Special Meeting Agenda

Call to Order
Roll Call
Public Comments on Closed Session Items
Closed Session
1. Conference with Legal Counsel – Existing Litigation
   Pursuant to Government Code Section 54956.9(d)(1)
   Name: CPUC Resource Adequacy Proceeding

Report from Closed Session
Adjournment
Closed Session

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Special Meeting Agenda

Report from Closed Session

Adjournment
Regular Meeting Agenda

Welcome
Call to Order
Pledge of Allegiance
Roll Call
Items to be Added, Withdrawn, or Reordered on the Agenda
Public Comments Not on the Agenda
1. (Consent) Approval of Minutes from January 15 Special Meeting and January 28 Regular Meeting
2. (Consent) Treasurer’s Report
3. Operations and Administration Report from the Interim Chief Executive Officer
4. Committee Reports
Director Comments
Reports by Management and General Counsel
Adjournment
Item 3

Operations and Administration Report from the Interim Chief Executive Officer

Receive and file staff presentation:

1. The presentation will discuss how operations will change within each functional area of SDCP as we move into the Phase 1 delivery stage of operations.
San Diego Community Power Board Update

February 25, 2021

Ty Tosdal
Tosdal APC
Overview

• Advice Letter Implementing SDG&E Rate Changes

• Customer Bill Debt Proceeding (R.21-02-01)

• SDG&E GRC Phase II (A.19-03-002)

• 2020 RPS Procurement Plans (R.18-07-003)
Advice Letter Implementing SDG&E Rate Changes

- SDG&E 2021 ERRA Forecast (A. 20-04-014) and 2020 ERRA Trigger (A. 20-12-007) have been adopted by the Public Utilities Commission.

- Advice Letter scheduled to be issued February 23, 2021, for rate implementation March 1, 2021.

- There will be no drastic reduction in SDG&E rates, as proposed. Instead, SDG&E rates will increase.

- The System Average Percent Change (SAPC) allocation method will be applied among rate classes.
Customer Bill Debt Proceeding

• New proceeding launched to address customer bill debt that has accumulated during the COVID Pandemic.

• Residential arrearages for IOUs increased by more than $650 million last year, surpassing $1 billion total.

• Customers enrolled in low-income programs accounted for $324 million of the increase.

• Rulemaking follows recent measures, including Arrearage Management Plan (AMP) and Percentage of Income Payment Plan (PIPP), to assist customers with bills.
SDG&E was seeking approval for adoption of sales forecast for later this year that again fails to take into account departing load.

Sales forecast is part of a proposed settlement agreement.

Adoption would likely lead to artificial reduction in SDG&E’s rates, similar to the outcome of ERRA forecast proceeding, had San Diego CCA programs not intervened.

SDG&E will propose addendum to settlement agreement.
2020 RPS Procurement Plans

- RPS Plans are forward-looking resource planning documents that demonstrate that an energy provider's portfolio will comply with RPS rules.

- Requirements prove challenging for brand new CCA programs like SDCP with limited portfolios.

- SDCP and other CCAs, ESPs and IOUs were ordered to provide additional details to multiple sections of the RPS Plans by February 15, 2021.

- SDCP Final Plan was filed on February 19, 2021.
Questions ??
Life After Launch

October 2019
- Start Up
- Financing
- Staffing
- Policies
- Branding & Comms
- Back office setup
- Regulatory and Procurement “1.0”

March 1, 2021
POWER FLOW BEGINS

June 2021
- Commercial & Industrial service begins

2022
- Residential service begins
Strategic Plan Development

Potential Concepts

- **Human Capital**
  - Develop office space transition plan
  - Adopt plan to attract and retain qualified employees with emphasis on local candidates and promoting diversity
  - Develop internship/apprentice programs
  - Optimize use of consultant to supplement staff and direct assignments

- **Organizational**
  - Mission, Vision, Goals
  - Explore advantages and disadvantages of adding new members

- **Financial**
  - Adopt Reserve Targets

- **Power & Programs**
  - Develop 3-year plan for new projects and programs based on member needs and desires
  - Review phase in plan for Phase 3
  - Determine indirect benefits of local generation
  - Local program priorities – e.g., vehicle electrification, community solar, etc.
  - Secure grants
Functional Areas

Operations
- Human Resources
- Regulatory & Legislation
- Marketing & Comms
- Back Office/Data
- Energy Programs
- IT/Systems
- Customer Care

Power Supply
- Portfolio Management
- Long-term Planning

Finance
- Budget
- Cash Flow
Operations

Regulatory & Legislation

• Reactive
  • Represent our ratepayers in regulatory proceedings
  • Ensure compliance
  • Legal and technical analyses

• Proactive
  • Develop a legislative platform
  • PCIA legislation
  • Partner with member cities
  • Manage consultants
Operations

Marketing & Communications

• New website
• Social media presence
• Communications with customers
• Manage and Collaborate with consultants
• Develop plan for possible reschedule of Phase 3
Operations

Back Office/Data

- Ensure accurate and synchronized billing
- Close direction and collaboration with SDG&E and Calpine
- Critical to revenue generation/cash flow
- Online Bill Comparison Tool to be ready by early April
Operations

Energy Programs

• Net Energy Metering
• Feed-in Tariff
• DAC-GT & CS-GT

Looking ahead:
• Solar + battery incentives
• Customized programs based on community needs
Power Supply

What Have We Been Doing To Prepare for Launch?

- Registrations and Administration
  - e.g. California ISO
- Load Forecast and Scheduling
- Energy Procurement
  - Resource Adequacy (“RA”)
  - Shaped Energy Contracts
  - Short-term Renewable and Carbon-free Energy
  - Long-term Renewable Energy Supply
Power Supply

What’s Next?

• Portfolio Management (on-going)
  • Resource Adequacy
  • Energy market risk
  • Renewable energy
  • Carbon-free energy

• Long-term Planning and Procurement
  • Strategic Planning including evaluation criteria for project analysis
  • Integrated Resource Planning
  • Long-term renewable energy request for offers (timing TBD)
  • Local renewable energy request for information/offers (timing TBD)
  • Energy storage request for information/offers (timing TBD)
Functional Areas

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Power Supply
- Portfolio Management
- Long-term Planning

Finance
- Budget
- Cash Flow
Finance

- Lockstep with accounting consultant
- Budget
  - Preparation
  - Monitoring
- Forecast
  - Rate design
  - Pro forma
- Cash flow
- Contract management
- Invoices/bill pay
- Interface with River City Bank
Item 4

Committee Reports

Recommendation:

Receive and file update from the Community Advisory Committee.
Regular Meeting Agenda

Director Comments

Reports by Management and General Counsel

Adjournment
Board of Directors

Next Regular Meeting:
March 25, 2021