



**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
January 18, 2024

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 5:02 p.m.

ROLL CALL

PRESENT: Chair LaCava (City of San Diego), Vice Chair Lawson-Remer (County of San Diego) (arrived at 5:12 p.m.), Director McCann (Chula Vista), Director Hinze (Encinitas), Director Aguirre (Imperial Beach), Director Parent (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, Interim Board Clerk Wiegelman

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:

Isabela Krall, Contracts Management Associate
Patrick Welch, Senior Legislative Manager

Chair LaCava (City of San Diego) presented a proclamation recognizing and thanking former Community Advisory Committee Member Carolyn Scofield (Chula Vista). Carolyn Scofield's husband, Jim Scofield, accepted the proclamation on her behalf.

ITEMS TO BE ADDED, WITHDRAWN, OR REORDERED ON THE AGENDA

There were no items added, withdrawn, or reordered on the agenda.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 12)

Vice Chair Lawson-Remer (County of San Diego) joined the meeting at 5:12 p.m.

Vice Chair Lawson-Remer (County of San Diego) 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.

ACTION: Motioned by Director McCann (Chula Vista) and seconded by Director Yamane (National City) to approve Consent Calendar Items 1 through 12. 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), Director Parent (La Mesa), and Director Yamane (National City)

No: None

Abstained: None

Absent: None

1. Approval of December 14th, 2023, Meeting Minutes

Approve.

2. Receive and File Treasurer's Report for Period Ending 11/30/23

Receive and file.

3. Receive and File Update on Programs

Receive and file.

4. Receive and File Update on Power Services

Receive and file.

5. Receive and File Update on Human Resources

Receive and file.

6. Receive and File Update on Customer Operations

Receive and file.

7. Receive and File Update on Marketing, Public Relations, and Government Affairs

Receive and file.

8. Receive and File Update on Community Advisory Committee

Receive and file.

9. Receive and File Update on Regulatory and Legislative Affairs

Receive and file.

10. Approve Amendment to BrenTech PSA (4th Amendment) to increase the NTE (Not to Exceed) Value up to \$246,720 for FY 2023-2024

Approve.

11. Approval of the Marketing Community Initiative Partnership Agreement with TEGNA for \$174,044 through December 31, 2024

Approve.

12. Approval of Amendments to the CAC Scope of Work and Policies and Procedures

Approve.

REGULAR AGENDA

13. Election of Officers for SDCP for Calendar Year 2024

Chair LaCava (City of San Diego) explained the nomination process for Chair and Vice Chair.

ACTION: Motioned by Director McCann (Chula Vista) and seconded by Director Yamane (National City) to appoint Director LaCava (City of San Diego) as Chair for Calendar Year 2024. 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), Director Parent (La Mesa), and Director Yamane (National City)

No: None

Abstained: None

Absent: None

ACTION: Motioned by Director Aguirre (Imperial Beach) and seconded by Director Hinze (Encinitas) to appoint Director Lawson-Remer (County of San Diego) as Vice Chair for Calendar Year 2024. 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), Director Parent (La Mesa), and Director Yamane (National City)

No: None

Abstained: None

Absent: None

14. Approval of SDCP's 2024 Rates Schedule

CEO Burns, Data Analytics and Account Services Director Utouh, and Director of Public Affairs Lebron provided an overview of the proposed 2024 rates, highlighting the rate development policy objectives, proposed decreases from the 2023 rates, projected cost of energy, the projected resource adequacy (RA) price, California Public Utilities Commission (CPUC) Renewable Portfolio Standard (RPS) Market Price Benchmarks, RPS requirements, scenarios evaluated by staff, the purpose for reserves, reserve strategic goals, and SDCP's historical trend of rate stability.

Board questions and comments ensued.

ACTION: Motioned by Director McCann (Chula Vista) and seconded by Director Hinze (Encinitas) to approve the 2024 Rates Schedule effective February 1, 2024 and an adjustment to the Power100 premium from \$0.0075/kWh to \$0.01/kWh effective July 1, 2024. 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), Director Parent (La Mesa), and Director Yamane (National City)
No: None
Abstained: None
Absent: None

15. Approval of Acceptance, Appropriation, and Expenditure of Grant Funds from the California Department of Food and Agriculture (“CDFA”) for the Healthy Refrigeration Grant Program

Director of Programs Santulli stated the staff recommendation had been updated to, “adopt Resolution No. 2024-01 authorizing the CEO to: (1) accept, appropriate, and expend CDFa grant funds for the Healthy Refrigeration Grant Program in an amount not to exceed \$710,000; (2) execute a grant agreement with CDFa with respect to such grant funds and to negotiate and execute any amendments, extensions, or renewals of such grant agreement; and (3) take all necessary action to administer, monitor, manage, and ensure compliance with the grant agreement and to negotiate and execute contracts with third parties to implement grant agreement or use of grant funds.”

Director of Programs Santulli and Senior Program Manager Scurlock provided a PowerPoint presentation on the Healthy Refrigeration Grant Program, highlighting the purpose of the grant program, the grant award amount, how the grant funds would be used, program eligibility, and next steps.

Board questions and comments ensued.

ACTION: Motioned by Director Aguirre (Imperial Beach) and seconded by Director Yamane (National City) to adopt Resolution No. 2024-01 authorizing the CEO to: (1) accept, appropriate, and expend CDFa grant funds for the Healthy Refrigeration Grant Program in an amount not to exceed \$710,000; (2) execute a grant agreement with CDFa with respect to such grant funds and to negotiate and execute any amendments, extensions, or renewals of such grant agreement; and (3) take all necessary action to administer, monitor, manage, and ensure compliance with the grant agreement and to negotiate and execute contracts with third parties to implement grant agreement or use of grant funds. 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), Director Parent (La Mesa), and Director Yamane (National City)
No: None
Abstained: None
Absent: None

16. Update on Flex Load Strategy

Senior Program Manager Treadwell provided a PowerPoint presentation on the Flex Load Strategy, highlighting the goals and objectives, load flexibility, system benefits and goals, flex load as a Community Choice Aggregation (CCA) resource, CCA flex load programs, flexible load and Distributed Energy Resources (DERs), DER asset classes by customer type, program portfolio, integration strategies, Distributed Energy Resource Management System (DERMS), DERMS Architecture - Phase I, II, and III, and the Flex Load Strategy tentative timeline.

Following Board questions and comments, no action was taken.

17. Approve Pelicans Jaw Solar, LLC Power Purchase Agreement (PPA)

Power Services Managing Director Vosburg provided a PowerPoint presentation on the Pelicans Jaw Solar, LLC PPA, highlighting SDCP's long-term procurement, the project type, staff's analysis of the project, and the project's location, product, pricing timeline, deliverability, workforce development, and community benefits.

Board questions and comments ensued.

ACTION: Motioned by Director McCann (Chula Vista) and seconded by Director Hinze (Encinitas) to approve a 15-year PPA with Pelicans Jaw Solar, LLC for a 226 MW solar photovoltaic electric (PV) generation facility and a 118 MW (4-hour) Battery Energy System Storage (BESS) facility. 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), Director Parent (La Mesa), and Director Yamane (National City)

No: None

Abstained: None

Absent: None

18. Approve SE US Development, LLC Resource Adequacy (RA) Agreement

Power Services Managing Director Vosburg provided a PowerPoint presentation on the SE US Development, LLC RA Agreement, highlighting the project type, staff's analysis of the project, and the project's location, product, pricing timeline, deliverability, workforce development, and community benefits.

Board questions and comments ensued.

ACTION: Motioned by Director McCann (Chula Vista) and seconded by Director Yamane (National City) to approve an FCDS-contingent 5-year RA Agreement with SE US Development, LLC for up to 402 MW of (4-hour) BESS capacity. 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), Director Parent (La Mesa), and Director Yamane (National City)
No: None
Abstained: None
Absent: None

19. Approve Energy Storage Service Agreement (ESSA) for the Chula Vista Energy Center 2 Project

Power Services Managing Director Vosburg provided a PowerPoint presentation on the ESSA for the Chula Vista Energy Center 2 Project, highlighting the project type, staff's analysis of the project, and the project's location, product, pricing timeline, deliverability, workforce development, and community benefits.

Board questions and comments ensued.

ACTION: Motioned by Director McCann (Chula Vista) and seconded by Director Aguirre (Imperial Beach) to approve an FCDS-contingent 15-year ESSA with the Chula Vista Energy Center 2 Project for a 49.7 MW (4 hour) BESS facility. 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), Director Parent (La Mesa), and Director Yamane (National City)
No: None
Abstained: None
Absent: None

20. Approve Hecate Grid Scaffell Storage 1 LLC Resource Adequacy (RA) Agreement

Vice Chair Lawson-Remer (County of San Diego) left the meeting at 6:17 p.m.

Power Services Portfolio Manager Kanu provided a PowerPoint presentation on the Hecate Grid Scaffell Storage 1 LLC RA Agreement, highlighting SDCP's RA procurement, the project type, staff's analysis of the project, and the project location, product, pricing timeline, and deliverability.

Board questions and comments ensued.

ACTION: Motioned by Director McCann (Chula Vista) and seconded by Director Yamane (National City) to approve an FCDS-contingent 10-year RA Agreement with Hecate Grid Scaffell Storage 1 LLC for 50 MW of BESS capacity. The motion carried by the following vote:

Vote: 6-0

Yes: Chair LaCava (City of San Diego), Director McCann (Chula Vista), Director Hinze (Encinitas), Director Aguirre (Imperial Beach), Director Parent (La Mesa), and Director Yamane (National City)

No: None

Abstained: None

Absent: Vice Chair Lawson-Remer (County of San Diego)

21. Approve Duran Mesa LLC Resource Adequacy (RA) Agreement

Power Services Senior Portfolio Manager Torres provided a PowerPoint presentation on the Duran Mesa LLC RA Agreement, highlighting the project type, staff's analysis of the project, and the project location, product, pricing timeline, and deliverability.

Board questions and comments ensued.

ACTION: Motioned by Director McCann (Chula Vista) and seconded by Director Parent (La Mesa) to approve an 11 to 13 – year RA Purchase and Supply Agreement with Duran Mesa LLC for 51 MW of wind capacity. The motion carried by the following vote:

Vote: 6-0

Yes: Chair LaCava (City of San Diego), Director McCann (Chula Vista), Director Hinze (Encinitas), Director Aguirre (Imperial Beach), Director Parent (La Mesa), and Director Yamane (National City)

No: None

Abstained: None

Absent: Vice Chair Lawson-Remer (County of San Diego)

REPORTS BY CHIEF EXECUTIVE OFFICER AND GENERAL COUNSEL

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

CEO Burns and Chair LaCava (City of San Diego) thanked General Counsel Baron and Assistant General Counsel Norvell for their support and partnership as SDCP's legal counsel for the past few years.

General Counsel Baron expressed his gratification for his time serving as general counsel of SDCP.

DIRECTOR COMMENTS

There were no Director comments.

ADJOURNMENT

Chair LaCava (City of San Diego) adjourned the meeting at 6:33 p.m.

Megan Wiegelman
Interim Board Clerk