



**SAN DIEGO COMMUNITY POWER (SDCP)
BOARD OF DIRECTORS**

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

MINUTES
October 26, 2023

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

The Agenda Items were considered in the order presented.

WELCOME

CALL TO ORDER

Chair LaCava (City of San Diego) called the SDCP Board of Directors meeting to order at 5:16 p.m.

Director Aguirre (Imperial Beach) announced she was attending virtually under the just cause provision of AB 2449 and there were no individuals over the age of 18 present in the room with her.

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

ROLL CALL

PRESENT: Chair LaCava (City of San Diego), Vice Chair Lawson-Remer (County of San Diego) (arrived at 5:22 p.m.), Director McCann (Chula Vista), Director Hinze (Encinitas), Director Aguirre (Imperial Beach), Alternate Director Shu (La Mesa), and Director Yamane (National City)

ABSENT: None

Also Present: Chief Executive Officer (“CEO”) Burns, Chief Operating Officer (“COO”) Clark, Chief Financial Officer (“CFO”)/Treasurer Washington, General Counsel Baron, Board Clerk Isley

PLEDGE OF ALLEGIANCE

Chair LaCava (City of San Diego) led the Pledge of Allegiance.

SPECIAL PRESENTATIONS AND INTRODUCTIONS

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

Chair LaCava (City of San Diego) introduced the following new SDCP staff members:

- Ashley Rodriguez, Local Government Affairs Manager
- Timothy Treadwell, Senior Program Manager
- Aaron Lu, Senior Rates and Strategy Analyst
- Christopher Stephens, Procurement Manager

ITEMS TO BE ADDED, WITHDRAWN, OR REORDERED ON THE AGENDA

There were no items added, withdrawn, or reordered on the agenda.

PUBLIC COMMENTS

There were no public comments.

CONSENT CALENDAR

(Items 1 through 13)

ACTION: Motioned by Director McCann (Chula Vista) and seconded by Director Hinze (Encinitas) to approve Consent Calendar Items 1 through 13. The motion carried by the following vote:

Vote: 7-0

Yes: Chair LaCava (City of San Diego), Vice Chair Lawson-Remer (County of San Diego), Director McCann (Chula Vista), Director Hinze (Encinitas), Director Aguirre (Imperial Beach), Alternate Director Shu (La Mesa), and Director Yamane (National City)

No: None

Abstained: None

Absent: None

1. Approval of September 28, 2023 Meeting Minutes

Approved.

2. Receive and File Treasurer’s Report for Period Ending August 31, 2023

Received and filed.

3. Receive and File Update on Programs

Received and filed.

4. Receive and File Update on Power Services

Received and filed.

5. Receive and File Update on Human Resources

Received and filed.

6. Receive and File Update on Customer Operations

Received and filed.

7. Receive and File Update on Marketing and Public Relations

Received and filed.

8. Receive and File Update on Community Advisory Committee

Received and filed.

9. Receive and File Update on Legislative and Regulatory Affairs

Received and filed.

10. Approval of Ascend Analytics Pilot Extension Agreement for PowerSIMM Pilot Support Services for \$50,000 through December 31, 2023

Approved.

11. Approval of 10-year, 6MW Resource Adequacy Agreement with EnerSmart Alpine BESS LLC and authorize the CEO to execute the Agreement

Approved.

12. Approval of SDCP New Alternate to the La Mesa Environmental Sustainability Commission

Approved.

13. Approval of Amended and Restated Engagement Letter with Keyes and Fox LLP for up to \$550,000 for Legal Services for Power Procurement through December 31, 2023

Approved.

REGULAR AGENDA

14. Update on Fiscal Year End 2023 Financial Audit Progress Report

CFO/Treasurer Washington provided a PowerPoint presentation on the June 30, 2023 Fiscal Year-end Auditor's Report, highlighting the timeline, the significant areas of focus, and current findings.

Following Board questions and comments, no action was taken.

15. Update on Regional Energy Network (REN) Progress

Director of Programs Santulli and Senior Program Manager Tran provided a PowerPoint presentation on the San Diego Regional Energy Network (SDREN), highlighting the governance structure, core values, the draft programs and budget, stakeholder engagement, timeline, and next steps.

Serena Pelka spoke in support of the San Diego Regional Energy Network.

Following Board questions and comments, no action was taken.

16. Approval of the Net Billing Tariff

COO Clark, Director of Programs Santulli, and Program Manager Lomeli provided a PowerPoint presentation on the Net Billing Tariff (NBT), highlighting the purpose, advantages, and analysis of NBT, analysis of avoided cost calculator rates, generation adders, stakeholder engagement, net surplus compensation, and battery storage pilot program.

Serena Pelka spoke in support of the NBT.

Board questions and comments ensued.

ACTION: Motioned by Director McCann (Chula Vista) and seconded by Director Hinze (Encinitas) to: (1) approve NBT for all new customers and transitioning customers; (2) utilize San Diego Gas and Electric's (SDG&E) Avoided Cost Calculator rates for billing credits; (3) provide Generation Adders for 6 years to all new NBT customers that install generation systems in the next three years, with a higher amount for California Alternate Rates for Energy (CARE)/Family Electric Rate Assistance Program (FERA) customers; and (4) adopt the standard approach to Net Surplus Compensation for NBT customers and do not implement an adjustment. The motion carried by the following vote:

Vote: 7-0

Yes: Chair LaCava (City of San Diego), Vice Chair Lawson-Remer (County of San Diego), Director McCann (Chula Vista), Director Hinze (Encinitas), Director Aguirre (Imperial Beach), Alternate Director Shu (La Mesa), and Director Yamane (National City)

No: None

Abstained: None

Absent: None

17. Approval of Updates to the Existing Net Energy Metering (NEM) Tariff

Senior Director of Data Analytics and Customer Operations Utouh provided a PowerPoint presentation on the existing Net Energy Metering (NEM) policy, highlighting the proposed updates to the NEM policy.

Board questions and comments ensued.

ACTION: Motioned by Director McCann (Chula Vista) and seconded by Vice Chair Lawson-Remer (County of San Diego) to approve the following updates to the existing NEM Tariff: (1) remove \$2,500 Net Surplus Compensation (NSC) limit per account per relevant period; and (2) adopt a new NEM Generation Credit Refund to ensure that customers are not negatively impacted by SDCP's default monthly NEM billing option. The motion carried by the following vote:

Vote: 7-0

Yes: Chair LaCava (City of San Diego), Vice Chair Lawson-Remer (County of San Diego), Director McCann (Chula Vista), Director Hinze (Encinitas), Director Aguirre (Imperial Beach), Alternate Director Shu (La Mesa), and Director Yamane (National City)

No: None

Abstained: None

Absent: None

18. Update on Local Distributed Infill Plan

Power Services Senior Local Development Manager Adam provided a PowerPoint presentation on SDCP Local Distributed Infill Plan, including a wholesale DER overview, recent successes, new local distributed Infill RFO, and upcoming Infill Procurement Initiatives.

Following Board questions and comments, no action was taken.

19. Approval of the NextEra Desert Sands Standalone Storage Energy Storage Services Agreement (ESSA)

Senior Portfolio Manager Torres provided a PowerPoint presentation on Standalone RFO, including Desert Sands Energy Storage: Key Terms, staff analysis, workforce development and community benefits.

Board questions and comments ensued.

ACTION: Motioned by Alternate Director Shu (La Mesa) and seconded by Director McCann (Chula Vista) to approve a 20-Year NextEra Desert Sands Energy Storage Services Agreement (ESSA) with Desert Sands Energy Storage II, LLC for a 60 MW/480 MWh (8-hour) battery storage project. The motion carried by the following vote:

Vote: 7-0

Yes: Chair LaCava (City of San Diego), Vice Chair Lawson-Remer (County of San Diego), Director McCann (Chula Vista), Director Hinze (Encinitas), Director Aguirre (Imperial Beach), Alternate Director Shu (La Mesa), and Director Yamane (National City)

No: None

Abstained: None

Absent: None

20. Approval of the Pattern SunZia Power Purchase Agreement (PPA)

Senior Portfolio Manager Torres provided a PowerPoint presentation on the Long-Term California RPS-Eligible renewable energy request for proposals (RFP) and gave an overview of the SunZia Wind PowerCo LLC, including SunZia Wind key terms, staff analysis, workforce development and community benefits.

Board questions and comments ensued.

ACTION: Motioned by Director Hinze (Encinitas) and seconded by Director Yamane (National City) to approve a 15-Year Pattern SunZia Power Purchase Agreement (PPA) with SunZia Wind PowerCo LLC for a 150 MW portion of an approximately 3,500 MW SunZia Wind project. The motion carried by the following vote:

Vote: 7-0

Yes: Chair LaCava (City of San Diego), Vice Chair Lawson-Remer (County of San Diego), Director McCann (Chula Vista), Director Hinze (Encinitas), Director Aguirre (Imperial Beach), Alternate Director Shu (La Mesa), and Director Yamane (National City)
No: None
Abstained: None
Absent: None

REPORTS BY CHIEF EXECUTIVE OFFICER AND GENERAL COUNSEL

CEO Burns reported on SDCP's ongoing efforts and recent activities and events.

DIRECTOR COMMENTS

Directors shared upcoming events and thanked SDCP employees for their great work.

ADJOURNMENT

Chair LaCava (City of San Diego) adjourned the meeting at 7:13 p.m.

Kimberly Isley, Clerk of the Board

Prepared by:
Sandra Vences, Deputy Clerk