



**SAN DIEGO COMMUNITY POWER (SDCP)
BOARD OF DIRECTORS**
San Diego City Administration Building, 12th Floor
202 "C" Street
San Diego, CA 92101

MINUTES

May 27, 2021

This meeting was conducted utilizing teleconferencing and electronic means consistent with State of California Executive Order N-29-20 dated March 17, 2020, regarding the COVID-19 pandemic.

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 Mosca (Encinitas) called the SDCP Board of Directors meeting to order at 5:01 p.m.

PLEDGE OF ALLEGIANCE

Chair Mosca (Encinitas) led the Pledge of Allegiance.

ROLL CALL

PRESENT: Chair Mosca (Encinitas), Vice Chair Padilla (Chula Vista), Director Baber (La Mesa), Director Dedina (Imperial Beach), and Director Montgomery Steppe (San Diego)

ABSENT: None

Also Present: Interim Chief Executive Officer ("CEO") Carnahan, Chief Operating Officer ("COO") Hooven, General Counsel Baron, Interim Board Clerk Wiegelman

ITEMS TO BE ADDED, WITHDRAWN, OR REORDERED ON THE AGENDA

There were no additions or deletions to the agenda.

PUBLIC COMMENTS

Interim Board Clerk Wiegelman read aloud the first 400 words of the emailed public comments submitted prior to the start of the Board meeting.

Matthew Greenburgs submitted a comment inquiring about how the Community Choice Aggregation electric rate makes energy cheaper for its businesses.

CONSENT CALENDAR

(Items 1 through 8)

- 1. Approval of the minutes of the Regular Meeting of the Board of Directors of San Diego Community Power held on March 25, 2021 and April 22, 2021.**

Approved.

- 2. Amendment to Professional Services Agreement with Maher Accountancy for Accounting Services**

Recommendation: Approve first amendment to Professional Services Agreement with Maher Accountancy to increase the not-to-exceed amount by \$37,500 to \$241,000 through June 30, 2022 and authorize the Interim CEO to execute the amendment.

Recommendation was approved.

- 3. Amendment to Professional Services Agreement with Tosdal APC for Legal and Regulatory Services**

Recommendation: Approve second amendment to Professional Services Agreement with Tosdal APC to increase the not-to-exceed amount by \$80,000 for services through FY 21, add a not-to-exceed amount of \$240,000 for FY 22 and authorize the Interim CEO to execute the agreement.

Recommendation was approved.

- 4. Amendment to Professional Services Agreement with NewGen Strategies and Solutions, LLC for Regulatory Support and Rate-related Analysis**

Recommendation: Approve second amendment to Professional Services Agreement with NewGen Strategies and Solutions, LLC to increase the not-to-exceed amount by \$260,000, extend agreement term through FY 22 and authorize the Interim CEO to execute the amendment.

Recommendation was approved.

- 5. Amendment to Professional Services Agreement with Keyes & Fox LLP for Legal and Regulatory Services**

Recommendation: Approve third amendment to Professional Services Agreement with Keyes & Fox LLP to increase the not-to-exceed amount by \$37,500 and authorize the Interim CEO to execute the amendment.

Recommendation was approved.

6. Amendment to Engagement Letter with Best Best & Krieger in the amount of \$300,000 for Services through FY22

Recommendation: Approve amendment to Engagement Letter with Best Best & Krieger for \$300,000 through June 30, 2022 and authorize the Interim Chief Executive Officer to execute the contract.

Recommendation was approved.

7. Amendment to Professional Services Agreement with Civilian, Inc. for Marketing and Communication Services

Recommendation: Approve first amendment to Professional Services Agreement with Civilian, Inc. in the amount of \$143,000 for marketing and communications services, and authorize the Interim CEO to execute the agreement.

Recommendation was approved.

8. Amendment to Professional Services Agreement with Neyenesch Printers in the amount of \$277,000 for services through FY22

Recommendation: Approve amendment to Professional Services Agreement with Neyenesch Printers for \$277,000 through June 30, 2022 and authorize the Interim Chief Executive Officer to execute the contract.

Recommendation was approved.

ACTION: Motioned by Director Baber (La Mesa) and seconded by Director Dedina (Imperial Beach) to approve Consent Calendar Items 1 through 8. The motion carried by the following vote:

Vote: 5-0

Yes: Chair Mosca (Encinitas), Vice Chair Padilla (Chula Vista), Director Baber (La Mesa), Director Dedina (Imperial Beach), and Director Montgomery Steppe (San Diego)

No: None

Abstained: None

Absent: None

REGULAR AGENDA

9. Operations and Administration Report from the Interim Chief Executive Officer

Interim CEO Carnahan provided an update on staff discussions with San Diego Gas and Electric (SDG&E), staff discussions with the County of San Diego regarding the County's interest in joining SDCP, Net Energy Metering, the search for SDCP office space, the Board strategic planning session, the status of the various vendor requests for proposals ("RFP") and other solicitations, the implementation of the organization plan, and the potential retirement plans for SDCP.

Lee Friedman, Key Accounts Manager, provided an overview of the Phase 2 Enrollment which included commercial and industrial customers.

Board questions and comments ensued.

Interim CEO Carnahan provided an update on hiring and recruitment efforts and announced the following new hire:

- Eric Washington, Chief Financial Officer

Following Board questions and comments, no action was taken.

10. Update on Regulatory and Legislative Affairs

Regulatory and Legislative Affairs Director Fernandez provided an update on the final decision of the Power Charge Indifference Adjustment ("PCIA"), SB 612: the Ratepayer Equity Act, SDG&E's application for approval of 2022 electric procurement revenue requirement forecasts, the proposed decision of the Direct Access Rulemaking, and the Provider of Last Resort ("POLR") Rulemaking.

Board questions and comments ensued.

Jay Powell spoke regarding SDG&E's bill notification and the POLR Rulemaking.

Following Board questions and comments, no action was taken.

11. Discussion and Direction on Potential New Members to SDCP and Input on Response Letter to County of San Diego

Interim CEO Carnahan and COO Hooven spoke about JPA conditions, benchmarking with other CCAs, timeline, financial considerations, economic analysis, PCIA analysis, cost of Pro Forma analysis and a proposed response to the County of San Diego.

Board questions and comments ensued.

Eddie Price, Community Advisory Committee ("CAC"), spoke on Director Montgomery Steppe's comment regarding the workforce development process remaining unchanged during negotiations with the County.

Following Board questions and comments, no action was taken.

12. Approval of Fiscal Year (FY) 2021 Budget Amendment and Review Proposed Fiscal Year 2022 Budget

Chief Finance Officer (“CFO”) Washington, COO Hooven and Michael Maher, Maher Accountancy, provided an overview of the FY 2021 Budget Amendment and Proposed FY 2022 Budget.

Board questions and comments ensued.

Matthew Vasilakis, Climate Action Campaign, spoke in support of budgeting for a local development business plan.

Interim Board Clerk Wiegelman read aloud the first 400 words of the emailed public comments submitted prior to the start of the Board meeting.

Erika Morgan submitted a comment in support of budgeting for a local development business plan.

Board questions and comments continued.

ACTION: Motioned by Director Baber (La Mesa) and seconded by Director Montgomery Steppe (San Diego) to approve the FY 2021 Budget Amendment. The motion carried by the following vote:

Vote: 5-0

Yes: Chair Mosca (Encinitas), Vice Chair Padilla (Chula Vista), Director Baber (La Mesa), Director Dedina (Imperial Beach), and Director Montgomery Steppe (San Diego)

No: None

Abstained: None

Absent: None

13. Approval of Updates to the Net Energy Metering (NEM) Program and Amend the NEM Program Policy

Nelson Lomeli, Programs Manager, provided background information on the NEM Program and proposed action items.

Board questions and comments ensued.

Lane Sharman spoke in support of incentivizing the adoption of energy storage for NEM customers and increasing feed-in tariff.

Jay Powell spoke in support of incentivizing the adoption of energy storage for NEM customers, increasing feed-in tariff, and a local development plan to encourage more rooftop solar.

Tom Summers called in support of incentivizing the adoption of energy storage for NEM customers, increasing feed-in tariff, and developing other incentives to increase rooftop solar.

Interim Board Clerk Wiegelman read aloud the first 400 words of the emailed public comments submitted prior to the start of the Board meeting.

Jason Anderson submitted a comment in support of the proposed amendments to SDCP's NEM policy.

ACTION: Motioned by Director Baber (La Mesa) and seconded by Chair Mosca (Encinitas) to: (1) set the Net Surplus Compensation Rate to match SDG&E's monthly Net Surplus Compensation with a \$0.0075/kWh adder as an incentive for customers generating 100% renewable, local electricity; (2) limit the Net Surplus Compensation at \$2,500 per account per relevant period; (3) establish that all NEM customers would receive monthly settlement and billing with the ability for customers to elect to enroll in optional yearly settlement and billing; and (4) delegate authority to the Interim CEO, or his designee, to update the NEM policy consistent with the approved Board actions. The motion carried by the following vote:

Vote: 5-0

Yes: Chair Mosca (Encinitas), Vice Chair Padilla (Chula Vista), Director Baber (La Mesa), Director Dedina (Imperial Beach), and Director Montgomery Steppe (San Diego)
No: None
Abstained: None
Absent: None

14. Review and Provide Direction to Staff on Legislative Position for AB 1139

Regulatory and Legislative Affairs Director Fernandez provided an overview of AB 1139 and stated staff supports the CAC's recommendation to oppose AB 1139.

CAC Chair Price recommended the Board oppose AB 1139.

Board questions and comments ensued.

Interim Board Clerk Wiegelman read aloud the first 400 words of the emailed public comments submitted prior to the start of the Board meeting.

The following members of the public submitted a comment requesting the Board formally oppose AB 1139:

Alexandra Abrams
Ariana Criste
Tyson Siegele
Justin Hammond
Karinna Gonzalez
Clint Fultz
Bee Mittermiller
Joyce Lane
Carla
Craig D Rose
Alyssa Kane
Toshihiko Ishihara
Jen Derks

Steven Gelb
Anna Webb
Katharine Harrison
Erika Morgan
Tara Hammond

The following members of the public spoke requesting the Board formally oppose AB 1139:

Matthew Vasilakis, Climate Action Campaign
Eddie Price, CAC Chair
Joseph Bill, Sullivan Solar Power, IBEW 569
Lane Sharman

The following members of the public spoke requesting the Board remain neutral on AB 1139:

Micah Mitrosky on behalf of IBEW Local 569
Jay Powell
Tom Lemon on behalf of San Diego Building Construction and Trade Council
Carol Kim, San Diego Building Council

Nate Therman, IBEW Local Union 465, spoke requesting the Board support AB 1139.

Board questions and comments continued.

ACTION: It was the consensus of the Board to remain neutral and not take a formal position on AB 1139.

15. Renewable Power Purchase Agreement with IP Oberon, LLC

Power Services Director Vosburg provided background information on the Long-term California Renewables Portfolio Standard (“RPS”) requirements, the SDCP 2020 Long-term RPS Renewable Energy Request for Offers timeline, SDCP’s Long-term Power Purchase Agreements, and gave an overview of the Intersect Power Oberon 150 MW Solar project.

Carrie Defenbach spoke on whether there was the possibility for local opposition to the project.

Board questions and comments ensued.

ACTION: Motioned by Director Dedina (Imperial Beach) and seconded by Director Montgomery Steppe (San Diego) to approve the Long-term Renewable Power Purchase Agreement with IP Oberon, LLC and authorize the Interim CEO to execute the Agreement. The motion carried by the following vote:

Vote: 5-0

Yes: Chair Mosca (Encinitas), Vice Chair Padilla (Chula Vista), Director Baber (La Mesa), Director Dedina (Imperial Beach), and Director Montgomery Steppe (San Diego)

No: None
Abstained: None
Absent: None

16. Renewable Power Purchase Agreement with JVR Energy Park, LLC

Power Services Director Vosburg provided an overview of the Renewable Power Purchase Agreement (“Agreement”) with JVR Energy Park, LLC, the JVR Energy Park 90 MW Solar and 70 MW/280 Mwh Battery Energy Storage System project (“Project”), and gave background information on BayWa r.e.

Board questions and comments ensued.

Interim Board Clerk Wiegelman read aloud the first 400 words of the emailed public comments submitted prior to the start of the Board meeting.

The following members of the public submitted a comment expressing concerns with the proposed Agreement and Project and requesting the Board postpone any decisions regarding the two:

Jeff Osborne
Morgan Stevens
Katrina Westley
Greg Allan Curran

Michael Firenze, Webcor Builders, submitted a comment in support of the proposed Agreement and Project.

The following members of the public spoke in support of the proposed Agreement and Project:

Micah Mitrosky on behalf of IBEW Local 569
Jason Anderson, CleanTech San Diego
Tom Lemon on behalf of San Diego Building Construction and Trade Council

The following members of the public spoke in opposition to the proposed Agreement and Project:

Greg Curran
Carrie Defenbach
Rick Morrison

Jam Attari, CEO of BayWa r.e., gave an overview of the history and process of the Project, and explained the company’s efforts to address the concerns of the Jacumba Hot Spring residents and mitigate the Project’s impacts on the community.

Board questions and comments continued.

ACTION: Motioned by Chair Mosca (Encinitas) and seconded by Director Montgomery Steppe (San Diego) to approve the Long-term Renewable Power Purchase Agreement with JVR Energy

Park, LLC and authorize the Interim CEO to execute the Agreement. The motion carried by the following vote:

Vote: 4-1

Yes: Chair Mosca (Encinitas), Vice Chair Padilla (Chula Vista), Director Dedina (Imperial Beach), and Director Montgomery Steppe (San Diego)
No: Director Baber (La Mesa)
Abstained: None
Absent: None

DIRECTOR COMMENTS

There were no comments.

REPORTS BY MANAGEMENT AND GENERAL COUNSEL

There were no reports.

ADJOURNMENT

Chair Mosca (Encinitas) adjourned the meeting at 9:25 p.m.

Megan Wiegelman, CMC
Interim Board Clerk

Prepared by:
Kimberly Isley, Executive Assistant