of any other or subsequent breach. All remedies afforded in this Agreement shall be taken and construed as cumulative, that is, in addition to every other remedy provided therein or by law.

g. Assurances

The CEC reserves the right to seek further written assurances from the Recipient and its team that the work of the project under this Agreement will be performed consistent with the terms of the Agreement.

h. Change in Business

(1) Recipient shall promptly notify the CEC of the occurrence of each of the following:

(a) A change of address.

(b) A change in the business name or ownership.

(c) The existence of any litigation or other legal proceeding affecting the Project.

(d) The occurrence of any casualty or other loss to Project personnel, equipment or third parties of a type commonly covered by insurance.

(e) Receipt of notice of any claim or potential claim against Recipient for patent, copyright, trademark, service mark and/or trade secret infringement that could affect the CEC's rights.

(2) Recipient shall not change or reorganize the type of business entity under which it does business except upon prior written notification to the CEC. A change of business entity or name change requires an amendment assigning or novating the Agreement to the changed entity. In the event the CEC is not satisfied that the new entity can perform as the original Recipient, the CEC may terminate this Agreement as provided in the termination paragraph.

i. Survival of Terms

It is understood and agreed that certain provisions shall survive the completion or termination date of this Agreement for any reason. The provisions include, but are not limited to:

- Publications - Legal Statement on Reports and Products (Section 5)
- Equipment (Section 10)
- Termination (Section 11)
- Payment of Funds (Section 15)
- Fiscal Accounting Requirements (Section 16)
- Indemnification (Section 17)
- Change in Business (Section 19.h)
- Intellectual Property (Section 24)

20. Certifications and Compliance

Federal, State and Municipal Requirements

Recipient must obtain any required permits and shall comply with all applicable federal, State, and municipal laws, rules, codes, and regulations for work performed under this Agreement.

Nondiscrimination Statement of Compliance

During the performance of this Agreement, Recipient and its subcontractors shall not unlawfully discriminate, harass, or allow harassment, against any employee or applicant for employment because of sex, sexual orientation, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), medical condition (cancer), age, marital status, and denial of family care leave. Recipient and its subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination and harassment. Recipient and its subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code sections 12990 et seq.) and the applicable regulations promulgated thereunder (CCR, Title 2, section 11000 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code section 12990 (a-f), set forth in Chapter 5 of Division 4.1 of Title 2 of the CCR are incorporated into this Agreement by reference and made a part of it as if set forth in full. Recipient and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

The Recipient shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.

Drug-Free Workplace Certification

By signing this Agreement, the Recipient hereby certifies under penalty of perjury under the laws of the State of California that the Recipient will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code section 8350 et seq.) and will provide a drug-free workplace by taking the following actions:

(1) Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations as required by Government Code section 8355(a)(1).

(2) Establish a Drug-Free Awareness Program as required by Government Code section 8355(a)(2) to inform employees about all of the following:

- The dangers of drug abuse in the workplace;
- The person's or organization's policy of maintaining a drug-free workplace;

- Any available counseling, rehabilitation, and employee assistance programs; and
- Penalties that may be imposed upon employees for drug abuse violations.

(3) Provide, as required by Government Code section 8355(a)(3), that every employee who works on the proposed project:

- Will receive a copy of the company's drug-free policy statement;
- Will agree to abide by the terms of the company's statement as a condition of employment on the project.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both, and the Recipient may be ineligible for any future State awards if the CEC determines that any of the following has occurred: (1) the Recipient has made false certification, or (2) violates the certification by failing to carry out the requirements as noted above.

d. Child Support Compliance Act (Applicable to California Employers)

For any Agreement in excess of $100,000, the Recipient acknowledges that:

- It recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
- To the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

e. Americans with Disabilities Act

By signing this Agreement, Recipient assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990 (42 U.S.C. 12101, et seq.), which prohibits discrimination on the basis of disability, as well as applicable regulations and guidelines issued pursuant to the ADA.

f. Air or Water Pollution Violation

Under state laws, the Recipient will not be:

(1) In violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district;

(2) Subject to a cease-and-desist order not subject to review issued pursuant to section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or

(3) Finally determined to be in violation of provisions of federal law relating to air or water pollution.

g. National Labor Relations Board Certification (Not applicable to public entities)

The Recipient, by signing this Agreement, swears under penalty of perjury that no more than one final unappealable finding of contempt of court by a federal court has been issued against the Recipient within the immediately preceding two-year period because of the Recipient's failure to comply with an order of a federal court that orders the Recipient to comply with an order of the National Labor Relations Board.

21. Site Visits

The CEC and/or its designees have the right to make site visits at reasonable times to review project accomplishments and management control systems and to provide technical assistance, if required. Recipient must provide and must require subcontractors and Retrofit Awardees to provide reasonable facilities and assistance for the safety and convenience of the government representatives in the performance of their duties. All site visits and evaluations must be performed in a manner that does not unduly interfere with or delay the work.

22. Budget Contingency Clause

It is mutually agreed that this Agreement shall be of no further force and effect if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the work identified in the Scope of Work. In this event, the CEC shall have no liability to pay any funds whatsoever to the Recipient or to furnish any other consideration under this Agreement, and the Recipient shall not be obligated to perform any provisions of this Agreement.

If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the CEC shall have the option to either: 1) cancel this Agreement with no liability occurring to the CEC; or 2) offer an Agreement Amendment to the Recipient to reflect the reduced amount.

23. Public Works -- Payment of Prevailing Wages

Generally Required by Law

Projects that receive an award of public funds from the CEC often involve construction, alteration, demolition, installation, repair, or maintenance work over $1,000.

NOTE: Projects that receive an award of public funds from the CEC are likely to be considered public works under the California Labor Code. See Chapter 1 of Part 7 of Division 2 of the California Labor Code, commencing with section 1720 and Title 8, CCR, Chapter 8, Subchapter 3, commencing with section 16000.

Accordingly, the CEC assumes that all projects it funds are public works. Projects deemed to be public works require among other things the payment of prevailing wages.

<u>NOTE</u>: Prevailing wage rates can be significantly higher than non-prevailing wage rates.

By accepting this Agreement, Recipient as a material term of this Agreement shall be fully responsible for complying with all California public works requirements including but not limited to payment of prevailing wage. Public Resources Code section 25665.3(f) provides that "[p]rojects funded pursuant the [Equitable Building Decarbonization] direct install program shall be performed by workers paid prevailing wage where possible and when applicable." Therefore, as a material term of this Agreement, Recipient must either:

(a) Proceed on the assumption that the project is a public work and ensure that:

- (i) prevailing wages are paid; and
- (ii) the project budget for labor reflects these prevailing wage requirements; and
- (iii) the project complies with all other requirements of prevailing wage law including but not limited to keeping accurate payroll records, and complying with all working hour requirements and apprenticeship obligations;

or,

(b) Timely obtain a legally binding determination from the California Department of Industrial Relations (DIR) or a court of competent jurisdiction before work begins on the project that the proposed project is not a public work.

<u>NOTE</u>: Only the DIR and courts of competent jurisdiction have jurisdiction to issue legally binding determinations that a particular project is or is not a public work.

If the Recipient is unsure whether the project receiving this award is a "public work" as defined in the California Labor Code, it may wish to seek a timely determination from the DIR or an appropriate court.

NOTE: Such processes can be time consuming and therefore it may not be possible to obtain a timely determination before the date for performance of the award commences.

If the Recipient does not timely obtain a binding determination from DIR or a court of competent jurisdiction that the project is not a public work, before this Agreement from the CEC is executed, the Recipient shall assume that the project is a public work and that payment of prevailing wages is required and shall pay prevailing wages unless and until such time as the project is subsequently determined to not be a public work by DIR or a court of competent jurisdiction.

NOTE: California Prevailing Wage law provides for substantial damages and financial penalties for failure to pay prevailing wages when payment of prevailing wages is required.

Subcontractors and Flow-down Requirements. Recipient shall ensure that its subcontractors, if any, also comply with above requirements with respect to public works/prevailing wage. Recipient shall ensure that all agreements with its contractors/subcontractors to perform work related to this project contain the above terms regarding payment of prevailing wages on public works projects. Recipient shall be responsible for any failure of Recipient's subcontractors to comply with California prevailing wage and public works laws.

Indemnification and Breach. Any failure of Recipient or its subcontractors to comply with the above requirements shall constitute a breach of this Agreement that excuses the CEC's performance of this Agreement at the CEC's option, and shall be at Recipient's sole risk. In such a case, CEC may refuse payment to Recipient of any amount under this Agreement and CEC shall be released, at its option, from any further performance of this award or any portion thereof. By accepting this Agreement, and as a material term of this Agreement, Recipient agrees to indemnify the CEC and hold the CEC harmless for any and all financial consequences arising out of or resulting from the failure of Recipient and/or any of Recipient's subcontractors to pay prevailing wages or to otherwise comply with the requirements of prevailing wage law.

Budget. Recipient's budget and subcontractors' budgets on public works projects must indicate which job classifications are subject to prevailing wage. For detailed information about prevailing wage and the process to determine if the proposed project is a public work, Recipient may wish to contact the DIR or a qualified labor attorney of their choice for guidance.

Covered Trades. For public works projects, Recipient may contact DIR for a list of covered trades and the applicable prevailing wage.

<u>Questions</u>. If Recipient has any questions about this contractual requirement or the wage, record keeping, apprenticeship or other significant requirements of California prevailing wage law, it is recommended that Recipient consult DIR and/or a qualified labor attorney of its choice before accepting this Agreement.

<u>Certification</u>. Recipient shall certify to the CEC on each Payment Request Form, either that (1) prevailing wages were paid to eligible workers who provided labor for work covered by the payment request and that the Recipient and all contractors and subcontractors otherwise complied with all California prevailing wage laws, or (2) that the project is not a public work requiring the payment of prevailing wages. In the latter case, Recipient shall provide competent proof of a DIR or court determination that the project is not a public work requiring the payment of prevailing wages.

Prior to the release of any retained funds under this Agreement, the Recipient shall submit to the CEC the above-described certificate signed by the Recipient and all contractors and subcontractors performing public works activities on the project. Absent such certificate, Recipient shall have no right to any funds under this Agreement, and CEC shall be relieved of any obligation to pay said funds.

24. Intellectual Property

a. The CEC makes no claim to "intellectual property" developed under this Agreement except as expressly provided herein.

b. "Intellectual property" means: (a) inventions, technologies, designs, drawings, software, formulas, compositions, processes, techniques, works of authorship, trademarks, service marks, and logos that are created, conceived, discovered, made, developed, altered, or reduced to practice with Agreement or match funds during or after the Agreement term; (b) any associated proprietary rights to these items, such as patent and copyright; and (c) any upgrades or revisions to these items.

   "Product" means any tangible item specified for delivery to the CEC in the Scope of Work.

   "Works of authorship" does not include written products created for Agreement reporting and management purposes, such as reports, summaries, lists, letters, agendas, schedules, and invoices.

c. The CEC owns all products identified in the Scope of Work, with the exception of products that fall within the definition of "intellectual property."

d. The CEC has a no-cost, non-exclusive, transferable, irrevocable, royalty-free, worldwide, perpetual license to use, publish, translate, modify, and reproduce intellectual property for governmental purposes, including but not limited to providing data and reports to other government entities, state legislature, and utility companies and using data for the development of future programs.

e. The Recipient may not, in supplying work under this Agreement, knowingly infringe or misappropriate any intellectual property right of a third party and will take reasonable actions to avoid infringement.

To the extent allowed under California law, the Recipient will defend and indemnify the CEC from and against any claim, lawsuit, or other proceeding, loss, cost, liability, or expense (including court costs and reasonable fees of attorneys and other professionals) to the extent arising out of: (i) any third party claim that a product infringes any patent, copyright, trade secret, or other intellectual property right of any third party; or (ii) any third party claim arising out of the negligent or other tortious acts or omissions by the Recipient or its employees, subcontractors, or agents in connection with or related to the products or the Recipient's performance under this Agreement.

25. CEC Remedies for Recipient's Non-Compliance

Without limiting any of its other remedies, the CEC may, for Recipient's noncompliance of any Agreement requirement, withhold future payments, demand and be entitled to repayment of past reimbursements, or suspend or terminate this Agreement. The tasks in the Scope of Work are non-severable, and completion of all of them is material to this Agreement. Thus, the CEC, without limiting its other remedies, is entitled to repayment of all funds paid to Recipient if the Recipient does not timely complete all tasks in the Scope of Work. These remedies will also be flowed down to Retrofit Awardees in the event of breach of their Program Participation Agreements.

Further, if any penalty, fine, or other assessment is issued against the CEC or the CEC and other parties as a result of the Recipient's, its subcontractors', or a Retrofit Awardee's failure to comply with the Agreement requirements, the Recipient shall pay all assessment amounts with its own, non-grant funds, including any assessment against the CEC. Should the Recipient fail to pay the penalty, fine, or other assessment, the Recipient acknowledges that such monies may be paid out of retention.

26. Enforcement

a. Recovery of Overpayment or Misuse of Funds

The CEC may direct the CEC's Office of Chief Counsel to commence formal legal action against any applicant or Recipient to recover any portion of a payment under the Agreement that the Executive Director determines the applicant or Recipient was not otherwise entitled to receive.

b. Fraud and Misrepresentation

The Executive Director may initiate an investigation of any applicant, Recipient, subcontractor, vendor, or Retrofit Awardee that the Executive Director has reason to believe may have misstated, falsified, or misrepresented information in submitting an application, payment claim, or reporting any information required by the Agreement. Based on the results of the investigation, the Executive Director may take any action deemed appropriate, including, but not limited to, termination of the Agreement, recovery of any overpayment, and, with the concurrence of the CEC, recommending the Attorney General initiate an investigation and prosecution under Government Code section 12650, et seq., or other provisions of law.

27. Confidential Recipient Information

a. Identification of Confidential Recipient Information

(1) For the purposes of this Section, "Confidential Recipient Information" refers to information belonging to the Recipient that the Recipient has satisfactorily identified as confidential and the CEC has agreed to designate as confidential under Title 20 CCR section 2505.

(2) Prior to the effective date of this Agreement, the Recipient will identify all products (or information contained within products) it considers Confidential Recipient Information, and provide the legal basis for confidentiality, in Attachment 1 to this Exhibit. If the CEC agrees the information is confidential, it will not disclose it except as provided in subsection (b).

(3) During the Agreement, if the Recipient obtains or develops additional products (or information contained within products) not originally identified as Confidential Recipient Information in Attachment 1 to this Exhibit, the Recipient will follow the procedures for a request for designation of confidential information as specified in Title 20 CCR section 2505.

The CEC's Executive Director will make the confidentiality determination. Such subsequent determinations may be added to the list of confidential deliverables in the Attachment 1 to this Exhibit. The CEC will not disclose information subject to an application for confidential designation except as provided in subsection (b).

(4) When submitting products containing Confidential Recipient Information, the Recipient will mark each page of any document containing Confidential Recipient Information as "confidential" and

present it in a sealed package to the Contracts, Grants, and Loans Office.

The CAM may require the Recipient to submit a non-confidential version of the product if it is feasible to separate the Confidential Recipient Information from the non-confidential information. The Recipient is not required to submit such products in a sealed package.

b. Disclosure of Confidential Recipient Information

The CEC will only disclose Confidential Recipient Information under the circumstances specified in Title 20 CCR sections 2506, 2507, and 2508. All Confidential Recipient Information that is legally disclosed by the Recipient or any other entity will become a public record and will no longer be subject to the CEC's confidentiality designation.

c. Waiver of Consequential Damages

In no event will the CEC or the state of California be liable for any special, incidental, or consequential damages based on breach of warranty, breach of contract, negligence, strict tort, or any other legal theory for the disclosure of the Confidential Recipient Information, even if the CEC has been advised of the possibility of such damages.

Damages that the CEC and the state of California will not be responsible for include but are not limited to lost profit; lost savings or revenue; lost goodwill; lost use of the product or any associated equipment; cost of capital; cost of any substitute equipment, facilities, or services; downtime; the claims of third parties including customers; and injury to property.

d. Limitations on the Disclosure of Products

During the Agreement, the Recipient, subcontractors, any lower-tiered level of sub-subcontractors, and Vendors must receive written approval from the CAM prior to disclosing the contents of any draft product to a third party. However, if the CEC makes a public statement about the content of any product provided by the Recipient and the Recipient believes the statement is incorrect, the Recipient may state publicly what it believes is correct.

28. Receipt of Confidential Information and Personal Information

For the purposes of this Section, "confidential information" refers to information the CEC has designated as confidential pursuant to Title 20 CCR section 2505 *et seq*., information the CEC has otherwise deemed or stated to be confidential, and other information exempt from public disclosure under the provisions of the California Public Records Act or other applicable state or federal laws.

For the purposes of this Section, "personal information" refers to information that meets the definition of "personal information" in California Civil Code section 1798.3(a) or one of the data elements set forth in California Civil Code section 1798.29(g)(1) or (g)(2). Personal information is a type of confidential information and is therefore subject to all requirements for confidential information provided in this Agreement and applicable law. However, there are additional requirements specific to personal information.

For the purposes of this Section, "special terms for confidential information" refers to the CEC's special terms and conditions for the receipt of confidential information and personal information. The CEC's special terms for confidential information include, but are not limited to, having in place an Information Security Program Plan, and obtaining nondisclosure agreements from all individuals who will be provided access to confidential information or personal information.

If the Recipient will receive confidential information or personal information from the CEC or a third-party for the performance of this Agreement, the Recipient must first agree to and comply with the CEC's special terms for confidential information.

If any other individual or entity participating in any way with this Agreement, including but not limited to subcontractors, Retrofit Awardees, vendors, and other project partners, will receive confidential information or personal information from the CEC or a third-party for the performance of this Agreement, that individual or entity must first agree to and comply with the CEC's special terms for confidential information. The Recipient must flow-down the CEC's special terms for confidential information into each subcontract, Retrofit Award, vendor agreement, or other project partner agreement that will be provided access to confidential information or personal information before the individual or entity has access to any such information. Recipient must also require all individuals and entities to flow-down this Section to any lower tier subcontractors, Retrofit Awardees, vendors, project partners, and other individual or entity participating in any way with this Agreement that will be provided access to Confidential Information or Personal Information before the individual or entity has access to any such information.

If this Agreement does not include the CEC's special terms for confidential information and CEC determines the Recipient or any other individual or entity participating in any way with this Agreement will receive confidential information or personal information from the CEC or a third-party for the performance of this Agreement, the CEC reserves the option to amend this Agreement to add its special terms for confidential information.

Except as provided in Title 20 CCR sections 2506, 2507, and 2508, and the CEC's special terms for confidential information, Recipient or any other individual or entity participating in any way with this Agreement may not disclose any information provided to it by the CEC or a third party for the performance of this Agreement if the information has been designated as confidential or is the subject of a pending application for confidential designation.

29. Executive Order N-6-22 – Russia Sanctions

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate agreements with, and to refrain from entering any new agreements with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine the Recipient is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The State shall provide the Recipient advance written notice of such termination, allowing the Recipient at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the CEC.

30. Greenhouse Gas Reduction Fund Requirements

a. This Agreement is funded in part by the Greenhouse Gas Reduction Fund (GGRF) created pursuant to Government Code section 16428.8. This Agreement is subject to, and Recipient shall comply with, the provisions of the laws enacted for spending of auction proceeds deposited into the GGRF, including without limitation: Health and Safety Code section 39710 et. seq.; Government Code section 16428.8 – 16428.95, including any amendments to these sections. In addition to GGRF reporting requirements, Recipients will be responsible for other reporting requirements as outlined in the Scope of Work and specified by the CAM.

b. Reporting

   Recipients of GGRF funds must submit reports on expenditures, investment benefits, and project outcomes, per guidance from the California Air Resources Board (CARB). Recipient shall provide reports on all projects during the term of this Agreement and for a period specified by CARB to meet project outcome reporting requirements.

Reporting shall follow the technical standards, format, process, and timing specified by the CAM, consistent with the project-type specific reporting requirements in CARB guidance and methodologies. Information to be reported includes, but is not limited to:

(1) Greenhouse Gas (GHG) Reductions

- Recipient Name or Project ID
- Project description
- Project location
- Census tract
- Project Stages and Dates for Reaching Milestones: Project Selected; Completed; Operational; GHG reductions began
- GGRF dollars allocated and total project cost including GGRF and non-GGRF monies
- Leveraged and/or match funds
- Quantification Period (number of years the project will provide GHG emission reductions)
- Number of projects/incentives/dwellings modified
- Estimated /actual total project GHG emission reductions
- Other information as specified by the CAM and in accordance with CARB requirements

(2) Priority Populations

Recipient reporting shall include information regarding benefits to priority populations, consistent with the detailed information in the CARB guidance which is posted at www.arb.ca.gov/cci-quantification. Recipient reporting shall include any information needed to evaluate, using the appropriate Benefit Criteria Table, whether the project has a direct benefit to priority populations.

"Priority populations" include residents of: (A) census tracts identified as disadvantaged by California Environmental Protection Agency per SB 535; (B) census tracts identified as low-income per AB 1550; or (C) a low-income household per AB 1550.

(3) Co-Benefits

Recipient reporting shall include each project's economic, environmental, or public health benefits, including, but not limited to:

- Estimated /actual total reductions in other criteria air pollutants (PM 2.5, NOx, etc.)
- Estimated /actual energy and fuel costs saved (kWh, therms, or other fuels) for energy efficiency and electrification projects
- Other information as specified by the CAM and in accordance with CARB requirements.

(4) Job Creation Benefits

Recipient reporting shall include data related to the number of job-years provided, average wages and benefits, the number of people who completed job training or received industry-recognized certifications, targeted hiring strategy and residence location of job/training recipients, as specified by the CAM and in accordance with CARB requirements.

31. Conflicts of Interest

a. Recipient agrees to continuously review new and upcoming projects in which Recipient, its subcontractors or other project partners may be involved for potential conflicts of interest (e.g., Gov. Code § 81000 et seq., and Gov. Code § 1090 et seq.). Recipient shall inform the CAM as soon as a question arises about whether a potential conflict may exist or as soon as the Recipient knows a conflict exists. The CAM and CEC's Chief Counsel's Office shall determine what constitutes a potential conflict of interest. The CEC reserves the right to redirect work and funding on a project if the CEC's Chief Counsel's Office determines that there is a potential conflict of interest.

b. Appearances of Conflicts of Interest

The Recipient acknowledges that in governmental agreements even the appearance of a conflict of interest can be harmful to the interest of the State. Thus, the Recipient, its subcontractors and project partners shall refrain from any practices, activities, or relationships that appear to conflict with their obligations under this Agreement, unless the Recipient receives prior written approval of the CEC. In the event the Recipient is uncertain whether the appearance of a conflict of interest may exist, the Recipient shall submit to the CAM a written description of the relevant details.

c. Prohibition on Participating in CEC Funding Opportunities

Under this Agreement, the Recipient and its subcontractors and project partners will, with oversight from the CEC, develop and implement programs. Accordingly, the Recipient and its subcontractors and project partners are prohibited from participating and agree not to participate in any manner (e.g., as an applicant, subcontractor, or match-funding partner) in any financial incentive program implemented under this Agreement.

d. Possible amendment of conflicts of interest provisions

The Recipient acknowledges that, if amendments to this Agreement are made to develop and fund programs or otherwise expand the scope of work, the role of employees of the Recipient, subcontractors and project partners may become more defined. As those responsibilities and tasks are defined, the CAM and CEC's Chief Counsel's Office reserve the right to determine if it is appropriate to designate certain individuals who are participating in the making of government decisions as "consultants" under the Political Reform Act and therefore require the disclosure of economic interests pursuant to Government Code section 87300 and the CEC's Conflict of Interest Code at CCR, Title 20, sections 2401-2402. Upon such determination, this Agreement shall be amended to include the specific procedural requirements applicable to the Recipient, subcontractors and project partners, and any designated consultants.

32. Disclosure.

The Recipient shall promptly inform the CEC when it is engaged by another State agency for work that is similar to a product under the scope of work contemplated in this Agreement. Where that similar work product or deliverable is applicable to this Agreement, the Recipient may use such work product or deliverable, but is barred from billing the CEC in this Agreement for the work performed under the other agreement and not actually performed under this Agreement. Where actual labor is expended to generate the same or similar work product or deliverable under this Agreement as another agreement, the Recipient is allowed to bill for such labor actually performed.

ATTACHMENT E

DOE HOMES TERMS AND CONDITIONS

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Subpart A. Award Provisions

1. **Purpose**

The purpose of this exhibit is to provide the federal terms and conditions for California Energy Commission (CEC)'s award to Subrecipient under this Agreement. This award is made pursuant to the Section 50121 of the Inflation Reduction Act (IRA), which is referred to as the Home Owner Managing Energy Savings (HOMES) Rebate Program.

2. **Summary of Award**

Name of Federal awarding agency	U.S. Department of Energy
Name of Recipient /pass-through entity, and contact information for awarding official of the Recipient	California Energy Commission
Name of Subrecipient	
Subrecipient's unique entity identifier (DUNS)	
Federal award identification number (FAIN)	
Federal Award Date of award to the Recipient by the Federal agency	
Subaward period of performance start and end date	
Amount of Federal funds obligated by this action by the pass-through entity to the Subrecipient	
Total amount of Federal funds obligated to the Subrecipient by the pass-through entity including the current obligation	
Total amount of the Federal award committed to the Subrecipient by the pass-through entity	
Federal award description as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA)	
Assistance Listings number and Title; the pass-through entity must identify the dollar amount made available under each Federal award and the Assistance Listings Number at time of disbursement;	
Identification of whether the award is research and development (R&D)	
Indirect cost rate for Federal award (including if the application of the de minimis rate per §200.414 Indirect (F&A) costs)	[refer to Sub's grant application]

3. **Resolution of Conflicting Terms**

In the event of any conflict in the terms of this Agreement, this Exhibit will take precedence.

4. **Documents Incorporated by Reference**

   The following documents are hereby incorporated by reference:

   a. Award Agreement between the U.S. Department of Energy (DOE) and CEC, Award No. DE-SE0000024 (Award).

   b. Public Law 117-169, IRA.

   c. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 Code of Federal Regulations (CFR) part 200 as amended by 2 CFR part 910, located at http://www.eCFR.gov.

   d. The Administrative and Legal Requirements Document (ALRD) for the HOMES Rebate Program, located at https://www.energy.gov/scep/home-energy-rebate-programs-guidance.

   e. The standard DOE financial assistance intellectual property provisions applicable to various types of recipients, located at: https://energy.gov/gc/standard-intellectual-property-ip-provisions-financial-assistance-awards.

   f. The National Policy Assurances, located at: http://www.nsf.gov/awards/managing/rtc.jsp and https://www.energy.gov/management/articles/national-policy-assurances-be-incorporated-award-terms.

   g. Research Terms and Conditions and the DOE Agency Specific Requirements at http://www.nsf.gov/bfa/dias/policy/rtc/index.jsp (if the Award is for research and the Award is to a university or non-profit).

   h. Subrecipient’s application or proposal for the HOMES Rebate Program as accepted by CEC.

5. **Funding Restrictions**

   Funding is contingent upon the availability of funds appropriated by Congress for the purpose of this program and the availability of future-year budget authority.

6. **Flow down requirements**

   a. Subrecipient must require inclusion in all lower tier subrecipient or subcontract agreements, all federal award terms, and conditions in 2 CFR part 200 as amended by 2 CFR part 910 as set forth in 2 CFR 200.101 and ensure strict compliance.

   b. Subrecipient must require inclusion in all lower tier subrecipient or subcontract agreements all applicable Intellectual Property provisions and National Policy Assurances incorporated by reference in Subpart A.3.

   c. Subrecipient must require inclusion in all lower tier subrecipient or subcontract agreements, all other requirements as applicable in this Exhibit or elsewhere in the Agreement.

7. **Reporting Requirements**

   a. The federal reporting requirements are described in the Federal Assistance Reporting Checklist, Attachment 2 to Award DE-SE000024.

b. CEC's noncompliance with reporting requirements may result in withholding of future payments, suspension, or termination of the Award, and withholding of future federal awards.

c. Subrecipient must assist CEC with meeting all federal reporting requirements by providing all information requested by CEC for reporting purposes within the timeframes requested by CEC. Failure to by Subrecipient to comply with this requirement is a material breach of this Agreement.

d. Scientific and Technical Information (STI) generated under this Award will be submitted to DOE via the Office of Scientific and Technical Information's Energy Link system. STI submitted under this Award will be disseminated via DOE's OSTI.gov website subject to approved access limitations. Citations for journal articles produced under the Award will appear on the DOE PAGES website. STI submitted to E-Link must not contain any Protected Personal Identifiable Information (PII), limited rights data (proprietary data), classified information, information subject to export control classification, or other information not subject to release.

8. **Stewardship**

a. CEC and the Office of State and Community Energy Programs (SCEP) within DOE will exercise normal stewardship in overseeing the project activities performed under this Agreement. Stewardship activities include, but are not limited to, conducting site visits; reviewing performance and financial reports; providing technical assistance and/or temporary intervention in unusual circumstances to address deficiencies that develop during the project; assuring compliance with terms and conditions; and reviewing technical performance after project completion to ensure that the project objectives have been accomplished.

b. Subrecipient may be required to participate in, or provide information, documents, or other assistance requested by CEC or SCEP for the purpose of CEC or SCEP's federal stewardship.

9. **CEC and Federal Involvement**

a. Subrecipient may be required to participate in periodic review meetings with SCEP to assess work performance under the Award and the timely achievement of technical milestones and deliverables. SCEP will determine the frequency of review meetings and select the day, time, and location of each review meeting. Subrecipient may be required to provide an overview of work performed under this Agreement, including but not limited to:

i. Technical progress compared to the Milestone Summary Table stated in Attachment 1 of Award DE-SE000024.
ii. Subrecipient's actual expenditures compared to the approved budget in Attachment 3 of Award DE-SE000024.
iii. Other subject matter specified by the DOE Technology Manager/Project Officer.

b. Subrecipient must notify CEC, who in turn will notify SCEP, in advance of scheduled tests and internal project meetings that would entail discussion of topics that could result in major changes to the baseline project technical scope/approach, cost, or schedule. Upon request by CEC or SCEP, Subrecipient must provide CEC and SCEP with reasonable access (by telephone, webinar, or otherwise) to the tests and project meetings.

c. CEC and SCEP's authorized representatives have the right to make site visits at reasonable times to review project accomplishments and management control systems and to provide technical assistance, if required. Subrecipient must provide, and must require any lower tier subrecipients to provide, reasonable access to facilities, office space, resources, and assistance for the safety and convenience of the government representatives in the

performance of their duties. All site visits and evaluations must be performed in a manner that does not unduly interfere with or delay the work.

d. Subrecipient must provide, and must require any lower tier subrecipients to provide, any information, documents, site access, or other assistance requested by CEC SCEP for the purpose of federal stewardship or substantial involvement.

10. **Audits**

a. Subrecipient and its lower tier subrecipients, contractors, and subcontractors must provide any information, documents, site access, or other assistance requested by SCEP, DOE or Federal auditing agencies (e.g., DOE Inspector General, Government Accountability Office) for the purpose of audits and investigations. Such assistance may include, but is not limited to, reasonable access to records of the Subrecipient and its lower tier subrecipients, contractors, and subcontractors relating to this Agreement.

b. Consistent with 2 CFR part 200 as amended by 2 CFR part 910, DOE may audit the financial records or administrative records of the Subrecipient and its lower tier subrecipients, contractors, and subcontractors relating to this Award at any time. Government-initiated audits are generally paid for by DOE.

c. DOE may conduct a final audit at the end of the project period (or the termination of the Award, if applicable). Upon completion of the audit, the Subrecipient and its lower tier subrecipients, contractors, and subcontractors are required to refund to DOE any payments for costs that were determined to be unallowable. If the audit has not been performed or completed prior to the closeout of the award, DOE retains the right to recover an appropriate amount after fully considering the recommendations on disallowed costs resulting from the final audit.

d. DOE will provide reasonable advance notice of audits and will minimize interference with ongoing work, to the maximum extent practicable.

11. **Refund Obligation**

Subrecipient must refund any excess payments, received from CEC, including any interest. This obligation to refund excess payment also applies to any Subrecipient costs determined unallowable by CEC or DOE.

12. **Foreign Travel**

Subrecipient must obtain the prior written approval of CEC for any foreign travel costs.

13. **Program Income**

If the Subrecipient earns program income during the project period as a result of this Agreement, Subrecipient must add the program income to the funds committed to this Agreement and used to further eligible project objectives.

14. **Decontamination and/or Decommissioning (D&D) Costs**

Notwithstanding any other provision, DOE or CEC are not responsible for or have any obligation to Subrecipient for (1) Decontamination and/or Decommissioning (D&D) of any of Subrecipient's facilities, or (2) any costs which may be incurred by Subrecipient in connection with the D&D of any of its facilities due to the performance of the work under this Agreement, whether said work was performed prior to or subsequent to the effective date of this Agreement.

15. **National Environmental Policy Act (NEPA)**

a. DOE must comply with the National Environmental Policy Act prior to authorizing the use of Federal funds.

b. DOE has determined that certain "Allowable Activities" listed in the State Energy Office NEPA Determination (Attachment 5) to Award DE-SE000024 are categorically excluded and require no further NEPA review. Subrecipient is thereby authorized to use Federal funds for the "Allowable Activities" listed in the IRA 50121 and 50122, Home Energy Rebate Programs Early Admin Funds ALRD NEPA Determination, subject to this Section 14 and the restrictions listed in Attachment 5.

c. This NEPA Determination only applies to activities funded by the IRA 50121 and 50122, Home Energy Rebate Programs Early Admin Funds ALRD.

d. Activities not listed under "Allowable Activities" are subject to additional NEPA review and approval by DOE. For activities requiring additional NEPA review, Subrecipient may be required to complete the environmental questionnaire found at https: //www.eere-pmc.energy.gov/NEPA.aspx and receive notification from DOE that the NEPA review has been completed and approved by DOE's Contracting Officer prior to initiating the project or activities.

e. Subrecipient must identify and promptly notify CEC of extraordinary circumstances, cumulative impacts or connected actions that may lead to significant effects on the human environment, or any inconsistency with the "integral elements" (as contained in 10 CFR Part 1021, Appendix B) as they relate to project activities.

f. Subrecipient must adhere to the terms and restrictions of California's DOE executed Historic Preservation Programmatic Agreement (PA). DOE executed Historic Preservation PA are available on the Office of State and Community Energy Programs website: https://www.energy.gov/scep/historic-preservation-executed-programmatic-agreements.

g. Subrecipients are responsible for completing the online NEPA and Historic preservation training at http://www.energy.gov/node/4816816 and contacting NEPA with any questions GONEPA@ee.doe.gov.

h. If Subrecipient intends to undertake activities or projects that do not fall within the NEPA determination, those activities and projects are subject to additional NEPA review by DOE and are not authorized for Federal funding unless and until DOE's Contracting Officer provides written authorization on those additions or modifications. Should Subrecipient elect to undertake activities or projects prior to written authorization from DOE's Contracting Officer, Subrecipient does so at risk of not receiving Federal funding for those activities and projects, and such costs may not be recognized as allowable cost match.

16. **Historic Preservation**

a. DOE must comply with the requirements of Section 106 of the National Historic Preservation Act prior to authorizing the use of Federal funds. Section 106 applies to historic properties that are listed in or eligible for listing in the National Register of Historic Places.

b. Subrecipient must comply with all the Stipulations of California's DOE executed Historic Preservation PA. All DOE executed PAs are available on the Office of State and Community Energy Programs website: https://www.energy.gov/scep/historic-preservation-executed-programmatic-agreements.

c. In addition to the Stipulations in their PAs, Recipients must notify CEC, who will in turn DOE via GONEPA@ee.doe.gov whenever:

   i. Subrecipient or the State Historic Preservation Office (SHPO)/Tribal Historic Preservation Office (THPO) believes that the Criteria of Adverse Effect pursuant to 36 CFR § 800.5, apply to the proposal under consideration by DOE;

   ii. There is a disagreement between an applicant, or its authorized representative, and the SHPO/THPO about the scope of the area of potential effects, identification, and evaluation of historic properties and/or the assessment of effects;

   iii. There is an objection from a consulting party or the public regarding their involvement in the review process established by 36 CFR Part 800, Section 106 findings and determinations, or implementation of agreed upon measures; or

   iv. There is the potential for a foreclosure situation or anticipatory demolition as defined under 36 CFR §800.9 (b) and 36 CFR § 800.9 (c).

17. **Intellectual Property**

Intellectual property rights are subject to 2 CFR 200.315 (e.g., institution of higher education or nonprofit organizations) or 2 CFR 910.362 (e.g., for-profit).

18. **Performance of Work in United States**

a. All work performed under this Agreement must be performed in the United States unless DOE provides a waiver. This requirement does not apply to the purchase of supplies and equipment; however, Subrecipient should make every effort to purchase supplies and equipment within the United States.

b. If Subrecipient fails to comply with the Performance of Work in the United States requirement, DOE's Contracting Officer may deny reimbursement for the work conducted outside the United States and such costs may not be recognized as allowable Subrecipient cost share regardless if the work is performed by Subrecipient or its lower tier subrecipients, vendors or other project partners.

c. DOE may approve the performance of a portion of the work outside the United States under limited circumstances. Contractor must obtain a waiver via CEC prior to conducting any work outside the U.S.

d. Subrecipient must obtain a waiver from DOE's Contracting Officer prior to conducting any work outside the U.S. To request a waiver, the Contractor must submit a written request to CEC, who in turn will provide to DOE, that includes:

   i. The rationale for performing the work outside the U.S.;

ii. A description of the work proposed to be performed outside the U.S;

iii. The proposed budget of work to be performed; and

iv. The countries in which the work is proposed to be performed.

The rationale must demonstrate to the satisfaction of DOE that the performance of work outside the United States would further the purposes of the Federal Program and is in the economic interests of the United States. DOE's Contracting Officer may require additional information before considering such a request.

19. **Foreign National Involvement**

Subrecipients and its lower tier subrecipients and contractors who anticipate involving foreign nationals in the performance of an award, may be required to provide CEC and DOE with specific information about each foreign national to satisfy requirements for foreign national participation. A foreign national is defined as any person who is not a U.S. citizen by birth or naturalization. The volume and type of information collected may depend on various factors associated with the award.

20. **Publications**

Subrecipient is required to include the following acknowledgement in publications arising out of, or relating to, work performed under this Agreement, whether copyrighted or not:

a. Acknowledgment: "This material is based upon work supported by the U.S. Department of Energy's Office of State and Community Energy Programs (SCEP) under the IRA Home Energy Rebates Award Number DE-SE000024."

b. Full Legal Disclaimer: "This report was prepared as an account of work sponsored by an agency of the United States Government. Neither the United States Government nor any agency thereof, nor any of their employees, makes any warranty, express or implied, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or represents that its use would not infringe privately owned rights. Reference herein to any specific commercial product, process, or service by trade name, trademark, manufacturer, or otherwise does not necessarily constitute or imply its endorsement, recommendation, or favoring by the United States Government or any agency thereof. The views and opinions of authors expressed herein do not necessarily state or reflect those of the United States Government or any agency thereof."

c. Abridged Legal Disclaimer: "The views expressed herein do not necessarily represent the views of the U.S. Department of Energy or the United States Government."

Subrecipient should make every effort to include the full Legal Disclaimer. However, in the event Subrecipient is constrained by formatting and/or page limitations set by the publisher, the abridged Legal Disclaimer is an acceptable alternative.

21. **Budget Changes**

a. Any increase in the total project cost, whether DOE share or Cost Share, must be approved in advance and in writing by CEC and DOE's Contracting Officer. Any change that alters the project scope, milestones or deliverables requires prior written approval of CEC and DOE's

Contracting Officer. SCEP may deny reimbursement for any failure to comply with the requirements in this term.

b. Subrecipient must obtain the prior written approval for any transfer of funds among direct cost categories where the cumulative amount of such transfers exceeds or is expected to exceed 10 percent of the total project cost. Subrecipient must notify CEC, who will in turn the DOE Technology Manager/Project Officer of any transfer of funds among direct cost categories where the cumulative amount of such transfers is equal to or below 10 percent of the total project cost.

c. Subrecipient must obtain the prior written approval for any transfer of funds between direct and indirect cost categories. If Subrecipient's actual allowable indirect costs are less than those budgeted, Subrecipient may use the difference to pay additional allowable direct costs during the project period so long as the total difference is less than 10% of total project costs and the difference is reflected in actual requests for reimbursement.

22. **Interim Conflict of Interest Policy for Financial Assistance**

a. The DOE interim Conflict of Interest Policy for Financial Assistance (COI Policy) can be found at https://www.energy.gov/management/pf-2022-17-department-energy-interim-conflict-interest-policy-requirements-financial. This policy is applicable to all non-Federal entities applying for, or that receive, DOE funding by means of a financial assistance award (e.g., a grant, cooperative agreement, or technology investment agreement) and, through the implementation of this policy by the entity, to each Investigator who is planning to participate in, or is participating in, the project funded wholly or in part under this Award. The term "Investigator" means the Principal Investigator and any other person, regardless of title or position, who is responsible for the purpose, design, conduct, or reporting of a project funded by DOE or proposed for funding by DOE.

b. Subrecipient must flow down the requirements of the interim COI Policy to any lower tier subrecipients, with the exception of DOE National Laboratories.

c. Further, Subrecipient must identify all financial conflicts of interests (FCOI), i.e., managed, and unmanaged/unmanageable, in its initial and ongoing FCOI reports. It is understood that non-Federal entities and individuals receiving DOE financial assistance awards will need sufficient time to come into full compliance with DOE's interim COI Policy. To provide some flexibility, DOE allows for a staggered implementation. **Specifically, prior to award, Subrecipient must ensure all Investigators on this Award complete their significant financial disclosures; review the disclosures; determine whether a FCOI exists; develop and implement a management plan for FCOIs; and provide DOE with an initial FCOI report that includes all FCOIs (i.e., managed, and unmanaged/unmanageable)**. Subrecipient will have 180 days from the date of this Award to come into full compliance with the other requirements set forth in DOE's interim COI Policy.

23. **Terms Subject to Change Upon Obligation of Full Formula Award Allocation**

a. These terms and conditions cover the initial allocation of funds for this program. Subrecipient is advised that some terms may be added, modified, or removed upon CEC's application and approval for the full formula allocation under this program, in order to properly implement all programmatic requirements associated with the program.

b. Additional terms that may be incorporated include, but are not limited to:

i. Publication of Information on the Internet

ii. Certification and Registration

iii. Whistleblowers and False Claims

24. **Reporting Tracking and Segregation of Incurred Costs**

IRA funds may be used in conjunction with other funding, as necessary to complete projects, but tracking and reporting must be separate. Subrecipient must keep separate records for IRA funds and must ensure those records comply with the requirements of the IRA.

Subpart B. General Provisions

1. **Compliance with Federal, State, and Municipal Law**

a. Subrecipient must comply with all applicable federal, state, and local laws and regulations for all work performed under this Agreement.

b. Subrecipient must obtain all necessary federal, state, and local permits, authorizations, and approvals for all work performed under this Agreement.

c. Any apparent inconsistency between federal and state laws and regulations and the terms and conditions of this Award must be referred to CEC's Contract Administration Manager for guidance.

2. **Record Retention**

Subrecipient is required to retain records relating to this Award consistent with 2 CFR 200.334 through 200.338.

3. **Allowable costs**

a. Allowable costs are determined in accordance with 2 CFR part 200 as amended by 2 CFR part 910. All project costs must be allowable, allocable, and reasonable in accordance with the applicable federal cost principles. Pursuant to 2 CFR 910.352, the cost principles in the Federal Acquisition Regulations (48 CFR Part 31.2) apply to for-profit entities. The cost principles contained in 2 CFR Part 200, Subpart E apply to all entities other than for-profits. Costs to support or oppose union organizing, whether directly or as an offset for other funds, are unallowable.

b. Subrecipient must document and maintain records of all project costs, including, but not limited to, the costs paid by Federal funds, costs claimed by its lower-tier subrecipients and project costs that the Subrecipient claims as cost sharing, including in-kind contributions. Subrecipient is responsible for maintaining records adequate to demonstrate that costs claimed have been incurred, are reasonable, allowable, and allocable, and comply with the cost principles. Upon request, the Subrecipient is required to provide such records. Such records are subject to audit. Failure to provide adequate supporting documentation may result in a determination that those costs are unallowable.

c. Payments made for costs determined to be unallowable by either DOE, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal Government in accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise. See also 2 CFR 200.300 through 200.309.

4. **Indirect Costs**

Subrecipient's indirect costs must be appropriately managed, be allowable, and comply with the requirements of the Award and 2 CFR Part 200 as amended by 2 CFR Part 910.

5. **Profit or Fees**

See 2 CFR 910.358 for limitations pertaining to profit or fees.

6. **Project Closeout**

In addition to any other requirements set forth in this Agreement, Subrecipient must comply with the project closeout requirements in 2 CFR 200.344.

7. **Property Standards**

See 2 CFR 200.310 through 200.316 for requirements. Also see 2 CFR 910.360 for additional requirements for real property and equipment for For-Profit Subrecipients, which include but are not limited to prior approval for real property or equipment with an acquisition cost per unit of $5,000 or more and, in certain circumstances, recording UCC financing statements.

8. **Insurance Coverage**

See 2 CFR 200.310 for insurance requirements for real property and equipment acquired or improved with Federal funds. Also see 2 CFR 910.360(d) for additional requirements for real property and equipment for For-Profit recipients.

9. **Real Property**

a. Subject to the conditions set forth in 2 CFR 200.311, title to real property acquired or improved under a Federal award will conditionally vest upon acquisition in the non-Federal entity. The non-Federal entity cannot encumber this property and must follow the requirements of 2 CFR 200.311 before disposing of the property.

b. Except as otherwise provided by Federal statutes or by the Federal awarding agency, real property will be used for the originally authorized purpose as long as needed for that purpose. When real property is no longer needed for the originally authorized purpose, the non-Federal entity must obtain disposition instructions from DOE or pass-through entity. The instructions must provide for one of the following alternatives: (1) retain title after compensating DOE as described in 2 CFR 200.311(c)(1); (2) Sell the property and compensate DOE as specified in 2 CFR 200.311(c)(2); or (3) transfer title to DOE or to a third party designated/approved by DOE as specified in 2 CFR 200.311(c)(3).

c. See 2 CFR 200.311 for additional requirements pertaining to real property acquired or improved under a Federal award. Also see 2 CFR 910.360 for additional requirements for real property for For-Profit recipients.

10. **Equipment**

a. Subject to the conditions provided in 2 CFR 200.313, title to equipment (property) acquired under a Federal award will vest conditionally with the non-Federal entity. The non-Federal entity cannot encumber this property and must follow the requirements of 2 CFR 200.313 before disposing of the property.

b. States must use equipment acquired under a Federal award by the state in accordance with state laws and procedures.

c. Equipment must be used by the non-Federal entity in the program or project for which it was acquired as long as it is needed, whether or not the project or program continues to be supported by the Federal award. When no longer needed for the originally authorized purpose, the equipment may be used by programs supported by DOE in the priority order specified in 2 CFR 200.313(c)(1)(i) and (ii).

d. Management requirements, including inventory and control systems, for equipment are provided in 2 CFR 200.313(d).

e. When equipment acquired under a Federal award is no longer needed, the non-Federal entity must obtain disposition instructions from DOE or pass-through entity.

f. Disposition will be made as follows: (a) items of equipment with a current fair market value of $5,000 or less may be retained, sold, or otherwise disposed of with no further obligation to DOE; (b) Non-Federal entity may retain title or sell the equipment after compensating DOE as described in 2 CFR Part 200.313(e)(2); or (c) transfer title to DOE or to an eligible third Party as specified in CFR Part 200.313(e)(3).

g. See 2 CFR 200.313 for additional requirements pertaining to equipment acquired under a Federal award. Also see 2 CFR 910.360 for additional requirements for equipment for For-Profit recipients. See also 2 CFR 200.439 Equipment and other capital expenditures.

11. **Supplies**

See 2 CFR 200.314 for requirements pertaining to supplies acquired under a Federal award. See also 2 CFR 200.453 Materials and supplies costs, including costs of computing devices.

12. **Property Trust Relationship**

Real property, equipment, and intangible property, that are acquired or improved with a Federal award must be held in trust by the non-Federal entity as trustee for the beneficiaries of the project or program under which the property was acquired or improved. See 2 CFR 200.316 for additional requirements pertaining to real property, equipment, and intangible property acquired or improved under a Federal award.

13. **Uniform Commercial Code (UCC) Financing Statements**

Per 2 CFR 910.360 (Real Property and Equipment), when applicable, requires when Subrecipient purchases with federal funds, and federal share of the financial assistance agreement is more than $1,000,000, Subrecipient must:

Properly record, and consent to DOE's ability to properly record if the Subrecipient fails to do so, UCC financing statement(s) for all equipment in excess of $5,000 purchased with project funds. These financing statement(s) must be approved in writing by the DOE Contracting Officer prior to the recording, and they shall provide notice that the recipient's title to all equipment (not real property) purchased with federal funds under the financial assistance agreement is conditional pursuant to the terms of this section, and that the government retains an undivided reversionary interest in the equipment. The UCC financing statement(s) must be filed before the DOE Contracting Officer may reimburse the recipient for the federal share of the equipment unless otherwise provided for in the relevant financial assistance agreement. The recipient shall further make any amendments to the financing statements or additional recordings, including appropriate continuation statements, as necessary or as the Contracting Officer may direct.

14. **Conference Spending**

Subrecipient must not expend any funds on a conference not directly and programmatically related to the purpose for which the grant or cooperative agreement was awarded that would defray the cost to the United States Government of a conference held by any Executive branch department, agency, board, commission, or office for which the cost to the United States Government would otherwise exceed $20,000, thereby circumventing the required notification by the head of any such Executive Branch department, agency, board, commission, or office to the Inspector General (or senior ethics official for any entity without an Inspector General), of the date, location, and number of employees attending such conference.

15. **Lobbying**

a. By accepting funds under this Award, the Subrecipient agrees that it must not use, directly or indirectly, any federal funds to influence or attempt to influence, directly or indirectly, congressional action on any legislative or appropriation matters pending before Congress, other than to communicate to Members of Congress as described in 18 U.S.C. 1913 This restriction is in addition to those prescribed elsewhere in statute and regulation.

b. If this Award to subrecipient exceeds $100,000, the Subrecipient must complete and submit SF-LLL, "Disclosure of Lobbying Activities" (https://www.grants.gov/web/grants/forms/sf-424-individual-family.html) to ensure that non-federal funds have not been paid and will not be paid to any person for influencing or attempting to influence any of the following in connection with the application for this Program

16. **Telecommunications and Video Surveillance Services or Equipment Prohibition**

As set forth in 2 CFR 200.216, Subrecipient is prohibited from obligating or expending project funds (Federal funds and Subrecipient cost share) to:

a. Procure or obtain;

b. Extend or renew a contract to procure or obtain; or

c. Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

   i. For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology

Company (or any subsidiary or affiliate of such entities).

ii. Telecommunications or video surveillance services provided by such entities or using such equipment.

iii. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

See Public Law 115-232, section 889, 2 CFR 200.216, and 2 CFR 200.471 for additional information.

17. **Affirmative Action and Pay Transparency Requirements**

All federally assisted construction contracts exceeding $10,000 annually will be subject to the requirements of Executive Order 11246:

a. Subrecipient and its subrecipients, contractors and subcontractors are prohibited from discriminating in employment decisions on the basis of race, color, religion, sex, sexual orientation, gender identity or national origin.

b. Subrecipient and its subrecipients, contractors and subcontractors are required to take affirmative action to ensure that equal opportunity is provided in all aspects of their employment. This includes flowing down the appropriate language to all subrecipients, contractors and subcontractors.

c. Subrecipient and its subrecipients, contractors and subcontractors are prohibited from taking adverse employment actions against applicants and employees for asking about, discussing, or sharing information about their pay or, under certain circumstances, the pay of their co-workers.

The Department of Labor's (DOL) Office of Federal Contractor Compliance Programs (OFCCP) uses a neutral process to schedule contractors for compliance evaluations. OFCCP's Technical Assistance Guide[4] should be consulted to gain an understanding of the requirements and possible actions the Subrecipient and its subrecipients, contractors and subcontractors must take. Additionally, for construction projects valued at $35 million or more and lasting more than one year, the Subrecipient and its subrecipients, contractors and subcontractors may be selected by OFCCP as a mega construction project. If selected, DOE, under relevant legal authorities including Sections 205 and 303(a) of Executive Order 11246, will require participation as a condition of the award. This program offers extensive compliance assistance with EO 11246. For more information regarding this program, see https://www.dol.gov/agencies/ofccp/construction/mega-program.

18. **Nondiscrimination**

By signing this Agreement or accepting funds under this Agreement, Subrecipient assures that it will comply with applicable provisions of the following, national policies prohibiting discrimination:

[4] See OFCCP's Technical Assistance Guide at: https://www.dol.gov/sites/dolgov/files/ofccp/Construction/files/ConstructionTAG.pdf?msclkid=9e397d68c4b111ec9d8e6fecb6c710ec. Also see the National Policy Assurances at http://www.nsf.gov/awards/managing/rtc.jsp.

a. On the basis of race, color, or national origin, in Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d, et seq.), as implemented by DOE regulations at 10 CFR part 1040.

b. On the basis of race, color, religion, sex, or national origin, in Executive Order 11246 [3 CFR, 1964-1965 Comp., p. 339], as implemented by Department of Labor regulations at 41 CFR part 60.

c. On the basis of sex or blindness, in Title IX of the Education Amendments of 1972 (20 U.S.C. 1681, et seq.), as implemented by DOE regulations at 10 CFR parts 1041 and 1042.

d. On the basis of age, in the Age Discrimination Act of 1975 (42 U.S.C. 6101, et seq.), as implemented by Department of Health and Human Services regulations at 45 CFR part 90 and DOE at 10 CFR part 1040.

e. On the basis of handicap, in (1) Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by Department of Justice regulations at 28 CFR part 41 and DOE regulations at 10 CFR part 1041 and (2) The Architectural Barriers Act of 1968 (42 U.S.C. 4151, et seq.).

19. **Americans with Disabilities Act of 1990**

Subrecipient shall comply with: (i) section 504 of the Rehabilitation Act of 1973 which prohibits discrimination on the basis of disability in federally assisted programs; (ii) the Americans with Disabilities Act (ADA) of 1990 which prohibits discrimination on the basis of disability irrespective of funding; and (iii) all applicable regulations and guidelines issued pursuant to both the Rehabilitation Act and the ADA.

20. **Promoting Free Speech and Religious Liberty**

States, local governments, or other public entities may not condition sub-awards in a manner that would discriminate, or disadvantage sub-recipients based on their religious character.

21. **Nondisclosure and Confidentiality Agreement Assurances**

a. By entering into this Agreement, Subrecipient attests that it does not and will not require its employees or contractors to sign internal nondisclosure or confidentiality agreements or statements prohibiting or otherwise restricting its employees or contactors from lawfully reporting waste, fraud, or abuse to a designated investigative or law enforcement representative of a Federal department or agency authorized to receive such information.

b. The Subrecipient further attests that it **does not and will not** use any Federal funds to implement or enforce any nondisclosure and/or confidentiality policy, form, or agreement it uses unless it contains the following provisions:

''These provisions are consistent with and do not supersede, conflict with, or otherwise alter the employee obligations, rights, or liabilities created by existing statute or Executive order relating to (1) classified information, (2) communications to Congress, (3) the reporting to an Inspector General or any investigative or law enforcement representative of a Federal department or agency of a suspected violation of any law, rule, or regulation, or mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety, or (4) any other whistleblower protection. The definitions, requirements, obligations, rights, sanctions, and liabilities created by controlling Executive orders and statutory provisions are incorporated into this Agreement and are controlling.''

c. The limitation above shall not contravene requirements applicable to Standard Form 312, Form 4414, or any other form issued by a Federal department or agency governing the nondisclosure of classified information.

d. Notwithstanding the provision listed in paragraph (a), a nondisclosure or confidentiality policy form or agreement that is to be executed by a person connected with the conduct of an intelligence or intelligence-related activity, other than an employee or officer of the United States Government, may contain provisions appropriate to the particular activity for which such document is to be used. Such form or agreement shall, at a minimum, require that the person will not disclose any classified information received in the course of such activity unless specifically authorized to do so by the United States Government. Such nondisclosure or confidentiality forms shall also make it clear that they do not bar disclosures to Congress, or to an authorized official of an executive agency or the Department of Justice, that are essential to reporting a substantial violation of law.

22. **Export Control**

a. The United States Government regulates the transfer of information, commodities, technology, and software considered to be strategically important to the U.S. to protect national security, foreign policy, and economic interests without imposing undue regulatory burdens on legitimate international trade. There is a network of federal agencies and regulations that govern exports that are collectively referred to as “Export Controls”. Subrecipient is responsible for ensuring compliance with all applicable U.S. Export Control laws and regulations relating to any work performed under this Award, at the Subrecipient or lower tier level.

b. Subrecipient must immediately report to DOE any export control violations related to the project funded under this Award, at the Subrecipient or a lower tier level, and provide the corrective actions to prevent future violations.

23. **Corporate Felony Conviction and Federal Tax Liability Assurances**

a. By entering into this Agreement, Subrecipient attests that it has not been convicted of a felony criminal violation under Federal law in the 24 months preceding the date of signature.

b. Subrecipient further attests that it does not have any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability.

c. For purposes of these assurances, the following definitions apply:

A Corporation includes any entity that has filed articles of incorporation in any of the 50 states, the District of Columbia, or the various territories of the United States [but not foreign corporations]. It includes both for-profit and non-profit organizations.

24. **Insolvency, Bankruptcy or Receivership**

a. Subrecipient shall immediately notify the CEC, who will in turn notify DOE, of the occurrence of any of the following events:

i. the Subrecipient, or its parent's filing of a voluntary case seeking liquidation or reorganization under the Bankruptcy Act;

ii. the Subrecipient's consent to the institution of an involuntary case under the Bankruptcy Act against the Subrecipient, or its parent;

iii. the filing of any similar proceeding for or against the Subrecipient, or its parent, or its consent to, the dissolution, winding-up or readjustment of the Subrecipient's debts, appointment of a receiver, conservator, trustee, or other officer with similar powers over the Subrecipient under any other applicable state or federal law; or

iv. The Subrecipient's insolvency due to its inability to pay its debts generally as they become due.

b. Such notification shall be in writing and shall:

   i. specifically set out the details of the occurrence of an event referenced in paragraph (a);

   ii. provide the facts surrounding that event; and

   iii. provide the impact such event will have on the project being funded by this Award.

c. Upon the occurrence of any of the four events described in the first paragraph, CEC and DOE reserve the right to conduct a review of the Subrecipient's award to determine the Subrecipient's compliance with the required elements of the Award (including such items as cost share, progress towards technical project objectives, and submission of required reports). If the DOE review determines that there are significant deficiencies or concerns with the Subrecipient's performance under the Award, the DOE reserves the right to impose additional requirements, as needed, including

   i. change the Subrecipient's payment method; or

   ii. institute payment controls.

d. Failure of the Subrecipient to comply with this term may be considered a material noncompliance of this financial assistance award by the DOE Contracting Officer.

25. **Contract Provisions for Non-Federal Entity Contracts Under Federal Awards**

All contracts made by a non-Federal entity under the Federal award, including those made by the Subrecipient, must contain the provisions listed in Appendix II to 2 CFR Part 200.

26. **Final Incurred Cost Audit**

In accordance with 2 CFR Part 200 as amended by 2 CFR Part 910, the CEC and/or DOE reserves the right to initiate a final incurred cost audit on this Award. If the audit has not been performed or completed prior to the closeout of the award, the CEC and/or DOE retains the right to recover an appropriate amount after fully considering the recommendations on disallowed costs resulting from the final audit.

27. **Required Reporting under the Federal Funding and Transparency Act of 2006**

a. Public Law 109-282, the Federal Funding Accountability and Transparency Act of 2006 as amended (FFATA), requires certain disclosures of entities and organizations receiving federal funds. The administrative requirements for complying with FFATA are contained in 2 CFR Part 170. Subrecipient must comply, as applicable, with all FFATA requirements including but not limited to providing CEC with any required data within the timeframe requested by CEC.

b. Unless an exemption applies, CEC must report each action that equals or exceeds $30,000 in Federal funds for a subaward to an “non-federal entity” as defined in 2 CFR Part 170 to https://www.fsrs.gov.

c. Unless an exemption applies, CEC must report the names and total compensation of each of Subrecipient’s five most highly compensated executives for the preceding fiscal year if:

   i. In Subrecipient's preceding fiscal year, Subrecipient received: (a) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and (b) $25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards)

   ii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at http://www.sec.gov/answers/execomp.htm).

d. Additional definitions relevant to this Section are contained in 2 CFR Part 170.

28. **Unique Entity Identifier**

a. Unique Entity Identifier refers to the identifier assigned by the Federal repository, System for Award Management (SAM), to uniquely identify business entities.

b. No entity may receive a subaward under this Program from CEC until the Subrecipient entity has provided its Unique Entity Identifier to CEC. CEC may not make a subaward to an entity unless the entity has provided its Unique Entity Identifier number to CEC.

c. Entity includes non-Federal entities as defined at 2 CFR 200.1 and also includes all of the following for purposes of this Section:

   i. A foreign organization;
   ii. A foreign public entity;
   iii. A domestic for-profit organization; and
   iv. A Federal agency.
   v. Subaward has the meaning given in 2 CFR 200.1.
   vi. Subrecipient has the meaning given in 2 CFR 200.1.

29. **Annual Independent Audits**

a. Subrecipient must comply with the annual independent audit requirements in 2 CFR 200.500 through .521 for institutions of higher education, nonprofit organizations, and state and local governments (Single audit), and 2 CFR 910.500 through .521 for for-profit entities (Compliance audit).

b. The annual independent audits are separate from any Government-initiated audits and must be paid for by Subrecipient. To minimize expense, Subrecipient may have a Compliance audit in conjunction with its annual audit of financial statements. The financial statement audit is **not** a substitute for the Compliance audit. If the audit (Single audit or Compliance audit, depending on Subrecipient entity type) has not been performed or completed prior to the closeout of the award, DOE may impose one or more of the actions outlined in 2 CFR 200.338, Remedies for Noncompliance.

30. **Integrity and Performance Matters**

    a. Subrecipient must immediately notify CEC of any civil, criminal, or administrative proceedings as described in part b. of this Section, below.

    b. Subrecipient must submit information as directed by CEC about each proceeding that (1) is in connection with the award or performance of a Financial Assistance, cooperative agreement, or procurement contract from the Federal Government; (2) reached its final disposition during the most recent five-year period; and (3) is one of the following:

        i. A criminal proceeding that resulted in a conviction (judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of *nolo contendere*).

        ii. A civil proceeding that resulted in a finding of fault and liability and payment of a monetary fine, penalty, reimbursement, restitution, or damages of $5,000 or more.

        iii. An administrative proceeding, that resulted in a finding of fault and liability and your payment of either a monetary fine or penalty of $5,000 or more or reimbursement, restitution, or damages in excess of $100,000. An administrative proceeding is a non-judicial process that is adjudicatory in nature in order to make a determination of fault or liability (e.g., Securities and Exchange Commission Administrative proceedings, Civilian Board of Contract Appeals proceedings, and Armed Services Board of Contract Appeals proceedings). This includes proceedings at the Federal and State level but only in connection with performance of a Federal contract or Financial Assistance awards. It does not include audits, site visits, corrective plans, or inspection of deliverables.

        iv. Any other criminal, civil, or administrative proceeding if (1) it could have led to an outcome described in paragraph i., ii., or .iii., above; (2) it had a different disposition arrived at by consent or compromise with an acknowledgment of fault on your part; and (3) the requirement in this Section to disclose information about the proceeding does not conflict with applicable laws and regulations.

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31. **Equal Employment Opportunity**

    Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

32. **Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708)**

    Where applicable, all contracts awarded by the non-Federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40

U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

33. **Rights to Inventions Made Under a Contract or Agreement.**

If the Federal award meets the definition of "funding agreement" under 37 CFR § 401.2 (a) and the Recipient or Subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the Recipient or Subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

34. **Clean Air Act and the Federal Water Pollution Control Act**

If this award to Subrecipient exceeds $150,000, Subrecipient agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the CEC, which will in turn report to the DOE and the Regional Office of the U.S. Environmental Protection Agency (EPA).

35. **Debarment and Suspension**

Debarment and Suspension (Executive Orders 12549 and 12689) - A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the SAM, in accordance with the Office of Management and Budget (OMB) guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

36. **Procurement of recovered materials**

A Subrecipient that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the EPA at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

37. **Domestic Preferences for Procurements**

a. As appropriate and to the extent consistent with law, Subrecipient should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award.

b. For purposes of this section:

i. "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.

ii. "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

c. Federal agencies providing Federal financial assistance for infrastructure projects must implement the Buy America preferences set forth in 2 CFR part 184.

38. **Fraud, Waste, and Abuse**

a. The mission of the DOE Office of Inspector General (OIG) is to strengthen the integrity, economy and efficiency of DOE's programs and operations including deterring and detecting fraud, waste, abuse, and mismanagement. The OIG accomplishes this mission primarily through investigations, audits, and inspections of DOE activities to include grants, cooperative agreements, loans, and contracts. The OIG maintains a Hotline for reporting allegations of fraud, waste, abuse, or mismanagement. To report such allegations, please visit https://www.energy.gov/ig/ig-hotline.

b. Subrecipient must disclose, in a timely manner, in writing to CEC and DOE all violations of State and Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award.

c. Failure to make the required disclosures can result in any of the remedies described in 2 CFR 200.339. (See also 2 CFR part 180, 31 U.S.C. 3321, and 41 U.S.C. 2313.)

ATTACHMENT F

CEC INVOICE TEMPLATE

ITEM 10
ATTACHMENT C

EBD Monthly Expense Report

Equitable Building Decarbonization Direct Install Program
Monthly Expense Report Instructions

General Instructions

Purpose of template: This template serves to capture details specific to the Equitable Building Decarbonization (EBD) Direct Install Program. This includes how expenses are split across state and federal budgets and budget subcategories (administration, project-related, project).

Who completes the template: Regional Administrators and their major subcontractors (budget

When and how to submit: This template must be completed on the 15th of each month for both invoice reimbursement requests and/or reconciliation of advance payments. For invoice reimbursement requests, all completed templates should be uploaded and attached to the

Summary Tab

Entity Type: Indicate whether this template is being completed by a prime grant recipient or a major subcontractor (budget of $100k or more).

Date: Insert the date the Monthly Expense Report is submitted.

Period Covered by this Request: This is the period of time that this Monthly Expense Report covers. The period for the first report must start on or after the effective date of the agreement. For subsequent reports, the first day of the period should be the day after the last day covered by your previous invoice or report. The period for the final report must end on or prior to the end date of the agreement. The Energy Commission will not reimburse for expenses incurred

State or Federal: Use the dropdown to indicate whether this Monthly Expense Report is requesting reimbursement of state or federal or reconciling against advanced state funds.

Reimbursement or Reconciliation: Use the dropdown to indicate whether this is for a reimbursement invoice requesting payment for work that has previously been completed or is for reconciliation detailing how already advanced funds have been spent.

Direct Labor & Fringe

Direct Labor: Direct Labor is the actual salaries and wages paid under the agreement. Direct Labor expenses do not include fringe benefits, indirect costs or profit. Labor rates and hours/months billed must be documented for each employee to justify the expense. For Energy Commission reimbursable expenses, billed Direct Labor rates must be the actual Direct Labor rates paid, not to exceed the Direct Labor rates in the approved agreement budget. If an

Fringe Benefits: Fringe Benefits are allowable fringe benefit costs provided to employees. Reimbursable Fringe Benefits billed must be the actual Fringe Benefits paid, not to exceed the

Travel

Travel costs are allowable for travel that is directly related to the agreement. All reimbursable and match travel must be pre-approved by the Energy Commission prior to the trip being taken.

https://www.energy.ca.gov/media/4472

Invoices must be accompanied by receipts and other back-up documentation as applicable for all travel expenditures. Reimbursement of travel expenditures is limited. The current

http://www.energy.ca.gov/contracts/TRAVEL_PER_DIEM.PDF

Equipment

EBD Monthly Expense Report

Equipment is a tangible item purchased under the agreement that has a useful life of at least one year and a unit acquisition cost of at least $5,000. Invoices must be accompanied by receipts and other applicable back-up documentation for all equipment expenditures. Purchase

Materials & Misc.

Materials are any tangible items purchased that do not conform to the definition of Equipment. Miscellaneous items are items of cost that do not fall under other budget categories. Services that involve labor are subcontracts, not miscellaneous. Invoices must be accompanied by

Subcontracts

Expenses this Period: Enter amounts, by subcontractor or vendor, of incurred expenses to be reimbursed or reconcilied by the Energy Commission under this report period.

Cumulative Expenses Billed to Date: Enter, by subcontractor, the cumulative total of all subcontractor expenses reimbursed from the beginning of the agreement through and including this current report. Include only the state or federal cumulative expenses to date. This should

Sucontractors & Vendors: All major subcontractors (budgets of $100k or more) must complete this template for either a Reimbursement Invoice or Reconciliation Report and be attached with supporting documentation to the prime recipient's invoice. For Minor subcontractors and Vendors, only the subcontractor or vendor invoice is required. The Major Subcontractor should not include retention on their invoice template so that retention will not be double counted.

Indirect & Profit

Indirect Costs: These are costs such as Overhead or General and Administrative costs as identified in the agreement budget. All indirect costs charged must be based on actual, incurred costs; reasonable; allocable to the project; and fully supported and documented. Indirect costs must adhere to the Agreement Terms and Conditions, Generally Accepted Accounting Principles (GAAP) and the OMB Circular or Federal Acquisition Regulations applicable to your organization. The Energy Commission will only reimburse indirect costs allocable to the direct costs reimbursed by the Energy Commission. The Energy Commission will not reimburse

Profit: Profit is not allowed for the Prime Recipient. Subcontractor profit is allowable, though the maximum percentage allowed is ten (10) percent of the total subcontractor rates for labor.

Project ID List

EBD Monthly Expense Report

All Project costs must be attributed to a specific project ID. On this tab include the list of Project IDs associated with any Project costs included on this invoice or report. The sheet will then check to make sure all Project costs are accounted for. This tab is only required if there are Project costs. Project ID format is as follows:

N-AA-XX0000
C-AA-XX0000
S-AA-XX0000

N,C,S = Region (northern, central, southern)
AA = Community Focus Area ID
XX = Year project began
0000 = Project #

EBD Sub-Categories and Cumulative Expenses

Administration: Administrative funds may be used for Administrative Costs which are all other costs necessary for the effective administration of the program. A maximum of 10 percent of available state EBD Direct Install funding and a maximum of 8 percent of available HOMES funding may be spent by Recipient on Administrative Costs

Project-Related: Project-related funds may be used for Project-Related Costs which are costs for activities directly related to delivery of projects for eligible Retrofit Awardees. These costs include activities such as outreach and engagement, household income verification, home assessments, and initial enrollment, execution of Program Participation Agreements, quality assurance/quality control, and follow-up surveys. For Federal HOMES funding a maximum of 8

Project: Project funds must be used for Project Costs which are equipment and labor to

Cumulative Expenses Billed to Date*:* On each tab enter the cumulative expenses from the beginning of the agreement through and including this current invoice for each subcategory. Include only the state or federal cumulative expenses to date depending on the type of invoice

EBD Monthly Expense Report

Monthly Expense Report Summary

Template Version: 01/31/2025

Recipient Name:	County of Los Angeles
Agreement Number:	EBD-24-004
Entity Type:	Prime recipient
Invoice or Reconciliation Date:	1/15/2025
Period Covered By Request:	1/1/2025 to 1/31/25
State or Federal:	--
Reimbursement or Reconciliation:	Reconciliation

	State Budget Summary					Federal Budget Summary				
Category	**Agreement Budget**	**Expenses This Period**	**Cumulative Expenses to Date**	**% Spent to Date**	**Balance**	**Agreement Budget**	**Expenses This Period**	**Cumulative Expenses to Date**	**% Spent to Date**	**Balance**
Direct Labor - Admin	$ 1,848,071	$ -	$ -	0.0%	$ 1,848,071	$ 690,328	$ -	$ -	0.0%	$ 690,328
Direct Labor - Project-Related	$ -	$ -	$ -	0.0%	$ -	$ -	$ -	$ -	0.0%	$ -
Direct Labor - Project	$ -	$ -	$ -	0.0%	$ -	$ -	$ -	$ -	0.0%	$ -
Direct Labor - Total	**$ 1,848,071**	**$ -**	**$ -**	**0.0%**	**$ 1,848,071**	**$ 690,328**	**$ -**	**$ -**	**0.0%**	**$ 690,328**
Fringe Benefits - Admin	$ 1,187,201	$ -	$ -	0.0%	$ 1,187,201	$ 443,467	$ -	$ -	0.0%	$ 443,467
Fringe Benefits - Project-Related		$ -	$ -	0.0%	$ -	$ -	$ -	$ -	0.0%	$ -
Fringe Benefits - Project	$ -	$ -	$ -	0.0%	$ -	$ -	$ -	$ -	0.0%	$ -
Fringe - Total	**$ 1,187,201**	**$ -**	**$ -**	**0.0%**	**$ 1,187,201**	**$ 443,467**	**$ -**	**$ -**	**0.0%**	**$ 443,467**
Travel - Admin	$ 13,128	$ -	$ -	0.0%	$ 13,128	$ 4,904	$ -	$ -	0.0%	$ 4,904
Travel - Project-Related	$ -	$ -	$ -	0.0%	$ -	$ -	$ -	$ -	0.0%	$ -
Travel - Project	$ -	$ -	$ -	0.0%	$ -	$ -	$ -	$ -	0.0%	$ -
Travel - Total	**$ 13,128**	**$ -**	**$ -**	**0.0%**	**$ 13,128**	**$ 4,904**	**$ -**	**$ -**	**0.0%**	**$ 4,904**
Equipment - Admin	$ -	$ -	$ -	0.0%	$ -	$ -	$ -	$ -	0.0%	$ -
Equipment - Project-Related	$ -	$ -	$ -	0.0%	$ -	$ -	$ -	$ -	0.0%	$ -
Equipment - Project	$ -	$ -	$ -	0.0%	$ -	$ -	$ -	$ -	0.0%	$ -
Equipment Total	**$ -**	**$ -**	**$ -**	**0.0%**	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**	**$ -**
Materials/Misc. - Admin	$ -	$ -	$ -	0.0%	$ -	$ -	$ -	$ -	0.0%	$ -
Materials/Misc. - Project-Related	$ -	$ -	$ -	0.0%	$ -	$ -	$ -	$ -	0.0%	$ -
Materials/Misc. - Project	$ -	$ -	$ -	0.0%	$ -	$ -	$ -	$ -	0.0%	$ -
Materials/Misc. - Total	**$ -**	**$ -**	**$ -**	**0.0%**	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**	**$ -**
Subcontractors - Admin	$ 10,866,746	$ -	$ -	0.0%	$ 10,866,746	$ 5,588,233	$ -	$ -	0.0%	$ 5,588,233
Subcontractors - Project-Related	$ 27,299,130	$ -	$ -	0.0%	$ 27,299,130	$ 6,905,737	$ -	$ -	0.0%	$ 6,905,737
Subcontractors - Project	$ 198,296,724	$ -	$ -	0.0%	$ 198,296,724	$ 75,834,072	$ -	$ -	0.0%	$ 75,834,072
Subcontractors - Total	**$ 236,462,600**	**$ -**	**$ -**	**0.0%**	**$ 236,462,600**	**$ 88,328,042**	**$ -**	**$ -**	**0.0%**	**$ 88,328,042**
Indirect Costs - Admin	$ -	$ -	$ -	0.0%	$ -	$ -	$ -	$ -	0.0%	$ -
Indirect Costs - Project-Related	$ -	$ -	$ -	0.0%	$ -	$ -	$ -	$ -	0.0%	$ -
Indirect Costs - Project	$ -	$ -	$ -	0.0%	$ -	$ -	$ -	$ -	0.0%	$ -
Indirect Costs - Total	**$ -**	**$ -**	**$ -**	**0.0%**	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**	**$ -**
Profit - Admin	$ -	$ -	$ -	0.0%	$ -	$ -	$ -	$ -	0.0%	$ -
Profit - Project-Related	$ -	$ -	$ -	0.0%	$ -	$ -	$ -	$ -	0.0%	$ -
Profit - Project	$ -	$ -	$ -	0.0%	$ -	$ -	$ -	$ -	0.0%	$ -
Profit - Total	**$ -**	**$ -**	**$ -**	**0.0%**	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**	**$ -**
Grand Totals	**$ 239,511,000**	**$ -**	**$ -**	**0.0%**	**$ 239,511,000**	**$ 89,466,741**	**$ -**	**$ -**	**0.0%**	**$ 89,466,741**

	State EBD Subcategory Summary					Federal EBD Subcategory Summary				
	Agreement Budget	**Expenses This Period**	**Cumulative Expenses to Date**	**% Spent to Date**	**Balance**	**Agreement Budget**	**Expenses This Period**	**Cumulative Expenses to Date**	**% Spent to Date**	**Balance**
Administrative	**$ 13,915,146**	**$ -**	**$ -**	**0.0%**	**$ 13,915,146**	**$ 6,726,932**	**$ -**	**$ -**	**0.0%**	**$ 6,726,932**
Project-Related	**$ 27,299,130**	**$ -**	**$ -**	**0.0%**	**$ 27,299,130**	**$ 6,905,737**	**$ -**	**$ -**	**0.0%**	**$ 6,905,737**
Project	**$ 198,296,724**	**$ -**	**$ -**	**0.0%**	**$ 198,296,724**	**$ 75,834,072**	**$ -**	**$ -**	**0.0%**	**$ 75,834,072**
Grand Total	**$ 239,511,000**	**$ -**	**$ -**	**0.0%**	**$ 239,511,000**	**$ 89,466,741**	**$ -**	**$ -**	**0.0%**	**$ 89,466,741**

Monthly Expense Report Summary	
Total This Period:	**$ -**
[redacted]	
Total To Be Paid This Period:	**$ -**

EBD Monthly Expense Report

Direct Labor and Fringe Benefits Detail Worksheet

Recipient Name:	**County of Los Angeles**
Reimbursement/Reconciliation Date	**1/15/2025**

Direct Labor

Employee Name	Job Classification / Title*	Cost Category (Select from Dropdown)	Billed Direct Labor Rate** ($ per hour)	# of Hours Billed	Total Direct Labor Expenses
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
				Grand Total	$ -

Fringe Benefits

Agreement Fringe Rate	Billed Fringe Rate**	Total Fringe Expenses
64.24%	40.00%	$ -
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
	Grand Total	$ -

Direct Labor Subcategory Breakdown

	Direct Labor Expenses This Period	Cumulative Expenses Billed to Date
Administration	$ -	$ -
Project-Related	$ -	$ -
Project	$ -	$ -
Grand Totals	$ -	$ -

Fringe Subcategory Breakdown

	Fringe Expenses This Period	Cumulative Expenses Billed to Date
Administration	$ -	$ -
Project-Related	$ -	$ -
Project	$ -	$ -
Grand Totals	$ -	$ -

*** All classifications must be listed in agreement.**

****Direct Labor Rates (before fringe benefits and overheads) and Fringe Benefits Rates reimbursed by the Energy Commission CANNOT exceed the agreement rates.**

EBD Monthly Expense Report

Travel Detail Worksheet

Recipient Name:	County of Los Angeles
Reimbursement/Reconciliation Date	1/15/2025

Travel

	Travel Expenses This Period*	Cumulative Travel Expenses to Date
Administration		$ -
Project-Related	$ -	$ -
Project	$ -	$ -
Grand Totals	$ -	$ -

***All reimbursable travel must be pre-approved by the Energy Commission prior to the trip being taken. Use Travel Form to request pre-approval: https://www.energy.ca.gov/media/4472**

EBD Monthly Expense Report

Equipment Detail Worksheet

Recipient Name:	**County of Los Angeles**
Reimbursement/Reconciliation Date	**1/15/2025**

Equipment

Cost Category (Select from Dropdown)	Description*	Purpose	# of Units	Unit Cost	Total Equipment Expenses
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
				Grand Totals	$ -

Equipment Subcategory Breakdown

	Equipment Expenses This Period	Cumulative State Expenses to Date
Administration	$ -	$ -
Project-Related	$ -	$ -
Project	$ -	$ -
Grand Totals	$ -	$ -

***Equipment is a tangible item purchased under the agreement that has a useful life of at least one year and a unit acquisition cost of at least $5,000.**

EBD Monthly Expense Report

Materials & Miscellaneous Detail Worksheet

Recipient Name:	**County of Los Angeles**
Reimbursement/Reconciliation Date	**1/15/2025**

Materials & Misc.

Cost Category (Select from Dropdown)	Description	Purpose	# of Units	Unit Cost	Total Materials & Misc. Expenses
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
					$ -
				Grand Totals	$ -

Materials & Misc. Subcategory Breakdown

	Materials & Misc. Expenses This Period	Cumulative Expenses to Date
Administration	$ -	
Project-Related	$ -	
Project	$ -	
Grand Totals	$ -	$ -

EBD Monthly Expense Report

Subcontracts and Vendors Detail Worksheet

Recipient Name:	**County of Los Angeles**
Reimbursement/Reconciliation Date	**1/15/2025**

Subcontracts and Vendors

Subcontractor / Vendor	Organization Type	Cost Category	State Funds	Federal Funds	Expenses This Period	Cumulative Expenses to Date*	Balance
ICF (Inner City Fund)	Subcontractor	Project-Related	$ 20,488,875	$ 4,361,836			$ 4,361,836
ICF (Inner City Fund)	Subcontractor	Administration	$ 10,007,605	$ 5,267,398			$ 5,267,398
ICF (Inner City Fund)	Subcontractor	Project	$ 198,296,724	$ 75,834,072			$ 75,834,072
California Choice Energy Authority (CalChoice)	Subcontractor	Administration	$ 35,639	$ 13,312			$ 13,312
California Choice Energy Authority (CalChoice)	Subcontractor	Project-Related	$ 240,960	$ 90,008			$ 90,008
Clean Energy Alliance (CEA)	Subcontractor	Project-Related	$ 280,968	$ 104,952			$ 104,952
San Diego Community Power (SDCP)	Subcontractor	Administration	$ 93,473	$ 34,916			$ 34,916
San Diego Community Power (SDCP)	Subcontractor	Project-Related	$ 932,574	$ 348,353			$ 348,353
South Bay Cities Council of Governments (SBCOG)	Subcontractor	Administration	$ 40,936	$ 15,291			$ 15,291
South Bay Cities Council of Governments (SBCOG)	Subcontractor	Project-Related	$ 146,392	$ 54,683			$ 54,683
San Gabriel Valley Council of Governments (SGVCOG)	Subcontractor	Administration	$ 69,554	$ 25,981			$ 25,981
San Gabriel Valley Council of Governments (SGVCOG)	Subcontractor	Project-Related	$ 138,969	$ 51,910			$ 51,910
Orange County Power Authority (OCPA)	Subcontractor	Administration	$ 61,064	$ 22,810			$ 22,810
Orange County Power Authority (OCPA)	Subcontractor	Project-Related	$ 500,384	$ 186,913			$ 186,913
Gateway Cities Council of Governments (GCCOG)	Subcontractor	Project-Related	$ 187,312	$ 69,968			$ 69,968
Clean Power Alliance	Subcontractor	Project-Related	$ 702,419	$ 262,381			$ 262,381
GRID Alternatives	Subcontractor	Administration	$ 292,476	$ 109,252			$ 109,252
GRID Alternatives	Subcontractor	Project-Related	$ 333,106	$ 124,429			$ 124,429
Day One	Subcontractor	Project-Related	$ 71,349	$ 26,651			$ 26,651
Pacoima Beautiful	Subcontractor	Project-Related	$ 71,349	$ 26,651			$ 26,651
Southeast Los Angeles (SELA) Collaborative	Subcontractor	Project-Related	$ 71,349	$ 26,651			$ 26,651
San Diego Urban Sustainability Coalition (SDUSC)	Subcontractor	Project-Related	$ 71,349	$ 26,651			$ 26,651
Esperanza Community Housing (ECH)	Subcontractor	Project-Related	$ 71,349	$ 26,651			$ 26,651
Los Angeles Alliance for a New Economy (LAANE)	Subcontractor	Project-Related	$ 71,349	$ 26,651			$ 26,651
Physicians for Social Responsibility LA (PSR-LA)	Subcontractor	Project-Related	$ 71,349	$ 26,651			$ 26,651
Healthcare and Elder Law Programs Corporation	Subcontractor	Project-Related	$ 71,349	$ 26,651			$ 26,651
The House of Yahweh	Subcontractor	Project-Related	$ 71,349	$ 26,651			$ 26,651
The Niles Foundation	Subcontractor	Project-Related	$ 71,349	$ 26,651			$ 26,651
Climate Action Campaign	Subcontractor	Administration	$ 64,217	$ 23,988			$ 23,988
Climate Action Campaign	Subcontractor	Project-Related	$ 503,843	$ 188,205			$ 188,205
Imperial Irrigation District (IID)	Subcontractor	Project-Related	$ 222,444	$ 83,092			$ 83,092
California Housing Partnership (CHP)	Subcontractor	Administration	$ 201,782	$ 75,284			$ 75,284
California Housing Partnership (CHP)	Subcontractor	Project-Related	$ 429,972	$ 160,612			$ 160,612
Western Riverside Council of Governments (WRCOG) - Inland Regional Energy Network (IREN)	Subcontractor	Project-Related	$ 977,989	$ 365,317			$ 365,317
Southern California Tribal Chairmen's Association	Subcontractor	Project-Related	$ 71,349	$ 26,651			$ 26,651
SAJE	Subcontractor	Project-Related	$ 71,349	$ 26,651			$ 26,651
Long Beach Forward	Subcontractor	Project-Related	$ 71,349	$ 26,651			$ 26,651
TBD - New Sub	Subcontractor	Project-Related	$ 71,349	$ 26,651			$ 26,651
TBD - New Sub	Subcontractor	Project-Related	$ 71,349	$ 26,651			$ 26,651
TBD - New Sub	Subcontractor	Project-Related	$ 71,349	$ 26,651			$ 26,651
TBD - New Sub	Subcontractor	Project-Related	$ 71,349	$ 26,651			$ 26,651
		Grand Totals	**$ 236,462,610**	**$ 88,328,030**	**$ -**	**$ -**	**$ 88,328,030**

Subcontracts Subcategory Breakdown

	Subcontract Expenses This Period	Cumulative Expenses to Date
Administration	$ -	$ -
Project-Related	$ -	$ -
Project	$ -	$ -
Grand Totals	$ -	$ -

***Include only state or federal cumulative expenditures to date depending on whether this is a state or federal invoice or reconciliation report.**

Indirect Costs & Profit Detail Worksheet

Recipient Name:	**County of Los Angeles**
Reimbursement/Reconciliation Date	**1/15/2025**

Indirect Costs

Indirect Cost	Indirect Cost Base Description in the Agreement	Cost Category	Maximum Rate	Actual Rate for This Period*	Indirect Cost Base Amount This Period**	Indirect Cost Base Description	Indirect Costs This Invoice Period
NA	NA	Administration	NA				$ -
NA	NA	Project-Related	NA				$ -
NA	NA	Project	NA				$ -
						Grand Totals	$ -

Indirect Costs Subcategory Breakdown

	Indirect Cost Expenses This Period	Cumulative Expenses to Date
Administration	$ -	
Project-Related	$ -	
Project	$ -	
Grand Totals	$ -	$ -

Profit

Profit Base Description in the Agreement	Cost Category	Maximum Rate***	Actual Rate for This Invoice Period	Profit Base Amount This Period**	Profit Base Description	Indirect Costs This Period
NA	Administration	10%				$ -
NA	Project-Related	10%				$ -
NA	Project	10%				$ -
					Grand Totals	$ -

Profit Subcategory Breakdown

	Profit Expenses This Period	Cumulative Expenses to Date
Administration	$ -	
Project-Related	$ -	
Project	$ -	
Grand Totals	$ -	$ -

***Actual Rate cannot exceed the agreement rates (maximum capped rate).**

**** Base amount only includes actual costs to which the actual rate is applied and must match the base in the agreement budget.**

***** Prime recipients are not allowed to receive a profit under this agreement.**

Project ID List

Recipient Name:	**County of Los Angeles**
Reimbursement/Reconciliation Date	**1/15/2025**

Project ID List

Project IDs	State Portion	Federal Portion
S-AA-XX0000	$ -	$ -
	$ -	$ -
	$ -	$ -
	$ -	$ -
	$ -	$ -
	$ -	$ -
	$ -	$ -
	$ -	$ -
	$ -	$ -
	$ -	$ -
	$ -	$ -
	$ -	$ -
	$ -	$ -
	$ -	$ -
	$ -	$ -
	$ -	$ -
	$ -	$ -
	$ -	$ -
Grand Total	$ -	$ -
Grand Total Check	$ -	$ -

All Project costs must be attributed to a specific project ID. On this tab include the list of Project IDs associated with any Project costs included on this invoice or report.

SAN DIEGO COMMUNITY POWER
Staff Report – Item 11

TO: Board of Directors

FROM: Paloma Aguirre, Chair

SUBJECT: Updates to San Diego Community Power Board and Committee Compensation and Reimbursement Policy

DATE: April 24, 2025

RECOMMENDATION:

Adopt Resolution No. 2025-04 amending San Diego Community Power Board and Committee Compensation and Reimbursement Policy ("Policy") to increase the per diem compensation for advisory committee members; increase the cap on monthly per diem compensation for members who sit on more than one Board, Committee, or Working Group; allow committee members to receive a per diem for activities attended on behalf of Community Power, including outreach.

BACKGROUND:

A reimbursement policy was initially adopted by the Board of Directors on February 24, 2022, to provide per diem compensation to Directors (including Alternates) for attending Community Power Board meetings and reimbursement for actual and necessary expenses under certain circumstances. The Board has since amended the Policy on four occasions. The amendments included: (1) adding reimbursement for childcare expenses in relation to Directors' attendance at special meetings of the Board of Directors, (2) providing per diem compensation for Directors' attendance at meetings of Board committees, (3) including Board-appointed advisory committees as eligible to receive a per diem, (4) increasing the per diem for the Board of Directors, and (5) further defining meetings eligible for a per diem, among other changes. The last amendment was on November 21, 2024.

ANALYSIS AND DISCUSSION:

California Government Code section 53232.2 authorizes local public agencies to adopt written policies authorizing reimbursement for actual and necessary expenses incurred in the performance of official duties and to establish reimbursement rates for the agency.

With the growth of Community Power, there has been an increased need for participation by Community Power Board and Committee members in meetings and other agency-related activities. The current Policy does not provide for adequate per diem compensation to reflect this additional need. As a result, Community Power is recommending the following amendments:

- Authorize per diem compensation of $150 for members of advisory committees, including the Community Advisory Committee, for attendance at meetings and other official business of Community Power.
- To include outreach events as an additional type of official business that is eligible for per diem compensation.
- Increase the per diem cap to six (6) meetings per month when a member is part of more than one Board, Committee, or Working Group.

FISCAL IMPACT:

The likely financial impact is approximately $55,200 per year.

ATTACHMENTS:

A: Resolution No. 2025-04 Amending the Board and Committee Compensation and Reimbursement Policy.
- Exhibit A, Board and Committee Compensation and Reimbursement Policy.

B: Board and Committee Compensation and Reimbursement Policy, Redline.

ITEM 11
ATTACHMENT A

RESOLUTION NO. 2025-04

A RESOLUTION OF THE BOARD OF DIRECTORS OF SAN DIEGO COMMUNITY POWER AMENDING THE BOARD AND COMMITTEE COMPENSATION AND REIMBURSEMENT POLICY TO INCREASE THE PER DIEM COMPENSATION FOR COMMITTEE MEMBERS, INCREASING THE MONTHLY CAP FOR CERTAIN MEMBERS, AND MAKING OTHER CHANGES.

A. San Diego Community Power ("Community Power") is a joint powers agency formed pursuant to the Joint Exercise of Powers Act, Cal. Gov. Code § 6500 *et seq.*, California Public Utilities Code § 366.2, and a Joint Powers Agreement first effective on October 1, 2019 ("JPA Agreement"), as amended from time to time.

B. Section 5.10 of the JPA Agreement provides that "the Board may establish rules, regulations, policies, or procedures to govern any such commissions, boards, or committees and shall determine whether members shall be compensated or entitled to reimbursement for expenses."

C. Government Code section 53232 *et seq.* provides that, when authorized by statute, local agencies may pay compensation to members of a legislative body for attendance at certain occurrences and to reimburse members of a legislative body for actual and necessary expenses incurred in the performance of official duties, including the activities described therein.

D. Pursuant to Government Code section 6509 and Section 3.4 of the JPA Agreement, Community Power's powers are subject to the restrictions upon the manner of exercising power possessed by the City of Encinitas, a general law city which is authorized by statute to provide compensation and reimbursement for members of its legislative bodies.

E. On February 4, 2022, the Community Power Board of Directors adopted an initial Board Compensation and Reimbursement Policy effective March 1, 2022, and further renamed as the "Board and Committee Compensation and Reimbursement Policy", and amended, on February 23, 2023, with an effective date of March 1, 2023, and as amended on November 21, 2024, with an effective date of January 1, 2025.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of San Diego Community Power as follows:

<u>Section 1</u>. The Board of Directors hereby amends the Board and Committee Compensation and Reimbursement Policy as provided in Exhibit A, attached hereto and incorporated herein.

<u>Section 2</u>. If any provision of this resolution, the attached policy, or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the resolution or policy which can be given effect

without the invalid provision or application, and to this end the provisions of this resolution and the policy are severable. The Board of Directors hereby declares that it would have adopted this resolution and the attached policy irrespective of the invalidity of any particular portion thereof.

Section 3. This resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED at a meeting of the Board of Directors of San Diego Community Power held on April 24, 2025.

____
Chair, Board of Directors
San Diego Community Power

ATTEST:

____
Maricela Hernandez, MMC, CPMC
Secretary, Board of Directors
San Diego Community Power

APPROVED AS TO FORM:

____
Veera Tyagi, General Counsel
San Diego Community Power

Exhibit A

San Diego Community Power

Board and Committee Compensation and Reimbursement Policy

Effective Date: April 24, 2025
Adopted/Amended by Resolution 2025-04

PURPOSE
This policy ("Policy") establishes the terms and conditions for members of the Board of Directors and Board-appointed advisory committees to receive per diem compensation and reimbursement of reasonable and necessary expenses when performing their official duties on behalf of Community Power. This Policy is adopted pursuant to Government Code Section 53232 *et seq.* and must be adopted or amended by resolution.

POLICY

1. **Per Diem Compensation for the Board of Directors and Advisory Committee Members.**

   a. Directors' Per Diem and Eligible Meetings. Members of the Board of Directors ("Directors") shall be entitled to receive per diem compensation as follows:

      i. $300 per day for attending meetings of the Board of Directors or Board committees, including standing and ad hoc committees.
      ii. $300 per day while on official business of Community Power, not including meetings of the Board of Directors or Board committees as provided in (i) above. Official business includes, but is not limited to:
         1. Scheduled meetings with SDPD staff, including but not limited to briefings.
         2. Meetings with members of the public or other public agencies regarding any pending or proposed matter within SDPD's purview.
         3. Community and stakeholder outreach activities and visits of electricity generating facilities, including for purposes of attending ceremonial events, when presence is requested by Community Power staff.
         4. Participation in radio, television, or other mass media, on issues within Community Power's purview, when participation is requested by Community Power staff.
         5. Attendance at meetings or conferences on Community Power -specific or energy-related matters, when attendance is approved by the Board Chair.

   b. Alternates. An alternate director ("Alternate") shall be entitled to receive per diem compensation where the Alternate attends a meeting in place of the regular Director and may receive reimbursement of expenses on the same terms and conditions as Directors under Section 2. Alternates shall be subject to the terms and conditions applicable to Directors in requesting and receiving per diem compensation or reimbursement under this Policy.

   c. Advisory Committee Members' Per Diem and Eligible Meetings. Members of Board-appointed advisory committees ("Advisory Committees"), including the Community Advisory Committee, shall be entitled to receive per diem compensation as follows:

      i. $150 per day for attending meetings of Advisory Committees.

ii. $150 per day while on official business of Community Power as outlined in Section 1.a.ii of this policy.

d. Claim Forms. All per diem requests must be submitted to the Secretary or their designee on a claim form provided by the Secretary within sixty (60) days of the date for which a per diem is requested.

e. Limitations.

i. Directors and Members of Advisory Committees shall not receive more than four (4) per diem payments in any calendar month, unless the Director or Member sits on more than one Community Power Board, Committee, or Working Group, in which case they may receive up to six (6) per diem payments in any calendar month.

ii. Directors to whom Community Power would pay a per diem under this Policy shall not receive a per diem if they are otherwise eligible to receive a per diem from their respective appointing agency for attendance at Community Power meetings under this Policy.

2. Reimbursement of Reasonable and Necessary Expenses.

a. Attendance at Meetings and Events on Behalf of Community Power. Directors and Advisory Committee Members may receive reimbursement for actual and necessary expenses, which may include but not be limited to, travel, meals, lodging, registration, and other expenses incurred in the performance of official duties, for attendance at:

i. Each meeting of other governmental entities and public agencies at which the Director or Advisory Committee Member have been designated by the Board of Directors to represent Community Power;

ii. A conference or organized educational activity conducted in compliance with Government Code Section 54952.2(c) at which the Director or Advisory Committee Member have been approved by the Board of Directors to attend; and

iii. Other additional meetings or activities at which the Director has been designated by the Board of Directors to represent Community Power.

b. Rates of Reimbursement. Actual and necessary travel, meals, lodging, and other expenses incurred in the performance of official duties as authorized under this Policy shall be reimbursed at the rates established in Internal Revenue Service Publication 463 or any successor publication, except as limited below:

i. For mileage reimbursement using a private vehicle, a Director's mileage costs shall not exceed the cost of coach class airfare plus costs of transportation to and from the airport at the point of departure and destination. Mileage reimbursement shall be equal to the standard rate in effect for business miles deduction by the Internal Revenue Service, as such rate is established from time to time.

ii. For lodging in connection with a conference or other organized educational activity, lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available at the time of booking. If the group rate is not available, the Director shall use comparable lodging consistent with this Policy.

iii. Directors shall use government and group rates offered by a provider of transportation or lodging services for travel and lodging whenever available.

iv. If a Director chooses to incur additional costs that are above the rates established under this Policy, or are not otherwise pre-approved by the Board, then the Director may do so at their own expense.

c. Child Care Expenses During Special Board Meetings. Directors may receive reimbursement for actual and necessary child care expenses incurred during the Director's attendance at any meetings of the Board of Directors other than regular Board meetings. Advisory Committee Members may receive reimbursement for actual and necessary child care expenses incurred during the Advisory Committee Member's attendance at any meetings of the Advisory Committee other than regular monthly meetings. The reimbursement rate for child care expenses shall not exceed $20 per hour. If a Director or Advisory Committee Member chooses to incur additional costs that are above this rate, or are not otherwise pre-approved by the Board, then the Director or Advisory Committee Member may do so at their own expense.

d. Pre-Approval by Board of Directors. All expenses that do not fall within the rates provided in subsection (b) or (c) shall be approved by the Board of Directors in a public meeting before the expense is incurred.

e. Claim Forms. All expense reimbursement claims must be submitted to the Secretary or their designee within sixty (60) days of incurring the expense on a claim form provided by the Secretary. Claim forms for expense reimbursement shall be accompanied by the receipts documenting each expense. If no receipt is available, a written explanation and other proof of the expenditure (if available) is required.

f. Reporting. Directors and Advisory Committee Members shall provide brief reports on attendance at meetings or events subject to reimbursement, excluding attendance at Community Power Board and Committee meetings or briefings, at the next regular meeting of the Board.

g. Training Requirements. Directors and Advisory Committee Members eligible to receive per diem compensation or reimbursement of expenses under this Policy shall receive ethics training and sexual harassment prevention training in accordance with Government Code sections 53234 *et seq.* and 53237 *et seq.*

ITEM 11

ATTACHMENT B

San Diego Community Power

Board and Committee Compensation and Reimbursement Policy

Effective Date: XXX XX, 2025
Adopted/Amended by Resolution 2025-XX

PURPOSE

This policy ("Policy") establishes the terms and conditions for members of the Board of Directors and Board-appointed advisory committees to receive per diem compensation and reimbursement of reasonable and necessary expenses when performing their official duties on behalf of Community Power. This Policy is adopted pursuant to Government Code Section 53232 *et seq.* and must be adopted or amended by resolution.

POLICY

1. **Per Diem Compensation for the Board of Directors and Advisory Committee Members.**

   a. Directors' Per Diem and Eligible Meetings. Members of the Board of Directors ("Directors") shall be entitled to receive per diem compensation as follows:

      i. $300 per day for attending meetings of the Board of Directors or Board committees, including standing and ad hoc committees.

      ii. $300 per day while on official business of Community Power, not including meetings of the Board of Directors or Board committees as provided in (i) above. Official business includes, but is not limited to:

         1. Scheduled meetings with SDPD staff, including but not limited to briefings.
         2. Meetings with members of the public or other public agencies regarding any pending or proposed matter within SDPD's purview.
         3. Community and stakeholder outreach activities and ~~V~~visits of electricity generating facilities, including for purposes of attending ceremonial events, when presence is requested by Community Power staff.
         4. Participation in radio, television, or other mass media, on issues within Community Power's purview, when participation is requested by Community Power staff.
         5. Attendance at meetings or conferences on Community Power -specific or energy-related matters, when attendance is approved by the Board Chair.

   b. Alternates. An alternate director ("Alternate") shall be entitled to receive per diem compensation where the Alternate attends a meeting in place of the regular Director and may receive reimbursement of expenses on the same terms and conditions as Directors under Section 2. Alternates shall be subject to the terms and conditions applicable to Directors in requesting and receiving per diem compensation or reimbursement under this Policy.

   c. Advisory Committee Members' Per Diem and Eligible Meetings. Members of Board-appointed advisory committees ("Advisory Committees"), including the Community Advisory Committee, shall be entitled to receive per diem compensation as follows:

      i. $15~~0~~0 per day for attending meetings of Advisory Committees.

ii. $150 per day while on official business of Community Power as outlined in Section 1.a.ii of this policy.

d. Claim Forms. All per diem requests must be submitted to the Secretary or their designee on a claim form provided by the Secretary within sixty (60) days of the date for which a per diem is requested.

e. Limitations.

i. Directors and Members of Advisory Committees shall not receive more than four (4) per diem payments in any calendar month, unless the Director or Member sits on more than one Community Power Board, Committee, or Working Group, in which case they may receive up to six (6) per diem payments in any calendar month.

ii. Directors to whom Community Power would pay a per diem under this Policy shall not receive a per diem if they are otherwise eligible to receive a per diem from their respective appointing agency for attendance at Community Power meetings under this Policy.

2. Reimbursement of Reasonable and Necessary Expenses.

a. Attendance at Meetings and Events on Behalf of Community Power. Directors and Advisory Committee Members may receive reimbursement for actual and necessary expenses, which may include but not be limited to, travel, meals, lodging, registration, and other expenses incurred in the performance of official duties, for attendance at:

i. Each meeting of other governmental entities and public agencies at which the Director or Advisory Committee Member have been designated by the Board of Directors to represent Community Power;

ii. A conference or organized educational activity conducted in compliance with Government Code Section 54952.2(c) at which the Director or Advisory Committee Member have been approved by the Board of Directors to attend; and

iii. Other additional meetings or activities at which the Director has been designated by the Board of Directors to represent Community Power.

b. Rates of Reimbursement. Actual and necessary travel, meals, lodging, and other expenses incurred in the performance of official duties as authorized under this Policy shall be reimbursed at the rates established in Internal Revenue Service Publication 463 or any successor publication, except as limited below:

i. For mileage reimbursement using a private vehicle, a Director's mileage costs shall not exceed the cost of coach class airfare plus costs of transportation to and from the airport at the point of departure and destination. Mileage reimbursement shall be equal to the standard rate in effect for business miles deduction by the Internal Revenue Service, as such rate is established from time to time.

ii. For lodging in connection with a conference or other organized educational activity, lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available at the time of booking. If the group rate is not available, the Director shall use comparable lodging consistent with this Policy.

iii. Directors shall use government and group rates offered by a provider of transportation or lodging services for travel and lodging whenever available.

iv. If a Director chooses to incur additional costs that are above the rates established under this Policy, or are not otherwise pre-approved by the Board, then the Director may do so at their own expense.

c. Child Care Expenses During Special Board Meetings. Directors may receive reimbursement for actual and necessary child care expenses incurred during the Director's attendance at any meetings of the Board of Directors other than regular Board meetings. Advisory Committee Members may receive reimbursement for actual and necessary child care expenses incurred during the Advisory Committee Member's attendance at any meetings of the Advisory Committee other than regular monthly meetings. The reimbursement rate for child care expenses shall not exceed $20 per hour. If a Director or Advisory Committee Member chooses to incur additional costs that are above this rate, or are not otherwise pre-approved by the Board, then the Director or Advisory Committee Member may do so at their own expense.

d. Pre-Approval by Board of Directors. All expenses that do not fall within the rates provided in subsection (b) or (c) shall be approved by the Board of Directors in a public meeting before the expense is incurred.

e. Claim Forms. All expense reimbursement claims must be submitted to the Secretary or their designee within sixty (60) days of incurring the expense on a claim form provided by the Secretary. Claim forms for expense reimbursement shall be accompanied by the receipts documenting each expense. If no receipt is available, a written explanation and other proof of the expenditure (if available) is required.

f. Reporting. Directors and Advisory Committee Members shall provide brief reports on attendance at meetings or events subject to reimbursement, excluding attendance at Community Power Board and Committee meetings or briefings, at the next regular meeting of the Board.

g. Training Requirements. Directors and Advisory Committee Members eligible to receive per diem compensation or reimbursement of expenses under this Policy shall receive ethics training and sexual harassment prevention training in accordance with Government Code sections 53234 *et seq.* and 53237 *et seq.*

GLOSSARY OF TERMS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

MWH – Megawatt-hour – measure of energy

NAESCO – National Association of Energy Service Companies - – an advocacy and accreditation organization for energy service companies (ESCOs). Energy Service Companies contract with private and public sector energy users to provide cost-effective energy efficiency retrofits across a wide spectrum of client facilities.

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

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

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

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

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

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

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

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

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

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

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

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

PCC3 – RPS Portfolio Content Category 3 – Unbundled REC

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

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

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

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

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

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

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

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

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

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

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

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

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

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

REC - Renewable Energy Certificate - A REC is the property right to the environmental benefits associated with generating renewable electricity. For instance, homeowners who generate solar electricity are credited with 1 solar REC for every MWh of electricity they produce. Utilities obligated to fulfill an RPS requirement can purchase these RECs on the open market.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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