



AGENDA

Regular Meeting of Community Advisory Committee San Diego Community Power (SDCP)

Thursday, June 13, 2024
5:30 p.m.

City of San Diego Metropolitan Operations Complex (MOC II) Auditorium
9192 Topaz Way, San Diego, CA 92123

Alternate Location:
7354 Eads Avenue, San Diego, CA 92037

The meeting will be held in person at the above date, time and location. Community Advisory Committee (CAC) Members and members of the public may attend in person. Under certain circumstances, CAC Members may also attend and participate in the meeting virtually pursuant to the Brown Act (Gov. Code § 54953). As a convenience to the public, SDCP 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 CAC 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 Community Advisory Committee (CAC) on any agenda item. When providing comments to the CAC, it is requested that you provide your name and city of residence for the record. Commenters are requested to address their comments to the CAC as a whole through the Chair. Comments may be provided in one of the following manners:

1. Providing Oral Comments During Meeting. Anyone attending in person desiring to address the CAC is asked to fill out a speaker's slip and present it to the CAC Chair or the Secretary. 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 by using this ([web comment form](#)). Please indicate a specific agenda item when submitting your comment. All written comments received prior to the meeting will be provided to the CAC members in writing. 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 CAC members in writing, and be part of the public record.

If you have anything that you wish to be distributed to the CAC, please provide it via xcrespo@sdcommunitypower.org, who will distribute the information to the Members.

The public may participate using the following remote options:

Teleconference Meeting Webinar

<https://zoom.us/j/93647500600>

Telephone (Audio Only)

(669) 900-6833 or (253) 215-8782 | Webinar ID: 936 4750 0600

WELCOME

ROLL CALL

PLEDGE OF ALLEGIANCE

LAND ACKNOWLEDGMENT

SPECIAL PRESENTATIONS AND INTRODUCTIONS

ITEMS TO BE WITHDRAWN OR REORDERED ON THE AGENDA

PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

Opportunity for members of the public to address the CAC on any items not on the agenda but within the jurisdiction of the CAC. 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 CAC member 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. **[Approval of May 9, 2024, CAC Regular Meeting Minutes](#)**
2. **[Receive and File Update on Marketing, Public Relations, and Local Government Affairs](#)**
3. **[Receive and File Update on Customer Operations](#)**
4. **[Receive and File Update on Programs](#)**

REGULAR AGENDA

The following items call for discussion or action by the CAC.

5. Update on SDCP's Strategic Plan

Recommendation: Receive and File the update on SDCP's Strategic Priorities.

6. Presentation on SDCP'S PowerBase Service

Recommendation: Receive and File presentation on SDCP's PowerBase Service.

7. Presentation on the Preliminary Proposed FY 2024-25 Budget

Recommendation: Receive and File presentation on the preliminary proposed FY 2024-25 Operating Budget, the FY 2024-25 Capital Budget, and the FY 2025-29 Capital Investment Plan.

8. Update on Regulatory and Legislative Affairs

Recommendation: Receive and File the update on Regulatory and Legislative Affairs.

9. Presentation of the Solar Battery Savings Program

Recommendation: Receive and File the presentation of the Solar Battery Savings Program.

DISCUSSION OF POTENTIAL AGENDA ITEMS FOR BOARD OF DIRECTORS MEETINGS

There are two ways that the CAC may bring items to the attention of the Board at a Board meeting:

1. Standing CAC Report. The CAC report may be a standing item on the Board agenda, in which the CAC Chair, CEO, or designated staff reports on updates related to a recent CAC meeting. Consistent with the Brown Act, items raised during the CAC report may not result in extended discussion or action by the Board unless agendized for a future meeting.

2. Suggesting Board Agenda Items. The CAC may suggest agenda items for a Board of Directors meeting agenda by communicating with the CAC Chair and the designated SDCP staff, before and/or after a regular CAC meeting. If suggested during a regular meeting, there shall be no discussion or action by the CAC unless the item has been included on the CAC agenda. To be added to a Board agenda, items must have the approval of the SDCP Chief Executive Officer and the Chair of the Board of Directors. If approval is provided, staff must be given at least 5 business days before the date of the Board meeting to work with the CAC to draft any memos and materials necessary.

COMMITTEE MEMBER ANNOUNCEMENTS

Committee Members may briefly provide information to other members and the public. There is to be no discussion or action taken on comments made by Committee Members unless authorized by law.

ADJOURNMENT

The Community Advisory Committee will adjourn to their next regular meeting scheduled on Thursday, July 11, 2024.

Compliance with the Americans with Disabilities Act

SDCP Committee 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 info@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 Committee Documents

Copies of the agenda and agenda packet are available at <https://sdcommunitypower.org/resources/meeting-notes/>. Late-arriving documents related to a CAC meeting item which are distributed to a majority of the Members prior to or during the CAC meeting are available for public review as required by law. Public records, including agenda-related documents, can instead be requested electronically at info@sdcommunitypower.org or by mail to SDCP at PO Box 12716, San Diego, CA 92112. The documents may also be posted at the above website. Such public records are also available for inspection, by appointment, at San Diego Community Power, 2305 Historic Decatur Road, Suite 200, San Diego, CA 92106. Please contact info@sdcommunitypower.org to arrange an appointment.



**COMMUNITY ADVISORY COMMITTEE
SAN DIEGO COMMUNITY POWER (SDCP)**

City of San Diego Metropolitan Operations Complex (MOC II) Auditorium
9192 Topaz Way
San Diego, CA 92123

**MINUTES
May 9, 2024**

The Committee minutes are prepared and ordered to correspond to the Committee Agenda. Agenda items can be taken out of order during the meeting.

Agenda Items were considered in the order presented.

WELCOME

Chair Vasilakis (City of San Diego) called the regular meeting to order at 5:33 p.m.

Committee Member Castañeda (City of National City) announced she was attending virtually under the just cause provision of AB 2449 and there were no individuals over the age of 18 present in the room with her.

ROLL CALL

PRESENT: Chair Vasilakis (City of San Diego), Secretary Cazares (City of La Mesa), Committee Member Sclafani (City of Chula Vista); Committee Member Jahns (City of Encinitas), Committee Member Hammond (City of Encinitas via Zoom Teleconference), Committee Member Emerson (National City)

ABSENT: Vice Chair Harris (City of La Mesa), Committee Member Sandoval (Imperial Beach) and Committee Member Andersen (County of San Diego)

VACANT: Seat 1 (City of San Diego) Seat 4 (Chula Vista), Seat 9 (Imperial Beach), and Seat 12 (County of San Diego)

PLEDGE OF ALLEGIANCE

Committee Member Emerson (City of National City) led the Pledge of Allegiance.

LAND ACKNOWLEDGMENT

Chair Vasilakis (City of San Diego) acknowledged the Kumeyaay Nation and all the original stewards of the land.

SPECIAL PRESENTATIONS AND INTRODUCTIONS

Chair Vasilakis (City of San Diego) introduced Ms. Maricela Hernandez, Clerk of the Board

ITEMS TO BE WITHDRAWN OR REORDERED ON THE AGENDA

None.

PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

There were no public comments.

CONSENT CALENDAR

Committee Member Emerson pulled Consent Item Nos. 4 and 5 for discussion.

- 1. Approval of April 11, 2024, CAC Meeting Minutes**
- 2. Update on Marketing, Public Relations, and Local Government Affairs**
- 3. Update on Customer Operations**

There were no public comments on Consent Item Nos. 1-3.

Motioned by Secretary Cazares (City of La Mesa) and seconded by Committee Member Sclafani (City of Chula Vista) to approve Consent Item Nos. 1-3. The motion carried unanimously by roll call vote as follows:

AYES: Chair Vasilakis (City of San Diego), Secretary Cazares (City of La Mesa), Committee Member Sclafani (City of Chula Vista); Committee Member Jahns (City of Encinitas), Committee Member Hammond (City of Encinitas), Committee Member Emerson (City of National City)

NOES: None

ABSTAINED: None

ABSENT: Vice Chair Harris (City of La Mesa), Committee Member Sandoval (Imperial Beach) and Committee Member Andersen (County of San Diego)

4. Update on Regulatory and Legislative Affairs

Committee Member Emerson (City of National City) requested staff to provide an update on the results of the CPUC hearing held on May 9, 2024. Ms. Fernandez provided an update on fixed charges and the green access program addressed by the CPUC.

There were no public comments on Consent Item No. 4.

Motioned by Committee Member Emerson (City of National City) and seconded by Committee Member Sclafani (City of Chula Vista) to receive and file Consent Item No. 4. The motion carried unanimously by roll call vote as follows:

AYES: Chair Vasilakis (City of San Diego), Secretary Cazares (City of La Mesa), Committee Member Sclafani (City of Chula Vista); Committee Member Jahns (City of Encinitas), Committee Member Hammond (City of Encinitas, Committee Member Emerson (National City)

NOES: None

ABSTAINED: None

ABSENT: Vice Chair Harris (City of La Mesa), Committee Member Sandoval (Imperial Beach) and Committee Member Andersen (County of San Diego)

5. Update on Programs

In regard to Committee Member Emerson inquiry pertaining to grant applications, Mr. Clark reported that the information would be shared as soon as it is available.

In addition, Committee Member Emerson inquired as to how staff plans to involve CAC members in the residential solar and energy storage and the dash-readiness pilot programs. Mr. Clark reported that information would be shared with CAC members once marketing and outreach information is available.

There were no public comments on Consent Item No. 5.

Motioned by Committee Member Emerson (City of National City) and seconded by Committee Member Sclafani (City of Chula Vista) to receive and file Consent Item No. 5. The motion carried unanimously by roll call vote as follows:

AYES: Chair Vasilakis (City of San Diego), Secretary Cazares (City of La Mesa), Committee Member Sclafani (City of Chula Vista); Committee Member Jahns (City of Encinitas), Committee Member Hammond (City of Encinitas, Committee Member Emerson (City of National City)

NOES: None

ABSTAINED: None

ABSENT: Vice Chair Harris (City of La Mesa), Committee Member Sandoval (Imperial Beach) and Committee Member Andersen (County of San Diego)

REGULAR AGENDA

6. Recommend Board Approval of Power100 Green-e Certified Service

Mr. Lu and Mr. Utouh provided an overview on the Power100 Green-e Certified Service.

There were no public comments on this item.

Motioned by Committee Member Jahns (City of Encinitas) and seconded by Secretary Cazares (City of La Mesa) to recommend Board approval of the Power100 Green-e Certified Service. The motion carried unanimously by roll call vote as follows:

AYES: Chair Vasilakis (City of San Diego), Vice Chair Harris (City of La Mesa), Secretary Cazares (City of La Mesa), Committee Member Sclafani (City of Chula Vista); Committee Member Jahns (City of Encinitas), Committee Member Hammond (City of Encinitas), Committee Member Emerson (City of National City)

NOES: None

ABSTAINED: None

ABSENT: Vice Chair Harris (City of La Mesa), Committee Member Sandoval (Imperial Beach) and Committee Member Andersen (County of San Diego)

7. Update on Power100 Ad-Hoc Committee

Secretary Cazares (City La Mesa) provided an update on the efforts and progress of the Power100 Ad Hoc Committee.

There were no public comments on this item.

Following Committee questions and comments, no action was taken.

DISCUSSION OF POTENTIAL AGENDA ITEMS FOR BOARD OF DIRECTORS MEETINGS

Committee Member Hammond (City of Encinitas) expressed interest on a clean energy procurement update.

Committee Member Emerson (City of National City) requested an update on DMV list of EV drivers.

COMMITTEE MEMBER ANNOUNCEMENTS

Committee Members made announcements and reported on various events taking place in the member jurisdictions. No action was taken.

ADJOURNMENT

The Community Advisory Committee adjourned at 6:12 p.m. to their next regular meeting scheduled on June 13, 2024, at 5:30 p.m.

Maricela Hernandez, MMC, CPMC
Clerk of the Board



SAN DIEGO COMMUNITY POWER Staff Report – Item 2

To: San Diego Community Power Community Advisory Committee
From: Jen Lebron, Director of Public Affairs
Via: Karin Burns, Chief Executive Officer
Subject: Marketing, Public Relations, and Local Government Affairs
Date: June 13, 2024

RECOMMENDATION

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

BACKGROUND

SDCP 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

SDCP'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 Pascual Earth Day
Surfrider's Ocean Beach Cleanup
Encinitas Library
Uplift Institute's Sustainable 'Hood' Education Expo
La Jolla Library
Nipaquay Elementary STEAM Fest
Understanding Your Bill Energy Workshop at Logan Heights Library
2024 California Efficiency + Demand Management Council Spring Symposium
Logan Heights Library
California Green Business Network
Equality California Awards
Rotary District 5340 Environmental Solutions Summit
Cyclovia Encinitas

Malcolm X Library
Mission Valley Library
Chula Vista Chamber of Commerce
National City Library
San Diego Pride
San Diego Regional Chamber of Commerce
North Park Main Street Music Festival
EcoFest Encinitas
Skyline Hills Library Summer Reading Program Kick-Off
Jackie Robinson YMCA Community Health and Resource Fair
Community Climate Action Day
Ramona Library
Summer Garden Palooza
San Diego Regional Economic Development Corporation
Chula Vista Library Civic Branch
Imperial Beach Neighborhood Food Pantry
I Love a Clean San Diego's Sustainable Solutions Fair
California Climate and Energy Collaborative Forum
Chula Vista Library South Branch
UC San Diego Community Stakeholder Forum
National City Library
North San Diego Chamber of Commerce

Marketing, Communications and Outreach

SDCP has been working with local media to provide the public with information about the new rate products the Board of Directors approved on May 30. It is also working with partner organizations on press releases regarding long-term power purchase agreements that will provide customers with reliable, affordable power when new projects come online within the next few years.

The Community Engagement division of the Public Affairs Department hosted its first in-person "Understanding Your Bill" workshop on Thursday, May 16 at the Logan Heights Library in the City of San Diego. This builds on SDCP's first webinar that it held in March. These events are the first in a series of online and in-person workshops that are aimed at answering questions and connecting customers with programs and practices that can save them money. Additional workshops are being planned for the remainder of the year that will focus on topics including solar customer billing and the benefits of SDCP service for large commercial and industrial customers.

The Public Affairs team has been working diligently behind the scenes to support soon-to-be-launched programmatic efforts, including rooftop solar and battery storage incentives, a program 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.

SDCP 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.

AD-HOC COMMITTEE AND/OR SUBCOMITTEE REVIEW

N/A

FISCAL IMPACT

N/A

ATTACHMENTS

N/A



SAN DIEGO COMMUNITY POWER Staff Report – Item 3

To: San Diego Community Power Community Advisory Committee

From: Lucas Utouh, Senior Director of Data Analytics and Customer Operations

Via: Karin Burns, Chief Executive Officer

Subject: Update on Customer Operations

Date: June 13, 2024

RECOMMENDATION

Receive and file an update on various customer operations.

BACKGROUND

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

ANALYSIS AND DISCUSSION

A) Mass Enrollment Update

Phase 4:

As of May 31, 2024, SDCP is serving a cumulative total count of **955,323** active accounts. There are **174,925** active accounts currently enrolled in Unincorporated County of San Diego and **19,236** in National City.

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 SDCP electric generation service.



B) Customer Participation Tracking

Staff and Calpine have worked together to create a reporting summary of customer actions to opt out of SDCP service, opt up to Power100, or opt down from Power100 to PowerOn. The below charts summarize these actions accordingly as of May 31, 2024:

I. Total Opt Outs - Including Active and Inactive

- **Active** - accounts still active at same premise
- **Inactive** - accounts that have moved out, or premise is terminated

Opt Outs by Jurisdiction	2021	2022	2023	2024 Q1	2024-04	2024-05	Total
City of Chula Vista	266	3,472	748	120	20	16	4,642
City of Encinitas	66	1,886	229	39	3	2	2,225
City of Imperial Beach	32	345	99	25	2	4	507
City of La Mesa	85	1,272	235	39	8	1	1,639
City of San Diego	1,077	19,278	3,187	530	77	55	24,201
County of San Diego			13,597	1,368	86	82	15,132
National City			284	22	3	4	313
Total	1,526	26,253	18,379	2,143	199	164	48,659

Opt Outs by Class Code	2021	2022	2023	2024 Q1	2024-04	2024-05	Total
Residential	36	25,717	16,762	2,023	191	147	44,871
Commercial/Industrial	1,490	536	1,617	120	8	17	3,788
Total	1,526	26,253	18,379	2,143	199	164	48,659

Opt Outs by Reason	2021	2022	2023	2024 Q1	2024-04	2024-05	Total
Concerns about government-run power agency	24	1,496	963	67	4	6	2,560
Concerns about lack of equivalent CCA programs		132	89	7	1		229
Decline to provide	227	3,596	2,528	214	22	26	6,613
Dislike being automatically enrolled	203	7,214	5,474	529	35	28	13,483
Existing relationship with the utility	2	2,394	1,968	210	21	19	4,614
Have grid reliability concerns	1	292	252	14	1		560
Have renewable Energy Reliability Concerns	6						6
Other	818	2,653	1,547	186	21	13	5,238
Rate or additional cost concerns	6	7,754	4,905	828	85	60	13,636
Rate or Cost Concerns	233						233
Service or billing concerns	6	724	655	88	9	12	1,494
Total	1,526	26,253	18,379	2,143	199	164	48,659

Opt Outs by Method	2021	2022	2023	2024 Q1	2024-04	2024-05	Total
Customer Service Rep (CSR)	1,098	7,002	4,380	598	61	62	13,200
Interactive Voice Response (IVR)	101	4,899	3,792	506	73	26	9,397
Web	327	14,353	10,208	1,039	65	76	26,067
Total	1,526	26,253	18,379	2,143	199	164	48,659

*Historical opt outs including inactive accounts of 5/31/2024.

II. Opt Ups to Power 100 - Including Active and Inactive

Opt Ups by Jurisdiction	2021	2022	2023	2024 Q1	2024-04	2024-05	Total
City of Chula Vista	701	168	55	5	16	7	952
City of Encinitas	18	1	1				20
City of Imperial Beach	60	29	11	2	2		104
City of La Mesa	148	118	19	3	1		289
City of San Diego	3,163	2,868	484	72	75	22	6,671
County of San Diego			200	19	563	4	786
National City			11	17	5		33
Total	4,090	3,184	781	118	662	33	8,854

Opt Ups by Class Code	2021	2022	2023	2024 Q1	2024-04	2024-05	Total
Residential	3	2,895	550	72	70	24	3,612
Commercial/Industrial	4,087	290	231	46	592	9	5,243
Total	4,090	3,184	781	118	662	33	8,854

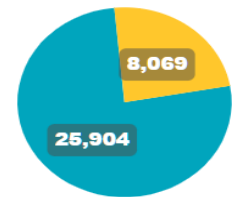
Opt Ups by Method	2021	2022	2023	2024 Q1	2024-04	2024-05	Total
Customer Service Rep (CSR)	4,059	1,369	301	51	651	17	6,436
Interactive Voice Response (IVR)	4	81	78	22	3	2	190
Web	27	1,738	402	45	8	14	2,232
Total	4,090	3,184	781	118	662	33	8,854

Current Active Power100 Accounts

Active Power100 Accounts

TownOrTerritory	Count
City of Encinitas	25,904
City of San Diego	6,038
City of Chula Vista	892
County of San Diego	775
City of La Mesa	254
City of Imperial Beach	79
City of National City	31
Total	33,973

Active Power100 Opt vs Defaulted



● Encinitas Defaulted ● Opted Up

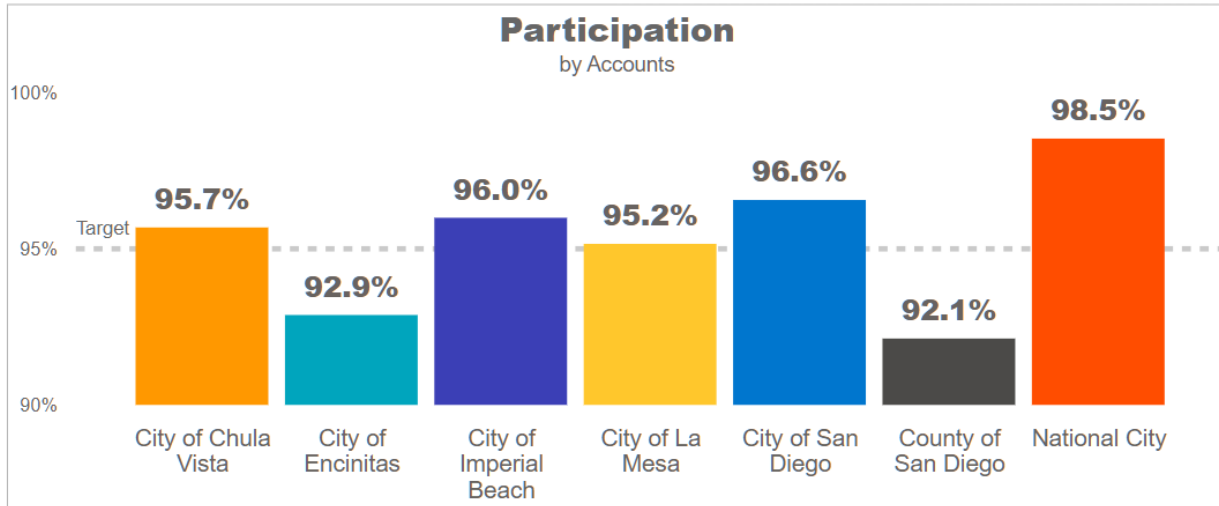
III. Opt Downs from Power100 - Including Active and Inactive

Opt Downs by Jurisdiction	2021	2022	2023	2024 Q1	2024-04	2024-05	Total
City of Chula Vista		1	4				5
City of Encinitas	35	425	71	12	2	4	549
City of Imperial Beach		1					1
City of La Mesa		2					2
City of San Diego		26	13	2			41
County of San Diego			5		1		6
National City					1		1
Total	35	455	93	14	4	4	605

Opt Downs by Class Code	2021	2022	2023	2024 Q1	2024-04	2024-05	Total
Residential		433	84	12	4	4	537
Commercial/Industrial	35	22	9	2			68
Total	35	455	93	14	4	4	605

Opt Downs by Method	2021	2022	2023	2024 Q1	2024-04	2024-05	Total
Customer Service Rep (CSR)	31	305	62	10	2	3	413
Interactive Voice Response (IVR)	4	26	3	1			34
Web		124	28	3	2	1	158
Total	35	455	93	14	4	4	605

Participation by Jurisdiction



Jurisdiction	Active	Eligible	Opt Outs	Participation
City of Chula Vista	94,079	98,323	4,244	95.7%
City of Encinitas	26,532	28,566	2,034	92.9%
City of Imperial Beach	10,519	10,958	439	96.0%
City of La Mesa	28,049	29,476	1,427	95.2%
City of San Diego	601,983	623,408	21,425	96.6%
County of San Diego	174,925	189,906	14,953	92.1%
National City	19,236	19,528	287	98.5%
Total	955,323	1,000,165	44,809	95.5%

The Phase 4 mass enrollment process in National City and the Unincorporated County of San Diego for Non-Net Energy Metering (NEM) customers completed in May 2023. Net Energy Metering (NEM) customers were enrolled from April 2023 through March 2024 based on their true-up date. Mass enrollment for all customer accounts within National City and the Unincorporated County of San Diego concluded on April 1, 2024.

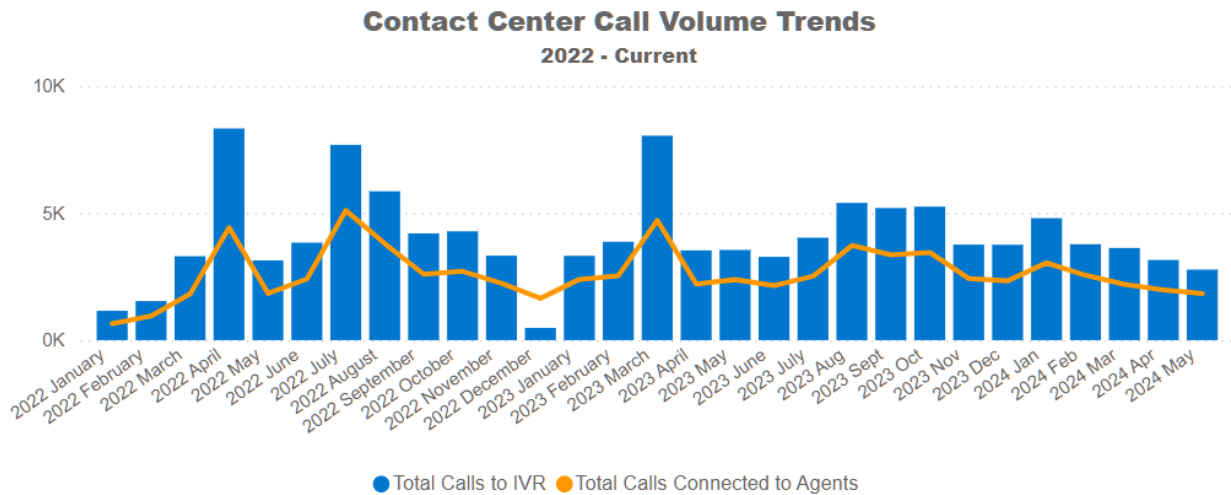
C) Contact Center Metrics

Call volumes have continued to decrease with the completion of mass enrollment and pre-enrollment noticing. We expect call volumes to rise as summer rates come into effect as of June 1, 2024, through October 31, 2024 and customers start seeing increased bills as a function of the Winter to Summer price differential. Our Public Affairs Team is putting

out Summer season and bill saving tips' communication that should help provide our customers with resources and tips to reduce higher bills.

The chart below summarizes contact made by customers into the Contact Center broken down by month through May 31st, 2024:

V. Contact Center Metrics

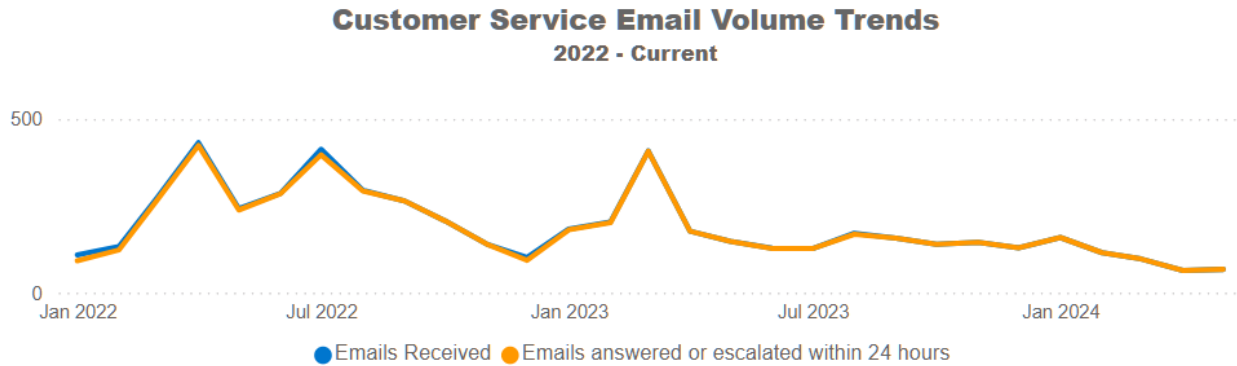


Interactive Voice Response (IVR) and Service Level Agreement (SLA) Metrics

	Total						
	2021	2022	2023	2024 Q1	2024-04	2024-05	Total
Total Calls to IVR	2,289	47,118	52,977	12,198	3,154	2,775	120,511
Total Calls Connected to Agents	1,401	30,174	34,173	7,792	1,979	1,831	77,350
Avg Seconds to Answer	20	12	7	16	10	10	12
Avg Call Duration (Minutes)	8.5	9.8	9.6	9.4	8.1	8.4	9.3
Calls Answered within 60 Seconds (75% SLA)	96.23%	95.50%	97.57%	92.85%	96.23%	96.68%	96.17%
Abandon Rate	0.57%	0.36%	0.19%	0.57%	0.50%	0.33%	0.37%

Similar to other CCAs' service territories, SDCP 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 SDCP's website for processing opt actions to continue accounting 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.

D) Customer Service Email Trends



Customer Service Emails

	Total						
	2021	2022	2023	2024 Q1	2024-04	2024-05	Total
Emails Received	272	2,894	2,116	371	64	67	5,784
Emails answered or escalated within 24 hours	257	2,821	2,107	371	64	67	5,687
Completion (%)	94%	96%	100%	100%	100%	100%	97%

As of this latest reporting month, SDCP has a total of 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 SDCP.

AD-HOC COMMITTEE AND/OR SUBCOMMITTEE REVIEW

N/A

FISCAL IMPACT

N/A

ATTACHMENTS

N/A



SAN DIEGO COMMUNITY POWER Staff Report – Item 4

To: San Diego Community Power Community Advisory Committee
From: Colin Santulli, Director of Programs
Via: Jack Clark, Chief Operating Officer
Subject: Update on Programs
Date: June 13, 2024

RECOMMENDATIONS

Receive and file update on customer energy programs.

BACKGROUND

Staff will provide regular updates to the Community Advisory Committee (“CAC”) regarding the following SDCP customer energy programs: Building Electrification, Energy Education, Energy Efficiency, Flexible Load, Grant Programs, and Solar and Energy Storage.

ANALYSIS AND DISCUSSION

Updates on customer energy programs are detailed below.

Building Electrification

California Energy Commission (“CEC”) Equitable Building Decarbonization Program

Please refer to [Item 5](#) of the May 2024 CAC staff report for the most recent update on this program.

U.S. Environmental Protection Agency (“EPA”) Climate Pollution Reduction Grant (“CPRG”) Program

Please refer to [Item 5](#) of the April 2024 CAC staff report for the most recent update on this program.

Energy Education

Energy Education Website

Please refer to [Item 4](#) of the February 2024 CAC staff report for the most recent update on this program.

Energy Efficiency

California Department of Food and Agriculture (“CDFA”) Healthy Refrigeration Grant Program

Status: In July 2023, SDCP staff applied for grant funds under the CDFAs [Healthy Refrigeration Grant Program](#). The program provides energy-efficient refrigeration/freezer equipment to corner stores and small businesses in low-income or low-food access areas in the state to stock California-grown fresh produce, nuts, dairy, meat, eggs, and minimally processed and culturally appropriate foods. The purpose of the program is to improve access to healthy foods in underserved communities, while promoting California-grown agriculture.

In late December 2023, staff were notified that SDCP received a \$710,000 grant award to provide refrigeration/freezer equipment and additional technical assistance offerings to stores throughout SDCP’s service territory. At the January 2024 Board meeting, the Board adopted a [Resolution](#) that authorizes SDCP to accept, appropriate, and expend the CDFAs grant funding. Staff received the grant agreement from CDFAs in late May 2024 and executed it in early June 2024.

Next Steps: Staff anticipate launching the pilot program in Q4 CY 2024. Over the next few months, staff will initiate procurement processes to subcontract with vendors necessary to implement the program and will develop program materials.

FLEXmarket Pilot

Please refer to [Item 5](#) of the April 2024 CAC staff report for the most recent update on this program.

Regional Energy Network (“REN”) Formation

Status: The approval of a REN in San Diego would bring California Public Utilities Commission (“CPUC”) energy efficiency funding to the region in the form of various program offerings, which can include residential and commercial energy efficiency, workforce education and training, and public sector codes and standards support. Since the San Diego Regional Energy Network (“SDREN”) Business Plan Application was submitted to the CPUC on January 5, 2024, staff have been attending relevant statewide meetings and continuing to coordinate with SDG&E and other stakeholders. Upon CPUC approval, an SDREN Advisory Committee will be formed to advise SDCP and the County of San Diego (the SDREN co-leads) on program outreach and enrollment, program evaluation reports, and recommendations on program improvements. A description of the SDREN governance structure can be found on pages 9-13 of the [Business Plan Application](#).

To reduce any potential delays in launching SDREN upon CPUC approval, staff have proactively formed an Inaugural SDREN Advisory Committee to convene regional stakeholders to inform the structure, functionality, and operation of the future SDREN Advisory Committee. The first Inaugural SDREN Advisory Committee meeting took place

on May 22, 2024, and attendees included representatives of Clean Energy Alliance, Climate Action Campaign, MAAC, Port of San Diego, San Diego Association of Governments (“SANDAG”), San Diego Building Trades, San Diego Green Building Council (“SDGBC”), San Diego Regional Chamber of Commerce, and San Diego Regional Climate Collaborative (“SDRCC”). Discussion topics of the Inaugural SDREN Advisory Committee are not program related and are focused on the committee’s future operations and functionality such as committee role and responsibilities, potential Technical Subcommittees that SDREN could form, frequency of meetings, terms of participation, etc.

Next Steps: Staff will continue to attend relevant statewide meetings related to the SDREN Business Plan Application, continue coordination with SDG&E, and respond to any data requests, questions, or comments from the CPUC or stakeholders during the evaluation period (i.e., post-application submittal through when a CPUC decision is made).

Flexible Load

Flexible Load Strategy

Status: Staff have completed the development of a Request for Proposal (“RFP”) for the procurement of a Distributed Energy Resources Management System (“DERMS”) software solution that will support implementation of the Flexible Load Strategy.

Next Steps: Staff anticipate releasing the RFP in mid-June 2024 and having the DERMS software under contract by Q3/Q4 CY 2024.

Vehicle-Grid Integration (“VGI”) Strategy

Status: Staff are gathering requirements for a V1G management platform.

Next Steps: Following completion of the requirements gathering process, staff will begin developing an RFP for release during Q3 CY 2024.

Grant Programs

Community Clean Energy Grant Program

Status: The [FY 2023-24 grant cycle](#) closed on April 5, 2024, and the grant evaluation process was completed in May 2024. Staff anticipate the selected grantees to be notified in June 2024 and for grant agreements to be executed in July 2024.

Next Steps: Staff plan on holding a public announcement event in July or August 2024.

Member Agency Grant Program

Please refer to [Item 5](#) of the May 2024 CAC staff report for the most recent update on this program. Future updates for this program will be provided by SDCP’s Public Affairs team.

Solar and Energy Storage

Net Energy Metering (“NEM”) and Net Billing Tariff (“NBT”)



Please refer to [Item 4](#) of the February 2024 CAC staff report for the most recent update on this program. Staff anticipate bringing back an item to the CAC by Q4 CY 2024 to update the tariff with support for virtual and aggregation versions of NBT.

Solar Battery Savings Program

The residential solar and storage program has been named the Solar Battery Savings Program. Staff have continued to modify the program design over the last few months and will present an update on the program at the June 2024 CAC meeting.

Disadvantaged Communities–Single-Family Affordable Solar Homes (“DAC-SASH”) Readiness Pilot

Please refer to [Item 5](#) of the May 2024 CAC staff report for the most recent update on this program.

Solar for Our Communities

Status: The Final Decision for the Green Access Program (“GAP”) was approved by the CPUC on May 30, 2024. The purpose of the GAP proceeding was to evaluate and potentially modify existing programs, including the Disadvantaged Communities Green Tariff (“DAC-GT”) and Community Solar Green Tariff (“CSGT”) programs, as well as potential new programs that allow Californians to access renewable energy sources. A list of how the Final Decision impacts SDCP’s DAC-GT and CSGT programs can be found in Item 7: Update on Regulatory and Legislative Affairs. Staff plan to reconvene the evaluation of the bids received from the initial solicitation.

Next Steps: Staff will submit the Annual Budget Advice Letter (“ABAL”) by June 29, 2024, or 30 days after the Final Decision. Staff will submit a Tier 2 Advice Letter updating SDCP’s DAC-GT tariff schedule to incorporate the Final Decision’s modifications within 120 days of the adoption of the Final Decision. Staff will present awarded bids to the Board for approval prior to submitting executed Power Purchase Agreements (“PPAs”) to the CPUC via a Tier 2 Advice Letter for approval no later than 180 days following the notification of selected bidders.

AD-HOC COMMITTEE AND/OR SUBCOMITTEE REVIEW

N/A

FISCAL IMPACT

N/A

ATTACHMENTS

N/A





SAN DIEGO COMMUNITY POWER Staff Report – Item 5

To: San Diego Community Power Community Advisory Committee
From: Karin Burns, Chief Executive Officer
Subject: Update on SDCP’s Strategic Plan
Date: June 13, 2024

RECOMMENDATION

Receive and file an update on San Diego Community Power’s (SDCP) Strategic Plan.

BACKGROUND

Per SDCP’s Joint Powers Agreement (Agreement) Section 4.6.7, its Board of Directors (Board) has the responsibility of developing and implementing a Strategic Plan to guide the development, procurement, and integration of renewable energy resources consistent with the intent and priorities identified in the Agreement. As an advisory body to the Board, the Community Advisory Committee (CAC) provides a venue for ongoing citizen support and engagement in the strategic direction, goals, and programs of SDCP.

On April 21, 2023, SDCP hosted [a special joint meeting](#) of the Board and the CAC to discuss the 2023-2027 Strategic Plan Update and Status Report. During the meeting, SDCP staff provided members of both bodies with an overview and status report of the Strategic Plan and its key focus areas and goals, to facilitate specific discussions around the Community Power Plan, the Distributed Energy Resource Plan, and some of the key challenges informing potential modifications to the Strategic Plan.

ANALYSIS AND DISCUSSION

During this presentation, SDCP’s Chief Executive Officer Karin Burns will provide an update on progress made toward advancing SDCP’s Strategic Plan’s focus areas and goals and offer guidance on the timeline for future modifications.

AD-HOC COMMITTEE AND/OR SUBCOMITTEE REVIEW

N/A

FISCAL IMPACT

N/A

ATTACHMENTS

N/A



SAN DIEGO COMMUNITY POWER Staff Report – Item 6

To: San Diego Community Power Community Advisory Committee

From: Aaron Lu, Senior Rates and Strategy Analyst
Tim Manglicmot, Senior Finance Manager
Lucas Utouh, Senior Director of Data Analytics and Customer Operations

Via: Karin Burns, Chief Executive Officer

Subject: Staff's Presentation on SDCP's PowerBase Service

Date: June 13, 2024

RECOMMENDATION

Receive and file staff presentation on SDCP's PowerBase Service, a product available to no more than 15% of SDCP customer load that will not be available as a member agency-wide default service product, to become effective on July 1, 2024 as approved by the Board of Directors on May 30, 2024.

BACKGROUND

San Diego Community Power (SDCP) has historically offered two service plans since 2021, PowerOn and Power100. PowerOn, which is our standard service that is over 50% renewable, and Power100, our service that is 100% renewable and carbon-free at a small premium of \$0.0075/kWh (\$0.01/kWh effective as of July 1) on top of PowerOn rates. SDCP has always aimed to provide electricity to its customers at competitive rates. The current recommendation to the Board on May 30, 2024 featured an additional product, PowerBase, which will initially offer rates that are 2.5% lower than the San Diego Gas and Electric's (SDGE) existing default service commodity rates that were effective as of March 1, 2024.

Staff recommended the adoption of PowerBase and its associated rates to enhance customer choice and meet the diverse needs of our customers with a focus on affordability. PowerBase will exceed but more closely align with California Renewable Portfolio Standards (RPS). PowerBase is intended to mitigate opt outs and assist in the maintenance and accrual of reserves. This new product will not be eligible for member agency-wide default service and will be capped at no more than 15% of participating load. When PowerBase reaches 10% participation by load, staff will return to the SDCP Board in a public meeting with a report regarding observations, customer feedback, and any potential recommended changes at that time.



In accordance with the Board's Rate Development Policy, SDCP staff shall present proposed rates and recommendations for the year for all service offerings, including PowerBase, in January of each year for review, deliberation and approval to be effective no later than February 15 of that year. However, with ever-changing market developments and the dynamic regulatory climate, there may be instances where SDCP staff also proposes intra-year changes to rates, as demonstrated by staff's recommendation to approve PowerBase at this time.

ANALYSIS AND DISCUSSION

Existing Service Options

Underlying SDCP's aim to provide its customers with competitive rates, SDCP must also balance competitive rates with financial stability and, specifically, fiscal strategies to recover actual power procurement costs and promote long-term organizational sustainability, per the Strategic Plan adopted by the Board in June 2022. SDCP's service plans therefore are always considered and reviewed in lockstep with the financial-stability Strategic Plan goal of increasing reserves to the equivalent of 180-days of total operating expenses by October 2025.

In January 2024, staff presented to the Board multiple rate options that considered reserves while also understanding the broad economic pressures San Diego County residents and businesses faced in 2023 and are continuing to confront in 2024 and possibly in future years. Staff analyzed the following three rate adjustment options, effective as of February 1, 2024:

- Scenario 1: Decrease PowerOn generation rates by 16.4% year-over-year, year-round, from 2023 to 2024;
- Scenario 2: Decrease PowerOn generation rates by 24% year-over-year, year-round, from 2023 to 2024; and
- Staff Recommendation: Decrease PowerOn generation rates by 17.7% year-over-year on average, year-round, from 2023 to 2024.

SDCP staff recommended to the Board of Directors in January 2024 to adopt the last option, which allowed our organization to provide our customers with value, while taking a fiscally responsible approach that ensures long-term viability of SDCP to serve our community and create competition in the local energy market, while also offering energy programs tailored to meet the needs of our region.

The option staff recommended to the Board of Directors for adoption provided a 17.7% decrease on average in PowerOn rates for all SDCP customers year over year from 2023 to 2024, and ensured that SDCP could meet its strategic financial goals. With this staff recommended option that the Board approved in January 2024 to be effective as of February 1, 2024, forward, SDCP customers on PowerOn would see a discount in the Winter of 1.5% and in the Summer a premium of 15% relative to SDGE's current bundled



commodity rates. In total, SDCP customers are paying approximately 3.00% on average more than an SDGE bundled customer for their total electricity costs across both seasons if SDGE’s rates as of March 1, 2024, remain in place.

Staff has continued to further analyze multiple options over the last several months geared toward meeting the needs of our diverse customer base, specifically with a focus on affordability, while protecting them against the potential price volatility in the marketplace that they could experience with a return to SDGE’s bundled service. Because many facilities from which SDCP is buying power under long-term power purchase agreements are still under development, SDCP is more exposed to short-term energy and capacity market price fluctuations than it will be once these resources achieve commercial operation in the next few years. In the meantime, PowerBase will ensure that price-sensitive customers have a value-based option, regardless of wholesale energy market dynamics. The staff-recommended option for PowerBase allows SDCP to maintain its reserves while addressing customers’ concerns on affordability.

SDCP 2024 Rate Setting Mechanics

The proposed and Board approved PowerBase rates along with the existing PowerOn rates approved by the Board as of February 1, 2024, are designed to recover revenue consistent with the FY 2024-25 net income projections reviewed by the Board in January 2024 and in May 2024. The Board-approved PowerBase rates would not impact the current PowerOn rates effective as of February 1, 2024. The proposed and Board adopted PowerBase rates, along with the existing Board-approved PowerOn rates, were carefully designed to yield revenues sufficient to collect SDCP’s projected annual power supply costs and pay for other operating costs, debt service costs, a nominal planned reserve margin contribution, and have a balanced budget. Additionally, the staff recommendation allows SDCP to maintain its reserves and work toward its strategic plan goals of achieving 180-days cash on hand and establishing a rate stabilization reserve—goals that cannot be achieved with further rate discounts at this time.

The chart below summarizes an analysis associated with the FY 2024-25 reserve impact (as measured by net income) from the proposed rates, which include PowerOn, Power100 and PowerBase, effective as of July 1, 2024, compared against the current projections, which include only PowerOn and Power100, for the FY 2024-25 budget.

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



In the current projections for FY 2024-25, staff project SDCP's current rate offerings will yield net income (reserves) of \$40.1 million but may also yield up to a 5-percentage point reduction in participation.

By comparison, in the projections for the proposed rates for FY 2024-25, staff project SDCP's rate offerings with PowerBase will yield a similar net income (reserves) of \$40.3 million but, perhaps more importantly, will maintain SDCP's participation rate at current levels.

Recommended Rate Adjustments

As of May 30, 2024, the Board-adopted SDCP PowerBase service rates would provide approximately 4.4% net savings to a residential customer's total electric bill (including SDCP generation charges and SDGE delivery charges); a cost savings of around \$5.74 per month for the average resident compared to the PowerOn product. The proposed and Board adopted SDCP PowerBase service would provide approximately 1% net savings to a residential customer's total electric bill; a cost savings of about \$1.22 per month for the average resident compared to SDGE's less renewable default product. The cost savings are generally attributed to the portfolio mix where resources are expected to exceed but more closely align with state-level RPS requirements. In addition, staff intend for the renewable content of PowerBase to meet or exceed that of SDGE, whenever possible, given the complexity of current energy markets and associated delays in power content reporting.

Consistent with other service offerings, PowerBase will include costs associated with the Power Charge Indifference Adjustment (PCIA). The PCIA rate is the above-market cost of power associated with SDGE's portfolio that both SDGE's bundled customers as well as SDCP customers who have departed SDGE commodity service pay. A customer is assigned a PCIA "vintage" based on the year they depart service from SDGE. The Board-adopted PowerBase rates will be trifurcated across our Phase 1 and 2 customers enrolled in 2021, Phase 3 customers enrolled in 2022 and Phase 4 customers in National City and County of San Diego enrolled in 2023. Consistent with our Board-approved Rate Development policy, this trifurcation will ensure a fair, equitable, and balanced rate structure across our customers with differing vintage years that maintains the intended cost savings for all customers.

Summary

The staff-recommended and Board-adopted PowerBase rates to be effective as of July 1, 2024, will provide the following benefits to our customers:

- Provides a 2.5% discount compared to SDGE's rates currently in effect as of March 1, 2024 for the period of July through December 2024;
- Creates a pathway for customers to return to our standard service PowerOn or opt up to Power100 more easily than if they opted out of SDCP service entirely;



- Supports SDCP’s mission to provide an affordable option that is cleaner than the competition; and
- Supports SDCP’s mission to achieve 100% renewable energy by 2035 or sooner through customer retention, especially for price-sensitive customers.

PowerBase is in addition to the PowerOn rates changes approved by the Board in January 2024 to be effective on February 1, 2024. The PowerOn rates provided the following benefits for SDCP customers and the organization:

- A 17.7% year-over-year average decrease, from 2023 to 2024, in SDCP electricity generation rates across all customer classes.
- A 23.2% year-over-year average decrease, from 2023 to 2024, in SDCP electricity generation winter rates and a 12.3% year-over-year average decrease in summer rates, across all customer classes.
- Renewable content (base product at 52% or 55% with zero or low carbon with SDCP versus a base product at 44.8% with SDGE’s most recent 2022 Power Content Label, published in September 2023).
- Allows SDCP to maintain its current reserve levels and work toward a 180-day cash on hand reserve target which will provide financial stability.
- Prepares SDCP for market and cost shifts.

COMMITTEE REVIEW

N/A

FISCAL IMPACT

Staff projects that the recommended and Board adopted PowerBase rates would yield a net income of \$40.3 million in FY 2024-25. By comparison, the current PowerOn and Power100 rate offerings, should the Board have elected to take no action, result in a similar net income of \$40.1 million and therefore the net income impact is considered negligible in FY 2024-25. However, given that staff projects a reduction in customer participation up to 5-percentage points if the PowerBase offering was not approved, over the long-term staff projects that Board approval of the PowerBase product will yield additional net income for the agency.

ATTACHMENTS

N/A





SAN DIEGO COMMUNITY POWER Staff Report – Item 7

To: San Diego Community Power Community Advisory Committee
From: Eric Washington, Chief Financial Officer
Via: Karin Burns, Chief Executive Officer
Subject: Presentation on the Preliminary Proposed FY 2024-25 Budget
Date: June 13, 2024

RECOMMENDATION

Receive and file a presentation on the preliminary proposed FY 2024-25 Operating Budget, the FY 2024-25 Capital Budget, and the FY 2025-29 Capital Investment Plan.

BACKGROUND

Section 4.6.2 of San Diego Community Power's (SDCP) adopted Joint Powers Agreement (JPA) specifies that the Board of Directors (Board) shall adopt an annual budget with a fiscal year that runs from July 1 to June 30.

Section 7.3.1 of the JPA specifies that all subsequent budgets of SDCP shall be prepared and approved by the Board, in accordance with its fiscal management policies that should include a deadline for approval.

On July 28, 2022, the Board adopted a budget development schedule as part of the SDCP Budget Policy. This development schedule includes an annual budget review in May by the Financial and Risk Management Committee (FRMC), which occurs prior to the Board previewing the budget in May and prior to the Board potentially adopting the budget in June.



Following the adoption of the budget development schedule, the FRMC received a staff presentation on the preliminary proposed FY 2024-25 Operating Budget on May 16, 2024. On May 23, 2024, the Board similarly received and filed a presentation of the draft FY 2024-25 Budget.



ANALYSIS AND DISCUSSION

A final, proposed FY 2024-25 budget will be reviewed by the FRMC on June 20, 2024, and then presented to the Board for approval on June 27, 2024.

Table 1. Current Budget Development Schedule

February	March-April	May	June	
Develop Operating Revenue Estimate Develop Operating Expense Estimate Develop financial plan for credit rating in 3-years	Strategic planning sessions with SDCP Board (if applicable) Staff develop operating budgets Baseline budget is developed	Financial and Risk Management Committee Review SDCP Board Preview (Information Item)	Financial and Risk Management Committee Review  SDCP Board Approval	July 1 st Budget Implemented Mid-year budget review (February) Budget amendments as necessary

FISCAL IMPACT

N/A

ATTACHMENTS

N/A





SAN DIEGO COMMUNITY POWER Staff Report – Item 8

To: San Diego Community Power Community Advisory Committee

From: Laura Fernandez, Director of Regulatory & Legislative Affairs
Aisha Cissna, Senior Policy Manager
Patrick Welch, Senior Legislative Manager
Stephen Gunther, Senior Regulatory Analyst

Via: Karin Burns, Chief Executive Officer

Subject: Update on Regulatory and Legislative Affairs

Date: June 13, 2024

RECOMMENDATIONS

Receive and file the update on regulatory and legislative affairs.

BACKGROUND

Staff will provide regular updates to the Community Advisory Committee (CAC) regarding SDCP's regulatory and legislative engagement.

ANALYSIS AND DISCUSSION

A) Regulatory Updates

Green Access Programs

On May 30, 2024, the California Public Utilities Commission (CPUC) approved a Final Decision that modifies the current Green Access Program (GAP) tariffs as well as adopts a new community renewable energy program. A Proposed Decision was issued on March 5, 2024 (see the regulatory and legislative staff report for the March 2024 meeting of the Board of Directors, [pages 49-51](#)), and was subsequently held for two CPUC voting meetings. During that time, SDCP staff worked with a group of Joint Community Choice Aggregators (CCAs) that administer the Disadvantaged Communities Green Tariff (DAC-GT) and Community Solar Green Tariff (CSGT) programs within their service areas on filing [opening comments](#) and holding two Ex Parte meetings with Commissioner offices to request clarifications and recommend additional improvements to the DAC-GT program. Several revisions were adopted in the Final Decision, which are included in **bold** in the summary below:

- *Modifications to DAC-GT and CSGT Programs*
 - Discontinues the CSGT program and transfers remaining capacity to DAC-GT program
 - Permits Utilities and CCAs the option to move legacy CSGT projects to the modified DAC-GT successor.
 - Utilities and CCAs may also allow the transfer of previously enrolled customers to the modified DAC-GT, unless there is no remaining capacity.

Program Administrator	Un-Procured DAC-GT Capacity as of Oct. 31, 2023 (MW)	50% Additional DAC-GT Capacity (MW)	Un-Procured CSGT Capacity as of Oct. 31, 2023 (MW)	Modified DAC-GT Total Available Capacity (MW)
SCE	56.500	0.000	11.6300	68.1300
SDCP	15.780	0.000	4.3800	20.1600
SDG&E	2.220	0.000	0.6200	2.8400

- Modifications to the DAC-GT program include but are not limited to:
 - Expands DAC-GT site requirement from within a DAC to no more than 5 miles from DACs.
 - Updates the project cost containment cap, which will be revised through an Advice Letter process and include CCA input.
 - Revises the submission date of the DAC-GT annual budget advice letter from February 1 to April 1.
 - Decreases DAC-GT program solicitations to a minimum of once a year.
 - Allows the voluntary inclusion of storage in solicitations.
 - Removes Green-e certification requirement; **in lieu of the Green-e certifications, CCAs must include additional details in their quarterly California Distributed Generation Statistics (DGStats) reporting after the retirement of RECs and list specific data to be included in quarterly reports to DGStats.**
- *Rejects the Net Value Billing Tariff proposal*
 - The Commission finds that the NVBT proposals do not meet the requirements of AB 2316 to minimize impacts to nonparticipating customers by prohibiting the program's costs from being paid by nonparticipating customers in excess of avoided costs.
- *Adopts a new community renewable energy program*
 - Utilizes an existing foundational tariff (such as the Renewable Market Adjusting Tariff (ReMAT) or Standard-Offer-Contract) and allows customers subscribe to the program and receive a flat monetary credit on their monthly bill based on a percentage of each project's overall revenue share (no less than 20% for low-income customers).



- **Clarifies that CCAs are permitted to participate in the new community renewable energy program and the foundational tariffs will need to be revised to accommodate this participation via a future ruling.**
- Adopts \$33 million appropriated to the Commission as a subsidy to subscribing low-income customers who enroll or are enrolled program.
- **Confirms the Commission anticipates using some portion of the recently awarded \$249,800,000 Solar for All grant funding to California from the US Environmental Protection Agency (EPA) to support the community renewable energy program.**
 - **The method for dispersing external funding to the projects and participating customers of Utilities and CCAs will be addressed in a future ruling.**
- **An evaluation of stranded legacy Green Tariff costs, including SDG&E's Green Tariff Shared Renewables program that impact SDCP customers, and appropriate cost recovery mechanisms will be addressed in a future ruling.**

Next steps for updating SDCP's DAC-GT program to incorporate the modifications adopted in the Final Decision are outlined in Item 4: Update on Programs.

Resource Adequacy

Track 1 Proposed Decision

On May 17, 2024, the CPUC issued a [Proposed Decision](#) within Track 1 of the Resource Adequacy (RA) proceeding ([R.23-10-011](#)) adopting Local Capacity Requirements for 2025-2027, Flexible Capacity Requirements for 2025, and making refinements to the Slice-of-Day (SOD) framework for the 2025 RA compliance year. The Proposed Decision declined to adopt several of the [CalCCA Track 1 proposals](#) and [revised proposals](#) filed on January 19 and February 23, 2024, respectively, and reinforced via [opening](#) and [reply comments](#) filed on March 8 and 22, respectively.

Specifically, the Proposed Decision adopts the following, among additional implementation details:

- Does not address CalCCA's hourly load transaction proposal.
- Declines to delay SOD implementation beyond the 2025 compliance year.
- Adopts a 17 percent planning reserve margin, rather than the 15.43 percent planning reserve margin resulting from the SOD calibration.
- Rejects several party proposals to include a temporary system RA waiver.



- Allows new resources with a commercial operation date after T-30 and before the start of the RA compliance month (T-1) to count towards that month's RA compliance, on an interim basis during the summer months of July and September.
- Declines to adopt system-wide storage charging sufficiency test under SOD.
- Beginning with the 2025 RA compliance year, for resource-specific solar and wind import resources, a load-serving entity (LSE) must have import allocation rights equal to the RA value shown to the Commission at the peak hour of the month, unless the value at the peak hour is zero, in which case the LSE should have import allocation rights equal to the minimum value of 0.01.
- Encouraged Parties to discuss the UCAP framework in Track 2 workshops.
- LSEs must show all deliverable resources on SOD RA plans to California Independent System Operator (CAISO) even if they are not shown in the peak hour the CAISO will validate.

SDCP staff is working with CalCCA to file opening comments, which are due June 6, 2024, and reply comments are due June 11, 2024.

Track 2 Proposals

Track 2 of the RA proceeding will address structural changes to the central procurement entity framework, consideration of a revised Loss of Load Expectation (LOLE) Study and Planning Reserve Margin (PRM) for the 2026 and 2027 RA compliance years, and topics related to coordination with the Integrated Resource Planning (IRP) proceeding to better align with the IRP proceeding's work on the Reliable and Clean Power Procurement Program (RCPPP). SDCP staff is working with CalCCA to develop Track 2 proposals, which are due June 14, 2024.

Integrated Resource Planning

CalCCA Comments on AB 1373 Implementation Ruling

On April 26, 2024, the CPUC issued a [Ruling](#) seeking party comments regarding the need for central procurement of long lead time resources by the Department of Water Resources (DWR), as directed by Assembly Bill 1373. The Ruling consisted of 31 questions that ask parties about the eligibility of resources, need determination, relationship to LSE procurement, allocation of costs and benefits from resources that may be centrally procured, and the procurement process timeline. Via the Ruling, the CPUC initially proposed to parties that offshore wind, geothermal, out-of-state wind, and long duration energy storage be considered for DWR central procurement.

On May 24, 2024, CalCCA filed extensive opening comments in response to the Ruling's questions. Below is a high-level summary of CalCCA's recommendations:



- The Commission must adhere to Public Utilities Code sections 454.51 and 454.52 when establishing the central procurement process and making central procurement decisions, including the right of self-procurement by CCAs.
- **Eligible Resources:** The Commission should use central procurement sparingly since many of the resources described are either being procured by an LSE or do not have a lead time greater than five years. If the Commission pursues any central procurement, it must focus on emerging technologies and prioritize affordability.
- **Cost-Benefit Analysis:** The Commission must use the most up-to-date information from LSEs on their procurement activity and account for planned procurement that would result in LSEs contracting at a later time and still bringing those resources to commercial operation in time to meet their needs. Such analysis is likely to demonstrate that the only opportunity for central procurement is for a small amount of offshore wind.
- **Integration:** The Commission must carefully proceed with central procurement decisions to avoid central procurement simply serving as competition to LSE procurement. This is particularly important given the upcoming Reliable and Clean Power Procurement Program.
- **Cost and Benefit Allocation:** The Commission must ensure that its allocations do not disincentivize LSEs from procuring independently and do not penalize early actors. Benefits (e.g., Resource Adequacy, Renewable Portfolio Standard, greenhouse gas-free) should be allocated consistent with the allocation of costs.
- **Timeline:** The Commission must be as transparent as possible so that LSEs have a clear understanding of the central procurement process and its costs. This process should occur within the defined Integrated Resource Plan (IRP) process so that it is fully informed by the most recent activities in the IRP which plan for LSE-based procurement and also allow for CCA self-procurement of the CCA share of any identified need. The Commission should also make clear that any need determination made by September 1, 2024, will not necessarily result in any procurement authorization.

SDCP staff is working with CalCCA to file reply comments on June 5, 2025.

Disconnections

On March 22, 2024, the Administrative Law Judge (ALJ) issued a [Ruling](#) on disconnection caps and past-due payment allocation. This ruling requested party comments on how to handle the expiration of disconnection caps and the allocation of payments between utilities and CCAs. Opening comments were filed on April 19th and reply comments were filed on May 3rd.

ALJ Ruling on Disconnection Caps and Past-Due Payment Allocation

The Ruling revisits [Decision 20-06-003](#), which established disconnection rate caps for major utilities: 3.5% for Pacific Gas and Electric Company (PG&E), 3% for San Diego Gas and Electric Company (SDG&E), 4% for Southern California Edison Company (SCE), and 2% for Southern California Gas Company. These caps, set to expire at the end of 2024, were intended to reduce disconnections compared to 2017 rates. The ruling seeks comments on whether these caps should be extended or modified and whether a universal cap for all large utilities should be established.

Current investor-owned utility (IOU) tariffs prioritize the payment of arrearages first to the IOU portion of the bill, until the customer account is no longer subject to disconnection for delinquency, then credit the CCA portion of the bill. This is known as the waterfall method. This method was suspended during the COVID-19 pandemic in favor of proportional allocation between utilities and CCAs. The ruling asks if the proportional allocation method should be extended beyond September 2024 or made permanent. While SDG&E's current tariff dictates the proportional allocation method, they advocated for the CPUC to adopt the "waterfall" method on a permanent basis in [their Ruling comments](#).

[CalCCA Opening Comments](#)

CalCCA argues that the proportional allocation method should be made permanent. They highlight that the waterfall method disproportionately shifts financial risk to CCAs, which is against the public interest. Key points from their comments include:

- Public Interest
 - CalCCA argues that CCAs are in the public interest and should not bear disproportionate financial risk from unpaid bills. The proportional allocation method supports the financial health of CCAs, which benefit customers by providing lower rates and local initiatives to help struggling customers.
- Legislative and Commission Preference
 - The California Legislature and Commission have shown a preference for proportional distribution of revenues in analogous situations. Examples include the California Arrearage Payment Program (CAPP) and the Arrearage Management Plan (AMP).
- Customer Benefits
 - Proportional allocation prevents customers from being reverted to IOUs for nonpayment, allowing them to benefit from CCA initiatives, potentially lower rates, and local outreach. CalCCA highlights initiatives by several CCAs, including SDCP, which offers significant savings compared to SDG&E rates.



[CalCCA Reply Comments](#)

In their reply comments, CalCCA reiterates their support for the permanent adoption of the proportional allocation method and responds to arguments made by utilities and other parties. They emphasize:

- Rejection of the Waterfall Method
 - CalCCA rejects the arguments by PG&E and SDG&E that the waterfall method reduces disconnection risks. They assert that the Commission's findings in D.21-11-014, which suspended the waterfall method, still apply and should be made permanent to support the public interest and financial health of CCAs.
- Support from SCE
 - SCE supports the proportional allocation method, acknowledging that it ensures equitable treatment for all customers and prevents confusion. CalCCA agrees and notes that this method results in system efficiencies and aligns with the Commission's previous findings.
- Disproportionate Risk
 - CalCCA argues that SDG&E's claim that CCAs can return customers to IOUs for nonpayment ignores the financial risk already incurred by CCAs. They point out that arrearages have significantly increased, making the waterfall method even more untenable.
- Unsupported Assertions
 - CalCCA challenges the unsupported assertions by PG&E, SDG&E, and Cal Advocates that the waterfall method reduces disconnection risks. They argue that these parties have not provided adequate evidence to support their claims.

B) State Legislative Activities Update

May 24th marked the house of origin deadline in the Legislature, meaning bills must have been approved by the house they were introduced in to continue to move forward in the legislative process. Bills must be passed by both houses and sent to the Governor for his consideration by August 31.

House of Origin Outcomes on SDCP Supported Legislation

Below are outcomes on bills that SDCP has taken a support position on. SDCP is not currently opposing any legislation.

- [SB 1006 \(Padilla\)](#) would help unlock the potential of existing transmission infrastructure through grid-enhancing technologies such as dynamic line rating systems, advanced power flow control systems, and topology optimization



software that could potentially defray the need for investments in larger transmission projects like entirely new lines. Incorporating these technologies will ultimately help SDCP achieve its renewable energy goals and reduce costs for ratepayers.

Outcome: Approved by the Senate 39-0.

- [SB 1165 \(Padilla\)](#) would allow transmission developers to elect the California Energy Commission (CEC) to conduct a California Environmental Quality Act (CEQA) review instead of the CPUC. SB 1165 is a reintroduction of SB 619 (Padilla) from last year. SDCP supported SB 619, which was ultimately vetoed by Governor Newsom over concerns about agency coordination.
Outcome: Held by the Senate Appropriations Committee.
- [AB 817 \(Pacheco\)](#) would modify Brown Act teleconferencing rules for public subsidiary bodies that serve in an advisory capacity to a legislative body, such as the CAC. Specifically, the bill would streamline agenda posting requirements to make it more practical for advisory bodies to meet in a hybrid or virtual format.
Outcome: Failed passage in the Senate Local Government Committee.
- [AB 1834 \(Garcia\)](#) is ratepayer protection clean up legislation to AB 1373 (Garcia) from last year. Specifically, AB 1834 (Garcia) clarifies that the CPUC should consider mitigating factors, such as resource scarcity and above market costs, when determining the amount of a capacity payment assessed on an LSE – like SDCP – in any given month when the state Strategic Reliability Reserve is used to maintain grid reliability *and* the LSE was deficient on their resource adequacy obligations.
Outcome: Approved by the Assembly 72-0.
- [AB 2329 \(Muratsuchi\)](#) would create the California Affordable Decarbonization Authority to provide non-ratepayer dollars to fund building and transportation electrification, distributed energy resources, equity initiatives to assist customers in disadvantaged communities, and to provide direct bill credits for customers.
Outcome: Held by the Assembly Appropriations Committee.
- [AB 2891 \(Friedman\)](#) would direct the CEC to set up technical requirements and load automation protocols to provide an option for CCAs and other LSEs to reduce or modify their electric demand forecast through flexible load strategies. This would aid SDCP's flexible load strategy.
Outcome: Held by the Assembly Appropriations Committee.
- [AB 2672 \(Petrie-Norris\)](#) would make Project Home Key sites eligible for the CPUC's 30% CARE rate discount. Home Key is a state program that provides grants for local entities to purchase hotels, motels, and other buildings to



transition them into affordable housing. There are four Home Key projects in San Diego. The San Diego Housing Commission and SDG&E are both supporting the bill.

Outcome: Approved by the Assembly 71-0.

- [AB 3238 \(Garcia\)](#) would streamline the CPUC's approval process for certain transmission lines, cutting the approval timeline from over 1,700 days to just over 900 days. This, in turn, will help new transmission projects come online faster, something that is critical to a timely, reliable, and cost-effective clean energy transition. It is sponsored by SDG&E.

Outcome: Approved by the Assembly 62-0

State Budget Update – Potential Impacts to Programs

As noted in Item 8 of the May 23 staff report to the Board of Directors, Governor Newsom released his May Revise budget proposal last month. It reflects changes in the state budget condition since his original January budget proposal was introduced. The release of the May Revise marks the beginning of final negotiation on the state budget. The Legislature is required to adopt a balanced budget by June 15.

Below is additional information on proposed cuts to energy programs relevant to SDCP that the Governor has put on the table to close the remaining estimated \$27.6 billion budget deficit. The Governor's May Revise proposal, if approved, would reduce funding three programs that SDCP is actively monitoring:

- **Distributed Electricity Backup Assets (DEBA) program.** This program was created in 2022 to incentivize the construction of clean grid assets that can serve as on-call supply during grid emergencies. The Governor's proposes a reduction from \$595 million to \$532 million, an 11% reduction. However, \$380 million would be shifted to the Greenhouse Gas Reduction Fund (GGRF) between 2025-27. The GGRF contains revenues from quarterly Cap & Trade carbon allowance auctions. Revenues would have to be realized from auctions between 2025-27 to fund the proposed amount.
- **Equitable Building Decarbonization (EBD) program.** This program was also created in 2022 and provides incentives to retrofit homes with low-carbon technologies. The Governor's May Revise proposes a 46% cut, leaving \$571 million out of \$922 million originally appropriated, however some of the remaining funds would be shifted to GGRF in 2027-28, which could limit their availability depending on Cap & Trade allowance auction outcomes.
- **Self-Generation Incentive Funds (SGIP).** This program largely pays for residential batteries. The Governor's May Revise includes a reduction from \$630 million to \$280 million and shifts the funding source to GGRF.



The Governor's May Revise proposed cuts and fund shifts are not set in stone. The Legislature [appears positioned](#) to accept the Governor's proposed cuts to DEBA and SGIP but is positioning to reject his proposed cuts to the EBD program.

C) Federal Legislative Activities Update

Recognizing the need for a robust and reliable transmission system that can support the clean energy transition, SDCP is currently supporting the [Building Integrated Grids With Inter-Regional Energy Supply \(BIG WIRES\) Act](#) by Representative Scott Peters and the [Clean Electricity and Transmission Acceleration \(CETA\) Act](#) by Representative Mike Levin. Collectively, the two bills would update federal processes to better support the buildout of transmission lines needed to deliver renewable and clean energy, and to maintain grid reliability. BIG WIRES would establish transfer requirements between grid regions and CETA would create a 30% transmission investment tax credit, direct the Federal Energy Regulatory Commission (FERC) to improve rules on transmission planning, and would require transmission owners to consider deploying grid enhancing technologies (GETs) that can help increase transmission capacity without the need to build new lines. GETs may include power control devices, analytical tools, and importantly, advanced conductors made of composite material instead of steel that can be reconducted on existing transmission powerlines (i.e. reconductor an existing line) to [double the capacity](#) of the existing transmission right of way at a lower cost compared to building an entirely new transmission powerline.

While it's unlikely either of the bills will advance in the 2024 Congress, there has been discussion of a global transmission reform bill being developed in the U.S. Senate led by Senator Joe Manchin (D-WV) and Senator John Barrasso (R-WY). It is possible that elements of both BIG WIRES and CETA could be included in such a legislative package. However, after recent regulatory developments on transmission reform – more on this in the next paragraph – the possibility of crafting a bipartisan bill on transmission reform is unclear. U.S. Senate Majority Leader Chuck Schumer [said publicly](#) that transmission legislation would not pass this Congress. Senator's Manchin and Barrasso have stated they are still working on a legislative deal.

Notwithstanding legislative action on transmission issues, there are recent regulatory and White House transmission developments that align with a number of the provisions of BIG WIRES and CETA, and with SDCP's support for transmission reform more generally. There have been three major developments:

- **The U.S. Department of Energy (DOE) announced a list of National Interest Electric Transmission Corridors (NIETCs) – high-priority transmission expansion areas – including one that stands to benefit California.** The May 8th [announcement](#) includes a list of 10 transmission lines that are of national interest. One of the proposed lines would run from central Oregon to southern Nevada. While it would not cross into California, the line would be valuable to



maintaining reliability in the CAISO balancing authority area, which SDCP serves load in. California gets roughly 30% of its power from [imports](#) and roughly half of the imports come from the Northwest through transmission lines known as the California-Oregon Intertie (COI), which experiences congestion, meaning the transmission lines are often maxed out even if more energy or capacity is available to be imported into California. The proposed transmission line would provide an alternative pathway around the COI and would “improve reliability and resilience, reduce system congestion, meet future generation and demand growth, and increase clean energy integration” ([Preliminary List of Potential NIETCs](#), page 37). The 2005 Energy Policy Act established the NIETC processes, but until the program was updated by the President’s Bipartisan Infrastructure Law in 2021, it has never been used. A NIETC designation means that DOE has determined there is a lack of adequate transmission capacity that harms consumers. A NIETC designation allows for the FERC to issue permits if state siting authorities have not acted and makes the proposed lines eligible for Federal financing mechanisms. Now that the preliminary list of NEITCs has been released, there is a public comment period before the designations are finalized.

- **FERC approves an historic long-term transmission planning rule.** Known as Order No. 1920, the new FERC rule [approved](#) on May 13 will help the transition to renewable and clean energy sources while maintaining grid reliability. The rule requires entities like CAISO to conduct 20-year regional transmission plans, something that CAISO already began to do over two years ago. As part of this long-term transmission planning, there must be consideration of the need to connect new resources to the transmission system and of GETs. The rule also updates cost-allocation rules and institutes news transparency requirements on local transmission buildout, which is important because lower-voltage transmission lines that are critical for grid reliability and energy delivery (and which account for 63% of transmission spending in California in recent years) have historically not been included in a public transmission planning process.
- **White House announces Federal-State partnership, including California, to make progress on transmission.** The [Federal-State Modern Grid Deployment Initiative](#) announced on May 28 includes state government commitments to prioritize the adoption of GETs to increase transmission capacity, to explore policy changes to address capacity constraints, and to help communicate the benefits of modern grid technologies. California is part of the commitment. According to the [press release](#), “Deploying these tools means that renewables and other clean sources of power can be integrated sooner and more cost-effectively than waiting for new transmission construction, which will address load growth challenges more rapidly, create good-paying jobs, and lower Americans’ utility bills.”



AD-HOC COMMITTEE AND/OR SUBCOMITTEE REVIEW

N/A

FISCAL IMPACT

N/A

ATTACHMENTS

N/A





SAN DIEGO COMMUNITY POWER Staff Report – Item 9

To: San Diego Community Power Community Advisory Committee

From: Emily Fisher, Senior Program Manager
Colin Santulli, Director of Programs

Subject: Solar Battery Savings Program Update

Date: June 13, 2024

RECOMMENDATION

Receive and file the update on SDCP’s Solar Battery Savings program.

BACKGROUND

SDCP’s Net Billing Tariff (“NBT”) was approved at the October 2023 Board of Directors [meeting](#), replacing Net Energy Metering (“NEM”) 2.0 as the default billing mechanism for accounts with newly installed generating systems (e.g., solar, wind, biomass, geothermal or other renewable resources). In December 2023, NBT was operationalized within SDCP’s billing system for customers with new generating systems and/or for customers who had reached the conclusion of their 20-year legacy period with NEM. NBT significantly reduces the value of net export, impacting the economics of stand-alone solar systems.

SDCP developed this program to improve behind-the-meter distributed energy resource project economics, encourage customers to pair battery storage systems with residential solar systems, and support the continued growth of the regional solar market. The program will provide both upfront incentives, which help overcome the initial cost of installing storage (and solar for CARE/FERA and/or Communities of Concern), and performance-based incentives to encourage daily dispatch of participating storage systems when it is most beneficial to the grid. Staff presented the initial program design at the February 2024 CAC [meeting](#). A summary of the key program parameters is shown below.



Table 1. Summary of Key Program Parameters

	Market Rate	Non-Market Rate (CARE/FERA & Communities of Concern)
Solar Upfront Incentive	N/A	Up to \$450/kW-AC ¹
Storage Upfront Incentive	\$350/kWh (nameplate useable capacity)	Up to \$500/kWh ² (nameplate useable capacity)
Storage Performance Incentive	\$0.10/kWh (based on actual performance over the dispatch period during on-peak periods)	
# of Events	Daily (weekday only or weekday + weekend)	
Battery Enrollment	Participants can select the percentage of their battery's useable capacity to enroll in the program, with a minimum requirement of 50%	
Opt-Out	Battery can underperform by up to 10% of the total enrolled capacity per month	
Unenrollment	There will be a prorated claw back associated with the upfront incentive if the participant chooses to unenroll within the first five years	

¹ California Alternate Rates for Energy (“CARE”) and Family Electric Rate Assistance Program (“FERA”)

² Up to based on if customer is eligible for other solar incentives, e.g., Disadvantaged Communities–Single-Family Affordable Solar Homes (“DAC-SASH”) and City of San Diego Equity Program

³ Up to based on if customer is eligible for other upfront storage incentives, e.g., Self-Generation Incentive Program (“SGIP”)

ANALYSIS AND DISCUSSION

Program Updates

Since February 2024, staff have worked to refine the program guidelines and develop other aspects of the program (e.g., marketing, IT development, program documentation). SDCP plans to launch the program in July 2024.

Program Marketing

The program name (Solar Battery Savings Program) and logo were developed, and final modifications are being made to the program webpage, Frequently Asked Questions (FAQs), and promotional materials.

Staff expect that local contractors, who have a trusted voice throughout the community, will be instrumental in program awareness with customers. Staff will provide approved, local contractors with guidance on marketing materials (e.g., program language, marketing flyers, cobranding, etc.), and encourage contractors to use any materials they deem best for their customers.

IT Development

A program-specific contractor and original equipment manufacturer (“OEM”) portal is being developed to enable secure document sharing with SDCP.

Contractors. Contractors will apply to become approved to participate in the program via a contractor application. Once the application is reviewed and

approved, the contractor will need to complete online training on SDCP, the program details, processes for submitting documentation and rules around messaging. Upon completing the required training, contractors will have full access to the portal to initiate a customer's project application process. The portal includes an interactive map of the SDCP territory to (1) verify SDCP customer status, and (2) check for incentive levels (i.e., if they are CARE/FERA or within a Community of Concern). All program documentation, including, but not limited to contracts, Participant Enrollment Applications, and Permission to Operate ("PTO") letters, will be submitted via the portal.

OEMs. Approved OEMs will have access to the portal after submitting a signed Battery Manufacturer Agreement through the portal and once their products are approved by SDCP staff per the program product requirements. Program-approved OEMs will be notified once customers, who have selected their products, are enrolled in the program and systems installed. OEMs will be able to upload the battery performance data through the portal for the ongoing performance incentive calculation.

Program Documents

Final program documents (Attachments A through D) include the following:

- Program Manual
- Contractor Application
- Battery Manufacturer Agreement
- Participant Enrollment Application

SDCP is actively promoting and distributing program materials and documents directly with industry, on social media and within a blog post on our webpage. Staff are excited to start receiving applications from contractors and OEMs to participate in the program. Staff are planning two in-person program training sessions for contractors on July 18 and 25, 2024. Multiple sessions of the same training will be offered to enable more industry participation. Staff will provide an overview of the program, outline processes for using the portal, provide messaging around the program and be available to answer any questions.

Next Steps

Staff welcome the CAC to share the program promotional materials and documents as appropriate with industry and the public.

ATTACHMENTS

- A. Program Manual
- B. Contractor Application
- C. Battery Manufacturer Agreement
- D. Participant Enrollment Application



SOLAR BATTERY SAVINGS

Solar Battery Savings

Program Manual

June 2024

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Appendix

A. Participant Enrollment Application and Terms & Conditions

B. Contractor Application

C. Battery Manufacturer Agreement

D. Performance Data Submittal File (csv)

E. Process Map

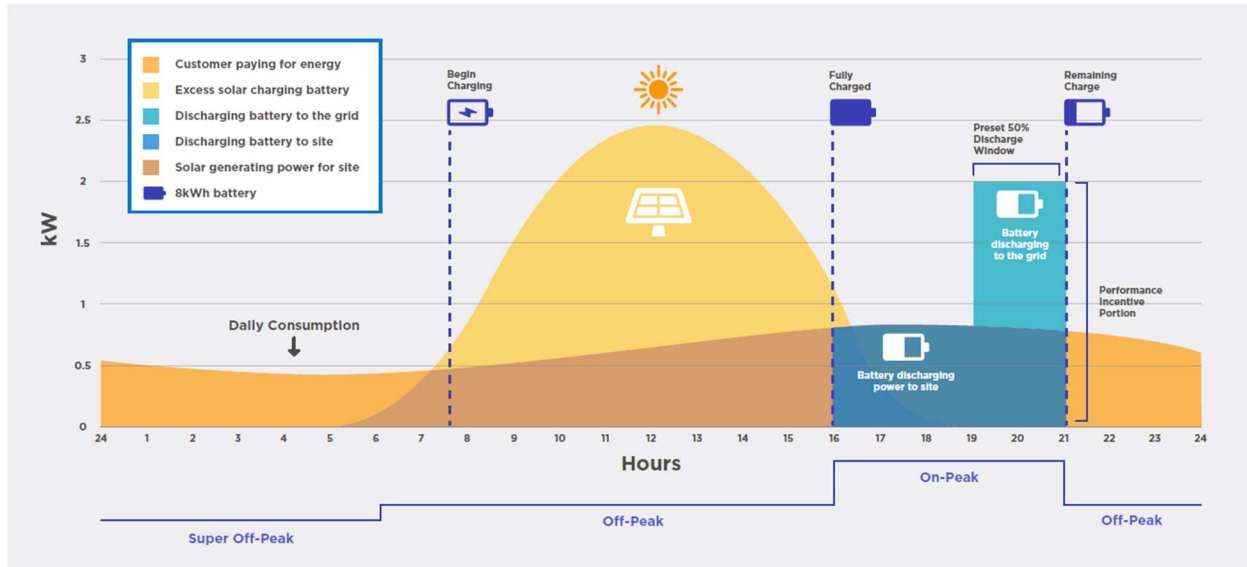
1. Program Summary

The Solar Battery Savings Program (“Program”) is a voluntary incentive program available to San Diego Community Power (“SDCP”) customers. SDCP serves the cities of San Diego, Chula Vista, Encinitas, Imperial Beach, La Mesa, and National City, as well as the unincorporated communities of San Diego County. The purpose of the Program is to support and increase adoption of solar and battery energy storage systems for residential, single-family homes throughout SDCP’s service territory following the transition to Net Billing Tariff (“NBT”) and benefit SDCP customers by reducing their utility bills. Additionally, this Program will support the California grid during on-peak periods (from 4-9 PM) when energy demand is high. This document outlines the purpose, requirements, processes, and expectations for the contractors, battery manufacturers, and customers.

On December 15, 2022, the California Public Utilities Commission (“CPUC”) established NBT as a successor to Net Energy Metering 2.0 (“NEM 2.0”). Participants who submitted an interconnection application before April 15, 2023, would remain under NEM 2.0, while any applications submitted after April 15, 2023, would be transitioned to NBT once the load serving entity had implemented the new billing rates. SDCP’s NBT was approved at SDCP’s October 2023 Board of Directors meeting, replacing NEM 2.0 as the default billing mechanism for accounts with newly installed generating systems (e.g., solar, wind, biomass, geothermal or other renewable resources). In December 2023, NBT was operationalized within SDCP’s billing system for customers with new generating systems and/or for customers who had reached the conclusion of their 20-year legacy period with NEM.

NBT significantly reduces the value of net export, impacting the economics of stand-alone solar systems. To improve project economics and support the continued growth of the regional solar market, this Program provides both upfront incentives, which help overcome the initial cost of installing storage, and performance-based incentives to encourage daily dispatch of participating storage systems when it is most beneficial to the grid.

SDCP’s goal is to design a program that supports continued adoption of cleaner energy resources. Therefore, SDCP is proposing an upfront incentive to help overcome the initial cost of solar and battery storage systems along with an ongoing, performance incentive to further motivate participants to dispatch their battery on a daily basis to optimize their billing structure and support the grid in periods of high demand. In addition to benefiting the grid, these exports can help reduce customer bills by storing excess generation for use during higher cost, on-peak periods later in the day (Figure 1, on next page).



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

Figure 1. Net Bill Tariff Effects Example with a Battery

1.1 Program Goals

SDCP has identified the following goals for the Program:

- 1) Support the installation of solar and storage in single-family homes throughout SDCP's service territory (50% of incentives aimed at serving Communities of Concern, defined in Section 2.1.c);
- 2) Support clean energy and grid reliability with having these battery resources dispatching during on-peak hours;
- 3) Leverage non-SDCP incentives for SDCP program participants (reference Section 9 Non-SDCP Incentives for more details); and
- 4) Build strong relationships with SDCP customers and the industry.

2. Program Eligibility Criteria and Requirements

The following parties will be involved in the program:

- **SDCP:** San Diego Community Power is the program administrator and responsible for the overall success of the program, participant enrollments and incentive payments.
- **Participant:** A SDCP customer who is eligible for the program (homeowner) and chooses to participate and assign/receive the upfront incentive and receive the performance incentives. Reference 2.2 for more details.
- **Contractor:** An approved (reference 2.3 for details on what is required for approval) installer of rooftop PV and/or battery energy storage systems or a national solar and storage provider (a national company that often contract installs with local installers and can provide a variety of in-house financing options for customers), that works with the participant to determine the system size and best way to optimize the system to meet

the participant's needs. A provider must use their in-house installation team (if applicable) or have local installers that are also approved for the program complete the installation to leverage the incentive.

- **Battery Manufacturer:** An approved battery original equipment manufacturer that is registered and approved for the Program, see Section 2.4 for more details.

2.1 SDCP Residential Customers

SDCP is classifying residential customers into two different categories for the upfront incentive associated with this program, (1) Market Rate Customers and Non-Market Rate Customers. Market rate Customers are SDCP customers not enrolled in California Alternate Rates for Energy ("CARE") or Family Electric Rate Assistance ("FERA") and/or not within a Community of Concern. Non-Market Rate Customers are SDCP customers enrolled in CARE, FERA and/or located within a Community of Concern, as defined in Section 2.1.a, Section 2.1.b, and Section 2.1.c., respectively.

2.1.a CARE

Customers can qualify for CARE if they participate in certain public assistance programs listed below or meet the income guidelines [here](#). The income guidelines are updated annually. CARE customers are able to receive a 30% discount on their utility bills.

Public Assistance Programs

- Bureau of Indian Affairs General Assistance
- CalFresh (Food Stamps) / SNAP
- CalWORKs (TANF) or Tribal TANF
- Head Start Income Eligible (Tribal Only)
- Low-Income Home Energy Assistance Program (LIHEAP)
- Medicaid/Medi-Cal for Families A & B
- National School Lunch Program (NSLP)
- Supplemental Security Income (SSI)
- Women, Infants and Children (WIC)

2.1.b FERA

Customers can qualify for FERA if they meet the income guidelines [here](#). The income guidelines are updated annually. FERA customers are able to receive an 18% discount on their utility bills.

2.1.c Communities of Concern

SDCP defines Communities of Concern as any of the following:

1. Disadvantaged communities (“DACs”) as defined by CalEnviroScreen 4.0¹; and/or
2. Low-income communities as defined by California Climate Investments Priority Populations (incomes at or below 80% of the statewide median or below a threshold designated as low-income by the Department of Housing and Community Development)²; and/or
3. Areas defined by SDCP’s member agencies (City of San Diego and Chula Vista currently) within their Climate Equity Index reports.

The distribution of Communities of Concern throughout SDCP’s service territory is shown in Figure 2 below. This map will be updated when Disadvantaged Communities and Priority Populations change, or additional census tracts are added by member agencies.

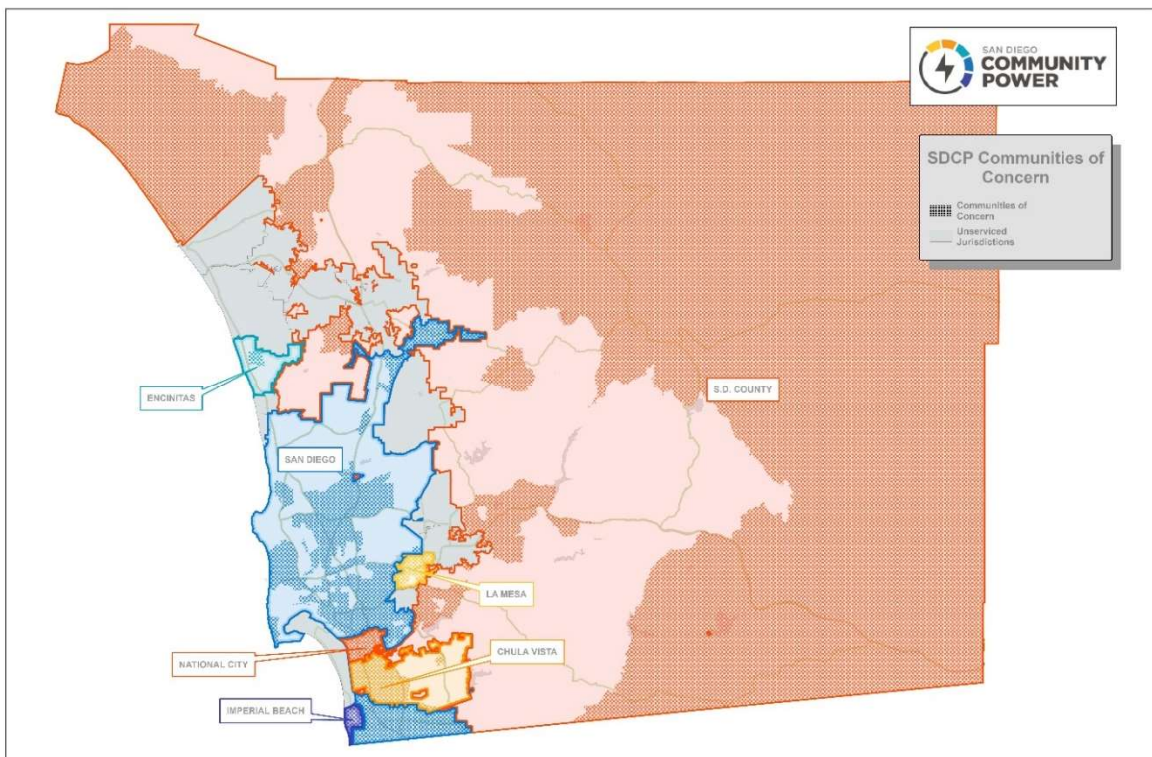


Figure 2. Communities of Concern Map

Contractors approved for the program can log in to the contractor portal and enter the account number or address of a potential customer to see if (1) they are an SDCP customer and (2) if they are CARE/FERA and/or within a SDCP Community of Concern. Contractors will be given authorization to the portal after being approved for the program.

¹ [CalEnviroScreen 4.0 | OEHHA](#)

² [Priority Populations — California Climate Investments](#)

2.2 Customer Eligibility

To be eligible for this Program, SDCP customers must meet the following criteria:

- Must be an active SDCP residential customer.
 - Customers who have opted out must return to SDCP to be eligible.
- System equipment must be interconnected and permitted by the agency having jurisdiction.
- Battery must be fully charged by on-site solar (no grid charging allowed).
- Battery cannot simultaneously be participating (or enrolling) in any other active demand response programs (e.g., emergency load relief program (“ELRP”), demand side grid support (“DSGS”)).
- Existing battery systems are not eligible for the Program.

The Participant Enrollment Application is simple, with a request for information about the participant/project and the terms and conditions (T&Cs) the participant must agree to. The application requests the following information:

- Customer contact information
- Account Number
- Whether they are CARE/FERA and/or within a Community of Concern
- Solar System Size and Estimated Production
- Inverter Manufacturer and Name
- Battery Manufacturer, Product Name, Nameplate Continuous kW and Usable kWh
- Percentage of battery enrolled for summer and winter seasons
- Weekday or weekday & weekend enrollment
- Payee Information
- Signature on application and initials for T&Cs

The participant will always be the homeowner who has the system installed, although SDCP will allow for non-participants to own the system. The battery storage system can be owned by (1) the participant, or homeowner, or (2) a third-party ownership (“TPO”), in the case of a lease or PPA with the participant’s permission as indicated in the Participant Enrollment Application. All program rules must be met regardless of the system owner. In the case where it is TPO, the upfront incentive should go to the system owner, in case of unenrollment and the potential claw back.

The Participant Enrollment Application will be inserted into the contract that the participant signs with the contractor for ease of obtaining approval from participant and to ensure the incentive is for a new battery system. Contractors will submit the application with the contract, on behalf of the participants, to SDCP, as detailed in the next section.

2.3 Contractor Eligibility

SDCP's goal is to foster program engagement through a low-effort enrollment process for contractors. Contractors must be approved by SDCP for participation in the program before they can submit applications for any customers (application signatures must be dated after contractor application approval date). Contractors will complete an application (available in Appendix B) to participate in the program that requests the following information:

1. Company contact information
2. Years of experience and number of batteries installed locally³
3. California State License Board Number and Classifications (C10 or C46)
4. Local office address
5. SGIP registered and actively participating (Y/N)
6. Automated Clearing House ("ACH") payment information
7. *If a contractor is a national solar and storage provider, they will be required to list their local installers to ensure local installers are installing the projects.*

Additionally, contractor will commit to the following requirements by submitting a signed self-certification document:

Program Requirements:

- Comply with the requirements of the Program Manual, incorporated herein by reference.
- Provide accurate participant information to SDCP customers based on the program requirements available on SDCP website or distributed by SDCP staff.
- Attend the mandatory training on program processes, marketing, and communication.
- Uphold a professional degree of workmanship.
- Respond to outages or performance issues within a reasonable timeframe and in accordance with warranty.
- Strive for Participant satisfaction throughout the process and at completion.
- Ensure quality and safety for Participant.
- Follow all program rules and work with SDCP staff in a professional manner.
- Submit and complete Participant Enrollment Applications and other program required documents accurately and within a timely fashion.
- Obtain all appropriate permits to facilitate the installation of solar and storage or add-on storage to an existing solar system.
- Complete interconnection applications accurately.
- Track project timelines and request extensions from SDCP, if needed, and as required by the Program Manual. Note that an extension is required for any delay of six months or more from Participant Enrollment Application approval date.
- Maintain all required training, licenses, insurance, and certifications to competently, expertly and professionally provide the Services of this Program.

³ SDCP will check California's Distributed Generation Statistics webpage to validate local experience

- Honor a minimum ten-year workmanship warranty.

General Terms & Conditions:

- Comply with all local, state, and federal laws, rules and regulations in any manner affecting the performance of the Services.
- Shall not use SDCP's name or insignia, photographs of the Program, or any publicity pertaining to the Services in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of SDCP.
- Understand they are an independent contractor and not an employee of SDCP. Contractor shall pay all wages, salaries, and other amounts due to any personnel performing work for the Program, as required by law.
- Procure and maintain insurance for the duration of the Program, in amounts reasonable with industry standards, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Program and require the same for any and all subcontractors.
- Shall defend, indemnify and hold SDCP, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Contractor, its officials, officers, employees, subcontractors, Vendors or agents in connection with the performance of the Program services, including without limitation the payment of all damages, expert witness fees and attorney's fees and other related costs and expenses. Shall pay and satisfy any judgment, award or decree that may be rendered against SDCP or its directors, officials, officers, employees, agents, or volunteers, in any such suit, action or other legal proceeding. Contractor shall reimburse SDCP and its directors, officials, officers, Contractors, employees, agents and/or volunteers, for any and all legal expenses and costs, including reasonable attorneys' fees, incurred by each of them in connection therewith or in enforcing the indemnity herein provided. The obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Contractor, SDCP, its officials, officers, employees, agents, or volunteers. This shall survive any expiration or termination of the Program.
- Contractor represents that it is an equal opportunity employer, and it shall not discriminate on the basis of race, gender, gender expression, gender identity, religion, national origin, ethnicity, sexual orientation, age, or disability in the solicitation, selection, hiring or treatment of participants, employees, subcontractors, vendors, or suppliers. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, or termination.

SDCP will launch a portal for the program approved contractors and battery manufacturers. Contractors will complete the Contractor Application (shown in Appendix B) and submit it to SDCP through the portal. SDCP will verify the Contractor Application and notify the contractor of approval or rejection within 10 business days of submission. If approved, the contractor will need to complete an online training (within the portal) which will provide program details, processes, messaging, and marketing to ensure consistent communication to SDCP customers. Once the training is complete, the contractor will be officially approved for the program and be

able to start submitting Participant Enrollment Applications. If the Contractor Application is not approved for any reason, the contractor may be able to reapply at a later point once the contractor meets the eligibility requirements. SDCP reserves the right to approve or deny contractors for any reason.

SDCP will send the approved contractors the instructions on how to access SDCP's contractor portal webpage with approval. The contractor portal webpage is used by contractors to identify customer eligibility (confirming they are an SDCP customer), check incentive levels, and submit project documentation. Additionally, approved contractors will be listed as such on the program webpage. No individual contractor is eligible to leverage any more than 25% of the fiscal year budget for upfront incentives (both reserved and paid), without prior authorization from SDCP.

2.4 Battery Manufacturer Eligibility

Only SDCP-approved batteries will be eligible for program participation. However, SDCP's goals include providing product optionality to customers based on their needs so SDCP will keep the doors open to new battery manufacturers throughout the program lifecycle. The program webpage provides the current eligible equipment list. Battery Manufacturers must be able to meet program requirements:

- (a) be able to operationalize the program dispatch; and
- (b) share the battery performance data on a quarterly basis.

Additionally, the battery equipment must meet the requirements shown in Section 5.2. Battery manufacturers must sign an agreement (see Appendix C) stating they can operationalize the program dispatch window, share the battery performance data on a quarterly basis via csv or through a control platform, and agree to all program terms. The battery manufacturer will submit the agreement and the equipment specification sheets to SDCP within the portal. SDCP will review the documents to confirm battery equipment meets the program requirements. SDCP staff will notify battery manufacturer of approval and create a database of all approved equipment that can be shared with contractors and customers. Additional details regarding performance requirements are available in Section 5.2.

3. Program Budget

The program budget for the upfront incentives is available on the program webpage and within the contractor and battery manufacturer portal. The budget tracker will show what percentage of the upfront budget has been reserved (participants and contractors will be notified via email (SolarBatterySavings@sdcommunitypower.org) when the associated upfront incentive is reserved for the project) and what percentage of the budget has been paid to Program participants.

If the upfront budget has been fully allocated before the end of each fiscal year (July 1–June 30), projects will be placed on waitlist. If projects are cancelled and additional funding is available before the end of the fiscal year, those projects will be included on a first-come, first-serve basis. There is no guarantee that an applicant will be approved for the program.

The performance incentive will be from a separate budget than the upfront available budget with no limit.

3.1 Reservation

If a Participant’s Enrollment Application requires a minor update or clarification (e.g., incorrect address associated with account number, incorrect incentive calculation) SDCP will notify the Contractor of the update and expect confirmation within five business days. In this scenario, the project incentive reservation will remain reserved for five business days. If there are any potentially disqualifying issues (e.g., account number not found, battery storage system not eligible, information missing), SDCP will notify the contractor and the application will need to be resubmitted, with no reservation of the project incentive. Once the application is approved, SDCP will reserve the funds appropriate for said project and that will be updated within the budget tracker to show reserved funds. The reservation period will last for six months, but if there are issues in meeting that installation timeframe due to other factors, the contractor should notify SDCP of the issues and the estimated installation timeframe and SDCP will extend the reservation for all reasonable requests (e.g., material delays, other open inspections, etc.).

3.2 Waitlist

Once the budget has been fully reserved, SDCP will create a waitlist and provide notifications on the program website about the budget reservation. Applicants on the waitlist understand and agree that an application placed on a waitlist may be subject to new T&Cs and new Program Manual requirements should funding become available. There is no guarantee that additional funding will become available.

4. Program Incentives

4.1 Program Incentives & Key Parameters

All upfront incentives are on a first-come, first-served basis. Once the signed Participant Enrollment Application is submitted to SDCP and approved, participants, contractors, and battery manufacturers (when applicable) will be notified. Additionally, the appropriate upfront incentive will be reserved and once the payment is processed, within 30 days of SDCP receiving the Permission to Operate (“PTO”) letter after the installation has been completed, the incentive will be paid to the appropriate payee (e.g., the participant, the contractor, the battery manufacturer) selected on the Participant Enrollment Application. The selected battery manufacturer will also be notified once the project has been installed. This will be tracked and updated (on a daily basis, at minimum) and shared on the webpage so customers and contractors know how much budget is remaining for upfront incentives for a given fiscal year.

The ongoing, annual performance incentive will be paid in the form of a check or direct deposit annually (at the end of each calendar year) to the homeowner where the system is installed (per the Participant Enrollment Application).

A summary of the key program parameters is shown in Table 1 below.

Table 1. Program Parameters

	Market Rate	Non-Market Rate (CARE, FERA & Communities of Concern)
Solar Upfront Incentive	N/A	Up to \$450/kW-AC ¹
Storage Upfront Incentive	\$350/kWh (nameplate useable capacity)	Up to \$500/kWh ² (nameplate useable capacity)

Storage Performance Incentive	\$0.10/kWh (based on actual performance over the dispatch period during on-peak periods)
# of Events	Daily (weekday only or weekday+weekend)
Dispatch Timing	All passive daily dispatches will align with the on-peak period ³
Event Duration	2-5 hours
Battery Enrollment	Participants can select the percentage of their battery's useable capacity to enroll in the program, with a minimum requirement of 50%
Opt-Out	Battery can underperform by up to 10% of the total enrolled capacity per month
Unenrollment	There will be a prorated claw back associated with the upfront incentive if the participant chooses to unenroll within the first five years

¹Up to based on if participant is eligible for other solar incentives, i.e., SGIP, DAC-SASH and City of San Diego's Solar Equity Program

²Up to based on if the participant is eligible for other upfront storage incentives, i.e., SGIP

³SDCP may introduce active event dispatching for voluntary participation with an increased incentive amount available to participants.

4.2 Incentive Calculations

This Program will include an upfront and a performance incentive. The upfront incentive will be based on nameplate usable capacity (kWh). For Market Rate participants, the upfront incentive will be \$350/kWh. The equation is shown below for an average battery size of 13.4 kWh, and a useable capacity of 10.7 kWh for a Market Rate participant.

Equation 1. Upfront Incentive Calculation – Market Rate

$$10.7 \text{ kWh} * \frac{\$350}{\text{kWh}} = \$3,745$$

For CARE/FERA participants and/or participants within Communities of Concern, the incentive increases to up to \$500/kWh, depending on if they are eligible for SGIP and if SGIP funds are still available. If the participant is approved for SGIP funding, SDCP will pay the difference up to \$500/kWh. SDCP expects contractors to take advantage of all available incentives, such as SGIP. The equation is shown below for an average battery size of 13.4 kWh, and a useable capacity of 10.7 kWh for a Non-Market Rate participant.

Equation 2. Upfront Incentive Calculation – Non-Market Rate (CARE/FERA and Communities of Concern)

$$10.7 \text{ kWh} * \frac{\$500}{\text{kWh}} = \$5,350$$

For the performance incentive, the participant will have the ability to opt out or underperform up to 10% of the enrolled capacity per month. If the battery performs below 90% of the enrolled capacity each month, the participant will forfeit their incentive for that month. The performance incentive is \$0.10/kWh for actual battery capacity dispatched to the site and/or exported to the grid during the two-hour daily dispatch preset by SDCP.

Equation 3. Performance Incentive Calculation

Assuming 60% participation:

$$\frac{10.7 \text{ kWh}}{2 \text{ hours}} * 60\% (\text{participation}) = 3.21 \text{ kW}$$

Assuming perfect performance, the annual incentive calculation would be as follows:

$$3.21 \text{ kW} * 2 \text{ hours} * 365 \text{ days} * \frac{\$0.10}{\text{kWh}} = \$234.33$$

5. Performance Requirements

5.1 Contractor Performance

Contractors are integral to the success of this program delivery. The Program maintains several performance requirements for participating contractors.

5.1.a Quality Assurance and Check

SDCP retains the right to require, via a third-party company employed by SDCP, post-installation quality assurance and quality check inspections on up to the first five (5) projects for any participating contractor. If the contractor is registered with SGIP, they will be exempt from any post-install inspections required by the Program.

5.1.b Issues/Deficiencies

SDCP may report issues or deficiencies to the approved contractors for the following reasons, but not limited to:

- Deficiencies found at the quality assurance and quality check inspection outlined in 5.1.a
- Participant calls about installation issues or battery not performing
- Customer survey feedback where SDCP receives feedback about a specific contractor, which may include misleading sales tactics, inaccurate information shared, poor customer service, unresponsive, and poor installation quality

Upon finding any issues or deficiencies, SDCP will notify the contractor in writing and require any corrective action that needs to be taken within an agreed upon time. If the contractor does not take the proper action within the agreed upon timeframe, the contractor will be put on a probation period where they are unable to submit any new projects until corrective action has been taken to cure all identified deficiencies. If those actions are not met, the contractor may be subject to termination from the Program. Additionally, if engagement in any misconduct is observed, the contractor will be subject to termination. If a contractor is terminated, they will be unable to proceed with any new applications and may require further SDCP engagement with participants in the process to ensure exceptional quality and service. Contractors that are terminated will not be allowed to reapply for five years.

5.2 Battery Requirements

All approved batteries must have the capability to dispatch the battery according to the preset schedule SDCP will provide in advance of participant participation. The battery will be dispatched either through a scheduled daily dispatch or remote dispatch communicated through an industry standard protocol (e.g., OpenADR or IEE2030.5).

All battery storage projects must be paired with an existing or new generating solar system and be capable of discharging every weekday or every day of the year (based on the selection within the application) to the percentage of the energy the equipment is enrolled to deliver. The minimum allowable useable battery capacity for program participation is 50%. The

participant/contractor can select, via the application, to enroll a different percentage of capacity between the summer and winter season. The battery manufacturer must be able to operationalize SDCP's preset dispatch schedule between 4-9 PM.

Each approved battery manufacturer will need to provide SDCP with battery cycling information via a csv template or provide SDCP access to their cloud-based control platform to obtain such information. SDCP will provide a csv template for battery cycling information (shown in Appendix D). All submitted csv submissions by battery manufacturers must be submitted within 10 business days after the end of each quarter, or March, June, September, and December.

The Program only allows for approved battery manufacturers and equipment to participate. Battery manufacturers that wish to participate in the Program will need to provide SDCP data sheets or other documentation which shows the information below.

- Battery must have a single cycle round trip efficiency (SCRTE) of 80% or greater.
- Battery storage systems shall be UL1973 and UL9540 tested and certified. Inverters associated with the system shall be UL1741 and UL174 Supplement A tested and certified.
- Battery storage system must have a minimum 10-year product warranty.

The battery equipment must be able to operationalize the Program and deliver the performance data for a potential of 10 years, understanding the percentage of battery enrollment is associated with the useable capacity, which is expected to downgrade year over year. To be approved as eligible equipment, the battery manufacturers must sign an agreement that they can operationalize the Program with the prescribed batteries and share the data for the required length of time. Batteries that are approved for the Program will be listed on the Program webpage.

6. Program Dispatch

6.1 Dispatch Period

SDCP will provide a daily dispatch strategy before each calendar year to the battery manufacturers that will prioritize customer value and fully align with the on-peak period from 4-9 PM. This program may introduce voluntary active events in future program years with an increased incentive amount available. The 2024-2025 daily dispatch strategy will be a pre-set schedule with a two-hour window; future years may have shorter or longer dispatch windows. Participants can enroll for weekday only or weekday and weekend dispatches.

The contractor will be required to understand the solar system size and battery size to appropriately estimate what capacity the battery can contribute each season during those hours. Each site will be expected to perform at 90% or above of the expected capacity each month and weekday vs. weekday and weekend enrollment.

Dispatch windows and methodology are subject to change annually and will be shared appropriately. The program may include DERMS integration in future program years, when applicable. Battery manufacturers must commit to work with SDCP to either integrate into the DERMS platform or use an alternative mechanism to provide battery performance data to SDCP.

6.2 Underperformance

If a battery dispatches less than 90% of the enrolled capacity, the participant will forfeit the performance payment that month. If a participant continues to underperform and has a consecutive three-month period of performing under 90%, SDCP will consult with the appropriate parties involved to determine reasoning for underperformance and potentially adjust the enrolled capacity to a more realistic value.

6.3 Unenrollment

The participant or contractor can reach out to SDCP's call center or email SolarBatterySavings@sdcommunitypower.org if they would like to unenroll from the program. If the participant unenrolls within the first five years of participation, there will be a prorated claw back on the upfront incentive. For the purposes of this claw back provision, Year 1 begins on the date the PTO letter is received and runs for 365 calendar days. The claw back is defined as shown below based on when the participant unenrolls. For example, if the participant unenrolls within Year 1, they will need to repay 100% of the upfront incentive.

Table 2. Claw back percentages over the first five years of participation

	Year 1	Year 2	Year 3	Year 4	Year 5
Claw back	100%	80%	60%	40%	20%

6.4 Change of Ownership

If the home changes ownership, SDCP must be informed in writing by the original participant that the house is going to be transferring ownership. The new owner is required to contact SDCP via phone or email to update the new owner's contact information to ensure future performance incentive payments will be processed to the new owner.

7. Customer Process

The customer process is shown via a process map in Appendix E. The following are the application process steps:

- 1) Once a customer is interested in the program, customer will connect with their selected, SDCP approved contractor.
- 2) Contractor will verify customer eligibility by entering customer account number into a customer eligibility tool within the portal. If the account is unfound, the account is not an SDCP customer. The customer eligibility tool will also indicate if customers are (1) within a Community of Concern and/or (2) on CARE/FERA and thus eligible for the higher (up to \$500/kWh) upfront incentive.
- 3) After a customer is confirmed eligible, the contractor will develop the proposal for the customer based on their needs and include the Program's Participant Enrollment Application and Program Terms and Conditions (T&Cs) within the customer contract. Please reference Appendix A for the Participant Enrollment Application.
- 4) The customer will sign the contract and the contractor will include the SDCP Participant Enrollment Application within with contract.
- 5) SDCP will review the submitted Participant Enrollment Application within 10 business days of submittal and notify the participant and contractor of approval. The selected

battery manufacturer will also be notified to make them aware of the project. If the project isn't approved, SDCP will notify the contractor and customer of why, and indicate if the application can be resubmitted with adjustments/corrections. The upfront incentive will be reserved for six months. If the project is delayed or cannot be installed within six months, the contractor will be responsible for notifying SDCP and requesting an extension. If no extension is requested, the reserved funds will be returned to the available budget.

- 6) Once the project is approved, the contractor will continue with the normal installation process, which includes, but is not limited to, completing and submitting the interconnection application, completing and submitting the permit request according to city codes, procuring materials, scheduling the installation, completing the commissioning, and scheduling the inspection. Once the installation is complete, the contractor will submit the post-installation documentation which includes:
 - a. PTO Letter;
 - b. Any adjustments to the projects or change orders.
 - i. If a change order is made and the system size changes, SDCP should be notified as soon as possible. Depending on budget availability, participant may only be able to leverage the applied incentive if the nameplate capacity is greater. If there is still budget available, the participant will be able to increase the incentive to the appropriate system size. If the nameplate capacity is reduced, the incentive will be adjusted appropriately.
- 7) SDCP staff will receive the PTO letter and calculate the annual performance incentive. SDCP staff will process the payments via ACH within 30 calendar days after receiving the PTO letter to the appropriate payee.
- 8) Once the PTO letter is submitted, SDCP will notify the battery manufacturer via the portal that the customer is online and participating in the Program. The manufacturer will coordinate the battery dispatch to override the battery's operational settings once installed to confirm participation in the program. Further information specific to the dispatch is provided in the Program Dispatch Section. SDCP will have the manufacturer responsible for ensuring the program is operationalized on their end. The battery manufacturer will submit the battery data quarterly via a csv template or by providing SDCP with access to their cloud-based control platform. Specifically, SDCP will request the following performance data via a template as shown in Appendix D:
 - System owner's name
 - Percentage of enrolled useable capacity
 - Time stamp (15-minute intervals)
 - Battery energy +/- kWh (15-minute intervals)
 - Battery power +/- average kW (15-minute intervals)
 - Battery SOC average % (15-minute intervals)
- 9) At the end of the calendar year, SDCP will perform the quarterly incentive calculations and then process the cumulative calendar year incentive earnings to be paid directly to the participant based on the address on the application. That process will continue for 10 years post-initial enrollment in the Program unless the participant chooses to unenroll. If

the participant decides they want to unenroll, there will be a prorated claw back if it within the first five years. See section 6.3 for details on unenrollment and the associated claw back provision.

Full Process Map is shown in Appendix E.

8. Communications

SDCP understands the complexities of NBT and will provide specific training on the Program to the public to provide access to tools and clear communication regarding the benefits of participating.

SDCP will also provide initial program training to the approved contractors to ensure proper, clear communication about SDCP, the program, and knowledge of the process. Additionally, SDCP will provide messaging and promotional materials. SDCP will allow for co-branding if contractors and/or battery manufacturers submit their logo to be included on promotional materials or request approval from SDCP on anything outside of the messaging or SDCP promotional materials.

9. Non-SDCP Incentives

9.1 Self-Generation Incentive Program

The Center for Sustainable Energy is currently the Program Administrator SGIP⁴ in San Diego Gas & Electric (SDG&E territory. SGIP funding will be focused on Equity and Resiliency customers but expands eligibility requirements for low-income customers to no longer require residing in a deed-restricted or resale-restricted residence for low-income housing. It also expands eligibility to CARE and FERA customers. The incentive levels have been increased and incentives available for solar for equity will be available in 2024 for storage paired systems.

Table 3. SGIP Incentives of March 2024 (incentives subject to change without notification)

Budget Category	Incentive Rate
Equity Resiliency	Storage: \$1.00/Wh
Residential Solar and Storage Equity	Storage: \$1.10/Wh
	Solar: \$3.10/W

Additionally, solar systems could receive an incentive often covering the project cost and storage systems would receive an incentive around 75% of total project cost. If customers are eligible for SGIP, SDCP incentives may be leveraged for the remaining project costs up to \$500/kWh based on the specification sheet's useable nameplate capacity.

9.2 Disadvantaged Community—Single-Family Solar Homes

Grid Alternatives currently implements the statewide DAC-SASH Program⁵. This program provides \$3/W-AC for systems ranging in size between 1-5 kW-AC to cover the cost of the system. SDCP encourages low-income homeowners that reside in a disadvantaged community

⁴ [Program Statistics | SGIP \(sgipsd.org\)](https://www.sgiipsd.org/)

⁵ [DAC-SASH | GRID Alternatives \(https://gridalternatives.org/what-we-do/program-administration/dac-sash\)](https://gridalternatives.org/what-we-do/program-administration/dac-sash)

who may qualify to leverage these incentives to reduce the overall upfront cost of the full system.

Additionally, SDCP has a DAC-SASH Readiness Pilot to support with roof repairs and replacements for up to \$20,000 on average for each project. SDCP plans to support at minimum 25 homes with a total budget of \$500,000.

9.3 City of San Diego Solar Equity Program

SDG&E and the City of San Diego established the Solar Equity Program⁶ to support income-qualified households with installing rooftop solar within the city limits.

The table below shows the eligibility income requirements. In addition to the income requirements, customers must be in a single-family home within city of San Diego without an existing solar system. Area Median Income (“AMI”) limits for San Diego County can be accessed at the County of San Diego Housing & Community Development Services⁷.

Table 4. City of San Diego Solar Equity Income Requirements

	Length	Eligibility
Phase 1	6 months (8/1/2023-1/31/2024)	Total household income less than 80% AMI AND located in a Community of Concern
Phase 2	3 months (2/1/2024 – 4/30/2024)	Total household income less than 120% AMI and located in a Community of Concern OR total household income less than 80% AMI
Phase 3	2 months (5/1/2024 – 6/30/2024)	Total household income less than 120% AMI

The program is a 10-year incentive program, funded by SDG&E via the franchise agreement. The program will allocate \$10M total, or \$1M each year. Customers can receive up to \$4 per watt to cover the cost of solar. SDCP will encourage customers who qualify to leverage these incentives.

10. Co-Participation with Active Dispatch Programs

SDCP will require battery equipment to be solely enrolled in SDCP’s Program. Batteries cannot be enrolled in any other load reduction programs, such as the Emergency Load Relief Program, California Energy Commission’s (“CEC”) Demand Side Grid Support (“DSGS”), or other CAISO integrated programs.

Definitions

The purpose of this section is to provide further detail on words and phrases used throughout the document.

Application Programming Interface (“API”): Allow for software applications to communicate, exchanging data and information via specific protocols.

⁶ PROVIDING SAN DIEGO RESIDENTS WITH ACCESS TO SOLAR | San Diego Solar Equity Program (sdsolarequity.org)

⁷ Income Limits AMI Chart (<https://www.sandiegocounty.gov/sdhcd/rental-assistance/income-limits-ami/>)

Battery Manufacturer: An approved battery original equipment manufacturer that is registered and approved for the program, able to operationalize the program dispatch and ensure successful delivery of the enrolled capacity for each customer per the program requirements.

California Alternate Rates for Energy (“CARE”): A program available for income-eligible customers to receive 30% reductions in their utility bills. More details provided in Section 2.1.a.

California Energy Commission (“CEC”): California’s lead energy policy and planning agency that implements the Demand Side Grid Support program among many other initiatives with the goal to procure 100% clean energy.

California Independent System Operator (“CAISO”): Maintains the reliability of the California grid and operates the wholesale energy market.

California Public Utilities Commission (“CPUC”): An agency made up of Governor-appointed Commissioners and hired staff to ensure safe, reliable utilities services to California.

Communities of Concern: Include the top 25% scoring areas from Disadvantaged Communities under CalEnviroScreen 4.0, low-income communities under priority populations (California Climate Investments Priority Populations) and areas defined by our member agencies within the Climate Equity Index report.

Contractor: An approved installer of rooftop PV and/or battery energy storage systems or a national solar and storage provider (a national company that often contracts installs with local installers and can provide a variety of financing options for customers), that works with the participant to determine the system size and best way to optimize the system to meet the participant’s needs. A provider must use their in-house installation team (if applicable) or have local installers that are also approved for the program complete the installation to leverage the incentive.

Customer Contract: The agreement between the contractor and the customer for the solar and storage or storage only (if an existing solar system is already in place) that includes the payment method, system cost, warranty, system sizes and specifications, and more.

Demand Side Grid Support: A state program implemented by the CEC to provide incentives for load reduction for existing/installed distributed energy resources during extreme events.

Disadvantaged Community – Single-Family Solar Homes (“DAC-SASH”): A state program implemented by Grid Alternatives to help disadvantaged communities install solar on residential roofs. More details provided in Section 7.2.

Dispatch Window: The specified time period that SDCP will call upon the battery equipment to discharge to the site and/or the grid on a daily basis. The performance incentive payment will be based on performance during the Dispatch Window.

Distributed Energy Resource Management System: A software platform that communicates with distributed energy resources, or assets such as thermostats, water heater controls, batteries, etc., to modify their operational settings and maximize benefits to the grid.

Emergency Load Relief Program (“ELRP”): A CPUC 5-year pilot launched in 2021 that pays customers for reducing load during CAISO’s Alert, Warning or Emergency process or Flex Alerts.

Energy Export Credit: The value that customers receive for electricity exported to the grid.

Family Electric Rate Assistance (“FERA”): A program available for income-eligible customers to receive 18% reductions in their utility bills. More details provided in Section 2.1.b.

IEE2030.5: A standard communication protocol between the grid and assets.

Kilowatt (“kW”): A derived unit of power (1 Watt = 1 Volt x 1 Amp), equivalent to 1,000 Watts.

Kilowatt-Hour (“kWh”): The energy delivered by 1 kW for one hour.

Market Rate participants are defined as any SDCP residential customers that are not registered with the California Alternate Rates for Energy (“CARE”) or Family Electric Rate Assistance (“FERA”) programs and/or are not located in Communities of Concern as defined in section 2.4.

Net Billing Tariff (“NBT”): A new billing mechanism that went into effect in 2023 where the bill rate a customer is paying for energy is not equivalent to the value distributed to customers for excess generation. Instead, customers are paid an hourly rate (Energy Export Credit) that varies throughout the day, providing higher value in the evening, or on-peak period for excess generation.

Net Energy Metering 2.0 (“NEM 2.0”): The billing mechanism, prior to NBT, that paid customers at the rate they were consuming energy for an excess energy provided back to the grid via solar, battery storage, etc.

Non-Market Rate participants are defined as any SDCP customer registered with the CARE or FERA programs and/or are located within Communities of Concern as defined in section 2.4.

Open Automated Demand Response (“Open ADR”): A standard used for energy management where a signal is sent and the power-using device’s operational settings are modified to reduce load.

Participant: An SDCP customer who is eligible for the program and chooses to participate and receive the incentives through the qualified installation of a solar and storage system and dispatch of energy (Participant and Customer may be used interchangeably).

Payee: The party selected to receive the upfront incentive on the Participant Enrollment Application (e.g., the participant, the contractor, the battery manufacturer)

Permission to Operate (“PTO”): The final step of the installation process where the utility provides the customer with authorization to operate.

Photovoltaic System (“PV System”, “Solar”): A system designed to generate power from sunlight by converting it into electrical energy.

SDCP Portal: A webpage that requires authentication for contractors and battery manufacturers to access. The portal will allow contractors to check for eligibility, submit applications and Letters of PTO and more. The portal will allow battery manufacturers to share the battery performance data quarterly with SDCP.

Power Purchase Agreement (“PPA”): A financing mechanism where the system is owned and operated by a third-party and the customer is paying for the energy generated by the system (common for solar systems).

San Diego Community Power (“SDCP”): A community-driven, not-for-profit public agency that provides clean energy to the San Diego region, specifically Cities of San Diego, Chula Vista, Encinitas, Imperial Beach, La Mesa and National City, as well as the unincorporated communities of San Diego County.

San Diego Gas & Electric (“SDG&E”): The Investor-Owned Utility that provides transmission and distribution for SDCP customers.

San Diego Solar Equity Program: A city program aimed to cover 100% of solar installs (up to 6.5 kW) for income-qualified households within San Diego’s Communities of Concerns (defined by San Diego’s Climate Equity Index). Refer to Section 7.# to learn more.

Self-Generative Incentive Program (“SGIP”): A program available through the CPUC to provide rebates to customers installing solar and energy storage in their residence. Center for Sustainable Energy is the implementer within SDG&E’s service territory.

State of Charge (“SOC”): Measure of the level of charge a battery has remaining in terms of its capacity. 0% indicates an empty battery and 100% indicates a fully charged battery.

Third-Party Ownership (“TPO”): A non-customer responsible for owning and operating the battery energy storage with customer permission through a lease or power purchase agreement.

Useable Capacity: The amount of capacity a battery can store that is available for consumption.

Virtual Power Plant: A system of distributed energy resources that is aggregated together to benefit the grid, resulting in more reliable, stable energy.

Appendix A. Participant Enrollment Application and Terms & Conditions

PARTICIPANT ENROLLMENT APPLICATION

PARTICIPANT / ACCOUNT HOLDER INFORMATION			
Participant Name:	Phone:	Email Address:	
Street Address:	City:	State:	Zip:
Electric Account Number:		Meter Number:	
CARE/FERA?		Community of Concern?	
Y / N		Y / N	

Contractor Name: _____

SOLAR + BATTERY SYSTEM INFORMATION			
Solar System Size: (kW-DC)	Solar System Size: (kW-AC)	Estimated Annual Solar Production: (kWh)	
Inverter Manufacturer:		Inverter Name:	
Battery Manufacturer:	Battery Product Name:	Battery Nameplate Continuous kW:	Battery Usable Nameplate kWh:
Summer Enrolled Battery Capacity (%)		Winter Enrolled Battery Capacity (%)	

**Maximum upfront incentive \$10,000 per site.*

Please select the days you would like to participate in the program below.

All Weekdays

All Weekdays & Weekends

PARTICIPANT AUTHORIZES THIS PAYMENT OF REBATE TO BE PAID TO THE SELECTED PAYEE BELOW AND UNDERSTANDS THAT PARTICIPANT MAY NOT BE RECEIVING A CHECK FROM SDCP BUT MAY SEE A DISCOUNT ON THE SYSTEM COST. PARTICIPANT UNDERSTANDS THAT RELEASE OF THE PAYMENT TO THE THIRD PARTY DOES NOT EXEMPT PARTICIPANT FROM THE TERMS AND CONDITIONS BELOW.

Payee Name: _____ If payee is not the contractor,
Bank Account #: _____ ABA Routing #: _____

PARTICIPANT INCENTIVE PAYMENT OPTIONS	
Upfront Incentive Estimate:	

I certify that all statements made in the application are correct to the best of my knowledge and that I have read and agree to the Terms and Conditions on the back of this form.

Print Name: _____

Signature: _____ Date: _____

Terms & Conditions Thank you for your participation in San Diego Community Power’s (“SDCP’s”) Solar Battery Savings Program. Current program details can be found within the Program Manual. Participation in this program is voluntary and includes the purchase and installation of an approved battery system by an approved contractor, as defined below. Customers who apply and are approved by SDCP will be required to fully comply with these terms and conditions.

	Market Rate	Non-Market Rate (CARE/FERA & Communities of Concern)
Solar Upfront Incentive	N/A	Up to \$450/kW-AC ¹
Storage Upfront Incentive	\$350/kWh (nameplate useable capacity)	Up to \$500/kWh ² (nameplate useable capacity)
Storage Performance Incentive	\$0.10/kWh (based on actual performance over the dispatch period during on-peak periods)	
Battery Enrollment	Participants can select the percentage of their battery’s useable capacity to enroll in the program, with a minimum requirement of 50%	
Opt-Out	Battery can underperform (or opt-out of daily events) by up to 10% of the total enrolled capacity per month	
Program Unenrollment:	There will be a prorated claw back associated with the upfront incentive if the participant chooses to unenroll within the first five years	

¹Up to based on if participant is eligible for other solar incentives, i.e., SGIP, DAC-SASH and City of San Diego’s Solar Equity Program

²Up to based on if the participant is eligible for other upfront storage incentives, i.e., SGIP

In exchange, participants will receive an upfront incentive distributed to the payee to reduce the system cost and a performance incentive based on actual battery capacity discharged to the site or the grid during the dispatch window to financially motivate participants for discharging their batteries during peak periods. The incentive payments will be paid in accordance with the parameters set forth below. Thank you for your participation and interest in supporting SDCP’s clean energy goals.

By signing this application to participate, Participant agrees to the terms and conditions below. Additionally, participant certifies that the information provided in this application and all supporting documentation are true, accurate, and complete.

1. Definitions.

- a. “Participant” means the residential SDCP customer owning a home at the address where the equipment is installed and maintaining an active account for service to that home. The participant is also who the performance incentive will be paid to.
- b. “Equipment” refers to the solar and storage or add-on storage installed at the participant’s home.
- c. “Payee” refers to the person or company specified on this Participant Enrollment Application who will be receiving the upfront incentive.
- d. “Contractor” refers to the local approved installer or provider (with local approved installers) that the customer is selecting to sign a contract with for installation of the equipment.
- e. “Battery Manufacturer” refers to the manufacturer of the battery and often the operator of the battery after it is installed. The Battery Manufacturer is also approved by the program and operationalizes the battery settings and dispatches based on the program requirements.

2. Participant Eligibility.

- a. SDCP customers must meet the following criteria:
 - i. Must be an active SDCP residential customer.

1. Customers who have opted out must return to SDCP to be eligible.
 - ii. System equipment must be interconnected and permitted by the agency having jurisdiction.
 - iii. Battery must be fully charged by on-site solar (no grid charging allowed).
 - iv. Battery cannot simultaneously be participating (or enrolling) in any other demand response programs (e.g., emergency load relief program (“ELRP”), demand side grid support (“DSGS”)).
 - v. Battery systems must be installed after the application is submitted.
 - b. The battery storage system can be owned by (1) the customer or (2) a third-party ownership (TPO) with the customer’s permission still needed in the Participant Enrollment Application. All program rules must be met regardless of the system owner.
3. **Equipment, Contractor Selection and Contracting.** Participant is responsible for selecting and contracting with an approved contractor and installing battery storage equipment that is approved for the program. The contractor shall be responsible for ensuring that the project meets Program timelines, requirements and applicable laws, regulations, and codes, and that the installation is done by workers that are properly qualified, licensed and insured. The participant acknowledges that if the project installation is delayed beyond six months after the Participant Enrollment Application is approved, the contractor is responsible for requesting an extension and if not requested or approved, the incentives may not be awarded. The participant also acknowledges that SDCP reserves the right to deny any contractor the ability to participate in this Program. Approved contractors can be found on the program webpage. SDCP also has the right to exclude certain equipment from the program. Approved products are also found on the program webpage.
4. **Interconnection Service Agreement and Permitting.** Systems participating must be installed in compliance with the participant’s Interconnection Service Agreement and the local jurisdiction’s permitting requirements.
5. **Upfront Incentives.** Participants who are enrolled will receive an upfront incentive of either \$350/kWh or up to \$500/kWh based on nameplate useable capacity. Participants who are on a CARE/FERA rate or live in an SDCP-designated Community of Concern will receive up to \$500/kWh based on nameplate useable capacity. All other participants will receive \$350/kWh based on nameplate useable capacity. The upfront incentive will be paid to the payee selected in the application. The upfront incentive payment will be processed within 30 days of SDCP receiving the PTO letter from the contractor.
6. **Battery Participation.** Once the PTO letter is received by SDCP, SDCP staff will confirm the battery manufacturer has operationalized the program for that customer within the battery’s settings. Once operationalized, the battery will be officially enrolled in the program and participating the enrolled capacity (minimum 50%) declared on the application page.
7. **Acknowledgement of Access to Equipment, Internet Access, and Participant Data.** Participant agrees that: (1) the equipment has working and reliable internet access in the home where the battery is located; (2) understands expectation to perform to capacity enrolled on application page during the dispatch window and can only rely on the remaining capacity delivered for other on-peak hours or in case of emergencies; (3) is aware that the battery charging and discharging data will be shared with SDCP to calculate the performance incentive and may be summarized within program results and shared publicly (participants will not be individually identified); (4) understands impacts on bill may vary based on percentage of battery enrolled within the program and consumption patterns; (5) approves sharing the application with the selected battery equipment manufacturer when appropriate; and (6) is responsible for complying with all manufacturer’s policies to ensure maximum performance from the battery.
8. **Performance Incentive.** Additionally, participants meeting the program requirements for battery dispatches will receive a performance incentive set at \$0.10/kWh based on actual battery performance during the daily dispatch. The incentive value will be paid for battery capacity going

to the site-load and/or being exported to the grid. The performance incentive will be paid for the lesser of (1) participant's participation duration in the program or (2) ten (10) years. The upfront incentive will be paid within thirty (30) days after receiving the appropriate documentation detailed below. The performance incentive will be paid annually to the participant and delivered to the participant within Q1 in the following year for the previous year of participation, up to ten (10) years based off the battery manufacturer's performance data.

9. **Equipment Performance.** If equipment fails to perform or participant opts out of the daily dispatch by over 10% of the enrolled capacity (noted on Page 1) each month, the participant will forgo their performance incentive payment for that month. If a customer continues to underperform for three consecutive months, SDCP will consult with the appropriate parties involved to determine the reasoning for underperformance and potentially adjust the enrolled capacity to a more realistic value.
10. **Enrollment Conditions.** Participant agrees that enrollment begins upon execution of the Agreement and continues through the first day of participation (once the battery manufacturer operationalizes the battery to the program requirements) after the permission to operate ("PTO") letter has been received and continue for the lesser of (1) the duration of participation or (2) ten (10) years from battery being operationalized. Participants may unenroll at any point by reaching out to SDCP's call center or over email [email], but if Participant unenrolls within the first five years after PTO, there may be prorated claw back on the upfront incentive (details in the Program Manual).
11. **Removal of Equipment.** Participant agrees, as a condition of participation in the Program to properly remove and dispose of or recycle the equipment and components in accordance with all applicable laws, and regulations and codes. The participant assumes all risk and liability associated with the reuse and disposal thereof.
12. **State and Federal Taxes.** Upfront Incentive may be subject to state or federal taxes. Please seek advice from a tax professional.
13. **Program/Terms and Conditions Changes.** SDCP reserves the right, for any reason, to alter or cancel the Program. Approved applications will be processed under the Terms and Conditions and Program Materials in effect at the time of the application approval by SDCP.
14. **Communications.** Participant has provided their e-mail address (within the application) for communications about the program and quarterly notification about the cumulative incentive amounts throughout the year. Participant accepts responsibility for the receipt of these communications and any consequences of not receiving them. Additionally, SDCP may request participant feedback while the program is active, and those surveys will be sent to the e-mail address provided on the application.
15. **Removal from Program.** If a participant's battery is underperforming for three consecutive months, SDCP will work with the appropriate parties involved to ensure proper enrollment and operation of the system. If (1) unresponsive within 30 days of SDCP's attempts to communicate or (2) cannot resolve the problem within a determined timeframe (on a project-by-project basis), the participant may be removed from the program and experience a prorated claw back if it's within the first five years of participating.
16. **Change in Home Ownership.** Participants acknowledge that they are required to own the property where the equipment is installed. If the home changes ownership, SDCP must be notified about the change with 30 days advance notice of a sale of the home where the equipment is installed. In the event of a sale, the new owner will assume responsibility for program enrollment and SDCP will transfer performance payments to the new homeowner. The original owner will be paid the cumulative incentive earned to date before the house is sold and then any future performance incentive payments to be paid to the new homeowner.
17. **Limitation of Liability.** To the fullest extent allowed by law, SDCP shall not be liable for any direct, indirect, special, or consequential damages to any persons or property resulting from or arising out of any use, repair, delay in repairing, replacement of, or modification to the Equipment.

SDCP does not warrant, endorse, guarantee, or assume liability for the quality, performance, or safety of any product or any contractor, manufacturer, or any other persons involved in the sale, purchase, installation, or any other aspect of the Program. Performance of any product, installation of any materials, and acceptance of materials used is solely the Participant's responsibility.

18. **Governing Law.** The Program, including these terms and conditions, shall be governed by the laws of the State of California. Venue shall be San Diego County.

Appendix B. Contractor Application

SDCP'S SOLAR BATTERY SAVINGS PROGRAM CONTRACTOR SELF-CERTIFICATION

Contractor must complete the application below and submit to:

SolarSavingsBattery@sdcommunitypower.org. Contractor will be notified regarding approval status.

In addition to reviewing the information provided in the application, SDCP will confirm the contractor's standing with the Better Business Bureau and check the California State Licensing Board to confirm active licenses.

COMPANY INFORMATION				
Company Name:				
Contact Name:				
Contact's Phone:		Contact's E-mail:		
Company Local Address:				
City:		State:		Zip:
Years in Business: <i>5 years or more required</i>		# of Local Battery Installs: <i>15 or more installs required</i>		
Sales In House (Y/N):		If no, provide details on sales partners:		
Licenses (CLSB #):				
Minimum workmanship warranty (Yrs) <i>10 years or more required</i>		How many employees?		
Diverse Business Enterprise (Y/N):		Union/Non-Union:		
Any Industry/Trade Certifications?				
Battery Products Certified to Install:				
Active SGIP Participation (Y/N):				
If a solar/storage provider, please list local installers here ⁸ :				
PAYMENT INFORMATION				
Routing/ABA Number:				
Account Number:				

⁸ Local installers must be registered separately for the program

By signing this Self-Certification, Contractor agrees to:

Program Requirements:

- Comply with the requirements of the Program Manual, incorporated herein by reference.
- Provide accurate participant information to SDCP customers based on the program requirements available on SDCP website or distributed by SDCP staff.
- Attend the mandatory training on program processes, marketing, and communication.
- Uphold a professional degree of workmanship.
- Respond to outages or performance issues within a reasonable timeframe and in accordance with warranty.
- Strive for Participant satisfaction throughout the process and at completion.
- Ensure quality and safety for Participant.
- Follow all program rules and work with SDCP staff in a professional manner.
- Submit and complete Participant Enrollment Applications and other program required documents accurately and within a timely fashion.
- Obtain all appropriate permits to facilitate the installation of solar and storage or add-on storage to an existing solar system.
- Complete interconnection applications accurately.
- Track project timelines and request extensions from SDCP, if needed, and as required by the Program Manual. Note that an extension is required for any delay of six months or more from Participant Enrollment Application approval date.
- Maintain all required training, licenses, insurance, and certifications to competently, expertly and professionally provide the Services of this Program.
- Honor a minimum ten-year workmanship warranty.

General Terms & Conditions:

- Comply with all local, state, and federal laws, rules and regulations in any manner affecting the performance of the Services.
- Shall not use SDCP's name or insignia, photographs of the Program, or any publicity pertaining to the Services in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of SDCP.
- Understand they are an independent contractor and not an employee of SDCP. Contractor shall pay all wages, salaries, and other amounts due to any personnel performing work for the Program, as required by law.
- Procure and maintain insurance for the duration of the Program, in amounts reasonable with industry standards, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Program and require the same for any and all subcontractors.
- Shall defend, indemnify and hold SDCP, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Contractor, its officials, officers, employees, subcontractors, Vendors or agents in connection with the performance of the

Program services, including without limitation the payment of all damages, expert witness fees and attorney's fees and other related costs and expenses. Shall pay and satisfy any judgment, award or decree that may be rendered against SDCP or its directors, officials, officers, employees, agents, or volunteers, in any such suit, action or other legal proceeding. Contractor shall reimburse SDCP and its directors, officials, officers, Contractors, employees, agents and/or volunteers, for any and all legal expenses and costs, including reasonable attorneys' fees, incurred by each of them in connection therewith or in enforcing the indemnity herein provided. The obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Contractor, SDCP, its officials, officers, employees, agents, or volunteers. This shall survive any expiration or termination of the Program.

- Contractor represents that it is an equal opportunity employer, and it shall not discriminate on the basis of race, gender, gender expression, gender identity, religion, national origin, ethnicity, sexual orientation, age, or disability in the solicitation, selection, hiring or treatment of participants, employees, subcontractors, vendors, or suppliers. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, or termination.

By signing this document, the Contractor agrees that all information provided in this application is accurate and complete. Additionally, the Contractor agrees to comply with the program requirements, including those listed in this self-certification, and in the Program Manual, incorporated herein by reference.

Printed Name: _____

Signature: _____ Date: _____

Appendix C. Battery Manufacturer Agreement

SDCP'S SOLAR BATTERY SAVINGS PROGRAM BATTERY SERVICES APPLICATION

Thank you for your interest in San Diego Community Power ("SDCP")'s Solar Battery Savings Program.

Manufacturing Brand:	
Contact Name(s):	
Contact Email(s):	
Contact Phone:	
Battery Models:	
Inverter Models:	
If integrated with existing DERMs, please list here:	
Current API Integrations:	
Does the battery support IEEE 2030.5 protocol?	
At what interval does the BESS Operator maintain telemetry data? (i.e., 15-minutes, 1 hour, 1 day, etc.). <i>The program requires 15-minute interval minimum.</i>	
ACH Information (Optional):	

Please include specification sheets for each of the battery models to confirm the following minimum performance requirements:

- Single cycle round-trip efficiency of 80% or greater
- Battery Storage: UL1973 and UL9540 tested and certified
- Inverter: UL1741 and UL1741 Supplement A tested and certified
- Warranty of at least 10 years

Battery Services Agreement

This agreement is entered into on the Executed Date by and between [Battery OEM] (“Battery Manufacturer”) and San Diego Community Power (“SDCP”), referred to collectively as “Parties”. This Agreement is a legally binding contract. The Parties named in this Agreement are bound by the terms set forth herein and otherwise incorporated herein by reference.

1. Scope of Services and Term

- a. General Scope of Services. Battery Manufacturer promises and agrees to furnish to SDCP all tools, software, services, and/or customary work necessary to fully and adequately supply SDCP with the grid services performance data for calculating the performance incentive. The Services are more particularly described in Section 2.a. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibit attached hereto, and all applicable local, state, and federal laws, rules, and regulations.
- b. Term. The term of this Agreement shall be ten (10) years following the Executed Date. SDCP reserves the right to amend the Agreement and/or Program Manual, unless earlier terminated as provided herein, and Battery Manufacturers must comply with changes. Battery Manufacturer shall complete the Services within the term of this Agreement and shall meet other established schedules and deadlines.

2. Responsibilities of Battery Manufacturer

- a. Grid Services. Battery Manufacturer will provide SDCP with access to enrolled customers’ battery performance data on a quarterly basis via a .csv template OR provide access for SDCP staff to a cloud-based controls platform so SDCP staff can collect the battery data and calculate the performance incentive for the lesser of (1) the customer’s participation in the program or (2) 10-years. If the Battery Manufacturer opts to provide SDCP with access to the cloud-based control platform, the Battery Manufacturer will make reasonable efforts to ensure it is available and if there is downtime planned, notify SDCP appropriately. In the case where the platform fails to allow SDCP access to the battery performance data, the Battery Manufacturer must provide SDCP with the battery performance data via a .csv file or record zero performance for the month and work with the customer to ensure their satisfaction with the program.
- b. Schedule of Services. Battery Manufacturer shall perform the Services in accordance with the schedule provided. If the Battery Manufacturer selects to share the data via a .csv file, the Battery Manufacturer must submit the completed template within 10 business days after the last day of the quarter (Calendar Year) for a duration of ten-years or be able to integrate into a DERMS platform within the ten-year timeframe to automate the events and data sharing. SDCP will allow flexibility if battery manufacturer is unable to integrate. SDCP will use the data to support the participant in obtaining the performance-based incentives.
- c. Conformance to Requirements. The battery settings must be able to override the operational settings selected by the customer or contractor to dispatch a specific enrolled capacity during a preset schedule provided by SDCP. The preset schedule will be provided for 2024 calendar year once the manufacturer is

approved for the program. Future years will allow for a preset schedule or integration into a distributed energy resource management platform.

- d. Warranties. Battery Manufacturer warrants that it possesses the necessary training, experience, expertise, and skill to competently, expertly, and professionally provide the Services for this Program. Battery Manufacturer warrants to SDCP that the setup for delivering data to SDCP will conform to the specifications set forth in Exhibit A attached hereto and incorporated by reference.
- e. Coordination of Services. Battery Manufacturer agrees to work closely with SDCP staff in the performance of Services and shall be available to SDCP's staff at all reasonable times.
- f. Laws and Regulations. Battery Manufacturer shall keep itself fully informed of and in compliance with all local, state, and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services. Battery Manufacturer shall be liable for all violations of such laws and regulations in connection with Services. If the Battery Manufacturer performs any work knowing it is to be contrary to such laws, rules, and regulations and without giving written notice to SDCP, Battery Manufacturer shall be solely responsible for all costs arising therefrom. Battery Manufacturer shall defend, indemnify, and hold SDCP, its officials, directors, officers, employees, and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules, or regulations.

3. Fees and Payments

- a. Compensation. Battery Manufacturer agrees to perform these services without any direct compensation from SDCP. All Services rendered are Battery Manufacturer's decision to potentially increase market adoption in SDCP's service territory through the upfront and performance incentives that the customers and contractors will receive.

4. General Provisions

- a. Ownership of Materials and Confidentiality.
 - i. Access Restrictions. SDCP will not (a) use the customer battery performance data for the benefit of, anyone other than SDCP; (b) use the customer battery performance data for timesharing or service bureau purposes or otherwise for the benefit of a third-party other than the Participants; (c) use the customer battery performance data in violation of applicable law or the rights of others; (d) take any action or make any omission in violation of Battery Manufacturer that will harm in any way Battery Manufacturer's products.
 - ii. Intellectual Property. All materials and documents which were developed or prepared by the Battery Manufacturer for general use prior to the execution of this Agreement and which are not the copyright of any other party or publicly available and any other computer applications, shall continue to be the property of the Battery Manufacturer. However, unless otherwise identified and stated prior to execution of this Agreement, Battery Manufacturer represents and warrants that it has the right to grant

the exclusive and perpetual license for all such Intellectual Property as provided herein.

- iii. Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Battery Manufacturer in connection with the performance of this Agreement shall be held confidentially by Battery Manufacturer. Such materials shall not, without the prior written consent of SDCP, be used by Battery Manufacturer for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project, unless otherwise required by law. Nothing furnished to Battery Manufacturer which is otherwise known to Battery Manufacturer or is generally known, or has become known, to the related industry shall be deemed confidential. Battery Manufacturer shall not use SDCP's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of SDCP.
- iv. Cooperation; Further Acts. The Parties shall fully cooperate with one another and shall take any additional acts or sign any additional documents as may be necessary, appropriate, or convenient to attain the purposes of this Agreement.
- v. Attorney's Fees. If either Party commences any action against the other Party, either legal, administrative, or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and all other costs of such action.
- vi. Indemnification. To the fullest extent permitted by law, Battery Manufacturer shall defend (with counsel of SDCP's choosing), indemnify and hold SDCP, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Battery Manufacturer, its officials, officers, employees, subcontractors, Vendors or agents in connection with the performance of the Battery Manufacturer's services, the Project or this Agreement, including without limitation the payment of all damages, expert witness fees and attorney's fees and other related costs and expenses. Battery Manufacturer shall defend, at Battery Manufacturer's own cost, expense, and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against SDCP, its directors, officials, officers, employees, agents, or volunteers. Battery Manufacturer shall pay and satisfy any judgment, award or decree that may be rendered against SDCP or its directors, officials, officers, employees, agents, or volunteers, in any such suit,

action or other legal proceeding. Battery Manufacturer shall reimburse SDCP and its directors, officials, officers, Battery Manufacturers, employees, agents and/or volunteers, for any and all legal expenses and costs, including reasonable attorneys' fees, incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Battery Manufacturer's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Battery Manufacturer, the SDCP, its officials, officers, employees, agents, or volunteers. This section shall survive any expiration or termination of this Agreement.

- vii. Entire Agreement. This Agreement contains the entire Agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings, or agreements. This Agreement may only be modified by a writing signed by both Parties.
- viii. Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in San Diego County.
- ix. SDCP's Right to Work with Other Battery Manufacturers. SDCP reserves the right to work with other Battery Manufacturers in connection with this Program.
- b. Assignment or Transfer. Battery Manufacturer shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement, or any interest herein without the prior written consent of SDCP. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation, or transfer.
- c. Privacy. SDCP will not obtain data or information from, nor control any Product, for which the owner and (if different) the occupant of the Site has not given written consent. In connection with the Program, the Battery Manufacturer and SDCP will comply, with (a) their respective obligations under this Agreement, and (b) all laws and regulations applicable to such Personal Information, such as, to the extent applicable, CAN-SPAN and the Telephone Consumer Privacy Act (TCPA).
- d. Data Security. During the Term, each Party will implement or use commercially appropriate network management and maintenance applications and tools, fraud prevention and intrusion detection systems, and encryption technologies to help protect the security and confidentiality of Confidential Information and Personal Information provided by or on behalf of a Party hereunder against unlawful or accidental access to, or unauthorized processing, disclosure, destruction, damage or loss of such information and data. Additionally, SDCP will use commercially reasonable efforts to prevent unauthorized access to data shared by Battery Manufacturer.
- e. Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. All references to Battery Manufacturer include all personnel, employees, and agents of Battery Manufacturer, except as otherwise specified in this Agreement. All references to SDCP include its Board of Directors, officers, employees, agents, and volunteers except as otherwise

specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment or describe the scope, content, or intent of this Agreement.

- f. Amendment; Modification. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.
 - g. Waiver. No waiver of any default shall constitute a waiver of any other default or breach whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel or otherwise.
 - h. No Third-Party Beneficiaries. There are no intended third-party beneficiaries of any right or obligation assumed by the Parties.
 - i. Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.
 - j. Equal Opportunity Employment. Battery Manufacturer represents that it is an equal opportunity employer, and it shall not discriminate on the basis of race, gender, gender expression, gender identity, religion, national origin, ethnicity, sexual orientation, age, or disability in the solicitation, selection, hiring or treatment of participants, employees, subcontractors, vendors, or suppliers. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, or termination.
 - k. Authority to Enter Agreement. Battery Manufacturer has all requisite power and authority to conduct its business and to execute, deliver and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right and authority to make this Agreement and bind each representative Party.
 - l. Counterparts. This agreement may be signed in counterparts, each of which shall constitute an original.
5. **Termination**. Either party may terminate this Agreement if the other party (i) breaches their obligations under this Agreement and fails to cure such breach within thirty (30) days of the receipt of written notice from the other Party describing the nature of the default; or (ii) becomes insolvent, or institutes or has instituted against it insolvency proceedings, or admits in writing its inability to pay its debts generally, or any proceeding is instituted by or against is seeking protection under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, or other similar official for it or for any substantial part of its property. Additionally, either party may terminate this Agreement for convenience by providing the other party sixty (60) days prior written notice.

SAN DIEGO COMMUNITY POWER

By: _____

Printed Name: _____

Title: _____

Date: _____

[BATTERY MANUFACTURER]

By: _____

Printed Name: _____

Title: _____

Date: _____

Exhibit A: Scope of Work

The battery system must be able to operationalize the program, which includes:

- 1) Ability for the battery manufacturer to override the battery operational settings to dispatch a percentage of the battery's usable capacity during a specified two-hour period provided to the battery manufacturer once enrolled.
- 2) Sharing the battery performance data with SDCP to analyze and calculate the performance incentive (via a Grid Service platform or filling in a csv. template)

The performance data provided to SDCP will include the following features and functionality with respect to the battery/inverter products installed at specific enrolled customers' addresses.

- Customer Address
- Historical Power (updated at 15-minute granularity) for the past 3-months each quarter.
- Historical SOC (updated at 15-minute granularity) for the past 3-months each quarter.

Name	Unit	Description
Time Stamp		Timestamp on the calendar every 15 minutes
Battery Energy	+/- kWh	Cumulative energy over 15-minute interval (- for charging, + for discharging)
Battery Power	+/- kW	Average power during 15-minute interval
Battery SOC	%	Average state of charge during 15-minute interval

Appendix D. Performance Data Submittal File (csv)

Date Time	Month	Hour	2-Hr Dispatch	Battery Discharge (kW)	Battery Discharge (kW)
1/5/24 12:00 AM	1	0			0
1/5/24 1:00 AM	1	1			0
1/5/24 2:00 AM	1	2			0
1/5/24 3:00 AM	1	3			0
1/5/24 4:00 AM	1	4			0
1/5/24 5:00 AM	1	5			0
1/5/24 6:00 AM	1	6			0
1/5/24 7:00 AM	1	7			0
1/5/24 8:00 AM	1	8			0
1/5/24 9:00 AM	1	9			0
1/5/24 10:00 AM	1	10			0
1/5/24 11:00 AM	1	11			0
1/5/24 12:00 PM	1	12			0
1/5/24 1:00 PM	1	13			0
1/5/24 2:00 PM	1	14			0
1/5/24 3:00 PM	1	15			0
1/5/24 4:00 PM	1	16			0
1/5/24 5:00 PM	1	17			0
1/5/24 6:00 PM	1	18			0
1/5/24 7:00 PM	1	19	X		0
1/5/24 8:00 PM	1	20	X		0
1/5/24 9:00 PM	1	21			0
1/5/24 10:00 PM	1	22			0
1/5/24 11:00 PM	1	23			0
1/6/24 12:00 AM	1	0			0
1/6/24 1:00 AM	1	1			0
1/6/24 2:00 AM	1	2			0
1/6/24 3:00 AM	1	3			0
1/6/24 4:00 AM	1	4			0
1/6/24 5:00 AM	1	5			0
1/6/24 6:00 AM	1	6			0
1/6/24 7:00 AM	1	7			0
1/6/24 8:00 AM	1	8			0
1/6/24 9:00 AM	1	9			0
1/6/24 10:00 AM	1	10			0
1/6/24 11:00 AM	1	11			0
1/6/24 12:00 PM	1	12			0
1/6/24 1:00 PM	2	13			0



Customer Information	
Customer ID:	
Summer Committed Energy (kWh):	10
Winter Committed Energy (kWh):	15

Month 1:	
Total Expected kWh:	465
Total Actual kWh:	0

Incentive (\$/kWh):	\$0.10
Total Monthly Incentive Payment:	\$ -

Month 2:	
Total Expected kWh:	435
Total Actual kWh:	0

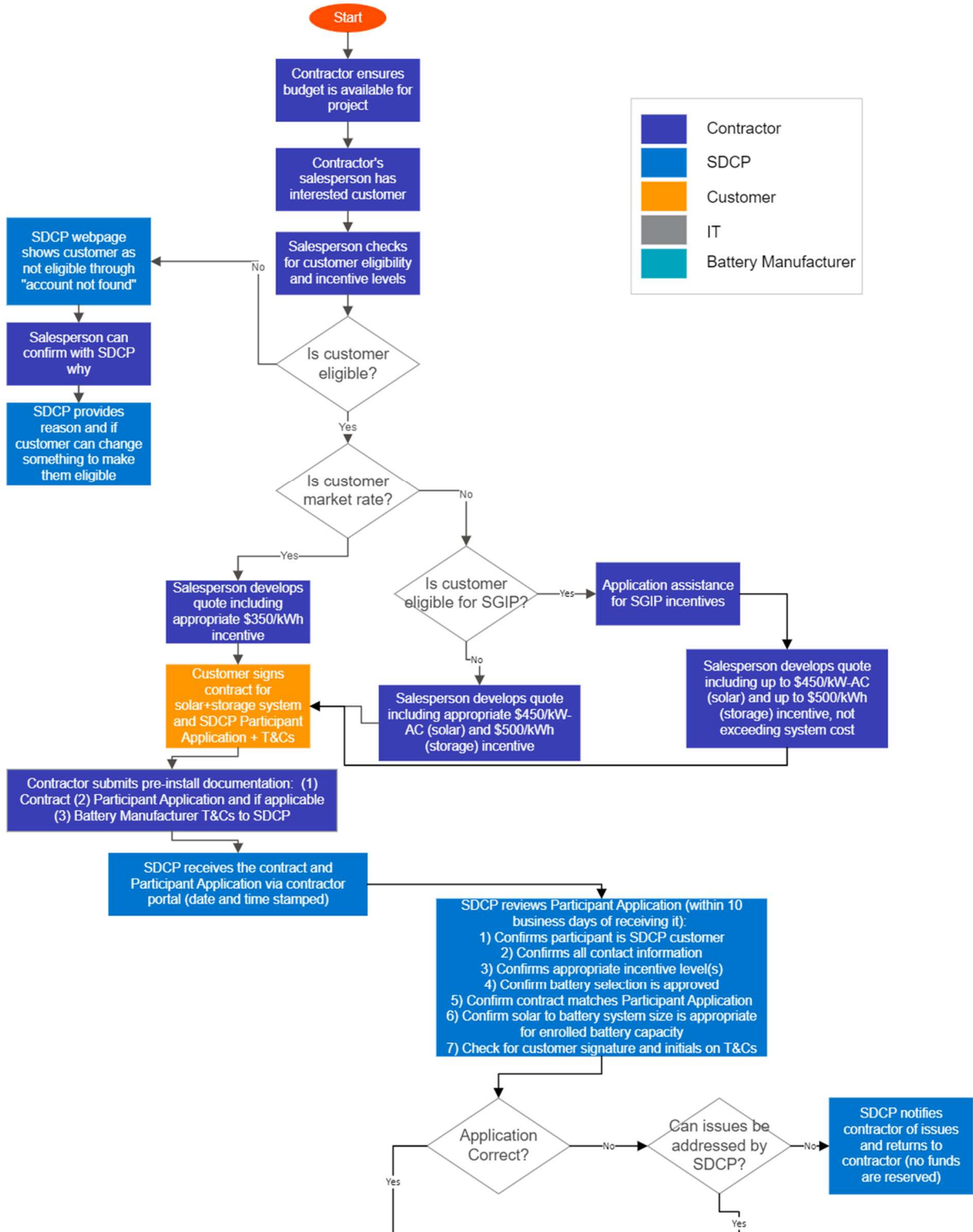
Incentive (\$/kWh):	\$0.10
Total Monthly Incentive Payment:	\$ -

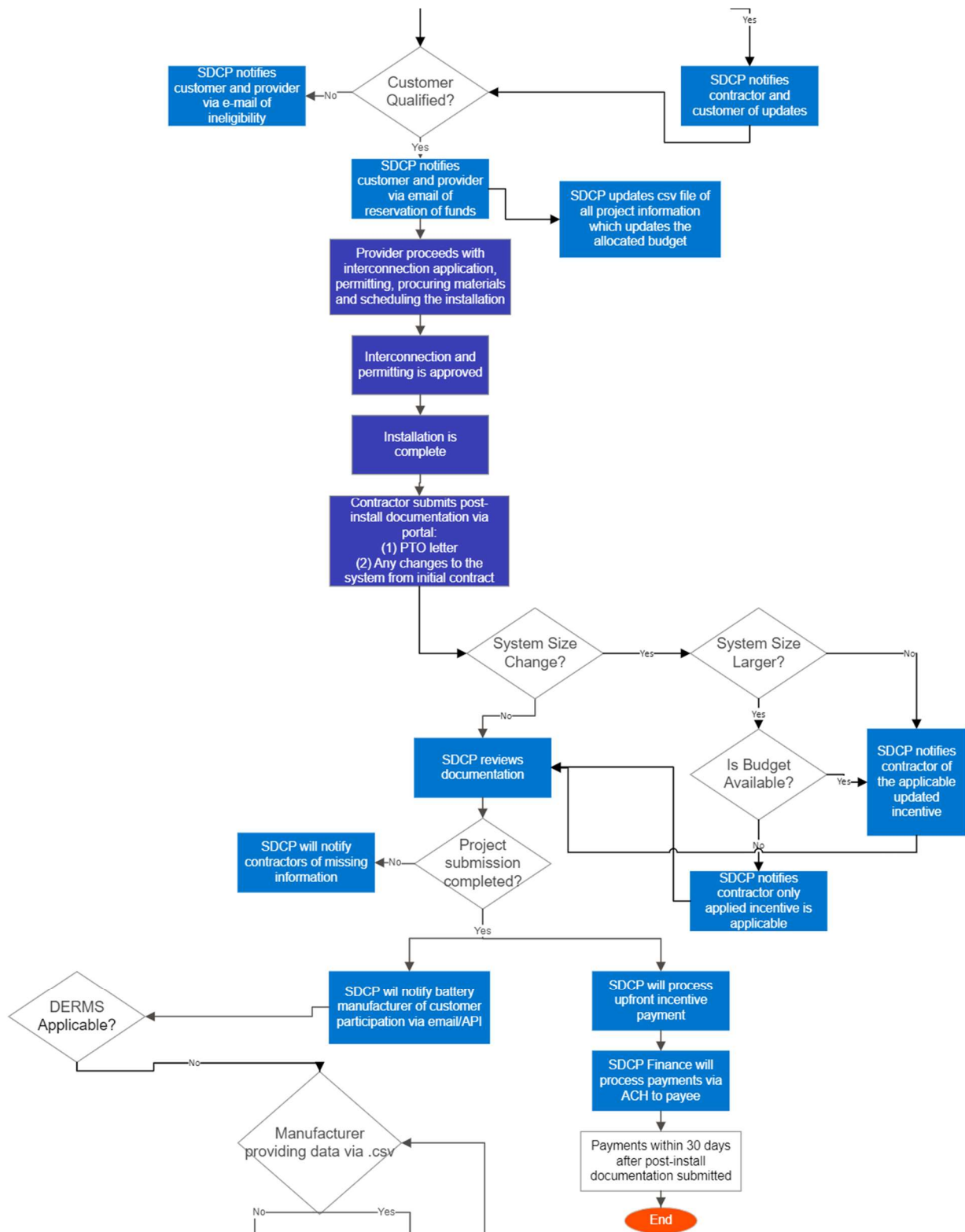
Month 3:	
Total Expected kWh:	465
Total Actual kWh:	0

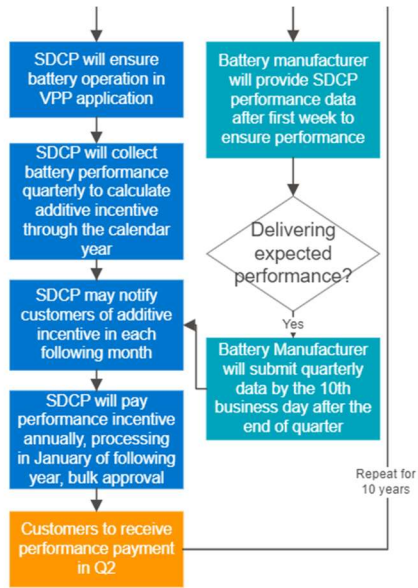
Incentive (\$/kWh):	\$0.10
Total Monthly Incentive Payment:	\$ -

Quarterly Incentive Payment:	\$ -
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Appendix E. Application Process Map







SDCP'S SOLAR BATTERY SAVINGS PROGRAM CONTRACTOR SELF-CERTIFICATION

By signing this Self-Certification, Contractor agrees to:

Program Requirements:

- Comply with the requirements of the Program Manual, incorporated herein by reference.
- Provide accurate participant information to SDCP customers based on the program requirements available on SDCP website or distributed by SDCP staff.
- Attend the mandatory training on program processes, marketing, and communication.
- Uphold a professional degree of workmanship.
- Respond to outages or performance issues within a reasonable timeframe and in accordance with warranty.
- Strive for Participant satisfaction throughout the process and at completion.
- Ensure quality and safety for Participant.
- Follow all program rules and work with SDCP staff in a professional manner.
- Submit and complete Participant Enrollment Applications and other program required documents accurately and within a timely fashion.
- Obtain all appropriate permits to facilitate the installation of solar and storage or add-on storage to an existing solar system.
- Complete interconnection applications accurately.
- Track project timelines and request extensions from SDCP, if needed, and as required by the Program Manual. Note that an extension is required for any delay of six months or more from Participant Enrollment Application approval date.
- Maintain all required training, licenses, insurance, and certifications to competently, expertly and professionally provide the Services of this Program.
- Honor a minimum ten-year workmanship warranty.

General Terms & Conditions:

- Comply with all local, state, and federal laws, rules and regulations in any manner affecting the performance of the Services.
- Shall not use SDCP's name or insignia, photographs of the Program, or any publicity pertaining to the Services in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of SDCP.
- Understand they are an independent contractor and not an employee of SDCP. Contractor shall pay all wages, salaries, and other amounts due to any personnel performing work for the Program, as required by law.
- Procure and maintain insurance for the duration of the Program, in amounts reasonable with industry standards, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Program and require the same for any and all subcontractors.
- Shall defend, indemnify and hold SDCP, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Contractor, its officials, officers,

employees, subcontractors, Vendors or agents in connection with the performance of the Program services, including without limitation the payment of all damages, expert witness fees and attorney's fees and other related costs and expenses. Shall pay and satisfy any judgment, award or decree that may be rendered against SDCP or its directors, officials, officers, employees, agents, or volunteers, in any such suit, action or other legal proceeding. Contractor shall reimburse SDCP and its directors, officials, officers, Contractors, employees, agents and/or volunteers, for any and all legal expenses and costs, including reasonable attorneys' fees, incurred by each of them in connection therewith or in enforcing the indemnity herein provided. The obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Contractor, SDCP, its officials, officers, employees, agents, or volunteers. This shall survive any expiration or termination of the Program.

- Contractor represents that it is an equal opportunity employer, and it shall not discriminate on the basis of race, gender, gender expression, gender identity, religion, national origin, ethnicity, sexual orientation, age, or disability in the solicitation, selection, hiring or treatment of participants, employees, subcontractors, vendors, or suppliers. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, or termination.

By signing this document, the Contractor agrees that all information provided in this application is accurate and complete. Additionally, the Contractor agrees to comply with the program requirements, including those listed in this self-certification, and in the Program Manual, incorporated herein by reference.

Printed Name: _____

Signature: _____ Date: _____

SDCP'S SOLAR BATTERY SAVINGS PROGRAM BATTERY SERVICES AGREEMENT

This agreement is entered into on the Executed Date by and between the Battery Manufacturer and San Diego Community Power ("SDCP"), referred to collectively as "Parties". This Agreement is a legally binding contract. The Parties named in this Agreement are bound by the terms set forth herein and otherwise incorporated herein by reference.

1. Scope of Services and Term

- a. General Scope of Services. Battery Manufacturer promises and agrees to furnish to SDCP all tools, software, services, and/or customary work necessary to fully and adequately supply SDCP with the grid services performance data for calculating the performance incentive. The Services are more particularly described in Section 2.a. and in the Program Manual, incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibit attached hereto, and all applicable local, state, and federal laws, rules, and regulations.
- b. Term. The term of this Agreement shall be ten (10) years following the Executed Date. SDCP reserves the right to amend the Agreement and/or Program Manual, unless earlier terminated as provided herein, and Battery Manufacturers must comply with changes. Battery Manufacturer shall complete the Services within the term of this Agreement and shall meet other established schedules and deadlines.

2. Responsibilities of Battery Manufacturer

- a. Grid Services. Battery Manufacturer will provide SDCP with access to enrolled customers' battery performance data on a quarterly basis via a .csv template OR provide access for SDCP staff to a cloud-based controls platform so SDCP staff can collect the battery data and calculate the performance incentive for the lesser of (1) the customer's participation in the program or (2) 10-years. If the Battery Manufacturer opts to provide SDCP with access to the cloud-based control platform, the Battery Manufacturer will make reasonable efforts to ensure it is available and if there is downtime planned, notify SDCP appropriately. In the case where the platform fails to allow SDCP access to the battery performance data, the Battery Manufacturer must provide SDCP with the battery performance data via a .csv file or record zero performance for the month and work with the customer to ensure their satisfaction with the program.
- b. Schedule of Services. Battery Manufacturer shall perform the Services in accordance with the schedule provided. If the Battery Manufacturer selects to share the data via a .csv file, the Battery Manufacturer must submit the completed template within 10 business days after the last day of the quarter (Calendar Year) for a duration of ten-years or be able to integrate into a DERMS platform within the ten-year timeframe to automate the events and data sharing. SDCP will allow flexibility if battery manufacturer is unable to integrate. SDCP will use the data to support the participant in obtaining the performance-based incentives.
- c. Conformance to Requirements. The battery settings must be able to override the operational settings selected by the customer or contractor to dispatch a specific enrolled capacity during a preset schedule provided by SDCP. The preset

schedule will be provided for 2024 calendar year once the manufacturer is approved for the program. Future years will allow for a preset schedule or integration into a distributed energy resource management platform.

- d. Warranties. Battery Manufacturer warrants that it possesses the necessary training, experience, expertise, and skill to competently, expertly, and professionally provide the Services for this Program. Battery Manufacturer warrants to SDCP that the setup for delivering data to SDCP will conform to the specifications set forth in Exhibit A attached hereto and incorporated by reference.
- e. Coordination of Services. Battery Manufacturer agrees to work closely with SDCP staff in the performance of Services and shall be available to SDCP's staff at all reasonable times.
- f. Laws and Regulations. Battery Manufacturer shall keep itself fully informed of and in compliance with all local, state, and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services. Battery Manufacturer shall be liable for all violations of such laws and regulations in connection with Services. If the Battery Manufacturer performs any work knowing it is to be contrary to such laws, rules, and regulations and without giving written notice to SDCP, Battery Manufacturer shall be solely responsible for all costs arising therefrom. Battery Manufacturer shall defend, indemnify, and hold SDCP, its officials, directors, officers, employees, and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules, or regulations.

3. Fees and Payments

- a. Compensation. Battery Manufacturer agrees to perform these services without any direct compensation from SDCP. All Services rendered are Battery Manufacturer's decision to potentially increase market adoption in SDCP's service territory through the upfront and performance incentives that the customers and contractors will receive.

4. General Provisions

- a. Ownership of Materials and Confidentiality.
 - i. Access Restrictions. SDCP will not (a) use the customer battery performance data for the benefit of, anyone other than SDCP; (b) use the customer battery performance data for timesharing or service bureau purposes or otherwise for the benefit of a third-party other than the Participants; (c) use the customer battery performance data in violation of applicable law or the rights of others; (d) take any action or make any omission in violation of Battery Manufacturer that will harm in any way Battery Manufacturer's products.
 - ii. Intellectual Property. All materials and documents which were developed or prepared by the Battery Manufacturer for general use prior to the execution of this Agreement and which are not the copyright of any other party or publicly available and any other computer applications, shall continue to be the property of the Battery Manufacturer. However, unless otherwise identified and stated prior to execution of this Agreement, Battery Manufacturer represents and warrants that it has the right to grant

the exclusive and perpetual license for all such Intellectual Property as provided herein.

- iii. Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Battery Manufacturer in connection with the performance of this Agreement shall be held confidentially by Battery Manufacturer. Such materials shall not, without the prior written consent of SDCP, be used by Battery Manufacturer for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project, unless otherwise required by law. Nothing furnished to Battery Manufacturer which is otherwise known to Battery Manufacturer or is generally known, or has become known, to the related industry shall be deemed confidential. Battery Manufacturer shall not use SDCP's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of SDCP.
- iv. Cooperation; Further Acts. The Parties shall fully cooperate with one another and shall take any additional acts or sign any additional documents as may be necessary, appropriate, or convenient to attain the purposes of this Agreement.
- v. Attorney's Fees. If either Party commences any action against the other Party, either legal, administrative, or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and all other costs of such action.
- vi. Independent Contractor. Battery Manufacturer is an independent contractor and not an employee of SDCP. Work under this Agreement shall be performed by Battery Manufacturer or under its supervision and Battery Manufacturer will determine the means, methods and details of performing that work. Battery Manufacturer retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the work under this Agreement on behalf of Battery Manufacturer shall also not be employees of SDCP and shall at all times be under Battery Manufacturer's exclusive direction and control. Battery Manufacturer shall pay all wages, salaries, and other amounts due such personnel in connection with their work under this Agreement and as required by law. Battery Manufacturer shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.
- vii. Insurance. Battery Manufacturer shall, at its expense, procure and maintain insurance, in amounts reasonable with industry standards, against claims for injuries to persons or damages to property which may

arise from or in connection with the performance of the Agreement by the Battery Manufacturer, its agents, representatives, employees, or subcontractors. Battery Manufacturer shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement.

- viii. Indemnification. To the fullest extent permitted by law, Battery Manufacturer shall defend (with counsel of SDCP's choosing), indemnify and hold SDCP, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Battery Manufacturer, its officials, officers, employees, subcontractors, Vendors or agents in connection with the performance of the Battery Manufacturer's services, the Project or this Agreement, including without limitation the payment of all damages, expert witness fees and attorney's fees and other related costs and expenses. Battery Manufacturer shall defend, at Battery Manufacturer's own cost, expense, and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against SDCP, its directors, officials, officers, employees, agents, or volunteers. Battery Manufacturer shall pay and satisfy any judgment, award or decree that may be rendered against SDCP or its directors, officials, officers, employees, agents, or volunteers, in any such suit, action or other legal proceeding. Battery Manufacturer shall reimburse SDCP and its directors, officials, officers, Battery Manufacturers, employees, agents and/or volunteers, for any and all legal expenses and costs, including reasonable attorneys' fees, incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Battery Manufacturer's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Battery Manufacturer, the SDCP, its officials, officers, employees, agents, or volunteers. This section shall survive any expiration or termination of this Agreement.
 - ix. Entire Agreement. This Agreement contains the entire Agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings, or agreements. This Agreement may only be modified by a writing signed by both Parties.
 - x. Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in San Diego County.
 - xi. SDCP's Right to Work with Other Battery Manufacturers. SDCP reserves the right to work with other Battery Manufacturers in connection with this Program.
- b. Assignment or Transfer. Battery Manufacturer shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement, or any interest herein without the prior written consent of SDCP. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no

right or interest by reason of such attempted assignment, hypothecation, or transfer.

- c. Privacy. SDCP will not obtain data or information from, nor control any Product, for which the owner and (if different) the occupant of the Site has not given written consent. In connection with the Program, the Battery Manufacturer and SDCP will comply, with (a) their respective obligations under this Agreement, and (b) all laws and regulations applicable to such Personal Information, such as, to the extent applicable, CAN-SPAN and the Telephone Consumer Privacy Act (TCPA).
- d. Data Security. During the Term, each Party will implement or use commercially appropriate network management and maintenance applications and tools, fraud prevention and intrusion detection systems, and encryption technologies to help protect the security and confidentiality of Confidential Information and Personal Information provided by or on behalf of a Party hereunder against unlawful or accidental access to, or unauthorized processing, disclosure, destruction, damage or loss of such information and data. Additionally, SDCP will use commercially reasonable efforts to prevent unauthorized access to data shared by Battery Manufacturer.
- e. Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. All references to Battery Manufacturer include all personnel, employees, and agents of Battery Manufacturer, except as otherwise specified in this Agreement. All references to SDCP include its Board of Directors, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment or describe the scope, content, or intent of this Agreement.
- f. Amendment; Modification. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.
- g. Waiver. No waiver of any default shall constitute a waiver of any other default or breach whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel or otherwise.
- h. No Third-Party Beneficiaries. There are no intended third-party beneficiaries of any right or obligation assumed by the Parties.
- i. Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.
- j. Equal Opportunity Employment. Battery Manufacturer represents that it is an equal opportunity employer, and it shall not discriminate on the basis of race, gender, gender expression, gender identity, religion, national origin, ethnicity, sexual orientation, age, or disability in the solicitation, selection, hiring or treatment of participants, employees, subcontractors, vendors, or suppliers. Such non-discrimination shall include, but not be limited to, all activities related to initial

employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, or termination.

- k. Authority to Enter Agreement. Battery Manufacturer has all requisite power and authority to conduct its business and to execute, deliver and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right and authority to make this Agreement and bind each representative Party.
 - l. Counterparts. This agreement may be signed in counterparts, each of which shall constitute an original.
5. **Termination**. Either party may terminate this Agreement if the other party (i) breaches their obligations under this Agreement and fails to cure such breach within thirty (30) days of the receipt of written notice from the other Party describing the nature of the default. Additionally, either party may terminate this Agreement for convenience by providing the other party sixty (60) days prior written notice.

SAN DIEGO COMMUNITY POWER

BATTERY MANUFACTURER

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Exhibit A: Scope of Work

The battery system must be able to operationalize the program, which includes:

- 1) Ability for the battery manufacturer to override the battery operational settings to dispatch a percentage of the battery's usable capacity during a specified two-hour period provided to the battery manufacturer once enrolled.
- 2) Sharing the battery performance data with SDCP to analyze and calculate the performance incentive (via a Grid Service platform or filling in a csv. template)

The performance data provided to SDCP will include the following features and functionality with respect to the battery/inverter products installed at specific enrolled customers' addresses.

- Customer Address
- Historical Power (updated at 15-minute granularity) for the past 3-months each quarter.
- Historical SOC (updated at 15-minute granularity) for the past 3-months each quarter.

Name	Unit	Description
Time Stamp		Timestamp on the calendar every 15 minutes
Battery Energy	+/- kWh	Cumulative energy over 15-minute interval (- for charging, + for discharging)
Battery Power	+/- kW	Average power during 15-minute interval
Battery SOC	%	Average state of charge during 15-minute interval

PARTICIPANT ENROLLMENT APPLICATION

PARTICIPANT / ACCOUNT HOLDER INFORMATION			
Participant Name:	Phone:	Email Address:	
Street Address:	City:	State:	Zip:
Electric Account Number:		Meter Number:	
CARE/FERA?		Community of Concern?	
Y / N		Y / N	

Contractor Name: _____

SOLAR + BATTERY SYSTEM INFORMATION			
Solar System Size: (kW-DC)	Solar System Size: (kW-AC)	Estimated Annual Solar Production: (kWh)	
Inverter Manufacturer:		Inverter Name:	
Battery Manufacturer:	Battery Product Name:	Battery Nameplate Continuous kW:	Battery Usable Nameplate kWh:
Summer Enrolled Battery Capacity (%)		Winter Enrolled Battery Capacity (%)	

**Maximum upfront incentive \$10,000 per site.*

Please select the days you would like to participate in the program below.

All Weekdays

All Weekdays & Weekends

PARTICIPANT AUTHORIZES THIS PAYMENT OF REBATE TO BE PAID TO THE SELECTED PAYEE BELOW AND UNDERSTANDS THAT PARTICIPANT MAY NOT BE RECEIVING A CHECK FROM SDCP BUT MAY SEE A DISCOUNT ON THE SYSTEM COST. PARTICIPANT UNDERSTANDS THAT RELEASE OF THE PAYMENT TO THE THIRD PARTY DOES NOT EXEMPT PARTICIPANT FROM THE TERMS AND CONDITIONS BELOW.

Payee Name: _____ If payee is not the contractor,
Bank Account #: _____ ABA Routing #: _____

PARTICIPANT INCENTIVE PAYMENT OPTIONS	
Upfront Incentive Estimate:	

I certify that all statements made in the application are correct to the best of my knowledge and that I have read and agree to the Terms and Conditions on the back of this form.

Print Name: _____

Signature: _____ Date: _____

Please submit this Participant Enrollment Application along with the Customer Contract.



Terms & Conditions Thank you for your participation in San Diego Community Power’s (“SDCP’s”) Solar Battery Savings Program. Current program details can be found within the Program Manual. Participation in this program is voluntary and includes the purchase and installation of an approved battery system by an approved contractor, as defined below. Customers who apply and are approved by SDGP will be required to fully comply with these terms and conditions.

	Market Rate	Non-Market Rate (CARE/FERA & Communities of Concern)
Solar Upfront Incentive	N/A	Up to \$450/kW-AC ¹
Storage Upfront Incentive	\$350/kWh (nameplate useable capacity)	Up to \$500/kWh ² (nameplate useable capacity)
Storage Performance Incentive	\$0.10/kWh (based on actual performance over the dispatch period during on-peak periods)	
Battery Enrollment	Participants can select the percentage of their battery’s useable capacity to enroll in the program, with a minimum requirement of 50%	
Opt-Out	Battery can underperform (or opt-out of daily events) by up to 10% of the total enrolled capacity per month	
Program Unenrollment:	There will be a prorated claw back associated with the upfront incentive if the participant chooses to unenroll within the first five years	

¹Up to based on if participant is eligible for other solar incentives, i.e., SGIP, DAC-SASH and City of San Diego’s Solar Equity Program

²Up to based on if the participant is eligible for other upfront storage incentives, i.e., SGIP

In exchange, participants will receive an upfront incentive distributed to the payee to reduce the system cost and a performance incentive based on actual battery capacity discharged to the site or the grid during the dispatch window to financially motivate participants for discharging their batteries during peak periods. The incentive payments will be paid in accordance with the parameters set forth below. Thank you for your participation and interest in supporting SDGP’s clean energy goals.

By signing this application to participate, Participant agrees to the terms and conditions below. Additionally, participant certifies that the information provided in this application and all supporting documentation are true, accurate, and complete.

1. Definitions.

- a. “Participant” means the residential SDGP customer owning a home at the address where the equipment is installed and maintaining an active account for service to that home. The participant is also who the performance incentive will be paid to.
- b. “Equipment” refers to the solar and storage or add-on storage installed at the participant’s home.
- c. “Payee” refers to the person or company specified on this Participant Enrollment Application who will be receiving the upfront incentive.
- d. “Contractor” refers to the local approved installer or provider (with local approved installers) that the customer is selecting to sign a contract with for installation of the equipment.
- e. “Battery Manufacturer” refers to the manufacturer of the battery and often the operator of the battery after it is installed. The Battery Manufacturer is also approved by the program and operationalizes the battery settings and dispatches based on the program requirements.

2. Participant Eligibility.

- a. SDGP customers must meet the following criteria:
 - i. Must be an active SDGP residential customer.
 - 1. Customers who have opted out must return to SDGP to be eligible.



Initials: _____

- ii. System equipment must be interconnected and permitted by the agency having jurisdiction.
 - iii. Battery must be fully charged by on-site solar (no grid charging allowed).
 - iv. Battery cannot simultaneously be participating (or enrolling) in any other demand response programs (e.g., emergency load relief program (“ELRP”), demand side grid support (“DSGS”)).
 - v. Battery systems must be installed after the application is submitted.
- b. The battery storage system can be owned by (1) the customer or (2) a third-party ownership (TPO) with the customer’s permission still needed in the Participant Enrollment Application. All program rules must be met regardless of the system owner.
3. **Equipment, Contractor Selection and Contracting.** Participant is responsible for selecting and contracting with an approved contractor and installing battery storage equipment that is approved for the program. The contractor shall be responsible for ensuring that the project meets Program timelines, requirements and applicable laws, regulations, and codes, and that the installation is done by workers that are properly qualified, licensed and insured. The participant acknowledges that if the project installation is delayed beyond six months after the Participant Enrollment Application is approved, the contractor is responsible for requesting an extension and if not requested or approved, the incentives may not be awarded. The participant also acknowledges that SDCP reserves the right to deny any contractor the ability to participate in this Program. Approved contractors can be found on the program webpage. SDCP also has the right to exclude certain equipment from the program. Approved products are also found on the program webpage.
 4. **Interconnection Service Agreement and Permitting.** Systems participating must be installed in compliance with the participant’s Interconnection Service Agreement and the local jurisdiction’s permitting requirements.
 5. **Upfront Incentives.** Participants who are enrolled will receive an upfront incentive of either \$350/kWh or up to \$500/kWh based on nameplate useable capacity. Participants who are on a CARE/FERA rate or live in an SDCP-designated Community of Concern will receive up to \$500/kWh based on nameplate useable capacity. All other participants will receive \$350/kWh based on nameplate useable capacity. The upfront incentive will be paid to the payee selected in the application. The upfront incentive payment will be processed within 30 days of SDCP receiving the PTO letter from the contractor.
 6. **Battery Participation.** Once the PTO letter is received by SDCP, SDCP staff will confirm the battery manufacturer has operationalized the program for that customer within the battery’s settings. Once operationalized, the battery will be officially enrolled in the program and participating the enrolled capacity (minimum 50%) declared on the application page.
 7. **Acknowledgement of Access to Equipment, Internet Access, and Participant Data.** Participant agrees that: (1) the equipment has working and reliable internet access in the home where the battery is located; (2) understands expectation to perform to capacity enrolled on application page during the dispatch window and can only rely on the remaining capacity delivered for other on-peak hours or in case of emergencies; (3) is aware that the battery charging and discharging data will be shared with SDCP to calculate the performance incentive and may be summarized within program results and shared publicly (participants will not be individually identified); (4) understands impacts on bill may vary based on percentage of battery enrolled within the program and consumption patterns; (5) approves sharing the application with the selected battery equipment manufacturer when appropriate; and (6) is responsible for complying with all manufacturer’s policies to ensure maximum performance from the battery.
 8. **Performance Incentive.** Additionally, participants meeting the program requirements for battery dispatches will receive a performance incentive set at \$0.10/kWh based on actual battery performance during the daily dispatch. The incentive value will be paid for battery capacity going

to the site-load and/or being exported to the grid. The performance incentive will be paid for the lesser of (1) participant's participation duration in the program or (2) ten (10) years. The upfront incentive will be paid within thirty (30) days after receiving the appropriate documentation detailed below. The performance incentive will be paid annually to the participant and delivered to the participant within Q1 in the following year for the previous year of participation, up to ten (10) years based off the battery manufacturer's performance data.

9. **Equipment Performance.** If equipment fails to perform or participant opts out of the daily dispatch by over 10% of the enrolled capacity (noted on Page 1) each month, the participant will forgo their performance incentive payment for that month. If a customer continues to underperform for three consecutive months, SDCP will consult with the appropriate parties involved to determine the reasoning for underperformance and potentially adjust the enrolled capacity to a more realistic value.
10. **Enrollment Conditions.** Participant agrees that enrollment begins upon execution of the Agreement and continues through the first day of participation (once the battery manufacturer operationalizes the battery to the program requirements) after the permission to operate ("PTO") letter has been received and continue for the lesser of (1) the duration of participation or (2) ten (10) years from battery being operationalized. Participants may unenroll at any point by reaching out to SDCP's call center or over email [email], but if Participant unenrolls within the first five years after PTO, there may be prorated claw back on the upfront incentive (details in the Program Manual).
11. **Removal of Equipment.** Participant agrees, as a condition of participation in the Program to properly remove and dispose of or recycle the equipment and components in accordance with all applicable laws, and regulations and codes. The participant assumes all risk and liability associated with the reuse and disposal thereof.
12. **State and Federal Taxes.** Upfront Incentive may be subject to state or federal taxes. Please seek advice from a tax professional.
13. **Program/Terms and Conditions Changes.** SDCP reserves the right, for any reason, to alter or cancel the Program. Approved applications will be processed under the Terms and Conditions and Program Materials in effect at the time of the application approval by SDCP.
14. **Communications.** Participant has provided their e-mail address (within the application) for communications about the program and quarterly notification about the cumulative incentive amounts throughout the year. Participant accepts responsibility for the receipt of these communications and any consequences of not receiving them. Additionally, SDCP may request participant feedback while the program is active, and those surveys will be sent to the e-mail address provided on the application.
15. **Removal from Program.** If a participant's battery is underperforming for three consecutive months, SDCP will work with the appropriate parties involved to ensure proper enrollment and operation of the system. If (1) unresponsive within 30 days of SDCP's attempts to communicate or (2) cannot resolve the problem within a determined timeframe (on a project-by-project basis), the participant may be removed from the program and experience a prorated claw back if it's within the first five years of participating.
16. **Change in Home Ownership.** Participants acknowledge that they are required to own the property where the equipment is installed. If the home changes ownership, SDCP must be notified about the change with 30 days advance notice of a sale of the home where the equipment is installed. In the event of a sale, the new owner will assume responsibility for program enrollment and SDCP will transfer performance payments to the new homeowner. The original owner will be paid the cumulative incentive earned to date before the house is sold and then any future performance incentive payments to be paid to the new homeowner.
17. **Limitation of Liability.** To the fullest extent allowed by law, SDCP shall not be liable for any direct, indirect, special, or consequential damages to any persons or property resulting from or arising out of any use, repair, delay in repairing, replacement of, or modification to the Equipment.

SDCP does not warrant, endorse, guarantee, or assume liability for the quality, performance, or safety of any product or any contractor, manufacturer, or any other persons involved in the sale, purchase, installation, or any other aspect of the Program. Performance of any product, installation of any materials, and acceptance of materials used is solely the Participant's responsibility.

18. **Governing Law.** The Program, including these terms and conditions, shall be governed by the laws of the State of California. Venue shall be San Diego County.