



AGENDA

Regular Meeting Finance and Risk Management Committee

September 18, 2025
3 p.m.

City of Chula Vista
Council Chambers, 276 Fourth Avenue, Chula Vista, CA

The meeting will be held in person at the above date, time and location. Finance and Risk Management Committee (FRMC) members and members of the public can attend in person. Under certain circumstances, FRMC members may also attend and participate virtually in the meeting, pursuant to the Brown Act (Gov. Code § 54953). As a convenience, San Diego Community Power provides a Zoom teleconference 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 Zoom teleconference option, the meeting will continue unless otherwise required by law (such as when an FRMC member is virtually attending the meeting), pursuant to certain provisions of the Brown Act.

Note: Any member of the public may provide comments to the FRMC on any agenda item. When providing comments, it is requested that members of the public include their name and city of residence for the record. Members of the public are requested to address their comments to the FRMC as a whole through the chairperson. Comments may be provided in one of the following ways:

1. **Oral comments during the meeting.** Anyone attending in person who wishes to address the FRMC is asked to complete a speaker's card and present it to the clerk of the Board. To provide remote comments during the meeting, join the Zoom meeting by computer, mobile phone or dial-in number. When participating in a Zoom video teleconference by computer or mobile phone, use the "Raise Hand" feature. This will notify the moderator that a member of the public wishes to address the FRMC during a specific item on the agenda or during the non-agenda public comment period. Members of the public will not be shown on video but will be able to address the FRMC when called upon. If joining the meeting using the Zoom dial-in number, members of the public can raise their hand by pressing *9. Comments will be limited to three minutes.
2. **Written comments.** Written public comments must be submitted prior to the start of the meeting to ClerkOfTheBoard@SDCommunityPower.org. Members of the public are asked to indicate a specific agenda item when submitting comment. All written comments received prior to the meeting will be provided to the FRMC members. At the discretion of the chairperson, the first ten 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 FRMC members and become part of the public record.

If members of the public have any materials to be distributed to the FRMC, they should be sent to ClerkOfTheBoard@SDCommunityPower.org, who will distribute the information to FRMC members.

The public may participate using the following remote options:

Teleconference Meeting Webinar

<https://sdcommunitypower-org.zoom.us/j/95148519712>

Telephone (audio only): 669-900-6833 or 253-215-8782 | Webinar ID: 95148519712

WELCOME

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

LAND ACKNOWLEDGEMENT

ITEMS TO BE ADDED, WITHDRAWN OR REORDERED ON THE AGENDA

PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

This is an opportunity for members of the public to address the FRMC on any items not on the agenda but within the jurisdiction of the FRMC. Members of the public may provide comments in any manner described above.

CONSENT CALENDAR

1. [Approve August 21, 2025, Meeting Minutes](#)

REGULAR AGENDA

2. [Treasurer's Report for Fiscal Year Ending June 30, 2025](#)

Recommendation: Receive and File Treasurer's Report for Fiscal Year Ending June 30, 2025.

3. **Recommend Board Adoption of Resolution No. 2025-___, Authorizing the Investment of Monies in Local Agency Investment Fund (LAIF)**

Recommendation: Recommend the adoption of Resolution No. 2025-___ Authorizing investment of monies in the Local Agency Investment Fund (LAIF).

4. **Recommend Board Adoption of Resolution No. 2025___, Approving Revisions to the Non-Energy Procurement Policy**

Recommendation: Recommend Board Adoption of Resolution No. 2025-___, approving revisions to the non-energy procurement policy.

5. **Recommend Board Adoption of Resolution No. 2025___, Approving Revisions to the Delegated Contract Authority Policy and Rescinding Resolution No. 2022-10**

Recommendation: Recommend Board adoption of Resolution No. 2025-___, approving revisions to the delegated contract authority policy and rescinding Resolution No. 2022-10.

Committee Member Announcements

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

ADJOURNMENT

The Finance and Risk Management Committee will adjourn until the next regular meeting scheduled for Thursday, October 16, 2025, at 3 p.m.

Compliance with the Americans with Disabilities Act

Community Power committee meetings comply with the Americans with Disabilities Act. Individuals with a disability who require a modification or accommodation, including auxiliary aids or services, to participate in a public meeting may contact ClerkOfTheBoard@SDCommunityPower.org. Requests for disability-related modifications or accommodations require varying 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 related materials are available at <https://sdcommunitypower.org/resources/meeting-notes/>. Late-arriving documents related to an agenda item are distributed to the committee members prior to or during the committee meeting and are available for public review as required by law. Public records, including agenda-related

documents, can be requested electronically from ClerkOfTheBoard@SDCommunityPower.org. or by mailing San Diego Community Power, Attn: Clerk of the Board, P.O. Box 12716, San Diego, CA 92112. The documents may also be posted on Community Power's website. Such public records are also available for inspection by contacting ClerkOfTheBoard@SDCommunityPower.org to arrange an appointment.



SAN DIEGO COMMUNITY POWER

FINANCE AND RISK MANAGEMENT COMMITTEE

Regular Meeting Minutes

August 21, 2025

City of Chula Vista

Council Chambers, 276 Fourth Avenue, Chula Vista, CA

WELCOME

CALL TO ORDER

Chair Yamane called the Finance and Risk Management Committee meeting to order at 3:01 p.m.

ROLL CALL

Chair Yamane, City of National City; Vice Chair Suzuki, City of La Mesa; and Director Inzunza, City of Chula Vista

Absent: None

Staff Present: Chief Executive Officer Burns; General Counsel Tyagi; Director of Finance Manglicmot; Senior Strategic Finance Manager Spengler; Clerk of the Board Hernandez; and Assistant Clerk of the Board Vences

PLEDGE OF ALLEGIANCE

Chair Yamane led the Pledge of Allegiance.

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

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

PUBLIC COMMENTS FOR ITEMS NOT ON THE AGENDA

Mitch Thompson, City of Chula Vista resident, and Scott Andrews, Neighborhood National Bank representative, provided public comments.

CONSENT CALENDAR

1. Approve June 12, 2025, Meeting Minutes

There were no public comments on Consent Item No. 1.

Motioned by Chair Yamane and seconded by Vice Chair Suzuki to approve Consent Item No. 1. The motion carried unanimously as follows:

AYES:	Chair Yamane, Vice Chair Suzuki, and Director Inzunza
NOES:	None
ABSTAINED:	None
ABSENT:	None

REGULAR AGENDA

2. Treasurer's Report for Period Ending May 31, 2025

Mr. Manglicmot presented the Treasurer's Report for Period Ending May 31, 2025.

There were no public comments on Item No. 2.

The Committee received and filed the Treasurer's Report for Period Ending May 31, 2025.

3. Recommend Board Adoption of Resolution No. 2025-08, Approving a Second Revision to Community Power's Investment Policy

Ms. Spengler introduced the item and turned it over to Daniel Delaney from Chadler Asset Management to provide an overview of the second revision to Community Power's Investment Policy.

There were no public comments on Item No. 3.

After Committee member discussion, Director Inzunza motioned and seconded by Vice Chair Suzuki to recommend Board adoption of Resolution No. 2025-08, approving a Second Revision to Community Power's Investment Policy. The motion carried unanimously as follows:

AYES:	Chair Yamane, Vice Chair Suzuki, and Director Inzunza
NOES:	None
ABSTAINED:	None
ABSENT:	None

4. Recommend Board Adoption of Resolution No. 2025-09, Approving a Disposal of Surplus Property Policy

Mr. Manglicmot provided an overview of the proposed Disposal of Surplus Property Policy.

There were no public comments on Item No. 4.

After Committee member discussion, Vice Chair Suzuki motioned and seconded by Director Inzunza to recommend Board adoption of Resolution No. 2025-09, approving a Disposal of Surplus Property Policy. The motion carried unanimously as follows:

AYES: Chair Yamane, Vice Chair Suzuki, and Director Inzunza
NOES: None
ABSTAINED: None
ABSENT: None

5. Recommend Board Adoption of Resolution No. 2025-10, Requesting CalPERS to Authorize the Division Vote of Community Power Employees to Participate in Social Security, and Upon Receiving Authorization, Authorize Community Power to Conduct the Division Vote

Mr. Manglicmot provided an overview of proposed Resolution No. 2025-10.

After Committee member discussion, Vice Chair Suzuki motioned and seconded by Director Inzunza to recommend Board adoption of Resolution No. 2025-10, requesting CalPERS to Authorize the Division Vote of Community Power Employees to Participate in Social Security, and Upon Receiving Authorization, Authorize Community Power to Conduct the Division Vote. The motion carried unanimously as follows:

AYES: Chair Yamane, Vice Chair Suzuki, and Director Inzunza
NOES: None
ABSTAINED: None
ABSENT: None

6. Update on Results from Clean Prepayment Transaction No. 2

Mr. Spengler provided an update on the results from Clean Prepayment Transaction No. 2.

The Committee members received and filed the update on results from Clean Prepayment Transaction No. 2.

COMMITTEE MEMBER ANNOUNCEMENTS

None.

ADJOURNMENT

The Finance and Risk Management Committee adjourned at 3:37 p.m. to the next regular meeting scheduled for Thursday, September 18, 2025, at 3 pm.

Sandra Vences, Assistant Clerk of the Board

SAN DIEGO COMMUNITY POWER

Staff Report – Item 2

To: Finance and Risk Management Committee

From: Dr. Eric Washington, Chief Financial Officer/Treasurer

Via: Karin Burns, Chief Executive Officer

Subject: Treasurer's Report for Period Ending June 30, 2025

Date: September 18, 2025

Recommendation

Receive and File Treasurer's Report for Period Ending June 30, 2025.

Background

San Diego Community Power (Community Power) maintains its accounting records on a full accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) as applicable to governmental enterprise funds. Community Power has prepared its year-to-date financial statements for the twelve-month period ended June 30, 2025, along with budgetary comparisons.

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

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

Community Power additionally reports monthly metrics during its Board meetings as part of its Update on Back-Office Operations. As part of the Treasurer's Report, certain key metrics

related to risk are presented during Financial and Risk Management Committee (FRMC) meetings.

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

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

Analysis and Discussion

Financial Results

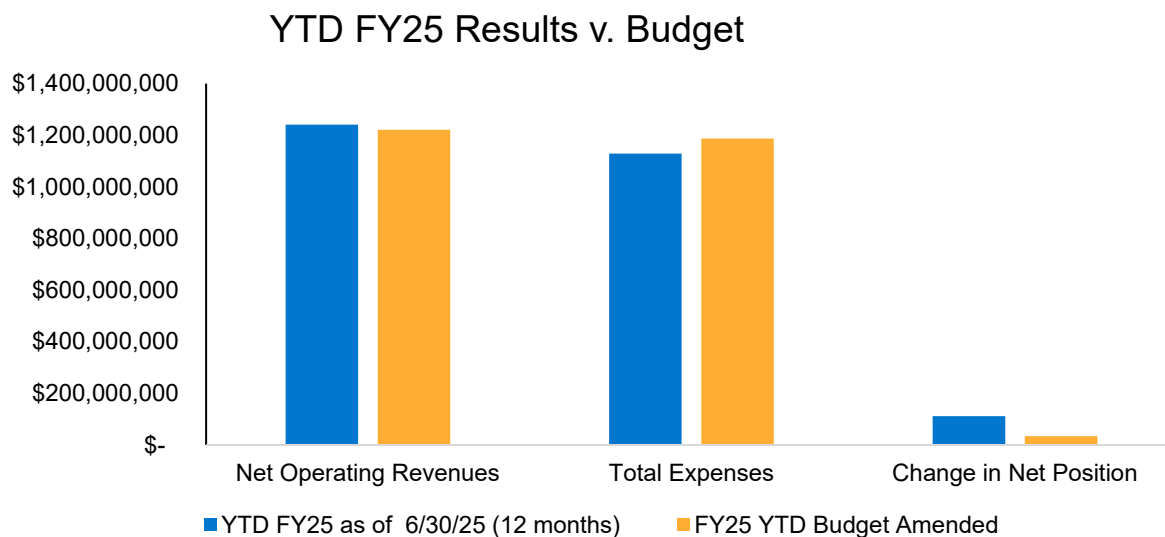
Actual financial results for the period ended June 30, 2025: \$1,241.3 million in net operating revenues were reported compared to \$1,221.3 million budgeted for the period. \$1,129.2 million in total expenses were reported (including \$1,083.6 million in energy costs) compared to \$1,187.1 million budgeted for the period (including \$1,116.8 million budgeted for energy costs). After expenses, Community Power's change in net position of \$112.0 million was reported year-to-date for Fiscal Year 2024-25. The following is a summary of the actual results compared to the Fiscal Year 2024-25 Amended Budget.

Table 1: Budget Comparison Versus Actual Result

Budget Comparison					
	YTD FY25 as of 6/30/25 (12 months)	FY25 YTD Budget Amended	Budget Variance (\$)	Budget (%)	
Net Operating Revenues	\$ 1,241,251,729	\$ 1,221,258,173	\$ 19,993,556	101.6%	
Total Expenses	\$ 1,129,216,881	\$ 1,187,090,170	\$ (57,873,289)	95%	
Change in Net Position	\$ 112,034,849	\$ 34,168,003	\$ 77,866,846		

- Net operating revenue finished \$19.9 million (or 1.6 percentage points) over the budget. The results were attributed to \$12.4 million in the amount actual uncollectible customer accounts compared to the 1.75% of gross revenue budgeted, lower than budgeted PowerBase participation, and higher than expected load usage in the summer month of June 2025.
- Operating expenses ended \$57.9 million (5.0 percentage points) under budget, primarily due to the following factors:
 - Cost of Energy was \$33.2 million below the year-to-date budgeted costs. The variance was driven by savings of \$63.2 million in renewable energy costs which were primarily offset by overages of \$24.6 million in resource adequacy costs.
 - Investment income of \$13.5 million also contributed to the favorable bottom line results.
 - Professional Services and Consultant costs were \$6.1 million below budget, due to lower-than-expected costs related to Calpine, Legal, SDG&E fees, and other services.
 - Personnel Costs were \$2.8 million under budget, driven by the delay in unfilled budgeted position and accrued vacation.
 - G&A Costs were \$2.3 million under budget, driven by lower-than-expected travel expenses and database hardware costs.

Figure 1: Budget Comparison versus Actual Results



For the twelve-month period ending June 30, 2025, Community Power contributed \$112.03 million to its net position compared to the expected contribution of \$34.17 million per the Fiscal Year 2024-25 amended budget.

Community Power reserves at the end of the period totaled \$363.83, including 292.77 million in unrestricted cash and \$71.06 million in investment holdings. Total available liquidity (including unrestricted cash, investment holdings, and lines of credit availability) was \$591.33 million. Community Power had a total Fiscal Year 2024-25 year-end cash reserve target of \$575.82 million which is equivalent to 180-days of total operating expenses as set by Community Power's Reserve Policy and Strategic Goals.

Investment Portfolio Report

Chandler Asset Management manages Community Power's investment portfolio. As of June 30, 2025, the market value of the portfolio was \$72.41 million compared to the \$61.84 million market value as May 31, 2025. The investment portfolio was compliant with the Community Power Investment Policy. The following is a snapshot of the overall characteristics of the portfolio.

PORTFOLIO SUMMARY

San Diego Community Power | Account #11293 | As of June 30, 2025



Portfolio Characteristics	
Average Modified Duration	2.67
Average Coupon	4.09%
Average Purchase YTM	4.29%
Average Market YTM	3.99%
Average Credit Quality*	AA
Average Final Maturity	3.18
Average Life	2.75

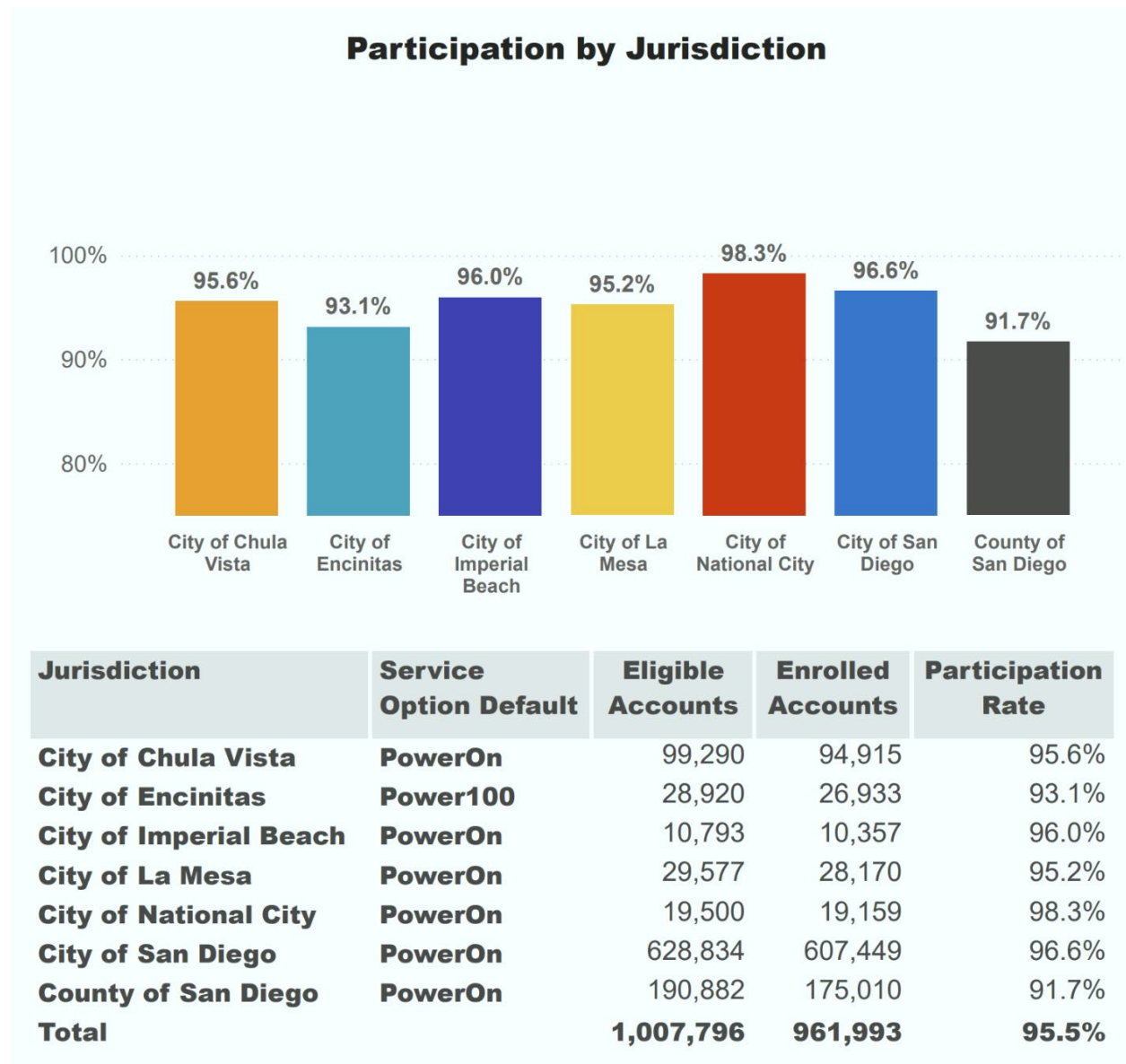
Account Summary		
	End Values as of 05/31/2025	End Values as of 06/30/2025
Market Value	61,280,836.10	71,786,524.28
Accrued Interest	563,377.83	620,030.95
Total Market Value	61,844,213.93	72,406,555.23
Income Earned	182,351.40	275,491.36
Cont/WD	0.00	10,000,000.00
Par	61,432,166.67	71,691,945.67
Book Value	60,997,938.37	71,173,092.71
Cost Value	60,945,042.43	71,111,132.33

Top Issuers	
Government of The United States	51.91%
FHLMC	11.29%
American Express Company	1.76%
PACCAR Inc	1.53%
Royal Bank of Canada	1.34%
John Deere Owner Trust	1.32%
Wells Fargo & Company	1.27%
Morgan Stanley	1.26%

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

There were no contracts executed in June 2025 that were within the reportable dollar threshold.

Metrics Figure 2: Participation Rates as of 9/1/2025



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

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

Figure 3: State of Community Power Arrearages as of 9/1/2025

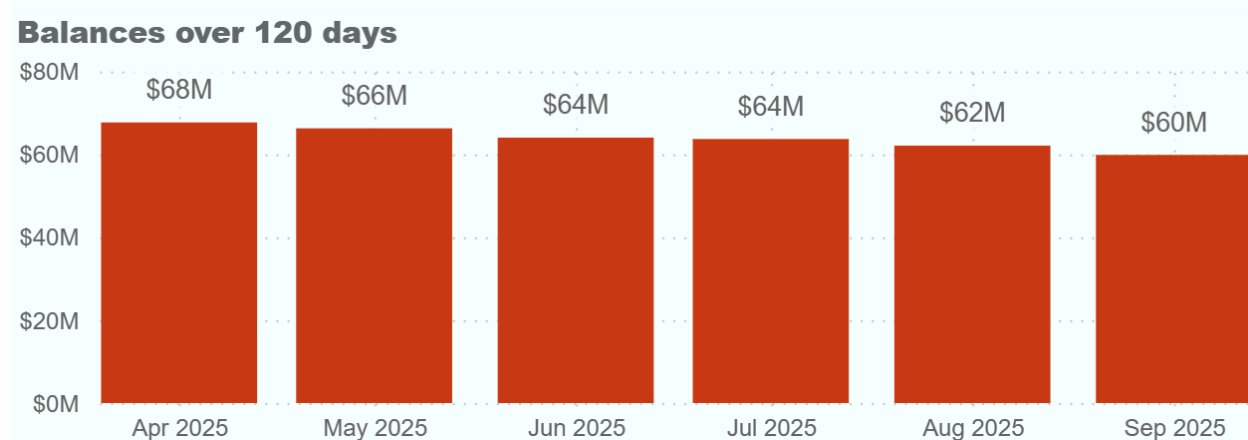


Figure 4: State of Community Power Arrearages Residential vs Commercial as of 9/1/2025

Balances over 120 days - RES vs COM



Fiscal Impact

N/A

Strategic Plan

Strategic Plan of practicing fiscal strategies to promote long-term organizational sustainability.

Attachments

A: 2025 Year- End Financial Statements for the Period Ended June 30, 2025.

ITEM 2

ATTACHMENT A



ACCOUNTANTS' COMPILATION REPORT

Management
San Diego Community Power

Management is responsible for the accompanying financial statements of San Diego Community Power (a California Joint Powers Authority) which comprise the statement of net position as of June 30, 2025, and the related statement of revenues, expenses, and changes in net position, and the statement of cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, conclusion, nor provide any assurance on these financial statements.

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

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

Maher Accountancy

San Rafael, CA
August 20, 2025

SAN DIEGO COMMUNITY POWER
STATEMENT OF NET POSITION
As of June 30, 2025

ASSETS

Current assets	
Cash and cash equivalents - unrestricted	\$ 292,771,532
Cash and cash equivalents - restricted	25,755,714
Accounts receivable, net of allowance	116,027,223
Accrued revenue	72,742,359
Prepaid expenses	23,802,135
Other receivables	4,099,991
Deposits	11,094,211
Investments	1,156,829
Total current assets	<u>547,449,994</u>
Noncurrent assets	
Cash and cash equivalents - restricted	647,000
Investments	69,905,811
Capital assets, net of depreciation and amortization	1,317,542
Total noncurrent assets	<u>71,870,353</u>
Total assets	<u><u>619,320,347</u></u>

LIABILITIES

Current liabilities	
Accrued cost of electricity	84,258,707
Accounts payable	3,810,972
Other accrued liabilities	2,159,955
State surcharges payable	535,146
Deposits - energy suppliers	228,731
Lease liability	853,858
Advances from grantors	25,255,714
Total current liabilities	<u>117,103,083</u>
Noncurrent liabilities	
Lease liability	598,191
Deposits - energy suppliers	7,443,450
Total noncurrent liabilities	<u>8,041,641</u>
Total liabilities	<u><u>125,144,724</u></u>

NET POSITION

Restricted for security collateral	26,402,714
Unrestricted	467,772,909
Total net position	<u><u>\$ 494,175,623</u></u>

**SAN DIEGO COMMUNITY POWER
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
Year Ended June 30, 2025**

OPERATING REVENUES

Electricity sales, net	\$ 1,239,973,471
Grant revenue	1,780,217
Other income	1,278,258
Total operating revenues	<u>1,243,031,946</u>

OPERATING EXPENSES

Cost of electricity	1,083,601,779
Contract services	19,487,406
Staff compensation	17,159,242
Other operating expenses	16,295,134
Depreciation and amortization	726,355
Total operating expenses	<u>1,137,269,916</u>
Operating income	<u>105,762,030</u>

NON-OPERATING REVENUES (EXPENSES)

Investment income	13,467,273
Interest expense	<u>(436,062)</u>
Nonoperating revenues (expenses), net	<u>13,031,211</u>

CHANGE IN NET POSITION

	118,793,241
Net position at beginning of year	<u>375,382,382</u>
Net position at end of year	<u><u>\$ 494,175,623</u></u>

SAN DIEGO COMMUNITY POWER
STATEMENT OF CASH FLOWS
Year Ended June 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 1,233,997,068
Receipts from grantors	27,035,931
Receipts of supplier security deposits	15,196,186
Receipts from wholesale sales and other operating activities	13,235,888
Payments to suppliers for electricity	(1,155,532,321)
Payments for other goods and services	(35,604,830)
Payments for deposits and collateral	(1,984,371)
Payments for staff compensation	(17,174,536)
Payments of state surcharges	(2,411,387)
Net cash provided by operating activities	<u>76,757,628</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Proceeds from bank note	55,500,000
Principal payments - bank note	(55,500,000)
Interest payments	<u>(393,962)</u>
Net cash provided (used) by noncapital financing activities	<u>(393,962)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Payments of lease liability	<u>(643,272)</u>
Net cash used by capital and related financing activities	<u>(643,272)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Investment income received	11,828,321
Proceeds from investment sales and maturities of investments	3,195,096
Purchase of investments	<u>(73,011,675)</u>
Net cash provided (used) by investing activities	<u>(57,988,258)</u>
Net change in cash and cash equivalents	17,732,136
Cash and cash equivalents at beginning of year	<u>301,442,110</u>
Cash and cash equivalents at end of year	<u><u>\$ 319,174,246</u></u>

Reconciliation to the Statement of Net Position

Cash and cash equivalents (unrestricted)	\$ 292,771,532
Restricted cash - current	25,755,714
Restricted cash - noncurrent	647,000
Cash and cash equivalents	<u><u>\$ 319,174,246</u></u>

NONCASH INVESTING ACTIVITIES

Unrealized appreciation and timing differences in investment income	\$ 1,638,952
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NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of lease asset	\$ 1,284,053
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SAN DIEGO COMMUNITY POWER
STATEMENT OF CASH FLOWS (continued)
Year Ended June 30, 2025

**RECONCILIATION OF OPERATING INCOME TO NET
CASH PROVIDED BY OPERATING ACTIVITIES**

Operating income	\$ 105,762,030
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation and amortization expense	726,355
(Increase) decrease in:	
Accounts receivable, net	(12,515,058)
Accrued revenue	4,121,064
Prepaid expenses	11,216,265
Other receivables	2,181,758
Deposits	1,067,988
Increase (decrease) in:	
Accrued cost of electricity	(63,857,609)
Accounts payable	(1,196,904)
Advances from grantors	25,255,714
Other accrued liabilities	996,640
State surcharges payable	6,204
Deposits - energy suppliers	2,993,181
Net cash provided by operating activities	<u><u>\$ 76,757,628</u></u>



ACCOUNTANTS' COMPILATION REPORT

Board of Directors
San Diego Community Power

Management is responsible for the accompanying operating fund and capital investment program fund budgetary comparison schedules of San Diego Community Power (SDCP), a California Joint Powers Authority, for the year ended June 30, 2025 and for determining that the budgetary basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any assurance on this special purpose budgetary comparison statement.

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

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

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

Maher Accountancy

San Rafael, CA
August 20, 2025

**SAN DIEGO COMMUNITY POWER
OPERATING FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended June 30, 2025**

	Year-to-Date			
	Amended Budget	Actual	Amended Budget Variance (Under) Over	Actual/ Amended Budget %
REVENUES AND OTHER SOURCES				
Gross Ratepayer Revenues	1,243,010,863	\$ 1,252,346,088	9,335,225	101%
Less: Uncollectible Customer Accounts	(21,752,690)	(12,372,617)	9,380,073	57%
Other Income	-	1,278,258	1,278,258	na
Total Revenues and Other Sources	<u>1,221,258,173</u>	<u>1,241,251,729</u>	<u>19,993,556</u>	
OPERATING EXPENSES				
Cost of Energy	1,116,836,549	1,083,601,779	(33,234,770)	97%
Professional Services and Consultants	24,346,342	18,253,822	(6,092,521)	75%
Personnel Costs	18,567,895	15,762,906	(2,804,989)	85%
Marketing and Outreach	2,978,593	1,985,479	(993,114)	67%
General & Administrative	4,909,761	2,980,914	(1,928,847)	61%
Total Operating Expenses	<u>1,167,639,140</u>	<u>1,122,584,900</u>	<u>(45,054,240)</u>	
Operating Income (Loss)	<u>53,619,033</u>	<u>118,666,830</u>	<u>65,047,797</u>	
NON-OPERATING REVENUES (EXPENSES)				
Investment Income	-	13,467,273	13,467,273	na
Interest and Related Expenses	(1,276,000)	(1,924,224)	(648,224)	151%
Transfer to Capital Investment Program	(18,175,030)	(18,175,030)	-	100%
Total Non-Operating Revenues (Expenses)	<u>(19,451,030)</u>	<u>(6,631,981)</u>	<u>12,819,049</u>	
NET CHANGE	<u>\$ 34,168,003</u>	<u>\$ 112,034,849</u>	<u>\$ 77,866,846</u>	

See accountants' compilation report.

CAPITAL INVESTMENT PROGRAM FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended June 30, 2025

	Annual Amended Budget	YTD Actual	Amended Budget Remaining
REVENUES AND OTHER SOURCES			
Transfer in from Operating Fund	\$ 18,175,030	\$ 18,175,030	\$ -
Grant Revenue	-	1,780,217	1,780,217
Total Revenue and Other Sources	<u>18,175,030</u>	<u>19,955,247</u>	<u>1,780,217</u>
EXPENDITURES AND OTHER USES			
Program Expenditures	<u>16,400,000</u>	<u>13,106,971</u>	<u>\$ (3,293,029)</u>
Net increase (decrease) in fund balance	<u>\$ 1,775,030</u>	6,848,276	
Fund balance at beginning of period		<u>3,492,291</u>	
Fund balance at end of period		<u><u>\$ 10,340,567</u></u>	

SAN DIEGO COMMUNITY POWER

Staff Report – Item 3

To: Finance and Risk Management Committee

From: Dr. Eric Washington, Chief Financial Officer/Treasurer

Via: Karin Burns, Chief Executive Officer

Subject: Recommend Board Adoption of Resolution No. 2025-___, Authorizing the Investment of Monies in Local Agency Investment Fund (LAIF)

Date: September 18, 2025

Recommendation

Recommend the adoption of Resolution No. 2025-___ Authorizing investment of monies in the Local Agency Investment Fund (LAIF).

Background

On October 1, 2019, the Founding Members of San Diego Community Power (Community Power) adopted the Joint Powers Agreement (JPA) which was amended and restated on December 16, 2021.

Section 5.1 of the JPA Agreement provides that the Board shall appoint a Treasurer as provided in Government Code section 6505.5.

On May 25, 2023, the Community Power Board of Directors (Board) adopted the Community Power Investment Policy, which was subsequently revised on June 27, 2024. The objectives of the Investment Policy are to (1) safeguard the principal of investment funds, (2) meet the liquidity needs of Community Power, (3) achieve a return on funds invested, and (4) exercise a high standard of care on investment funds.

On August 28, 2025, the Community Power Board Approved Resolution 2025-08 Adopting the Second Revision to the Community Power Investment Policy following recommendations made by Chandler Asset Management.

Analysis and Discussion

The Local Agency Investment Fund (LAIF), established in 1977 under Section 16429.1 et seq. of the California Government Code, is a program created by the State of California to offer local agencies a safe and convenient way to invest reserve funds. LAIF is a permissible investment option under Community Power's Investment Policy. Participation in LAIF allows Community Power to invest monies in a secure and liquid investment vehicle. Authorizing Community Power's participation in the LAIF will allow further diversification of cash holdings. In addition, the LAIF will earn a yield of over 4% or higher on monies deposited, approximately 2% or 200 basis points above earning on funds held in traditional money market type accounts. The LAIF will serve as a short-term to intermediate-term deposit option. Assets under management with Chandler Asset Management serves as an intermediate to long investment option.

Funds deposited in LAIF are pooled with funds from other local agencies and managed by the State Treasurer's investment staff. Oversight is provided by the Pooled Money Investment Board (PMIB), which includes the State Treasurer, Director of Finance, and State Controller. The process to open the account includes submitting a resolution and authorized signatories to the State Treasurer's Office.

LAIF accounts are subject to a \$75 million cap and no more than 15 transactions are allowed per month.

As of the end of July 2025, LAIF serves over 2,300 participants with assets totaling \$22.3 billion. San Diego County participates in LAIF. San Diego County Water Authority often include LAIF as part of their investment strategy. The City of San Diego's investment policy includes LAIF as a permitted investment.

Fiscal Impact

There is no direct fiscal impact associated with opening the LAIF account. However, interest earnings on invested funds, net of any administrative fees, may positively affect Community Power's financial position.

Strategic Plan

This action supports Community Power's strategic goal of financial sustainability by optimizing returns on available cash reserve resources through secure investment opportunities.

Attachments

- A: Draft Resolution for LAIF Account Opening
- B: LAIF New Regular Account Form

ITEM 3

ATTACHMENT A

RESOLUTION NO. 2025-__

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
SAN DIEGO COMMUNITY POWER, AUTHORIZING INVESTMENT OF
MONIES IN THE LOCAL AGENCY INVESTMENT FUND (LAIF).**

WHEREAS, San Diego Community Power (Community Power) is a joint powers authority formed pursuant to the Joint Exercise of Powers Act, Cal. Gov. Code § 6500 *et seq.*, California Public Utilities Code § 366.2, and a Joint Powers Agreement effective on October 1, 2019, and amended on December 16, 2021, (“JPA Agreement”); and

WHEREAS, the Local Agency Investment Fund is established in the State Treasury under Government Code section 16429.1 *et. seq.* for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

WHEREAS, the Board of Directors of Community Power hereby finds that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with Government Code section 16429.1 *et. seq.* for the purpose of investment as provided therein is in the best interests of Community Power.

NOW THEREFORE, BE IT RESOLVED, that the Community Power Board of Directors hereby authorizes the deposit and withdrawal of Community Power monies in the Local Agency Investment Fund in the State Treasury in accordance with Government Code section 16429.1 *et. seq.* for the purpose of investment as provided therein.

BE IT FURTHER RESOLVED by the Board of Directors of Community Power as follows:

Section 1. The following San Diego Community Power officers holding the title(s) specified hereinbelow **or their successors in office** are each hereby authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund and may execute and deliver any and all documents necessary or advisable in order to effectuate the purposes of this resolution and the transactions contemplated hereby:

KARIN BURNS

NAME

CEO

TITLE

SIGNATURE

ERIC W. WASHINGTON

NAME

CFO/TREASURER

TITLE

SIGNATURE

Section 2. This resolution shall take effect immediately upon its adoption and remain in full force and effect until rescinded by the Board of Directors of Community Power by resolution and a copy of the resolution rescinding this resolution filed with the State Treasurer's Office.

PASSED, APPROVED AND ADOPTED at a regular meeting of the Board of Directors of San Diego Community Power held on September 25, 2025, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Terra Lawson-Remer, Chair
Board of Directors
San Diego Community Power

ATTEST:

APPROVED AS TO FORM:

Maricela Hernandez, MMC, CPMC
Secretary/Clerk of Board of Directors
San Diego Community Power

Veera Tyagi, General Counsel
San Diego Community Power

ITEM 3

ATTACHMENT B



California State Treasurer's Office
Local Agency Investment Fund (LAIF)

New Regular Account

Date: _____

Agency Legal Name: _____

Attention (title only): _____

Mailing Address: _____

Phone Number: _____

Only the following individuals of this agency whose names appear in the table below are hereby authorized to order the deposit or withdrawal of funds in LAIF.

Name	Title

Banking Information

Bank Name, Branch Number, Address & Phone Number	Account & ABA (Routing) Number*	LAIF Bank
	Account #: ABA #:	
	Account #: ABA #:	

***Subject to verification by the State Treasurer's Office. 1) Bank account must be in the agency's name. 2) Attach an original voided check or bank statement showing the name on the account and the full bank account number. 3) Attach a bank reference letter.**

Two authorized signatures required. Each of the undersigned certifies that he/she is authorized to execute this form under the agency's resolution, and that the information contained herein is true and correct.

Signature _____

Print Name and Title _____

Phone Number _____

Signature _____

Print Name and Title _____

Phone Number _____

Please provide email address to receive LAIF email notifications.

Name	Email

Please email the completed form for review to laif@treasurer.ca.gov and allow 2 days for a response.

DO NOT mail the original form until you receive approval.

Mail the approved form to: CA State Treasurer's Office
Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001

SAN DIEGO COMMUNITY POWER

Staff Report - Item 4

To: Finance and Risk Management Committee

From: Dr. Eric Washington, Chief Financial Officer/Treasurer
Christopher Stephens, Procurement Manager

Via: Karin Burns, Chief Executive Officer

Subject: Recommend Board Adoption of Resolution No. 2025-___, Approving
Revisions to the Non-Energy Procurement Policy

Date: September 18, 2025

Recommendation

Recommend Board adoption of Resolution No. 2025-___, approving revisions to the Non-Energy Procurement Policy.

Background

At the July 28, 2022, regular meeting of Community Power's Board of Directors, the non-energy procurement policy for the organization was approved via Resolution No. 2022-09.¹ As outlined then, the policy is intended to be applied to solicitation and contracting for professional services, general services, supplier, and non- power contracts. Community Power has a separate and distinct Energy Risk Management Policy, which provides the procedures whereby power and energy attributes will be procured.

It is the responsibility of staff to periodically review Community Power's policies and ensure that they align with the agency's Mission and Vision,² and scale with the Agency's growth, where feasible.

Analysis and Discussion

Through the earlier part of last year, staff have been collaborating with Community Power's General Counsel to identify and track updates to sections of the Non-Energy Procurement

¹ <https://sdcommunitypower.org/wp-content/uploads/2020/12/00.-Agenda-Packet-7.28.22-2.pdf>
(See Agenda Item No. 4).

² <https://sdcommunitypower.org/about/about-sdcp/>

Policy to take to the Board for consideration and approval. Those new sections are found as redlines in attachments to this staff report.

For this regular update, staff recommend the following changes to Community Power's Non-Energy Procurement Policy:

- Clarify sections of the policy for easier reference, including separate sections for competitive procurement, non-competitive procurement, and sole source.
- Clarify Request for Proposals (RFP) and Requests for Qualifications (RFQ) and requirements.
- Require written quotes/bids for contracts greater than \$10K (existing policy allows verbal quotes bids between \$10K and \$49,999.99) and up to \$150K.
- Allow non-competitive procurement for Legal Services.
- Define "emergency" for purposes of non-competitive procurement.
- Further clarify sole-source requirements.
- Add cooperative procurement and piggyback procurement as authorized procurement methods.
- Clarify split purchase requirements.
- Add a section to the policy for bid protests.

In addition, the revisions include minor administrative and formatting updates.

Fiscal Impact

N/A

Strategic Plan

This policy furthers the Strategic Planning goal of continuing to enhance financial controls and policies to meet or exceed best practices, including contracting, risk management, and procurement.

Attachments

A: Resolution 2025-___, Adopting Updated Community Power Procurement Policy
Exhibit A: Procurement Policy_9.11.25 Update (Clean with proposed Changes)
Exhibit B: Procurement Policy_9.11.25 (Redlined with Proposed Changes)

ITEM 4

ATTACHMENT A

RESOLUTION NO. 2025-__

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
SAN DIEGO COMMUNITY POWER, ADOPTING A REVISED NON-
ENERGY PROCUREMENT POLICY.**

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

B. On April 23, 2020, at the regular meeting of the Community Power Board of Directors, the Board approved Resolution 2020-02, adopting a Procurement Policy related to the procurement of goods and services by Community Power. Community Power’s Procurement Policy establishes formal and informal bidding procedures for Community Power’s procurement of professional services, general services, and supplies, and specifies that Community Power shall comply with the competitive bidding requirements of California law when procuring public works projects.

C. On July 28, 2022, at the regular meeting of the Community Power Board of Directors, the Board approved Resolution 2022-09, adopting revisions to the Community Power Procurement Policy.

D. The Community Power Board of Directors now desires to amend the Procurement Policy to read as set forth in Exhibit A to this Resolution.

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

Section 1. The Board of Directors finds that the foregoing recitals are true and correct and are incorporated herein.

Section 2. The Procurement Policy attached hereto as Exhibit A is incorporated as though fully set forth herein and is hereby adopted as the revised Procurement Policy of Community Power.

Section 3. If any provision of this resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the resolution which can be given effect without the invalid provision or application, and to this end the provisions of this resolution are severable. The Board of Directors hereby declares that it would have adopted this resolution irrespective of the invalidity of any particular portion thereof.

Section 4. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED at a meeting of the Board of Directors of San Diego Community Power held on September 25, 2025.

AYES:

NOES:

ABSTAIN:

ABSENT:

Terra Lawson-Remer, Chair
San Diego Community Power

ATTEST:

APPROVED AS TO FORM:

Maricela Hernandez, MMC, CPMC
Clerk of the Board/Board Secretary
San Diego Community Power

Veera Tyagi, General Counsel
San Diego Community Power

ITEM 4 EXHIBIT A

Policy	Non-Energy Procurement	Original Adoption Date	April 23, 2020
Approval Date	September 25, 2025	Resolution No.	2025-

PURPOSE AND SCOPE:

It is in the interest of San Diego Community Power (“Community Power”) to establish procurement practices that facilitate efficient business operations and provide fair compensation and local workforce opportunities, whenever possible, within a framework of high quality and competitive service offerings.

This Non-Energy Procurement Policy (“Policy”) shall not apply to energy procurement or transactions governed by the Energy Risk Management Policy as enacted, adopted or revised from time to time by Community Power’s Board of Directors (“Board”).

POLICY STATEMENT:

1. Procurement of Professional Services

Community Power may contract for professional services, which are services that require expertise and knowledge, including but not limited to consultant, legal, or design services, in its sole discretion. Community Power shall procure professional services in compliance with this Policy. Community Power shall endeavor to secure the highest quality professional services available and is not required to award a contract for services to the lowest-cost proposer.

2. Procurement of General Services

Community Power may contract for general services, which are services that are not professional services, including but not limited to cleaning or maintenance services, in its sole discretion. Community Power shall procure general services in compliance with this Policy. Although Community Power shall not be required to award a contract to the lowest-cost proposer, Community Power shall seek to procure general services at the lowest costs.

3. Procurement of Goods

Community Power shall procure goods, including but not limited to supplies, materials, furnishings, software or equipment, in compliance with this Policy. Although Community Power shall not be required to award a contract to the lowest-cost proposer, Community Power shall seek to procure goods at the lowest costs. Community Power is encouraged to jointly procure goods with other governmental agencies to obtain the lowest cost when possible.

4. Procurement of Public Works Projects

Community Power shall comply with California Public Contract Code Section 20160 *et seq.* and

other applicable laws and regulations when procuring public projects in excess of \$5,000. For purposes of this section, a “public project” shall have the same meaning as defined in Public Contract Code Section 20160, and includes, among other things, projects for the erection, improvement, painting, or repair of public buildings and works.

5. Competitive Procurement Requirements

a. Contracts Exceeding \$150,000. One of the following methods shall be used for anticipated goods and/or services with an aggregate contract value exceeding \$150,000 over the entire duration of the contract:

- i. Request for Proposals (“RFP”): An RFP is typically used to procure technical, complex and unique services, and/or when the requirements are qualitative rather than quantitative. A RFP tends to be used when creative or innovative approaches are needed or when Community Power is looking for a customized solution to a problem. An RFP will include, at a minimum, a requirements statement or statement of work; experience, expertise, or qualification criteria; and an evaluation criteria for which a proposal will be evaluated. Proposals will be required to include a detailed explanation of Proposer’s approach, detailed work plans, solutions, or methods, and price/budget, as applicable. All RFPs shall, at a minimum, be posted on Community Power’s website.
- ii. Request for Qualifications (“RFQ”): An RFQ is typically used to procure goods and/or services when Community Power needs to establish a pool of pre-qualified providers (“PQPs”). The RFQ process is typically used to determine a proposer’s capability to perform specified services and meet stipulated requirements. The RFQ will specify the areas of expertise, experience, or knowledge that Community Power seeks, and, if applicable, the process for a proposer to become a pre-qualified provider in those specified areas. PQPs are then eligible to propose and compete in subsequent task order solicitations when defined scopes of work are identified by Community Power. Subsequent task order solicitations will include scope of work, experience, expertise or qualifications, and evaluation criteria for which proposals will be evaluated against.

Additionally, the RFQ method can be used to award contracts for services that include scopes of work to be authorized on an as-needed basis. All RFQs shall, at a minimum, be posted on Community Power’s website.

b. Contracts between \$10,000 and \$150,000. For anticipated goods and/or services with an aggregate contract value between \$10,000 and \$150,000 over the entire duration of the contract. Community Power shall obtain written quotes or bids from at least three providers, if feasible. Each quote or bid shall include the provider’s name, address, phone number, professional license

number (if applicable), a description of the work to be performed, and the proposed cost. Public advertising is not required for these solicitations.

6. Non-Competitive Procurement

- a. Contracts Less than \$10,000. For anticipated goods and/or services with an aggregate contract value of less than \$10,000 over the entire duration of the contract, no competitive procurement is required, but staff is directed to seek the lowest cost goods and the highest quality services available. This process shall not be used when it is reasonably foreseeable that additional goods and/or services are anticipated from the same vendor would exceed the \$10,000 threshold in the aggregate, in which case competitive procurement shall be used.
- b. Legal Services. No competitive procurement is required for legal services.
- c. Rent or Lease of Office Space. No competitive procurement is required to rent or lease office space.
- d. Contracting with a Government Agency. No competitive procurement is required for goods and/or services provided by another governmental agency, provided that such agency's procurement is in compliance with California law.
- e. Emergencies. In the event of an emergency, the Chief Executive Officer ("CEO") may suspend the normal purchasing and procurement requirements for goods and/or services related to abatement of the impacts or effects of the emergency. "Emergency" for purposes of this Policy means a situation creating an imminent danger to life or property or other material financial loss that calls for immediate action with inadequate time for a competitive procurement.

7. Sole-Source

The Board or the CEO, as applicable, after consultation with the General Counsel, may waive the competitive procurement requirements in this Policy and procure goods and/or services from a sole source, based upon written documentation justifying a sole-source award as described below, and as allowed by applicable law.

- a. Written justification for a sole-source award must demonstrate that:
 - i. The desired goods and/or services are available from only the sole source based upon one or more of the following reasons: (a) The unique experience and capabilities of the sole source; (b) The project involves the use of proprietary technology from sole source; or (c) The sole source has ownership of key assets required for project performance; or
 - ii. Other circumstances exist which in the determination of the Board or the CEO, as applicable, require such waiver in the best interests of Community Power. Such circumstances may include, but are not limited to: (a) Projects

involving cost sharing by multiple sponsors; (b) Time extension of an existing sole source agreement; or (c) Projects requiring compatibility with existing specialized equipment.

b. The following are not permissible justification for sole source:

- i. Personal preference for product or vendor;
- ii. Cost, vendor performance or local service (the latter may be considered an award factor in competitive procurements);
- iii. Features that exceed the minimum requirements for the goods and/or services; or
- iv. The length of time needed to conduct a competitive procurement is inconvenient.

8. Additional Authorized Procurement Methods

- a. Cooperative Procurement. Cooperative Procurement refers to the combining of requirements of two or more government agencies to leverage the benefits of volume purchases, delivery and supply chain advantages, best practices, the reduction of administrative time and expenses, or some combination thereof. Community Power may use Cooperative Procurement when the use of it enhances operational efficiencies and demonstrates potential cost savings for Community Power, including transaction costs.
- b. Piggyback Procurement. Piggyback Procurement is a type of Cooperative Procurement, and it refers to a government agency's use of an existing competitively awarded contract from another government agency to form its own contract directly with that vendor to purchase goods and/or services on the same or similar terms. Community Power may use Piggyback Procurement when such a procurement enhances operational efficiencies and demonstrates potential cost savings for Community Power, including transaction costs.

9. RFP/RFQ Proposal Evaluation

- a. Responses received through an RFP or RFQ shall be subject to a set of criteria and a scoring system, reviewed and evaluated by relevant Community Power staff and an evaluation committee selected by the CEO or, at the discretion of the Board, members of a designated Board committee. Responses received shall be evaluated based on competency to perform the scope of work, best fit, price competitiveness, and other additional criteria pursuant to Community Power's Inclusive and Sustainable Workforce Policy. The preferences below may not apply to procurements conducted jointly with other public agencies, and shall not apply when prohibited by state or federal statutes or regulations

that require award to the lowest responsible bidder. Proposers may only pursue two of the four preferences.

- i. Businesses with office(s) located in San Diego County and include at least 25% San Diego County residents under their employment shall receive a bonus of up to 5 points or 5% out of a 100-point scoring system in competitive solicitations. To receive the preference, a proposer must submit written information relating to the location of its office(s) in San Diego County and the percentage of San Diego County residents under its employment.
 - ii. Businesses certified as disabled veteran business enterprises by the Supplier Clearinghouse (thesupplierclearinghouse.com) shall receive a bonus of up to 5 points or 5% out of a 100-point scoring system in competitive solicitations. To receive the preference, a proposer must submit proof of current, valid certification by the Supplier Clearinghouse. Such proof shall be subject to verification by Community Power.
 - iii. Businesses certified as a Persons with Disabilities business enterprise by the Supplier Clearinghouse or Disability:IN shall receive a bonus of up to 5% or 5 points out of a 100 point scoring system in competitive solicitations. To receive the preference, a proposer must submit proof of current, valid certification by the Supplier Clearinghouse or Disability:IN. Such proof shall be subject to verification by Community Power.
 - iv. Businesses certified as small business by the Department of General Services shall receive a bonus of up to 5% or 5 points out of a 100- point scoring system in competitive solicitations. To receive the preference, a proposer must submit proof of current, valid certification by the Department of General Services. Such proof shall be subject to verification by Community Power.
- b. Community Power is committed to the highest standards of responsible behavior and integrity in all of its business relationships. Community Power will consider an organization's business practices, environmental record, and commitment to fair employment practices and compensation in its procurement decisions.

10. Amendments.

- a. For non-Board-approved contracts with an original value less than \$10,000, amendments may be authorized to increase the aggregate contract value up to \$10,000.
- b. For non-Board-approved contracts with an original value between \$10,000

and \$150,000 that were procured in accordance with Section 5 of this Policy, amendments may be authorized to increase the aggregate contract value up to \$150,000.

- c. For Board-approved contracts, amendments may be authorized to increase the aggregate contract value by up to an additional \$150,000 or 10% of the original contract value, whichever is greater, without Board approval. Amendments exceeding these values shall require Board approval. The contract amendments shall be reported at the next regular Board meeting.

11. General Provisions. The provisions below shall apply to all methods of procurement described above.

- a. All awards resulting from solicitations conducted in accordance with this Policy shall be documented in a written agreement. Execution of such agreements shall be effectuated in accordance with Community Power's Delegated Authority Policy.
- b. The Board may, consistent with applicable law, waive one or more purchasing procedures in this Policy in its sole discretion.
- c. The Board designates the CEO as Community Power's purchasing agent. As the purchasing agent for Community Power, the CEO is hereby authorized on behalf of Community Power to (i) purchase Goods; (ii) rent furnishings and equipment; (iii) contract for Services, Professional Services, or Legal Services, or (iv) procure Public Works projects, as provided herein. The CEO may further delegate this authority in the CEO's discretion.
- d. The CEO, at their discretion, may direct Community Power to use competitive procurement for anticipated goods and/or services with an aggregate contract value of \$150,000 or less for a contract term.
- e. When procuring goods and/or services utilizing state or federal funds (e.g., grant or loan funds), Community Power shall comply with all state and federal project requirements in securing any goods or services necessary. If there is a conflict between the foregoing, the more restrictive requirements shall apply.
- f. Community Power shall not be required to award a contract to purchase goods or services from the lowest responsible bidder, unless required by California law.
- g. A contract shall not split purchases into more than one purchase in order to avoid the Competitive Procurement Requirements in this Policy. If it is reasonably foreseeable that similar goods and/or services are anticipated from a vendor that would have an aggregate value of \$10,000 or more, the competitive procurement requirements of this Policy shall apply.
- h. No Community Power officer or employee shall accept, directly or indirectly, any gift, rebate, money or anything of value from any person or entity if such gift,

rebate, money or anything of value is intended to reward or be an inducement for conducting business, placing orders with, or otherwise using the officer's or employee's position to secure a contract with Community Power.

12. Protests

- a. Protest Regarding Solicitation – an interested party that is an actual or prospective proposer with a direct economic interest in the procurement may submit a protest in writing relating to the form or content of a solicitation to Community Power's Procurement Manager at least five (5) business days before the deadline to submit proposals.
- b. Protest Regarding Award of Contract – a proposer may submit a protest in writing regarding the award of a contract to Community Power's Procurement Manager no later than five (5) business days after proposer receives notification of non-award.
- c. Protest Contents – For the protest to be valid, it must: clearly identify the procurement action being protested; specify, in detail, the factual and legal grounds for the protest, including identifying the specific provisions of the solicitation, rules, regulations or laws upon which the protest is based; include all relevant, supporting documentation with the protest at the time of filing; identify the specific relief requested; and include the name, mailing, address, telephone number and email address of the person representing the protester. Any matters not set forth in the protest shall be deemed waived.
- d. Community Power Review – upon receipt of a valid and timely protest, Community Power will investigate the protest and will provide a written response to the protester within a reasonable time. If necessary, the CEO at their sole discretion may extend the deadline to submit proposals to allow for a reasonable time to review the protest. The CEO at their sole discretion may elect to withhold contract execution until the protest is resolved or denied, or proceed with contract execution while the review is pending. If the protest is upheld, the CEO will consider all circumstances surrounding the procurement in their decision for a fair and reasonable remedy, including the degree of prejudice to the protester or to the integrity of the competitive procurement process, the urgency of the procurement, the extent of performance if the contract has already been executed, the cost to Community Power, and the impact of the proposed remedy. The remedy may include, but is not limited to, reissuance of the solicitation, revised evaluation of the proposals, or termination of the contract.
- e. Exclusive Remedy – The procedure set forth in this Policy is mandatory. Failure by a protester to comply with the procedure for protests will constitute a waiver of any right to pursue the protest, including the filing of a claim under the relevant

Government Code section or initiating legal proceedings. In no event will a protest be considered if all proposals are rejected or no contract is awarded. If Community Power determines that the protest is frivolous, the protester may be deemed ineligible for future contract awards.

13. Nondiscrimination Contract Clause

Each Community Power contract and subcontract shall contain a nondiscrimination clause that reads substantially as follows:

“Contractor 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 subcontractors, vendors, or suppliers. Contractor shall provide equal opportunity for subcontractors to participate in subcontracting opportunities.”

14. Information on Supplier Diversity

Public Utilities Code Section 366.2(m) requires certain community choice aggregators, including Community Power, to annually submit to the California Public Utilities Commission (CPUC): (1) a detailed and verifiable plan for increasing procurement from small, local, and diverse business enterprises; and (2) a report regarding its procurement from women, minority, disabled veteran, and LGBT business enterprises.

General Order 156 (GO 156), adopted by the CPUC, requires certain California public utilities to engage in outreach activities and meet specific procurement goals from women, minority, disabled veteran, persons with disabilities, and LGBT business enterprises. Qualified businesses become GO 156 certified through the CPUC and are then added to the GO 156 Supplier Clearinghouse database (www.thesupplierclearinghouse.com).

To assist Community Power with its reporting obligations under Public Utilities Code Section 366.2(m) and with evaluating its supplier outreach and other activities, proposers that are awarded the contract will be asked to voluntarily disclose their certification status with the CPUC Clearinghouse, as well as their efforts to work with diverse business enterprises, including WBEs, MBEs, DVBES, and LGBTBEs.

Except as otherwise expressly provided under this Policy and/or required by applicable state or federal law or funding requirements (including, without limitation, any grant or loan conditions), Community Power shall not use any demographic information received from potential vendors in any way as part of its decision-making or selection process. Rather, Community Power will use such information solely for compliance with its reporting obligations to the CPUC and evaluation of Community Power’s outreach and other activities consistent with applicable law. Pursuant to Article I, Section 31 of the California Constitution, Community Power shall not discriminate against or give preferential treatment to any individual or group on the basis of race, sex, color, ethnicity, or national origin except as

otherwise allowed therein.

15. Signing Authority

Community Power's CEO and designated staff are authorized to execute contracts and related documents in accordance with Community Power's Delegated Contract and Signature Authority Policy, as enacted, adopted or revised from time to time by the Board.

16. Review and Approval as to Form by General Counsel

All Community Power agreements must be approved as to the form and content by the General Counsel or his/her designee prior to signature by any authorized individual.

Prior Versions:

Date	Action	Resolution No.	Policy No.
April 23, 2020	Adopted	2020-02	N/A
July 28, 2022	Update	2022-09	2022-11

ITEM 4 EXHIBIT B



San Diego Community Power Non-Energy Procurement Policy

Effective Date: June 26, 2025-

Adopted/Amended by: Resolution 2025-XX

Previous Version: July 28, 2022

Purpose

It is in the interest of San Diego Community Power ("Community Power") to establish administrative procurement practices that facilitate efficient business operations and provide fair compensation and local workforce opportunities, whenever possible, within a framework of high quality, and competitive service offerings.

This policy Non-Energy Procurement Policy ("Policy") shall not apply to energy procurements or transactions governed by the Energy Risk Management Policy as enacted, adopted or revised from time to time by Community Power's Board of Directors ("Board").

Policy

1. Procurement of Professional Services

SDCPCommunity Power may contract for professional services, which are services that focus on require expertise and knowledge, including but not limited to consultantconsultants, legal, or design services, in its sole discretion. SDCPCommunity Power shall procure professional services in compliance with the Competitive Procurement Requirements in Section 5 of this Policy. SDCPCommunity Power shall endeavor to secure the highest quality professional services available and is not required to award a contract for services to the lowest cost proposer.

2. Procurement of General Services

SDCPCommunity Power may contract for general services, which are services that are not professional services, including but not limited to cleaning or maintenance services, in its sole discretion. SDCPCommunity Power shall procure general services in compliance with the Competitive Procurement Requirements in Section 5 of this Policy. Although SDCPCommunity Power shall not be required to award a contract to the lowest cost proposer, SDCP staffCommunity Power shall seek to procure general services at the lowest costs.

3. Procurement of SuppliesGoods

SDCPCommunity Power shall procure goods, including but not limited to supplies, materials, furnishings, software or equipment, in compliance with the Competitive Procurement Requirements in Section 5 of this Policy. Although SDCPCommunity Power shall not be required to award a contract to the lowest cost proposer, SDCP staffCommunity Power shall

seek to ~~purchase supplies~~procure goods at the lowest costs. SDCP Community Power is encouraged to jointly procure ~~supplies~~goods with other governmental agencies to obtain the lowest cost when possible. ~~In the event one or more SDCP employees are designated as purchasing agents, those individuals shall be included in SDCP's Conflict of Interest Code as persons who must file an annual statement of economic interest.~~

4. Procurement of Public Works Projects

SDCP Community Power shall comply with California Public Contract Code Section 20160 *et seq.* and other applicable laws and regulations when procuring public projects in excess of \$5,000. For purposes of this section, a “public project” shall have the same meaning as defined in Public Contract Code Section 20160, and includes, among other things, projects for the erection, improvement, painting, or repair of public buildings and works.

5. Competitive Procurement Requirements

~~a. Formal Bidding. SDCP shall issue a request~~Contracts Exceeding \$1250,000. One of the following methods shall be used for proposals (RFP), a request for qualifications (RFQ), or similar competitive instrument for the purchase of anticipated goods and/or services in excess with an aggregate contract value exceeding \$12550,000 over the entire duration of the contract, or for any contract(s) with a single vendor for similar goods and/or services exceeding \$125,000 in any given contract year or term. fiscal year, and responses received shall be subject to Section 9 – Evaluation of Responses to RFPs/RFQs of this Policy:

i. ~~Request for Proposals shall be (“RFP”): An RFP is typically used to procure technical, complex and unique services, when creative or innovative approaches are needed, and/or when the requirements are qualitative rather than quantitative. A RFP tends to be used when creative or innovative approaches are needed or when Community Power is looking for a customized solution to a problem where performance of services is anticipated to be ongoing in nature. An RFP will include, at a minimum, a requirements statement or statement of work; experience, expertise, or qualification criteria; and an evaluation criteria for which a proposal will be evaluated in accordance with Section 7 of this Policy. These contracts are subject to Board approval before final execution. Proposals will be required to include a detailed explanation of Proposer’s approach, detailed work plans, solutions, or methods, and price/budget, as applicable. All RFPs shall, at a minimum, be posted on Community Power’s website.~~

~~a. Informal Bidding Procedures.~~

ii. ~~Request for Qualifications (“RFQ”): An RFQ is typically used to procure goods and/or services when Community Power needs to establish a pool of pre-qualified providers (“PQPs”). The RFQ process is typically used to determine a proposer’s capability to perform specified services and meet stipulated requirements. procure distinct, stand-alone, or discrete projects having a specified deadline, or for services ordered or used by Community Power on a routine basis. The RFQ will specify the areas of expertise,~~

experience, or knowledge that Community Power seeks, and, if applicable, the process for a proposer to become a pre-qualified provider in those specified areas. All RFQs shall, at a minimum, be posted on Community Power's website. PQPs are then eligible to participatepropose and compete in subsequent task order solicitations when defined thascopes of work are identified byt Community Power. Subsequent task order solicitations will include scope of work, experience, expertise or qualifications, and evaluation criteria for which proposals will be evaluated against.

may issue from time to time for the relevant good and/or service and sign a Master Agreement if awarded the task order. Additionally, the RFQ method can be used to award contracts for services that include scopes of work to be authorized on an as-needed basis. All RFQs shall, at a minimum, be posted on Community Power's website.

- b. Contracts between \$10,000 and \$12550,000. For contracts valued between \$50,000 and \$124,999.99, staffanticipated goods and/or services with an aggregate contract value between \$10,000 and \$12550,000 over the entire duration of the contract, or for any contract with a single vendor totaling between \$10,000 and \$125,000 in any given fiscal year. Community Power shall solicitobtain informal written proposalsquotes or bids from at least three providers, if feasible. An informal written proposal consists of a written proposal that includesEach quote or bid shall include the provider's name, address, phone number, professional license number (if applicable), a description of the work to be performed, and the amount of the proposal. A written proposal may be in an electronic formatproposed cost. Public advertising is not required for these solicitations.

6. Non-Competitive Procurement

- i. Contracts Less than \$10,000. For contracts valued between \$10,000 and \$49,999.99, staff shall solicit informal verbal proposals from at least three providers. Staff shall note the three verbal proposals by including the provider's name, address, phone number, and amount of the verbal proposal in SDCP's records.
- ii. For contracts valued at anticipated goods and/or services with an aggregate contract value of less than \$10,000, no formal or informal proposals shall be over the entire duration of the contract, or for any contract with a single vendor totaling less than \$10,000 in any given fiscal year. nNo competitive procurement is required, but SDCP staff is directed to seek the lowest cost suppliesgoods and the highest quality services available.
- iii. The Chief Executive Officer ("CEO"), at his or her discretion, may direct that SDCP solicit competitive procurements through the formal bidding. This process for contracts under \$125,000.

6. General Provisions. The provisions below shall apply to all methods of procurement

described above.

- ~~iv. When procuring shall not be used when it is reasonably foreseeable that additional goods and/or services utilizing state or federal funds (e.g., grant or loan funds), SDCP shall comply with all state or federal project requirements in securing any goods or services necessary. If there is conflict between the foregoing, the more restrictive requirements shall apply.~~
- ~~v. SDCP shall not be required to award a contract to purchase goods or services are anticipated from the lowest responsible bidder, unless required by California law.~~
- a. ~~No SDCP officer or employee shall split purchases into more than one purchases same vendor which would exceed the \$10,000 threshold in the aggregate, in order to avoid the Competitive Procurement Requirements in this Policy which case competitive procurement shall be used.~~
- ~~vi. No SDCP officer or employee shall accept, directly or indirectly, any gift, rebate, money or anything else of value from any person or entity if such gift, rebate, money or anything of value is intended to reward or be an inducement for conducting business, placing orders with, or otherwise using the officer's or employee's position to secure a contract with SDCP.~~
- b. ~~Exceptions to Competitive Procurement Requirements.~~
 - ~~i. The Board of Directors may, consistent with applicable law, waive one or more purchasing procedures in this Policy and/or use sole source procurement in its sole discretion.~~
 - ~~ii. Based on the unique facts or circumstances described below and a written justification retained in SDCP's records, the CEO, after consultation with the General Counsel, may waive one or more purchasing procedures in this Policy and/or use sole source procurement if the CEO determines that the best interests of SDCP are served; provided, however, that such method is not in violation of applicable law or policy.~~

~~Sole source purchasing is authorized when the goods or services contemplated are capable of being supplied or performed by a sole provider, such as the holder of an exclusive patent or franchise, for purchase of unique or innovative goods or services including but not limited to computer software and technology, or for purchases of goods or services when there is a demonstrated need for compatibility with an existing item or service. Sole source procurement may also be utilized when it is apparent that a needed product or service is uniquely available from the source, or for all practical purposes, it is justifiably in the best interest of SDCP to utilize sole source procurement. The following factors shall not apply to sole source procurements and shall not be included in the sole source justification: personal preference for product or vendor; cost, vendor performance, or local service (this may be considered an~~

award factor in competitive procurements); features that exceed the minimum requirements for the goods or services; explanation of the actual need and basic use for the equipment, unless the information relates to a request for unique factors.

b. Legal Services. No competitive procurement is required for legal services.

b.c. Rent or Lease of Office Space or Office Equipment. No competitive procurement shall be required for goods to rent or services valued at less than \$10,000 in any one contract term lease office space or contract year office equipment.

iii. Contracting with a Government Agency. No competitive procurement shall be required to rent or lease equipment.

c.d. Competitive procurement shall not be required when the contract, for goods and/or services will be provided by another governmental agency. SDCP can rely on the competitive procurement process provided by another governmental agency, provided that such agency's procurement is in compliance with California law.

d.e. Emergencies. In the event of an emergency, the Chief Executive Officer ("CEO") may suspend the normal purchasing and procurement requirements for goods and/or services related to abatement of the impacts or effects of the emergency. "Emergency" for purposes of this Policy means a situation creating an imminent danger to life or property or other material financial loss that calls for immediate action with inadequate time for a competitive procurement.

7. Signing Authority:

8. SDCP's CEO and designated staff are authorized to execute contracts and related documents in accordance with SDCP's Delegated Contract Authority Policy.

7. Sole-Source

The Board or the CEO, as applicable, after consultation with the General Counsel, may waive the competitive procurement requirements in this Policy and procure goods and/or services from a sole source, based upon written documentation justifying a sole-source award as described below, and as allowed by applicable law.

a. Written justification for a sole-source award must demonstrate that:

i. The desired goods and/or services are available from only the sole source based upon one or more of the following reasons: (a) The unique experience and capabilities of the sole source; (b) The project involves the use of proprietary technology from sole source; or (c) The sole source has ownership of key assets required for project performance; or

ii. Other circumstances exist which in the determination of the Board or the CEO, as applicable, require such waiver in the best interests of Community Power. Such circumstances may include, but are not limited to: (a) Projects involving cost sharing by multiple sponsors; (b) Time extension of an

existing sole source agreement; or (c) Projects requiring compatibility with existing specialized equipment.

b. The following are not permissible justification for sole source:

- i. Personal preference for product or vendor;
- ii. Cost, vendor performance or local service (the latter may be considered an award factor in competitive procurements);
- iii. Features that exceed the minimum requirements for the goods and/or services; or
- iv. The length of time needed to conduct a competitive procurement is inconvenient.

8. Additional Authorized Procurement Methods

- a. Cooperative Procurement. Cooperative Procurement refers to the combining of requirements of two or more government agencies to leverage the benefits of volume purchases, delivery and supply chain advantages, best practices, the reduction of administrative time and expenses, or some combination thereof. Community Power may use Cooperative Procurement when the use of it enhances operational efficiencies and demonstrates potential cost savings for Community Power, including transaction costs.
- b. Piggyback Procurement. Piggyback Procurement is a type of Cooperative Procurement, and it refers to a government agency's use of an existing competitively awarded contract from another government agency to form its own contract directly with that vendor to purchase goods and/or services on the same or similar terms. Community Power may use Piggyback RecruitmentProcurement when such a procurement enhances operational efficiencies and demonstrates potential cost savings for Community Power, including transaction costs.

9. RFP/RFQ Issuance and Proposal Evaluation

- a. ~~Proposals~~Responses received through ~~formal bidding procedures~~an RFP or RFQ shall be subject to a set of criteria and a scoring system, reviewed and evaluated by relevant ~~SDCP~~Community Power staff and an evaluation committee selected by the CEO or, at the discretion of the Board, members of a designated Board committee. ~~Proposals~~Responses received shall be evaluated based on competency to perform the scope of work, best fit, price competitiveness, ~~compliance with subsections i (San Diego County Preference) and ii (Other Preferences) below,~~ and other additional criteria ~~added~~ pursuant to ~~SDCP's~~Community Power's Inclusive and Sustainable Workforce Policy. The preferences below may not apply to procurements conducted jointly with other public agencies, and shall not apply when prohibited by state or federal statutes or regulations that require award to the lowest responsible bidder. Proposers may only pursue two of the four preferences.

- i. Businesses with office(s) located in San Diego County and include at least 25% San Diego County residents under their employment shall receive a bonus of up to 5 points or 5% out of a 100-point scoring system in competitive solicitations. To receive the preference, a proposer must submit written information relating to the location of its office(s) in San Diego County and the percentage of San Diego County residents under its employment.
- ii. Businesses certified as disabled veteran business enterprises ~~as~~ by the Supplier Clearinghouse (~~thesupplierclearinghouse.com~~thesupplierclearinghouse.com) shall receive a bonus of up to 5 points or 5% out of a 100-point scoring system in competitive solicitations. To receive the preference, a proposer must submit proof of current, valid certification by the Supplier Clearinghouse. Such proof shall be subject to verification by Community Power.
- iii. Businesses certified as a Persons with Disabilities business enterprise by the Supplier Clearinghouse or Disability:IN shall receive a bonus of up to 5% or 5 points out of a 100 point scoring system in competitive solicitations. To receive the preference, a proposer must submit proof of current, valid certification by the Supplier Clearinghouse or Disability:IN. Such proof shall be subject to verification by SDCPCommunity Power.
- iv. Businesses certified as small business by the Department of General Services shall receive a bonus of up to 5% or 5 points out of a 100- point scoring system in competitive solicitations. To receive the preference, a proposer must submit proof of current, valid certification by the Department of General Services. Such proof shall be subject to verification by SDCPCommunity Power.

b. SDCPCommunity Power is committed to the highest standards of responsible behavior and integrity in all of its business relationships. SDCPCommunity Power will consider an organization's ~~company's~~ business practices, environmental record, and commitment to fair employment practices and compensation in its procurement decisions.

10. Amendments.

- a. For non-Board-approved contracts with an original value less than \$10,000, amendments may be authorized to increase the aggregate contract value up to \$10,000.
- b. For non-Board-approved contracts with an original value between \$10,000 and \$150,000 that were procured in accordance with Section 5 of this Policy, amendments may be authorized to increase the aggregate contract value up to \$150,000.
- ~~b.c.~~ For Board-approved contracts, amendments may be authorized to increase the aggregate contract value by up to an additional \$150,000 or 10%

of the original contract value, whichever is greater, without Board approval. Amendments exceeding these values shall require Board approval. The contract amendments shall be reported at the next regular Board meeting.

11. General Provisions. The provisions below shall apply to all methods of procurement described above.

- a. All awards resulting from solicitations conducted in accordance with this Policy shall be documented in a written agreement. Execution of such agreements shall be effectuated in accordance with ~~San Diego Community Power's Delegated Authority Policy.~~
- b. The Board may, consistent with applicable law, waive one or more purchasing procedures in this Policy in its sole discretion.
- c. The Board designates the ~~Chief Executive Officer~~ ("CEO") as Community Power's purchasing agent. As the purchasing agent for Community Power, the CEO is hereby authorized on behalf of Community Power to (i) purchase Goods; (ii) rent furnishings and equipment; (iii) contract for Services, Professional Services, or Legal Services, or (iv) procure Public Works projects, as provided herein. The CEO may further delegate this authority in the CEO's discretion.
- d. The CEO, at their~~his or her~~ discretion, may direct Community Power to use competitive procurement for anticipated goods and/or services with an aggregate contract value of \$12550,000 or less for a contract term.
- e. When procuring goods and/or services utilizing state or federal funds (e.g., grant or loan funds), Community Power shall comply with all state ~~or~~ federal project requirements in securing any goods or services necessary. If there is a conflict between the foregoing, the more restrictive requirements shall apply.
- f. Community Power shall not be required to award a contract to purchase goods or services from the lowest responsible bidder, unless required by California law.
- g. A contract shall not split purchases into more than one purchase in order to avoid the Competitive Procurement Requirements in this Policy. If it is reasonably foreseeable that similar goods and/or services are anticipated from a vendor that would have an aggregate value of \$10,000 or more, the competitive procurement requirements of this Policy shall apply.
- h. No Community Power officer or employee shall accept, directly or indirectly, any gift, rebate, money or anything of value from any person or entity if such gift, rebate, money or anything of value is intended to reward or be an inducement for conducting business, placing orders with, or otherwise using the officer's or employee's position to secure a contract with Community Power.
- i. ~~To execute contract amendments to increase the aggregate contract price of Board-approved non-energy contracts by up to the greater of \$150,000 or 10% of the original contract price, over the life of the contract. The contract amendments shall be reported at the next regular Board meeting.~~

12. Protests

- a. Protest Regarding Solicitation – an interested party that is an actual or prospective proposer with a direct economic interest in the procurement may submit a protest in writing relating to the form or content of a solicitation to Community Power’s Procurement Manager at least five (5) business days before the deadline to submit proposals.
- b. Protest Regarding Award of Contract – a proposer may submit a protest in writing regarding the award of a contract to Community Power’s Procurement Manager no later than five (5) business days after proposer receives notification of non-award.
- c. Protest Contents – For the protest to be valid, it must: clearly identify the procurement action being protested; specify, in detail, the factual and legal grounds for the protest, including identifying the specific provisions of the solicitation, rules, regulations or laws upon which the protest is based; include all relevant, supporting documentation with the protest at the time of filing; identify the specific relief requested; and include the name, mailing, address, telephone number and email address of the person representing the protester. Any matters not set forth in the protest shall be deemed waived.
- d. Community Power Review – upon receipt of a valid and timely protest, Community Power will investigate the protest and will provide a written response to the protester within a reasonable time. If necessary, the CEO at their sole discretion may extend the deadline to submit proposals to allow for a reasonable time to review the protest. The CEO at their sole discretion may elect to withhold contract execution until the protest is resolved or denied, or proceed with contract execution while the review is pending. If the protest is upheld, the CEO will consider all circumstances surrounding the procurement in their decision for a fair and reasonable remedy, including the degree of prejudice to the protester or to the integrity of the competitive procurement process, the urgency of the procurement, the extent of performance if the contract has already been executed, the cost to Community Power, and the impact of the proposed remedy. The remedy may include, but is not limited to, reissuance of the solicitation, revised evaluation of the proposals, or termination of the contract.
- e. Exclusive Remedy – The procedure set forth in this Policy is mandatory. Failure by a protester to comply with the procedure for protests will constitute a waiver of any right to pursue the protest, including the filing of a claim under the relevant Government Code section or initiating legal proceedings. In no event will a protest be considered if all proposals are rejected or no contract is awarded. If Community Power determines that the protest is frivolous, the protester may be deemed ineligible for future contract awards.

10-13. Nondiscrimination Contract Clause

Each SDGPCommunity Power contract and subcontract shall contain a nondiscrimination clause that reads substantially as follows:

“Contractor 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 subcontractors, vendors, or suppliers. Contractor shall provide equal opportunity for subcontractors to participate in subcontracting opportunities.”

11.14. Information on Supplier Diversity

Public Utilities Code Section 366.2(m) requires certain community choice aggregators, including SDGPCommunity Power, to annually submit to the California Public Utilities Commission (CPUC): (1) a detailed and verifiable plan for increasing procurement from small, local, and diverse business enterprises; and (2) a report regarding its procurement from women, minority, disabled veteran, and LGBT business enterprises.

General Order 156 (GO 156), adopted by the California Public Utilities Commission (CPUC), requires certain California public utilities to engage in outreach activities and meet specific procurement goals from women, minority, disabled veteran, persons with disabilities, and LGBT business enterprises. Qualified businesses become GO 156 certified through the CPUC and are then added to the GO 156 Supplier Clearinghouse database (www.thesupplierclearinghouse.com).

To assist SDCPCommunity Power with its reporting obligations under Public Utilities Code Section 366.2(m) and with evaluating its supplier outreach and other activities, proposers that are awarded the contract will be asked to voluntarily disclose their certification status with the CPUC Clearinghouse, as well as their efforts to work with diverse business enterprises, including WBEs, MBEs, DVBES, and LGBTBEs.

Except as otherwise expressly provided under this Policy and/or required by applicable state or federal law or funding requirements (including, without limitation, any grant or loan conditions), SDCPCommunity Power shall not use any demographic information received from potential vendors in any way as part of its decision-making or selection process. Rather, SDCPCommunity Power will use such information solely for compliance with its reporting obligations to the CPUC and evaluation of SDCP'sCommunity Power's outreach and other activities consistent with applicable law. Pursuant to Article I, Section 31 of the California Constitution, SDCPCommunity Power shall not discriminate against or give preferential treatment to any individual or group on the basis of race, sex, color, ethnicity, or national origin except as otherwise allowed therein.

15. Signing Authority

2. ~~Procurement of Power~~Community Power's CEO and ~~Energy Attributes~~

~~SDCP must secure sufficient power resources~~designated staff are authorized to execute contracts and energy attributes to serve its customers, complyrelated documents in accordance with State law, and meet SDCP's and its member agencies' goals. SDCP hasCommunity Power's Delegated Contract and Signature Authority Policy, as enacted, adopted an Energy Risk Management Policy authorizing certain SDCP staff or revised from time to enter into power purchase agreements and other agreements to secure power and energy attributes. This Procurement Policy shall not apply totime by the acquisition of power or energy attributesBoard.

12.16. Review and Approval as to Form by General Counsel

All SDCPCommunity Power agreements must be approved as to the form and content by the General Counsel or his/her designee prior to signature by any authorized individual.

SAN DIEGO COMMUNITY POWER

Staff Report - Item 5

To: Finance and Risk Management Committee

From: Dr. Eric Washington, Chief Financial Officer/Treasurer
Christopher Stephens, Procurement Manager

Via: Karin Burns, Chief Executive Officer

Subject: Recommend Board Adoption of Resolution No. 2025-___, Approving Revisions to the Delegated Contract Authority Policy and Rescinding Resolution No. 2022-10

Date: September 18, 2025

Recommendation

Recommend Board adoption of Resolution No. 2025-___, approving revisions to the delegated contract authority policy and rescinding Resolution No. 2022-10.

Background

At the February 27, 2020, regular meeting of Community Power's Board of Directors, the Board adopted a Delegated Contract Authority Policy via Resolution No. 2020-01. The policy delegates the execution of contracts of up to \$125,000 for goods and services to the Chief Executive Officer (CEO) and to allow the CEO the authority to delegate signature authority for purchases up to the amount of \$50,000. The policy also includes certain conditions, such as ensuring the funding for the contract is appropriated, budgeted, and appropriately reviewed and approved by the General Counsel. Lastly, the delegation allows the CEO to exercise all rights and powers specified under the contract as belonging to Community Power, for all contracts, including those that are Board-approved. It is the responsibility of staff to periodically review Community Power's policies and ensure that they align with the agency's Mission and Vision, and scale with the Agency's growth, where feasible. Staff have reviewed the policy and is proposing certain revisions.

On September 22, 2022, the Board adopted Resolution No. 2022-10 to delegate signature authority from the CEO to the Chief Financial Officer or the Managing Director, Power Services, in the absence of the Chief Executive Officer. This resolution excludes the Chief Operating Officer and does not reflect the current title of another executive. This policy updates this resolution by instead delegating the signature authority, in the absence of the

CEO, to any member of the executive team, excluding the General Counsel who approves as to form and content.

Analysis and Discussion

Through the earlier part of last year, staff have been collaborating with Community Power's General Counsel to review existing policies and identify areas for further clarification and development. Through this effort, it was identified that the following updates would provide additional organization clarity:

- To delegate to the CEO, or their designee, the authority to execute non-dollar value agreements, excluding memoranda of understanding with federal, state, and local governments, which shall be retained by the Board.
- To allow Community Power staff to apply for grant funding but reserve the authority to accept and receive grants with the Board.
- To delegate the CEO's signature authority to any member of the executive team in the absence of the CEO, except the General Counsel who approves as to form and content.
- Consistent with the amendments proposed for the Non-Energy Procurement Policy, to increase the delegated contract authority to the CEO from \$125,000 to \$150,000.
- Renaming the policy from Delegated Contract Authority Policy to Delegated Contract and Signature Authority Policy.
- To include additional clarifying and administrative edits.

Staff are seeking approval to update the existing policy with these changes and to rename the policy to recognize the broader signature authority for non-dollar value agreements. Staff are also seeking to rescind Resolution No. 2022-10 because that resolution is outdated and the updated delegation from that Resolution is now in this policy for consistency and clarity. Those new sections are found as redlines in attachments to this staff report.

Fiscal Impact

N/A

Strategic Plan

This policy furthers the Strategic Planning goal of continuing to enhance financial controls and policies to meet or exceed best practices, including contracting, risk management, and procurement.

Attachments

A: Resolution 2025-___, Adopting Revisions Delegated Contract Authority Policy and Rescinding Resolution No. 2022-10

Exhibit A: Procurement Policy_9.11.25 Update (Clean with proposed Changes)

Exhibit B: Procurement Policy_9.11.25 (Redlined with Proposed Changes)

ITEM 5

ATTACHMENT A

RESOLUTION NO. 2025-__

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
SAN DIEGO COMMUNITY POWER, ADOPTING A REVISED
DELEGATED CONTRACT AND SIGNATURE AUTHORITY POLICY.**

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

B. On February 27, 2020, at the regular meeting of the Community Power Board of Directors (Board), the Board approved Resolution 2020-01, adopting a Delegated Contract Authority Policy related to the delegation and signature of contracts that may be approved by the Chief Executive Officer (CEO), and related authority.

C. On September 22, 2022, at the regular meeting of the Board, the Board approved Resolution 2022-10, authorizing the Chief Financial Officer or the Managing Director, Power Services, to exercise the signature authority delegated to the CEO in their absence.

D. The Board now desires to rename the Delegated Contract Authority Policy to the Delegated Contract and Signature Authority Policy, to extend the delegation to include non-dollar value agreements, excluding memoranda of understanding with federal, state, and local governments, which shall be retained by the Board; to allow staff the authority to apply for grant funding, but reserve the authority to accept and receive grants to the Board; to allow all members of the executive team, except the General Counsel, the authority execute contracts and agreements in the absence of the CEO; and other changes, as set forth in Exhibit A this Resolution.

E. The Board further desires to rescind Resolution No. 2022-10 because the content of that Resolution has been updated and included in this policy.

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

Section 1. The Board finds that the foregoing recitals are true and correct and are incorporated herein.

Section 2. The Board rescinds Resolution No. 2022-10, in its entirety.

Section 3. The Delegated Contract and Signature Authority Policy attached

hereto as Exhibit A is incorporated as though fully set forth herein.

Section 3. If any provision of this resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the resolution which can be given effect without the invalid provision or application, and to this end the provisions of this resolution are severable. The Board of Directors hereby declares that it would have adopted this resolution irrespective of the invalidity of any particular portion thereof.

Section 4. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED at a meeting of the Board of Directors of San Diego Community Power held on September 25, 2025.

AYES:

NOES:

ABSTAIN:

ABSENT:

Terra Lawson-Remer, Chair
San Diego Community Power

ATTEST:

APPROVED AS TO FORM:

Maricela Hernandez, MMC, CPMC
Clerk of the Board/Board Secretary
San Diego Community Power

Veera Tyagi, General Counsel
San Diego Community Power

ITEM 5 EXHIBIT A

Policy	Delegated Contract and Signature Authority	Original Adoption Date	February 27, 2020
Approval Date	September 25, 2025	Resolution No.	2025-

PURPOSE AND SCOPE:

It is in the interest of San Diego Community Power (“Community Power”) to delegate to the Chief Executive Officer (“CEO”), the authority to take certain actions, including the signing of contracts, agreements, memoranda of understanding, and other documents to facilitate efficient business operations for Community Power.

POLICY STATEMENT:

A. Community Power’s CEO is authorized as follows without prior Board approval:

- To execute contracts of up to \$150,000 for goods and/or services; provided, however, that all new contracts in excess of \$50,000 shall be reported at the next regular Board meeting. Community Power shall comply with all legal requirements applicable to the award of the contract, including the Community Power Non-Energy Procurement Policy. This authorization does not include power supply or wholesale energy services, to the extent those agreements are delegated in the Energy Risk Management Policy.
- To execute contract amendments to increase the aggregate contract price of Board-approved non-energy contracts by up to the greater of \$150,000 or 10% of the original contract price, over the life of the contract. Such contract amendment(s) shall be reported at the next regular Board meeting.
- To delegate signature authority for purchases of goods and/or services to Community Power’s Executives, or their designees, for contracts up to the amount of \$50,000. Such delegation and approval shall be in writing and maintained by Community Power.
- To execute non-dollar value agreements and to delegate signature authority for those agreements to Community Power’s Executives, or their designees. Such delegation shall be in writing and maintained by Community Power. For the purposes of this policy, non-dollar value agreements include, but are not limited to, Memoranda of Understanding/Agreement, Service Level Agreements, Data Sharing Agreements, Licensing Agreements, Letters of Support, and Non-Disclosure Agreements.
- To apply for grants from federal, state, or local public agencies, under the discretionary powers given to the Board in Section 3.2.9 of the Joint Powers

Agreement. The authority to accept and receive a grant remains with the Board.

- B. Notwithstanding the foregoing, Community Power's Board reserves for itself the authority to approve memoranda of understanding with federal, state and local public agencies.
- C. Prior to signing any contracts requiring the expenditure of money, the individual signing shall ensure that: (1) all contract expenses have been budgeted for in the current Community Power budget; (2) adequate funds have been appropriated by the Board; (3) such funds are unexpended, unencumbered, and sufficient to pay the expenses of the contract, and (4) the contract has been reviewed and approved as to form and content by the General Counsel or his/her designee.
- D. For any contracts, whether Board-approved or executed under delegated authority, the CEO is further authorized to exercise all rights and powers specified under the contract as belonging to Community Power, including but not limited to, changes in original scope that are no more than 25% of the original programmatic scope of work, authorization of subcontractors, amendments (provided that the amendment shall be consistent with the limits in this Policy), assignment, insurance, termination, and to perform other acts related to the delivery of non-energy goods and services under the contract.
- E. The signatory authority granted to the CEO pursuant to this Policy may be temporarily delegated to another member of the Community Power Executive Team, other than the General Counsel who approves as to form and content, to negotiate, finalize, and/or execute Community Power agreements and other documents where the CEO has been delegated authority by the Board of Directors, including, but not limited to, the Energy Risk Management Policy and Procurement Policy, and only in the absence of the CEO. The Executive Team member is hereby required to follow all of the requirements set forth in the applicable policy or Board action.

Prior Versions:

Date	Action	Resolution No.	Policy No.
February 27, 2020	Adoption	2020-01	N/A

ITEM 5 EXHIBIT B



San Diego Community Power

Delegated ~~Contract~~ Contract and Signature Authority Policy

Effective Date: _____

Adopted/Amended by Resolution 2025-_____

Prior Versions:

PURPOSE

It is in the interest of San Diego Community Power ("Community PowerSDCP") to delegate to the Chief Executive Officer ("CEO"), the authority to take certain actions, including the signing of contracts, agreements, memorandaums of understanding, and other documents to establish administrative contracting procedures that facilitate efficient business operations for Community PowerSDCP.

POLICY

1. Community Power's Chief Executive Officer~~The ("CEO ")~~ is authorized as follows without prior Board approval:
 - a. To execute contracts of up to \$~~1250~~0,000 for goods and/or services; provided, however, that all new contracts in excess of \$50,000 shall be reported at the next regular Board meeting. ~~This authorization does not include power supply or wholesale energy services,...~~ Community PowerSDCP shall comply with all legal requirements applicable to the award of the contract, if any including the Community Power Non-Energy Procurement Policy. This authorization does not include power supply or wholesale energy services, to the extent those agreements are delegated in the for which delegation is as authorized by the Energy Risk Management Policy.
 - b. To execute contract amendments to increase the aggregate contract price of Board-approved non-energy contracts by up to the greater of \$1250,000 or 10% of the original contract price, over the life of the contract. ~~by no more than 10% of the original contract price over the life of the contract. The~~ Such contract amendment(s) Contracts increased this way shall be reported at the next regular Board meeting.
 - c. To delegate signature authority for purchases of goods and/or services to other Community Power'sSDCP Executives, or their designees, for ~~and Directorssenior staff members for contracts~~ up to the amount of \$50,000. Such delegation and approval shall be memorialized in a written instrument signed in writing by the CEO and maintained by Community PowerSDCP.
 - e.—
 - d. To execute non-dollar value agreementscontractsagreements and t ~~To delegate signature authority for non-dollar value contracts~~ said contracts those agreements to other Community Power Executive LeadershipCommunity Power's Executives, or their designees. Such delegation and approval shall be memorialized in a written instrument by the CEO in writing and maintained by Community Power. For the purposes of this policy, non-dollar value contractscontractsagreements include, but are not limited to, Memorandaums of Understanding/Agreement, Service Level

Agreements, Data Sharing Agreements, Licensing Agreements, Letters of Support, and Non-Disclosure Agreements.

d.e. To apply for grants from federal, state, or local public agencies, under the discretionary powers given to the Board in Section 3.2.9 of the Joint Powers Agreement. The authority to accept and receive a grant remains with the Board.

2. Notwithstanding the foregoing, Community Power's Board reserves for itself the authority to approve memoranda of understanding with federal, state and local public agencies.

2.3. Prior to signing any contracts requiring the expenditure of money, the individual signing shall ensure that: (1) that all contract expenses have been budgeted for in the current Community PowerSDCP budget; (2) that adequate funds have been appropriated by the Board; (3) that such funds are unexpended, unencumbered, and sufficient to pay the expenses of the contract, and (4) that the contract has been reviewed and approved as to form and content by the General Counsel or his/her designee.

4. For any contracts, whether Board-approved or executed under delegated authority, the CEO is further authorized to exercise all rights and powers specified under the contract as belonging to Community PowerSDCP, including but not limited to, changes in original scope that are no more than 25% of the original programmatic scope of work, authorization of subcontractors, amendments (provided that the amendment shall be consistent with the limits in this Policy), assignment, insurance, termination, and to perform other acts related to the delivery of non-energy goods and services under the contract. ~~Exception: For scope changes to Board-approved contracts, any core programmatic changes of more than 25% of the original scope shall be approved by the Board.~~

5. The signatory authority granted to the CEO pursuant to this Policy may be temporarily delegated to another member of the Community Power Executive Team, other than the General Counsel who approves as to form and content, to negotiate, finalize, and/or execute Community Power agreements and other documents where the CEO has been delegated authority by the Board of Directors, including, but not limited to, the Energy Risk Management Policy and Procurement Policy, and only in the absence of the CEO. The Executive Team member is hereby required to follow all of the requirements set forth in the applicable policy or Board action.

Glossary

AB – Assembly Bill: An Assembly Bill is a piece of legislation that is introduced in the Assembly. In other words, the Assembly (rather than the Senate) is the bill's house of origin in the Legislature. In California, it is common for legislation to be referred to by its house of origin number even after it becomes law. However, because bill numbers “reset” and start again from 1 in each legislative session, it is less confusing to include chapter and statute information when referring to a bill that has become law; for example, SB 350 (Chapter 547, Statutes of 2015).

AL - Advice Letter: An Advice Letter is a request by a California Public Utilities Commission (CPUC) jurisdictional entity for Commission approval, authorization or other relief.

ALJ – Administrative Law Judge: ALJs preside over CPUC cases to develop the evidentiary record and draft proposed decisions for Commission action.

ARB – Air Resources Board: The California Air Resources Board (CARB or ARB) is the “clean air agency” in the state government of California. CARB is charged with protecting the public from the harmful effects of air pollution and developing programs and actions to fight climate change.

AReM – Alliance for Retail Energy Markets: AReM is a not-for-profit corporation that advocates for continued development of successful customer choice in retail energy markets and provides a focused voice for competitive energy retailers and their customers in select public policy forums at the state level. It represents direct access providers such as Constellation NewEnergy and Direct Energy.

BayREN – Bay Area Regional Energy Network: BayREN offers regionwide energy programs, services and resources to members of the public by promoting energy efficient buildings, reducing carbon emissions and building government capacity.

CAISO – California Independent System Operator: CAISO is a nonprofit public benefit corporation that oversees the operation of the California bulk electric power system, transmission lines and electricity market generated and transmitted by its members (approximately 80% of California's electric flow). Its stated mission is to “operate the grid reliably and efficiently, provide fair and open transmission access, promote environmental stewardship and facilitate effective markets and promote infrastructure development.” CAISO is regulated by the Federal Energy Regulatory Commission (FERC) and governed by a five-member governing board appointed by the governor.

CalCCA – California Community Choice Association: CalCCA is a statewide association, made up of Community Choice Aggregators (CCAs), that represents the interests of California's community choice electricity providers.



CALSEIA – California Solar Energy Industries Association: CALSEIA represents more than 200 companies doing solar-related business in California, including manufacturers, distributors, installation contractors, consultants and educators. Members' annual dues support professional staff and a lobbyist who represents the common interests of California's solar industry at the Legislature, Governor's Office and state and local agencies.

CALSLA – California City-County Street Light Association: CALSLA is a statewide association representing cities, counties and towns before the CPUC that is committed to maintaining fair and equitable streetlight electricity rates and facilities charges and disseminating streetlight-related information.

CAM – Cost Allocation Mechanism: CAM is the cost recovery mechanism to cover procurement costs incurred in serving the central procurement function.

CARB – California Air Resources Board: The CARB is charged with protecting the public from the harmful effects of air pollution and developing programs and actions to fight climate change in California.

CARE – California Alternative Rates for Energy: CARE is a state program for low-income households that provides a 30% discount on monthly energy bills and a 20% discount on natural gas bills. It is funded through a rate surcharge paid by all other utility customers.

CBE – Communities for a Better Environment: CBE is an environmental justice organization that was founded in 1978. The mission of CBE is to build people's power in California's communities of color and low-income communities to achieve environmental health and justice by preventing and reducing pollution and building green, healthy and sustainable communities and environments.

CCA – Community Choice Aggregator: A community choice aggregator, sometimes referred to as community choice aggregation, is an entity of local governments that procure power on behalf of their residents, businesses and municipal accounts from an alternative supplier while still receiving transmission and distribution service from their existing utility provider. CCAs are an attractive option for communities that want more local control over their electricity sources, more green power than is offered by the default utility, and/or lower electricity prices. By aggregating demand, communities gain leverage to negotiate better rates with competitive suppliers and choose greener power sources.

CCSF – City and County of San Francisco: The City and County of San Francisco often engage in joint advocacy before the CPUC. San Francisco operates CleanPowerSF, a CCA.

CEC – California Energy Commission: The CEC is the primary energy policy and planning agency for California, whose core responsibilities include advancing state energy policy, achieving energy efficiency, investing in energy innovation, developing renewable energy, transforming transportation, overseeing energy infrastructure and preparing for energy emergencies.

CEE – Coalition for Energy Efficiency: CEE is a nonprofit composed of U.S. and Canadian energy-efficiency administrators working together to accelerate the development and availability of energy-efficient products and services.

CLECA – California Large Energy Consumers Association: CLECA is an organization of large, high-load factor industrial customers located throughout the state; its members are in the cement, steel, industrial gas, pipeline, beverage, cold storage, food packaging and mining industries and their electricity costs comprise a significant portion of their costs of production. Some members are bundled customers, others are Direct Access (DA) customers, and some are served by Community Choice Aggregators (CCAs); a few members have onsite renewable generation.

CPUC – California Public Utility Commission: The CPUC is a state agency that regulates privately owned electric, natural gas, telecommunications, water, railroad, rail transit and passenger transportation companies, in addition to authorizing video franchises.

C&I – Commercial and Industrial: C&I customers are business customers who generally consume much higher volumes of electricity and gas. Many utilities segment their C&I customers by energy consumption (small, medium and large).

CP – Compliance Period: A Compliance Period is the time period to become Renewables Portfolio Standard (RPS) compliant, set by the California Public Utilities Commission (CPUC).

DA – Direct Access: Direct Access is an option that allows eligible customers to purchase their electricity directly from third-party providers known as Electric Service Providers (ESPs).

DA Cap: The DA Cap is the maximum amount of electric usage that may be allocated to Direct Access customers in California or, more specifically, within an investor-owned utility service territory.

DACC – Direct Access Customer Coalition: DACC is a regulatory advocacy group composed of educational, governmental, commercial and industrial customers that utilize direct access for all or a portion of their electrical energy requirements.

DA Lottery: The DA Lottery is a random drawing by which DA waitlist customers become eligible to enroll in DA service under the currently applicable Direct Access Cap.

DA Waitlist: The DA Waitlist consists of customers that have officially registered their interest in becoming a DA customer but are not yet able to enroll in service because of DA cap limitations.

DAC – Disadvantaged Community: “Disadvantaged communities” refers to the areas throughout California that most suffer from a combination of economic, health and environmental burdens. These burdens include poverty, high unemployment, air and water pollution and the presence of hazardous wastes as well as high incidences of asthma and heart disease. One way that the state identifies these areas is by collecting and analyzing information from communities statewide. CalEnviroScreen, an analytical tool created by the California Environmental Protection Agency (CalEPA), combines different types of census tract-specific information into a score to determine which communities are the most burdened or “disadvantaged.”

DASR – Direct Access Service Request: DASR is a request submitted by C&I customers to become direct access eligible.

Demand: Demand refers to the rate at which electric energy is delivered to or by a system or part of a system, generally expressed in kilowatts (kW), megawatts (MW) or gigawatts (GW), at a given instant or averaged over any designated interval of time. Demand should not be confused with Load or Energy.

DER – Distributed Energy Resource: A DER is a small-scale physical or virtual asset (e.g., EV charger, smart thermostat, behind-the-meter solar/storage, energy efficiency) that operates locally and is connected to a larger power grid at the distribution level.

Distribution: Distribution refers to the delivery of electricity to the retail customer's home or business through low-voltage distribution lines.

DLAP – Default Load Aggregation Point: In the CAISO's electricity optimization model, DLAP is the node at which all bids for demand should be submitted and settled.

DR – Demand Response: DR is an opportunity for consumers to play a significant role in the operation of the electric grid by reducing or shifting their electricity usage during peak periods in response to time-based rates or other forms of financial incentives.

DRP – Distributed Resource Plans: Distributed Resource Plans are required by statute and intended to identify optimal locations for the deployment of distributed resources.

DWR – Department of Water Resources: DWR is the state agency charged with managing California's water resources, systems and infrastructure in a responsible, sustainable way.

ECR – Enhanced Community Renewable: ECR is an IOU (Investor-Owned Utility) program that reflects the "Community Solar" model of renewable energy purchasing. Customers sign up to purchase a portion of a local solar project directly from a developer at a level that meets at least 25% and up to 100% of their monthly electricity demand. The customer pays the developer for the subscribed output and receives a credit on their utility bill that reflects their enrollment level.

ED – Energy Division: The CPUC's Energy Division develops and administers energy policy and programs to serve the public interest, advise the Commission and ensure compliance with Commission decisions and statutory Mandates.

EE – Energy Efficiency: Energy Efficiency refers to the use of less energy to perform the same task or produce the same result. Energy-efficient homes and buildings use less energy to heat and cool and run appliances and electronics, and energy-efficient manufacturing facilities use less energy.

ELCC – Effective Load Carrying Capacity: ELCC is the additional load met by an incremental generator while maintaining the same level of system reliability. For solar and wind resources, the ELCC is the amount of capacity that can be counted for Resource Adequacy purposes.

EPIC – Electric Program Investment Charge: The EPIC program was created by the CPUC to support investments in clean energy technologies that provide benefits to the electricity ratepayers of Pacific Gas and Electric (PG&E), San Diego Gas & Electric Company (SDG&E) and Southern California Edison Company (SCE).

ERRA – Energy Resource Recovery Account: ERRA proceedings are used to determine fuel and purchased power costs that can be recovered in rates. The utilities do not earn a rate of return on these costs and recover only actual costs. The costs are forecast for the year ahead. If the actual costs are lower than forecast, then the utility gives money back, and vice versa.

ES – Energy Storage: Energy Storage is the capture of energy produced at one time for use at a later time to reduce imbalances between energy demand and energy production.

ESA – Energy Storage Agreement: An ESA refers to a battery services contract, a capacity contract, demand response contract or similar agreement.

ESP – Energy Service Provider: An Energy Service Provider is an energy entity that provides service to a retail or end-use customer.

EV – Electric Vehicle: An EV is a vehicle that uses one or more electric motors for propulsion.

FCR – Flexible Capacity Requirements: “Flexible capacity need” is defined as the quantity of resources needed by the CAISO to manage grid reliability during the greatest three-hour continuous ramp in each month. Resources will be considered as “flexible capacity” if they can sustain or increase output or reduce ramping needs during the hours of “flexible need.” FCR means the flexible capacity requirements established for LSEs by the CPUC pursuant to the CPUC decisions.

GHG – Greenhouse gas: Water vapor, carbon dioxide, tropospheric ozone, nitrous oxide, methane and chlorofluorocarbons (CFCs) are gases that cause the atmosphere to trap heat radiating from the earth. The most common GHG is carbon dioxide.

GRC – General Rate Case: General Rate Cases are proceedings used to address the costs of operating and maintaining the utility system and the allocation of those costs among customer classes. For California’s three large IOUs, the GRCs are parsed into two phases. Phase I of a GRC determines the total amount the utility is authorized to collect, while Phase II determines the share of the cost each customer class is responsible for and the rate schedules for each class. Each large electric utility files a GRC application every three years for review by the Public Advocate’s Office and interested parties and for approval by the CPUC.

GTSR – Green Tariff Shared Renewables: The GTSR program enables customers to receive 50 to 100 percent of their electricity demand from renewable sources. The GTSR program has two components: the Green Tariff (GT) component and the Enhanced Community Renewables (ECR) component. Through GT, a customer may pay the difference between their current generation charge and the cost of procuring 50 to 100 percent renewables. With ECR, a customer agrees to purchase a share of a community renewable (typically solar) project directly from a developer and in exchange will receive a credit from their utility for the customer’s avoided generation procurement.

GWh – Gigawatt-hour: This is the unit of energy equal to that expended in one hour at a rate of one billion watts. One GWh equals 1,000 megawatt-hours.

ICA – Integration Capacity Analysis: The enhanced integrated capacity and locational net benefit analysis quantify the capability of the system to integrate Distributed Energy Resources (DERs) within the distribution system. Results are dependent on the most limiting element of the various power system criteria such as thermal ratings, power quality, system protection limits and safety standards of existing equipment.

IDER – Integrated Distributed Energy Resources: A CPUC proceeding that aims to more effectively coordinate the integration of demand-side resources in order to better meet customer and grid needs, while enabling California to attain its greenhouse gas reduction goals.

IDSM – Integrated Demand-Side Management: This is an approach that joins together all the resources utilities have at their disposal to plan, generate and supply electricity in the most efficient manner possible.

IEPA – Independent Energy Producers Association: IEPA is California's oldest and leading nonprofit trade association, representing the interest of developers and operators of independent energy facilities and independent power marketers.

IMD – Independent Marketing Division: Under state law, IOUs are prohibited from lobbying or marketing on community choice unless the IOU forms an independent marketing division funded by shareholders rather than ratepayers. SDG&E and its parent company Sempra were permitted by the CPUC to create such an independent marketing division, which allowed SDG&E to lobby against plans to create a CCA program.

IOU – Investor-Owned Utility: An IOU is a private electricity and natural gas provider, such as SDG&E, PG&E or SCE, which are the three largest IOUs in California.

IRP – Integrated Resource Plan: An Integrated Resource Plan outlines an electric utility's resource needs in order to meet expected electricity demand long-term.

kW – Kilowatt: This is a measure of power where power (watts) = voltage (volts) x amperage (amps) and 1 kW = 1,000 watts.

kWh – Kilowatt-hour: This is a measure of consumption. It is the amount of electricity that is used over some period of time, typically a one-month period for billing purposes. Customers are charged a rate per kWh of electricity used.

LCE – Lancaster Choice Energy: LCE is the CCA that serves the City of Lancaster, California.

LCFS – Low Carbon Fuel Standard: This is a CARB program designed to encourage the use of cleaner low-carbon fuels in California, encourage the production of those fuels and, therefore, reduce greenhouse gas emissions.

LCR – Local (RA) Capacity Requirements: This is the amount of Resource Adequacy capacity required to be demonstrated in a specific location or zone.

LMP – Locational Marginal Price: Each generator unit and load pocket is assigned a node in the CAISO optimization model. The model will assign a LMP to the node in both the day-ahead and real-time market as it balances the system using the least cost. The LMP is composed of three components: the marginal cost of energy, congestion and losses. The LMP is used to financially settle transactions in the CAISO.

LNBA – Locational Net Benefits Analysis: This is a cost-benefit analysis of distributed resources that incorporates location-specific net benefits to the electric grid.

Load: Load refers to an end-use device or customer that receives power from an energy delivery system. Load should not be confused with Demand, which is the measure of power that a load receives or requires. See Demand.

LSE – Load-serving Entity: Load-serving Entities have been granted authority by state, local law or regulation to serve their own load directly through wholesale energy purchases and have chosen to exercise that authority.

LTPP – Long-Term Procurement Rulemaking: This is an “umbrella” proceeding to consider, in an integrated fashion, all of the CPUC’s electric procurement policies and Programs.

MCE – Marin Clean Energy: MCE was the first CCA in California and began serving customers in 2010. It serves customers in Contra Costa, Marin, Napa and Solano counties in Northern California.

MEO – Marketing Education and Outreach: This is a term generally used to describe various strategies to inform customers, such as to motivate consumers to take action on energy efficiency or conservation measures and change their behavior.

MW – Megawatt: A megawatt hour (Mwh) is equal to 1,000 Kilowatt hours (Kwh) or 1,000 kilowatts of electricity used continuously for one hour.

MWH – Megawatt-hour: This is a measure of energy.

NAESCO – National Association of Energy Service Companies: NAESCO is an advocacy and accreditation organization for energy service companies (ESCOs). Energy service companies contract with private and public-sector energy users to provide cost-effective energy efficiency retrofits across a wide spectrum of client facilities.

NBC – Non-Bypassable Charge: Non-Bypassable Charges are fees that are paid on every kilowatt-hour of electricity that is consumed from the grid. These charges can be used to fund things like energy assistance programs for low-income households and energy efficiency programs. These charges apply even if customers buy grid-supplied power from an outside power company such as a CCA.

NDA – Non-Disclosure Agreement: An NDA is a contract by which one or more parties agree not to disclose confidential information that they have shared with each other.



NEM – Net Energy Metering: NEM is a program in which solar customers receive credit for excess electricity generated by solar panels.

NRDC – Natural Resources Defense Council: NRDC is a nonprofit international environmental advocacy group.

NP-15 – North Path 15: NP-15 is a CAISO pricing zone usually used to approximate wholesale electricity prices in Northern California in PG&E's service territory.

OIR – Order Instituting Rulemaking: An OIR is a procedural document that is issued by the CPUC to start a formal proceeding. A draft OIR is issued for comment by interested parties and made final by vote of the five commissioners of the CPUC.

OSC – Order to Show Cause: OSC is an order requiring an individual or entity to explain, justify or prove something.

ORA – Office of Ratepayer Advocates: The ORA is an independent consumer advocate within the CPUC, now called the Public Advocates Office.

PA – Program Administrator (for EE Business Plans): IOUs and local government agencies can be authorized to implement CPUC-directed energy efficiency programs.

PCE – Peninsula Clean Energy Authority: PCE is the CCA serving San Mateo County and all 20 of its cities and towns as well as the City of Los Banos.

PCC1 – RPS Portfolio Content Category 1: RPS Portfolio Content Category 1 includes bundled renewables where the energy and Renewable Energy Certificate (REC) are dynamically scheduled into a California Balancing Authority (CBA) such as the CAISO, also known as "in-state" renewables.

PCC2 – RPS Portfolio Content Category 2: RPS Portfolio Content Category 2 includes bundled renewables where the energy and Renewable Energy Certificate (REC) are from out of state and not dynamically scheduled to a CBA.

PCC3 – RPS Portfolio Content Category 3: RPS Portfolio Content Category 3 includes Unbundled Renewable Energy Certificate (REC).

PCIA or "exit fee" – Power Charge Indifference Adjustment: The Power Charge Indifference Adjustment (PCIA) is an "exit fee" based on stranded costs of utility generation set by the California Public Utilities Commission. It is calculated annually and assessed to customers of CCAs and paid to the IOU that lost those customers as a result of the formation of a CCA.

PCL – Power Content Label: The PCL is a user-friendly way of displaying information to California consumers about the energy resources used to generate the electricity they sell, as required by AB 162 (Chapter 313, Statutes of 2009) and SB 1305 (Chapter 796, Statutes of 1997).

PD – Proposed Decision: A PD is a procedural document in a CPUC Rulemaking that is formally commented on by parties to the proceeding. A PD is a precursor to a final decision voted on by the five commissioners of the CPUC.

PG&E – Pacific Gas & Electric: PG&E is the IOU that serves 16 million people over a 70,000-square-mile service area in Northern California.

PHC – Prehearing Conference: A PHC is a CPUC hearing to discuss the scope of a proceeding, among other matters. Interested stakeholders can request party status during these conferences.

Pnode – Pricing Node: In the CAISO optimization model, this is a point where a physical injection or withdrawal of energy is modeled and for which an LMP is calculated.

PPA – Power Purchase Agreement: A PPA is a contract used to purchase the energy, capacity and attributes from a renewable resource project.

PRP – Priority Review Project: These are transportation electrification pilot projects approved by the CPUC pursuant to SB 350 (Chapter 547, Statutes of 2015).

PRRR – Progress on Residential Rate Reform: Pursuant to a CPUC decision, the IOUs must submit to the CPUC and other parties periodic updates on the progress of their efforts to assist customers with residential rate design changes related to rate reform, including tier collapse and transition to a default time of use rate.

PUC – Public Utilities Code: The PUC is a California statute that contains 33 divisions; the range of topics within this code includes natural gas restructuring, private energy producers, telecommunication services, and specific municipal utility districts and transit authorities; the primary statute for governance of utilities as well as CCAs in California.

PURPA – Public Utilities Regulatory Policy Act: The PURPA is a federal statute passed in 1978 by Congress in response to the 1973 energy crisis to encourage fuel diversity via alternative energy sources and to introduce competition into the electric sector. It was intended to promote energy conservation (reduce demand) and promote greater use of domestic energy and renewable energy (increase supply).

RA – Resource Adequacy: Under its Resource Adequacy (RA) program, the California Public Utilities Commission (CPUC) requires load-serving entities – investor-owned utilities, electricity service providers and CCAs – to demonstrate in both monthly and annual filings that they have purchased capacity commitments of no less than 115% of their peak loads.

RAM – Renewables Auction Mechanism: This is a procurement program the investor-owned utilities (IOUs) may use to procure RPS eligible generation. The IOUs may use RAM to satisfy authorized procurement needs, for example, system Resource Adequacy needs, local Resource Adequacy needs, RPS needs, reliability needs, Local Capacity Requirements, Green Tariff Shared Renewables needs and any need arising from commission or legislative mandates.



RE – Renewable Energy: Renewable energy is energy from a source that is not depleted when used, such as wind or solar power.

REC - Renewable Energy Certificate: A REC is the property right to the environmental benefits associated with generating renewable electricity. For instance, homeowners who generate solar electricity are credited with 1 solar REC for every megawatt-hour of electricity they produce. Utilities obligated to fulfill an RPS requirement can purchase these RECs on the open market.

RES-BCT – Renewables Energy Self-Generation Bill Credit Transfer: This program enables local governments and universities to share generation credits from a system located on one government-owned property with billing accounts at other government-owned properties. The system size limit under RES-BCT is 5 MW, and bill credits are applied at the generation-only portion of a customer's retail rate.

RFO – Request for Offers: This is a competitive procurement process used by organizations to solicit the submission of proposals from interested parties in response to a scope of services.

RPS - Renewable Portfolio Standard: RPS is a law that requires California utilities and other load-serving entities (including CCAs) to provide an escalating percentage of California qualified renewable power (culminating at 33% by 2020) in their annual energy portfolio.

SB – Senate Bill: A Senate Bill is a piece of legislation that is introduced in the Senate. In other words, the Senate, rather than the Assembly, is the house of origin in the Legislature for the Legislation.

SBP – Solar Billing Plan: The Solar Billing Plan, also known as the Net Billing Tariff or NEM 3.0, is the new method of compensating customer-sited renewable energy self-generation, intended to promote grid reliability and incentivize solar and battery storage.

SCE – Southern California Edison: SCE is the large IOU that serves the Los Angeles and Orange County area.

SCP – Sonoma Clean Power Authority: SCP is the CCA serving Sonoma County and surrounding areas in Northern California.

SDG&E – San Diego Gas & Electric: SDG&E is the IOU that serves San Diego County and owns the infrastructure that delivers Community Power energy to our customers.

SGIP – Self-Generation Incentive Program: SGIP is a program that provides incentives to support existing, new and emerging distributed energy resources (storage, wind turbines, waste heat to power technologies, etc.).

SUE – Super User Electric: This is an electric surcharge intended to penalize consumers for excessive energy use.

SVCE – Silicon Valley Clean Energy: SVCE is the CCA serving the communities in Santa Clara County.

TCR EPS Protocol – The Climate Registry Electric Power Sector Protocol: This refers to online tools and resources provided by The Climate Registry to assist organizations to measure, report and reduce carbon emissions.

TE – Transportation Electrification: For the transportation sector, electrification means replacing fossil fuels with electricity as the means of powering light-duty vehicles and medium- and heavy-duty trucks and buses. The primary goal is to reduce greenhouse gas (GHG) emissions and, ultimately, contribute to mitigating the effects of climate change on the planet.

Time-of-Use (TOU) Rates: TOU Rates refers to the pricing of delivered electricity based on the estimated cost of electricity during a particular time block. Time-of-use rates are usually divided into three or four time blocks per 24 hour period (on-peak, mid-peak, off-peak and sometimes super off-peak) and by seasons of the year (summer and winter). Real-time pricing differs from TOU rates in that it is based on actual (as opposed to forecasted) prices that may fluctuate many times a day and are weather sensitive, rather than varying with a fixed schedule.

TM – Tree Mortality: This is a term that refers to the death of forest trees and provides a measure of forest health. In the context of energy, as part of the Governor’s Tree Mortality Emergency Proclamation, the CPUC is tasked with utilizing its authority to extend contracts and take actions to authorize new contracts on bioenergy facilities that receive feedstock from high hazard zones.

TURN – The Utility Reform Network: TURN is a ratepayer advocacy group charged with ensuring that California IOUs implement just and reasonable rates.

Unbundled RECs: Unbundled RECs are renewable energy certificates that verify a purchase of a MWH unit of renewable power where the actual power and the certificate are “unbundled” and sold to different buyers.

VPP – Virtual Power Plant: A Virtual Power Plant is a cloud-based network that leverages an aggregation of distributed energy resources (DERs) to shift energy demand or provide services to the grid. For example, thousands of EV chargers could charge at a slower speed and hundreds of home batteries could discharge to the grid during a demand peak to significantly reduce the procurement of traditional supply resources.

VAMO – Voluntary Allocation, Market Offer: VAMO is the process for SDG&E to allocate a proportional share of its renewable portfolio to Community Power and other LSEs within the service territory.