



AGENDA

Special Meeting of the Board of Directors of San Diego Community Power (SDCP)

August 26, 2021

3:30 p.m.

Due to the public health orders and guidelines in California and in accordance with the Governor's Executive Orders N-08-21, there will be no location for in-person attendance. SDGP is providing alternatives to in-person attendance for viewing and participating in the meeting. Further details are below.

Note: Any member of the public may provide comments to the SDGP Board of Directors on any agenda item. When providing comments to the Board, it is requested that you provide your name and city of residence for the record. Commenters are requested to address their comments to the Board as a whole through the Chair. Comments may be provided in one of the following manners:

1. Providing Oral Comments During Meeting. To provide comments during the meeting, join the Zoom meeting by computer, mobile phone, or dial-in number. On Zoom video conference by computer or mobile phone, use the "Raise Hand" feature. This will notify the moderator that you wish to speak during a specific item on the agenda or during non-agenda Public Comment. Members of the public will not be shown on video but will be able to speak when called upon. If joining the meeting using the Zoom dial-in number, you can raise your hand by pressing *9. Comments will be limited to three (3) minutes.
2. Written Comments. Written public comments must be submitted prior to the start of the meeting by using this ([web form](#)). Indicate a specific agenda item when submitting your comment. All written comments received prior to the meeting will be provided to the Board members in writing. In the discretion of the Chair, the first ten (10) submitted comments shall be stated into the record of the meeting. Comments read at the meeting will be limited to the first 400 words. Comments received after the start of the meeting will be collected, sent to the Board members in writing, and be part of the public record.

If you have anything that you wish to be distributed to the Board, please provide it via info@sdcommunitypower.org and it will be distributed to the Members.

The public may participate using the following remote options:

Teleconference Meeting Webinar

<https://zoom.us/j/94794075133>

Telephone (Audio Only)

(669) 900-6833 or (346) 248-7799 | Webinar ID: 947 9407 5133

Call to Order

Roll Call

PUBLIC COMMENTS ON CLOSED SESSION ITEMS

CLOSED SESSION

1. PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957

Title: Interim Chief Executive Officer

2. CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54957.6

Agency designated representatives: Ryan Baron, General Counsel

Unrepresented employee: Interim Chief Executive Officer

3. PUBLIC EMPLOYEE APPOINTMENT PURSUANT TO GOVERNMENT CODE SECTION 54957

Title: Chief Executive Officer

REPORT FROM CLOSED SESSION

ADJOURNMENT

Compliance with the Americans with Disabilities Act

SDCP Board of Directors meetings comply with the protections and prohibitions of the Americans with Disabilities Act. Individuals with a disability who require a modification or accommodation, including auxiliary aids or services, in order to participate in the public meeting may contact (888) 382-0169 or info@sdcommunitypower.org. Requests for disability-related modifications or accommodations require different lead times and should be provided at least 72-hours in advance of the public meeting.

Availability of Board Documents

Copies of the agenda and agenda packet are available at <https://sdcommunitypower.org/resources/meeting-notes/>. Late-arriving documents related to a Board meeting item which are distributed to a majority of the Members prior to or during the Board meeting are available for public review as required by law. Previously, public records were available for inspection at the City of San Diego Sustainability Department, located at 1200 Third Ave., Suite 1800, San Diego, CA 92101. However, due to the Governor's Executive Orders N-25-20 and N-29-20 and the need for social distancing, in-person inspection is now suspended. Public records, including agenda-related documents, can instead be requested electronically at info@sdcommunitypower.org or by mail to SDCP, 815 E Street, Suite 12716, San Diego, CA 92112. The documents may also be posted at the above website.



AGENDA

Regular Meeting of the Board of Directors of San Diego Community Power (SDCP)

August 26, 2021

5:00 p.m.

Due to the public health orders and guidelines in California and in accordance with the Governor's Executive Orders N-08-21, there will be no location for in-person attendance. SDCP is providing alternatives to in-person attendance for viewing and participating in the meeting. Further details are below.

Note: Any member of the public may provide comments to the SDCP Board of Directors on any agenda item. When providing comments to the Board, it is requested that you provide your name and city of residence for the record. Commenters are requested to address their comments to the Board as a whole through the Chair. Comments may be provided in one of the following manners:

1. Providing Oral Comments During Meeting. To provide comments during the meeting, join the Zoom meeting by computer, mobile phone, or dial-in number. On Zoom video conference by computer or mobile phone, use the "Raise Hand" feature. This will notify the moderator that you wish to speak during a specific item on the agenda or during non-agenda Public Comment. Members of the public will not be shown on video but will be able to speak when called upon. If joining the meeting using the Zoom dial-in number, you can raise your hand by pressing *9. Comments will be limited to three (3) minutes.
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Welcome

Call to Order

Pledge of Allegiance

Roll Call

Items to be Added, Withdrawn, or Reordered on the Agenda

Public Comments

Opportunity for members of the public to address the Board on any items not on the agenda but within the jurisdiction of the Board. Members of the public may use the web form noted above to provide a comment or request to speak.

Consent Calendar

All matters are approved by one motion without discussion unless a member of the Board of Directors requests a specific item to be removed from the Consent Agenda for discussion. A member of the public may use the web form noted above to comment on any item on the Consent Calendar.

- 1. Approval of the minutes of the Regular Meeting of the Board of Directors of San Diego Community Power held on May 27, 2021 and June 24, 2021.**
- 2. Modifications to Community Advisory Committee Term End Date and Workplan Approval Timeline.**

REGULAR AGENDA

The following items call for discussion or action by the Board of Directors. The Board may discuss and/or take action on any item listed below if the Board is so inclined.

3. Election of Chair and Vice Chair

Recommendation: Elect a Chair and Vice Chair for FY 2021–2022

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

Recommendation: Receive and file update on various operational and administration activities.

- Strategic Plan Update – Bill Carnahan
- County of San Diego Membership Status – Bill Carnahan
- New Member Update– Cody Hooven
- New Office – Cody Hooven
- Flexible Office/Remote Work Policy – Bill Carnahan
- Power Resources – Byron Vosburg
- Metrics/Dashboard – Lucas Utouh

5. Appointment of Eric Washington, Chief Financial Officer, as Treasurer

Recommendation: Adopt Resolution No. 2021-3, a Resolution of the SDCP Board of Directors Appointing the Chief Financial Officer as SDCP's Treasurer

6. Update on Regulatory and Legislative Affairs

Recommendation: Receive and file the update on regulatory and legislative affairs.

7. EEI Agreement Confirmation Between SDG&E and SDCP for Purchase of Long-term Renewable Energy

Recommendation: Approve the EEI Agreement Confirmation Between SDG&E and SDCP and authorize the Interim CEO to execute the agreement in substantially similar form as reviewed and approved to form by General Counsel.

Director Comments

Board Members may briefly provide information to other members of the Board and the public, ask questions of staff, request an item to be placed on a future agenda, or report on conferences, events, or activities related to SDCP business. There is to be no discussion or action taken on comments made by Directors unless authorized by law.

Reports by Management and General Counsel

SDCP Management and General Counsel may briefly provide information to the Board and the public. The Board may engage in discussion if the specific subject matter of the report is identified below, but the Board may not take any action other than to place the matter on a future agenda. Otherwise, there is to be no discussion or action taken unless authorized by law.

ADJOURNMENT

Compliance with the Americans with Disabilities Act

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Ave., Suite 1800, San Diego, CA 92101. However, due to the Governor's Executive Orders N-25-20 and N-29-20 and the need for social distancing, in-person inspection is now suspended. Public records, including agenda-related documents, can instead be requested electronically at info@sdcommunitypower.org or by mail to SDCP, 815 E Street, Suite 12716, San Diego, CA 92112. The documents may also be posted at the above website.



**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



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

San Diego City Administration Building, 12th Floor
202 "C" Street
San Diego, CA 92101

MINUTES

June 24, 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 5:00 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

There were no comments.

CONSENT CALENDAR

(Items 1 through 2)

1. Approval of Cooperation and Administrative Services Agreement with the City of Encinitas for Continued SDCP Human Resources Services

Approved.

2. Treasurer's Report – Financial Results for 2020/21 Period ended 4/30/21

Received and filed.

ACTION: Motioned by Director Baber (La Mesa) and seconded by Director Dedina (Imperial Beach) to approve Consent Calendar Items 1 through 2. The motion carried by the following vote:

Vote: 5-0

Yes: Chair Mosca (Encinitas), Director 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

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

Interim CEO Carnahan reported on the bankruptcy of Western Community Energy ("WCE") and stated the agenda packet items provided an analysis of the differences between SDCP and WCE.

Interim CEO Carnahan updated the Board on the SDCP Strategic Planning efforts and announced the first session was planned for September 17th.

COO Hooven provided an update on SDCP's efforts to secure short-term and long-term office space and reported on the reopening plan and returning to in-person meetings.

Board questions and comments ensued.

Matthew Vasilakis, Climate Action Campaign, spoke regarding the bankruptcy of WCE and suggested SDCP review the reasons for the bankruptcy to prevent a similar outcome.

COO Hooven requested the Board advise staff on which month would be best for a legislative break.

ACTION: Following discussion, it was the consensus of the Board to cancel all meetings (SDCP Board of Directors, Finance and Risk Management Committee, and Community Advisory Committee) for the month of July.

Power Services Director Vosburg provided an update on hiring and recruitment efforts and announced there would be two new employees joining the Power Services Division and the next hires would be an External Affairs Director and a Finance Department staff member.

Power Services Director Vosburg stated three long-term power agreements had been signed.

Board questions and comments ensued.

Data Analytics and Account Services Director Utouh reported on efforts with Calpine to create a reporting dashboard of customer actions to opt-out or opt-up to Power100.

Following Board questions and comments, no action was taken.

4. Update on Regulatory and Legislative Affairs

Regulatory and Legislative Affairs Director Fernandez provided an update on SB 612 (Ratepayer Equity Act), AB 1139 (Net Energy Metering), the Development of Rates and Infrastructure for Vehicle Electrification Order Instituting Rulemaking, integrated resource planning, and the Net Energy Metering ("NEM") 3.0 tariff rulemaking.

Community Advisory Committee ("CAC") Chair Price provided the CAC's thoughts on the NEM rulemaking.

CAC Vice Chair Hammond spoke regarding NEM fees and how NEM effects the future of roof top solar.

Following Board questions and comments, no action was taken.

5. Review and Provide Direction to Staff on Update of Analysis of County Membership

Interim CEO Carnahan explained the purpose for the analysis and provided an overview of the process for San Diego County ("County") membership.

Kirby Dusel, Pacific Energy Advisors ("PEA"), reviewed the analysis of the impacts of adding the County as a member, highlighting resource impacts and needs, fiscal impacts, and the impact on Board voting.

Matthew Vasilakis, Climate Action Campaign, spoke in support of the County joining SDCP in 2021.

Board questions and comments ensued.

ACTION: Following discussion, it was the consensus of the Board to forward the analysis to the County.

6. Review and Approve Policy for Adding New Members to SDCP

COO Hooven reviewed the proposed policy for adding new members to SDCP, highlighting costs, timeline, and voting.

Matthew Vasilakis, Climate Action Campaign, spoke in support of a policy for adding new members to SDCP.

Board questions and comments ensued.

ACTION: Motioned by Vice Chair Padilla (Chula Vista) and seconded by Director Baber (La Mesa) to create an ad hoc subcommittee comprising of Chair Mosca (Encinitas) and Director Baber (La Mesa) for the purpose of working with staff to review the Joint Powers Authority Agreement for required changes to reflect the potential for new members and report back to the Board in August with their findings. 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

7. Review and Approve FY21 Financial Audit Preparation

Chief Financial Officer (“CFO”) Washington stated Pisenti & Brinker conducted SDCP’s June 30, 2020 fiscal year end audit and independent auditor report and provided an overview of the proposed contract with Pisenti & Brinker for FY21 independent financial statement auditing services.

Board questions and comments ensued.

ACTION: Motioned by Director Dedina (Imperial Beach) and seconded by Director Montgomery Steppe (San Diego) to approve the Professional Services Agreement with auditor Pisenti & Brinker, LLP for a 1-year term with two 1-year renewal options, fees of \$21,000/year (not-to-exceed \$63,000 total), and authorize the Interim Chief Executive Officer, or his designee, 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

8. Review and Approve FY22 Budget

CFO Washington provided an overview of the FY22 Budget, highlighting operating revenues and expenditures, and the change in net position from FY21 to FY22.

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

CAC Chair Price spoke to request a budget of \$5,000 to \$10,000 per fiscal year for the CAC.

Board questions and comments ensued.

ACTION: Motioned by Director Baber (La Mesa) and seconded by Director Dedina (Imperial Beach) to approve the Fiscal Year 2022 Budget. 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

9. Review and Approve Financial Reserves Policy

CFO Washington provided an overview of the proposed Financial Reserves Policy.

ACTION: Motioned by Director Baber (La Mesa) and seconded by Director Padilla (Chula Vista) to approve the Financial Reserves Policy. 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

10. Review and Adopt a Resolution for a Retirement Plan

CFO Washington explained the proposed agreements were needed to establish and implement the retirement plan.

ACTION: Motioned by Director Dedina (Imperial Beach) and seconded by Vice Chair Padilla (Chula Vista) to: (1) approve Plan Advice and Consulting Program Services Agreements with PWA Financial for 457(b) and 401(a) Plans; (2) approve Service Agreement for Plan Administration with Benefit Resources Inc. for third-party administrator services associated with the 457(b) and 401(a) Plans; (3) approve the agreements associated with the retirement plan with Empower Retirement for recordkeeping services associated with the 457(b) and 401(a) Plans; (4) authorize the Interim Chief Executive Officer or his designee to execute the approved agreements and plan documents, with such changes as are approved by the Interim Chief Executive Officer and approved as to form by the General Counsel; and (5) authorize the Interim Chief Executive

Officer, or his designee, to sign and file such other documents as are necessary to establish the approved plans. The motion carried by the following vote:

Vote: 5-0

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

No: None

Abstained: None

Absent: None

Please note that although the agenda title for Item 10 refers to the adoption of a resolution, a resolution was not required and therefore, one was not adopted.

DIRECTOR COMMENTS

There were no comments.

REPORTS BY MANAGEMENT AND GENERAL COUNSEL

There were no reports.

ADJOURNMENT

Chair Mosca (Encinitas) adjourned the meeting at 7:36 p.m.

Megan Wiegelman, CMC
Interim Board Clerk

Prepared by:
Kimberly Isley, Executive Assistant



SAN DIEGO COMMUNITY POWER Staff Report – Item 2

To: San Diego Community Power Board of Directors

From: Sebastian Sarria, Program and Policy Manager

Subject: Modifications to Community Advisory Committee Term End Date and Workplan Approval Timeline

Date: August 26, 2021

RECOMMENDATION

1. Approve modification to adjust the term end date for all Community Advisory Committee (CAC) members to be June 2022 and June 2023, with the goal of aligning it with the Fiscal Year calendar of July to June.
2. Approve modification to the CAC Scope of Work by changing the adoption of the work plan from every calendar year to every fiscal year.

BACKGROUND

When the formation of the CAC was approved at the January 30, 2020, regular meeting of the Board of Directors, approval was given to staff's recommendation to set staggered terms to avoid a scenario where all members finish their terms, and a new slate of members are brought in. At the time, terms were initially set for March 2022 and March 2023. Due to external factors in bringing in CAC representatives from the City of La Mesa at the time, the term end date for all CAC members was adjusted to May 2022 and May 2023 to allow full terms for the La Mesa members.

Later that July, the Board approved the CAC's Operating Procedures where it was outlined that officer elections for the positions of Chair, Vice-Chair, and Secretary were to be held every July.

At the same January 30, 2020, regular meeting, the Board approved the CAC Scope of Work where it stated that the CAC work plan would be adopted annually, or every calendar year.

DISCUSSION AND ANALYSIS

Due to the CAC's regular meeting being canceled in July, officer elections were held at the August 13, 2021, regular meeting. Looking ahead at 2022, staff has acknowledged that with some current officers having terms ending in May 2022, there is a possibility that the CAC would be without those positions between the months of May and July, when the next elections are to be held.



To avoid this possibility and have the least amount of disruption, staff recommends adjusting the term end date to June. This helps align both the terms of the CAC members with the officer elections that occur at the start of every fiscal year in July.

Beyond this, staff also recommends that the approval of the CAC's work plan be set every fiscal year rather than annual year. This will create more efficiencies which will allow staff and the CAC to plan activities in the work plan in collaboration with every fiscal year budget.

COMMITTEE REVIEW

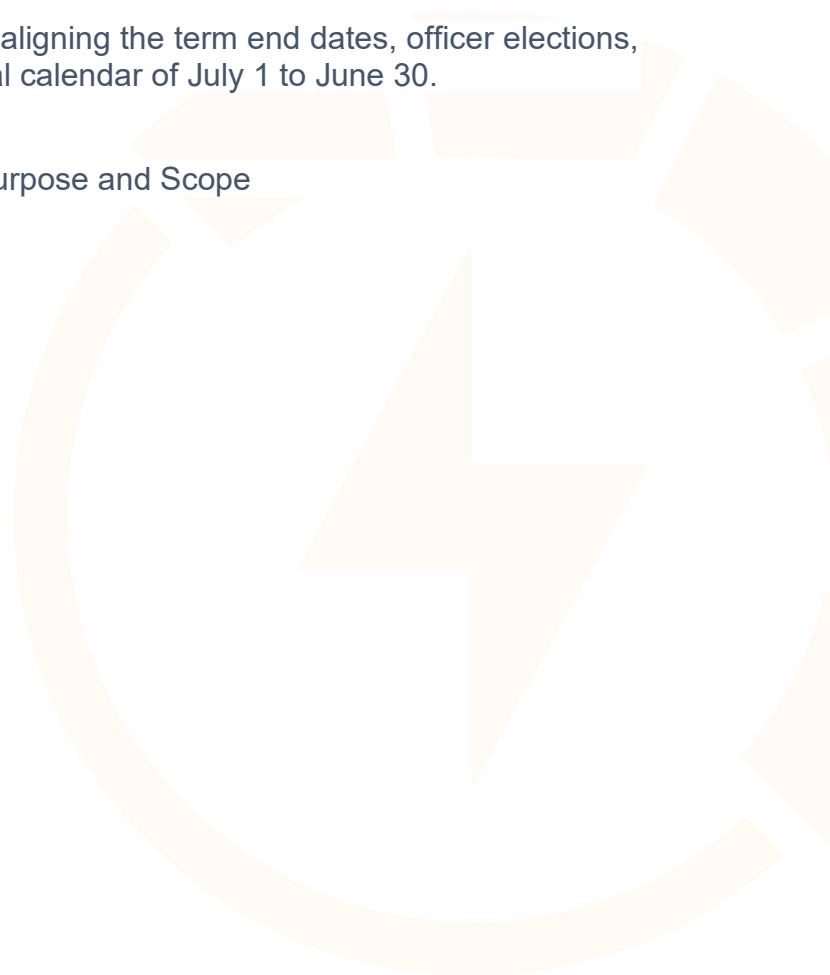
The Community Advisory Committee discussed and agreed that aligning the term end date of all CAC members with when officer elections occur would be efficient. Moreover, the Ad-Hoc Work Plan Committee of the CAC discussed and also agreed that aligning the approval of their work plan to occur at the start of every fiscal year would be efficient.

FISCAL IMPACT

There are possible savings in staff time by aligning the term end dates, officer elections, and approval of the work plan with the fiscal calendar of July 1 to June 30.

ATTACHMENTS

Attachment A: Updated CAC Committee Purpose and Scope





Community Advisory Committee

Committee Purpose and Scope

The purpose of the San Diego Community Power (SDCP) Community Advisory Committee (CAC) is to advise the SDCP Board of Directors on the operation of its Community Choice Aggregation program, as stated in section 5.10.3 of the SDCP Joint Powers Authority (JPA) Agreement. This Scope will be adopted by the Board of Directors and may be updated or changed at the Board's discretion.

The Community Advisory Committee will, under the direction of the SDCP Board of Directors and authorized SDCP staff:

1. To provide a venue for ongoing citizen support and engagement in the strategic direction, goals, and programs of SDCP;
2. Elect CAC officers and define priorities and duties within its Scope to ensure the Committee can operate independently and collaboratively, with limited support from SDCP staff;
3. Adopt a work plan at the start of every fiscal year that aligns with the CAC Scope provided by the Board;
4. Work on defined objectives as approved by the Board, to produce materials or advice that will assist the Board in decision-making;
5. Help the Board to identify issues of concern and opportunities to educate community members about SDCP;
6. Draft reports to the SDCP Board of Directors with findings and recommendations as may be needed;
7. Represent the views of Committee's constituencies in comments and recommendations;
8. Incorporate language around inclusion and diversity in discussions as they relate to SDCP operations;
9. Plan for and engage in community events and special projects as appropriate; and
10. Serve as an information-channel back to their communities.



SAN DIEGO COMMUNITY POWER Staff Report – Item 4

To: San Diego Community Power Board of Directors

From: Bill Carnahan, Interim Chief Executive Officer

Subject: Operations and Administration Report from the Interim Chief Executive Officer

Date: August 26, 2021

RECOMMENDATION

Receive and file update on various operational and administration activities.

BACKGROUND

Staff will provide regular updates to the Board of Directors regarding San Diego Community Power's (SDCP) organizational development, administration, start-up and operating activities. The following is a brief overview of this month's discussion items, which are informational only.

ANALYSIS AND DISCUSSION

A) Strategic Plan Update

The Board's first annual Strategic Planning Session will be conducted by Lisa Gordon, Lisa Gordon Inspires, on Friday, September 17th from Noon until 5:30 pm in the City of Encinitas City Council Chambers (if those facilities are available for in-person meetings and if not, it will be a Zoom meeting). In addition to the Board, Board Alternates, members of the Community Advisory Committee and SDCP staff will be participating. The meeting is open to the public via Zoom.

B) County of San Diego Membership Status

We continued to provide information to the County staff for their report for consideration of the potential request for the County to Request for Membership to SDCP. We were informed they have drafted the letter report to present to the Board of Supervisors for their August 31st meeting. We plan to speak at the meeting to let the Supervisors know we appreciate their interest in membership since we believe it is a good match between SDCP and the County and look forward to a potential association.

C) New Member Update

Additional cities have reached out expressing interest in membership with SDCP. Now that the Board has adopted a New Member Policy (June 2021 Board meeting), staff are using that as guidance for how to navigate engagement with interested cities and meet

the timeline for 2021. We are working with our consultants, Pacific Energy Advisors, to complete additional analyses on two additional cities (National City and Oceanside) and will keep the Board informed of next steps and upcoming decision points.

D) New Office

We have recently acquired a short-term lease on office space for staff at Moniker Commons, located in Liberty Station. With ever-changing restrictions and concerns related to COVID-19 and the need for flexibility while we determine a long-term office plan as well as staffing levels, a shared office space allows for staff to have a place to work outside their home based on their preferences or needs and gather in person for group meetings.

E) Flexible Office/Remote Work Policy

In conjunction with the leasing of temporary office space, to help guide staff in returning from a 100% remote work policy, we are instituting a Flexible Work Schedule to help guide staff. The emphasis is on being “flexible” so the policy is subject to change depending on the individuals and working situation. It is anticipated that staff members will be working part of the time from the office and part from remote (usually home). For example, we need to determine what “office work days” are mandatory. Those days could be Board meeting days, staff meetings or preparation days prior to Board meetings. We are also, monitoring for what other CCAs are adopting to see what “best practices” might be. We will also see what our member cities are doing as well. We will keep the Board updated on our evolving policy.

F) Power Resources

I. Market Update

As we are all aware, the summer of 2020 was a volatile period for California energy markets. In response, the CAISO, CEC, CPUC, and Governor’s Office instituted a number of “Emergency Reliability” measures to reduce the likelihood of Flex Alerts, rolling blackouts, and spot market price spikes. Despite these efforts, the energy market for summer 2021 has been volatile and expensive, with significant “fear” and uncertainty priced into market forwards. Fundamentally, until significant capacity of new resources is developed and online, this will continue to be the case, only exacerbated by current drought conditions, wildfires, and heat waves, which themselves are only exacerbated by climate change. So far, the coincident, west-wide heat events that led to last summer’s volatility have not manifested again this year – beyond a couple of Pacific Northwest and Desert Southwest events in June and early July. Energy markets and prices have therefore been relatively calm and inexpensive through July and August to date. That said, markets will be driven by weather outcomes (namely heat and fires) through September and into October, so we are not out of the woods yet. Staff will continue to monitor market, weather, and fire activity over the next two months and will take action to reduce SDCP market risk as appropriate should a significant event of market volatility or energy price risk appear likely.



II. Renewable Energy

Last week, staff released SDCP's Local RFI for Renewable Energy and Energy Storage. Responses are due on September 1 and will be accepted on a rolling basis thereafter. Staff intend to leverage information submitted in response to this RFI to inform future solicitations for renewable energy and energy storage resources. So far, feedback from the market has been encouraging.

As will be discussed in Item 7, staff are nearing completion of an EEI Master Agreement with and Confirmation to purchase long-term renewable energy from SDG&E pursuant to bilateral discussions and consistent with previous direction from the Board.

Pursuant to last year's Long-term RPS RFO, one remaining contract remains to be negotiated; if staff can secure favorable contract terms, it will be presented at a Board meeting in the near future.

Staff completed solicitations and contracting for short-term renewable and carbon-free energy to meet a portion of SDCP's near-term energy needs while new-build facilities are under development. Staff expect to meet 2021 targets for renewable and carbon-free power content based upon supply contracts currently in place, but staff will continue to monitor SDCP's near-term positions against compliance and voluntary environmental targets and will continue to transact as appropriate.

III. Resource Adequacy

Staff completed solicitations for short-term resource adequacy to meet SDCP's 2021-2024 capacity needs. Contracting pursuant to that solicitation is underway, and Staff continue solicitation-based and bilateral procurement efforts as necessary to close short positions.

SDCP's ability to comply with near-term Local RA requirements is subject to availability constraints in the San Diego area market.

IV. Risk Management

Consistent with its Energy Risk Management Policy, SDCP has contracted for all of its expected market energy needs for 2021 and continues to prudently layer in purchases for 2022-2024.

G) Back Office Operations Metrics/Dashboard

We are happy to report that Staff was able to work collaboratively with SDG&E to create our first Joint Rate Mailers that will be mailed to our Phase 1 and 2 customers by the end of this month. We are also excited to let the Board know that we have started working on building Dashboards that will track all of our KPIs such as revenues, opt actions, A/R, cash receipts etc. and we hope to deploy them in time for our Board meeting next month. Our internal Phase 3 planning efforts have also commenced and we will have a kickoff and on-going weekly check-ins with our SDG&E and Calpine contacts in September going forward to ensure a successful and smooth rollout in 2022.



From an operations perspective, SDCP Staff and Calpine have worked together to create a reporting dashboard of customer actions to opt-out, opt-up to Power100 or opt down from Power100 to PowerOn. The below charts summarize these actions accordingly as of August 16th, 2021:

I. Opt Outs

Opt Outs by City	February	March	April	May	June	July	August - MTD	2021 YTD Grand Total
CITY OF CHULA VISTA	2	32	1	150	9	3	11	208
CITY OF ENCINITAS	0	0	3	32	7	11	2	55
CITY OF IMPERIAL BEACH	0	0	0	11	0	1	1	13
CITY OF LA MESA	0	0	15	51	3	6	2	77
CITY OF SAN DIEGO	14	7	43	516	51	123	70	824
Grand Total	16	39	62	760	70	144	86	1177

Opt Outs by Class Code	February	March	April	May	June	July	August - MTD	2021 YTD Grand Total
Residential	0	0	0	0	0	0	0	0
Commercial/Industrial	16	39	62	760	70	144	86	1177
Grand Total	16	39	62	760	70	144	86	1177

Opt Outs by Reason	February	March	April	May	June	July	August - MTD	2021 YTD Grand Total
Concerns about Government-Run Power Agency	0	0	2	15	2	2	2	23
Decline to Provide	0	4	19	11	25	33	27	119
Dislike being automatically enrolled	0	0	28	59	23	18	13	141
Have renewable Energy Reliability Concerns	0	0	0	3	0	2	6	11
Other	1	35	2	667	12	18	3	738
Rate or Cost Concerns	15	0	11	5	8	70	33	142
Service or Billing Concerns	0	0	0	0	0	1	2	3
Grand Total	16	39	62	760	70	144	86	1177

Opt Outs by Method	February	March	April	May	June	July	August - MTD	2021 YTD Grand Total
CSR	0	35	31	681	23	67	63	900
IVR	0	0	1	8	5	27	16	57
Web	16	4	30	71	42	50	7	220
Grand Total	16	39	62	760	70	144	86	1177

II. Opt Ups to Power100

Opt Ups by City	February	March	April	May	June	July	August - MTD	2021 - YTD Grand Total
CITY OF CHULA VISTA	0	56	0	0	626	9	1	692
CITY OF ENCINITAS	0	18	0	0	0	0	0	18
CITY OF IMPERIAL BEACH	0	0	0	0	0	60	0	60
CITY OF LA MESA	0	0	12	0	130	3	0	145
CITY OF SAN DIEGO	0	133	1	2	2922	12	0	3070
Grand Total	0	207	13	2	3678	84	1	3985

Opt Ups by Class Code	February	March	April	May	June	July	August - MTD	2021 - YTD Grand Total
Residential	0	2	0	0	0	0	0	2
Commercial/Industrial	0	205	13	2	3678	84	1	3983
Grand Total	0	207	13	2	3678	84	1	3985

Opt Ups by Method	February	March	April	May	June	July	August - MTD	2021 - YTD Grand Total
CSR	0	207	11	1	3668	80	1	3968
IVR	0	0	0	0	3	0	0	3
Web	0	0	2	1	7	4	0	14
Grand Total	0	207	13	2	3678	84	1	3985

III. Opt Downs from Power100 (Encinitas)

Opt Downs by City	February	March	April	May	June	July	August - MTD	2021 - YTD Grand Total
CITY OF ENCINITAS	0	0	0	0	24	8	1	33
Grand Total	0	0	0	0	24	8	1	33

Opt Downs by Class Code	February	March	April	May	June	July	August - MTD	2021 - YTD Grand Total
Residential	0	0	0	0	0	0	0	0
Commercial/Industrial	0	0	0	0	24	8	1	33
Grand Total	0	0	0	0	24	8	1	33

Opt Downs by Method	February	March	April	May	June	July	August - MTD	2021 - YTD Grand Total
CSR	0	0	0	0	22	6	1	29
IVR	0	0	0	0	2	2	0	4
Web	0	0	0	0	0	0	0	0
Grand Total	0	0	0	0	24	8	1	33

IV. Participation Rate (Phase 1 and 2)

City	Count of Active Accounts	Count of Eligible Accounts	Total Opt Outs	Participation Rate by Accounts Count
CITY OF CHULA VISTA	7491	7802	208	97.33%
CITY OF ENCINITAS	3113	3217	55	98.29%
CITY OF IMPERIAL BEACH	530	561	13	97.68%
CITY OF LA MESA	2577	2720	77	97.17%
CITY OF SAN DIEGO	56554	58085	824	98.58%
Grand Total	70265	72385	1177	98.37%

FISCAL IMPACT

N/A

ATTACHMENTS

N/A





SAN DIEGO COMMUNITY POWER Staff Report – Item 5

To: San Diego Community Power Board of Directors

From: Bill Carnahan, SDCP Interim Chief Executive Officer

Subject: Appointment of Eric Washington, SDCP Chief Financial Officer, as SDCP's Treasurer

Date: August 26, 2021

RECOMMENDATION

Adopt Resolution No. 2021-3 a Resolution of the SDCP Board of Directors Appointing the Chief Financial Officer as SDCP's Treasurer.

BACKGROUND

The Joint Exercise of Powers Act (Government Code § 6500, *et seq.*) and the SDCP Joint Powers Agreement (JPA Agreement) provide that SDCP will appoint a Treasurer who will perform the duties of Treasurer and Auditor as prescribed by law and the JPA Agreement.

Specifically, Section 5.4 of the JPA Agreement provides that the Board of Directors shall appoint a Treasurer who shall function as the combined offices of Treasurer and Auditor, and that the Board may transfer responsibilities of Treasurer to any qualified person as the law allows. Government Code section 6505.6 allows a joint powers agency to appoint one of its officers or employees to the positions of Treasurer and/or Auditor.

In addition, Section 5.7 of the JPA Agreement provides that the Board of Directors shall designate the public officer or officers or person or persons who have charge of, handle, or have access to property of SDCP and shall require such officers or persons to file an official bond in an amount to be fixed by the Board.

ANALYSIS AND DISCUSSION

SDCP currently employs Eric Washington as its Chief Financial Officer, but SDCP has not yet appointed a Treasurer.

By adopting the attached resolution, SDCP would formally appoint its Chief Financial Officer, Eric Washington, as SDCP's Treasurer, to perform the functions of both Treasurer and Auditor as provided by law and the JPA Agreement.

The resolution would also require the Treasurer to execute a surety bond in the amount of TBD. The bond must be obtained from a reputable surety company authorized to do

business in the State of California, and subject to the approval of the Chief Executive Officer. SDCP will pay or reimburse the Treasurer for the premium(s) of the bond, which is generally a small percentage of the total bond amount.

FISCAL IMPACT

Cost for bond premium, likely less than \$500.

ATTACHMENTS

Attachment A: Resolution No. 2021-3 a Resolution of the SDCP Board of Directors Appointing the Chief Financial Officer as SDCP's Treasurer



RESOLUTION NO. 2021-3

A RESOLUTION OF THE BOARD OF DIRECTORS OF SAN DIEGO COMMUNITY POWER APPOINTING THE CHIEF FINANCIAL OFFICER OF SAN DIEGO COMMUNITY POWER AS ITS TREASURER

A. WHEREAS, San Diego Community Power ("SDCP") is a joint powers agency formed and existing pursuant to the provisions of the Joint Exercise of Powers Act (Chapter 5, Division 7, Title 1 of the California Government Code) and SDCP's Joint Powers Agreement ("JPA Agreement"); and

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

C. WHEREAS, Section 5.4 of the JPA Agreement provides that the Board shall appoint a Treasurer who shall function as the combined offices of Treasurer and Auditor and shall strictly comply with the statutes related to the duties and responsibilities specified in Government Code Section 6505.5; and

D. WHEREAS, Section 5.4 of the JPA Agreement also provides that the Board may transfer the responsibilities of Treasurer to any qualified person or entity as the law allows at the time; and

E. WHEREAS, Government Code Section 6505.6 provides that an agency established by a joint powers agreement may appoint one of its officers or employees to the positions of treasurer and/or auditor; and

F. WHEREAS, the Board of Directors of SDCP desires to appoint Eric Washington, SDCP's Chief Financial Officer, as its Treasurer, and who shall perform the duties of Treasurer and Auditor pursuant to the JPA Agreement.

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

1. Eric Washington, the Chief Financial Officer of SDCP, is hereby appointed as the Treasurer of SDCP. The Treasurer shall strictly comply with the statutes related to the duties and responsibilities specified in Government Code Section 6505.5, and the duties and responsibilities set forth in the JPA Agreement. The Treasurer shall serve under such rules as may be established by SDCP and shall perform such duties and have such powers as SDCP may determine from time to time. Except as otherwise provided by the Board in a separate action, Mr. Washington will serve as Treasurer during the term of his employment as Chief Financial Officer.

2. Pursuant to Government Code section 6505.1 and Section 5.7 of the JPA Agreement, the Treasurer is hereby required to execute a surety bond in the amount of TBD. The bond shall be obtained from any good and reliable surety company authorized to do business in the State of California, subject to the approval of the Chief Executive Officer. SDCP shall pay or reimburse the Treasurer for the premium(s) of the bond.

3. 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 August 26, 2021.

_____, Chair
San Diego Community Power

Megan Wiegelman, Interim Secretary
San Diego Community Power



SAN DIEGO COMMUNITY POWER Staff Report – Item 6

To: San Diego Community Power Board of Directors
From: Laura Fernandez, Director of Regulatory and Legislative Affairs
Via: Bill Carnahan, Interim Chief Executive Officer
Subject: Update on Regulatory and Legislative Affairs
Date: August 26, 2021

RECOMMENDATION

Receive and file update on regulatory and legislative affairs.

BACKGROUND

Staff will provide regular updates to the Board of Directors regarding SDCP's regulatory and legislative engagement. The following is an overview of this month's discussion items, which are informational only.

DISCUSSION AND ANALYSIS

A) SB 612 (Ratepayer Equity Act) – Did Not Receive Hearing - Two Year Bill

The Power Charge Indifference Adjustment (PCIA) is a surcharge on all customers that is intended to collect the above-market costs of the investor-owned utilities' (IOU) legacy resources. The PCIA is intended to reflect the difference between the IOUs' above-market costs related to legacy power supply commitments, including third-party energy contracts and operating costs for utility owned generation, and today's market value for those resources. While Community Choice Aggregators (CCAs) and direct access customers continue to pay a significant share of the costs for these resources, their ability to access the benefits depends on the willingness of the IOU – at its sole discretion – to sell or allocate the resource.

As discussed during previous SDCP Board meetings, while all customers bear cost responsibility for legacy resources, only IOU customers have the right to access *the benefits* of these resources, such as renewable energy, greenhouse gas (GHG)-free energy, and Resource Adequacy (RA). Senate Bill (SB) 612 would ensure fair and equal access to the benefits of legacy resources for all customers and ensure that IOU portfolios are managed to maximize value and reduce unnecessary costs for all customers. SB 612

would require SDG&E to offer an allocation of not just RPS, but also RA and any GHG free resources.

CalCCA is sponsoring the bill and seeking support from all CCAs and their member agencies. In March, SDCP voted to take a support position for SB 612. All of the SDCP member cities have also submitted support letters for SB 612. The County of San Diego also submitted a letter in support of SB 612. Well over 100 California communities, environmental justice organizations, environmental groups, and clean energy providers back the bill.

On June 1, SB 612 passed off the Senate Floor, with a vote of 33-6. Then, SB 612 was scheduled for its first vote in the Assembly on June 30. At the last minute, the bill was removed from the Committee on Utilities and Energy hearing agenda by Chair Chris Holden, even as support for the bill continued to grow. SB 612 has now officially been designated a two-year bill by the Assembly Committee on Utilities and Energy, pausing the advancement of this widely supported ratepayer equity bill after it cleared the Senate with overwhelming support. The two-year bill status means that no action can be taken on the bill until January 2022, although bills in the second house are not usually set for another hearing until all other second house bills are heard in the following legislative year, which is typically in June or July.

More information can be found here: <https://cal-cca.org/sb-612/>.

B) Federal Clean Energy Investments in Bipartisan Infrastructure Package

In July, SDCP coordinated with a coalition of other CCAs to send a letter to our congressional delegation. This letter advocated for clean energy investments and specifically requested that CCAs be included in forthcoming opportunities for federal funding to support clean energy investments. SDCP also had a productive meeting regarding this letter with DC based staff for Congressman Scott Peters.

After months of negotiations, the Senate passed a bipartisan infrastructure package on August 10. The following is a breakdown of some of the clean investments in the bipartisan package:

- \$335 billion for FY '22-'25 for Energy Storage Demonstration Projects
- \$150 billion for Long Duration Storage Demonstration Program
- \$5 billion for FY '22-'26 for Energy Finance Assistance Program for Innovative Grid Hardening and Reliability
- \$3 billion – Smart Grid Investment Matching Grant Program
- \$7.5 billion – Charging Infrastructure
- \$2.5 billion – Revolving Loans for New or Upgraded Transmission Lines

Although not a done deal just yet, it is likely that this bill will be passed and signed by the President. Also on August 10, a coalition of House members, including Scott Peters, signed a letter advocating for clean energy tax credits and equitable EV infrastructure



investments, which were items that were discussed in the CCA federal infrastructure letter.

C) Net Energy Metering 3.0 Proceeding

Background

The NEM program is designed to support the installation of customer-sited renewable generation. It was originally established in California with the adoption of Senate Bill (SB) 656 (Alquist, Stats. 1995, ch. 369), codified in Section 2827 of the Public Utilities Code. Importantly, Public Utilities Code Section 2827.1 only applies to large electrical corporations, and thereby excludes CCAs such as SDCP. This is because CCAs are legally entitled to set their own electricity generation rates. CCAs therefore determine their own rate policies, including NEM and net surplus compensation policies.

Under the original NEM program, customers who install and operate small (1MW or less) renewable generation facilities (referred to as “customer-generators”) may participate. Previously, under the original NEM rate, customer-generators received a full retail rate bill credit for power generated by their onsite systems that was fed back into the power grid during times when generation exceeded onsite energy demand. These credits were used to offset customers’ electricity bills, and could be rolled over to subsequent bills for up to a year.

[AB 327](#) (Perea, 2013) directed each large IOU to switch over to the current NEM tariff on July 1, 2017 or after their NEM capacity exceeded 5% aggregated customer peak demand, whichever came first. SDG&E transferred to the current NEM tariff on June 29, 2016. Customer-generators that interconnected their systems to the grid prior to this date were grandfathered into the former NEM rate, pursuant to Decision [\(D.\)14-03-041](#). These customer-generators are allowed to remain on the former rate for 20 years from the date they interconnected, or they are permitted to switch to the current NEM rate. The former NEM rate is sometimes referred to as “NEM 1.0”, and the current NEM rate as “NEM 2.0” or “NEM Successor Tariff.”

The current NEM program was adopted by the CPUC in [D.16-01-044](#) on January 28, 2016 and is available to customers of the large IOUs. The program provides customer-generators full retail rate credits for energy exported to the grid and requires them to pay a few charges that align NEM customer costs more closely with non-NEM customer costs. Any customer-generator applying for NEM will:

- Pay a one-time interconnection fee: Customer-generators with facilities under 1 MW must pay a pre-approved one-time interconnection fee based on each IOU's historic interconnection costs. SDG&E's is \$132.
- Pay non-bypassable charges: Customer-generators, similar to other utility customers, will pay charges on each kilowatt-hour (kWh) of electricity they consume from the grid. These charges fund programs such as low-income and energy efficiency programs.
- Transfer to a time-of-use (TOU) rate. If a customer-generator is not already on one, they will be required to take service on a time-of-use (TOU) rate to participate in NEM.



NEM 3.0

D.16-01-044 also established the CPUC's commitment to review the NEM 2.0 tariff in 2019 (or later) citing interactive, yet unresolved, policy movements within the CPUC, but outside the scope of that proceeding. On September 3, 2020 the CPUC initiated a new rulemaking (R.) [20-08-020](#) in order to address the development of a successor to the existing NEM 2.0 tariffs. This proceeding is known as the NEM 3.0 proceeding. SDCP is a party to the NEM 3.0 rulemaking.

On March 15, 2021, eighteen proposals for a successor to the current NEM tariff were filed by a wide range of parties in the proceeding, including the Joint IOUs, Sierra Club, The Utility Reform Network, Natural Resources Defense Council, Solar Energy Industries Association, Vote Solar, Small Business Utility Advocates, Coalition for Community Solar Access, Protect Our Communities Foundation, GRID Alternatives, among others.

On May 28, 2021, a comparative analysis of the cost-effectiveness of the NEM successor rate proposals prepared by E3 was issued, and an update was released on June 15, 2021. Additionally, opening testimony was filed by parties in the proceeding on June 18, 2021 and rebuttal testimony was submitted July 16. Evidentiary hearings took place from July 26 until August 9.

SDCP staff is coordinating with other CCA programs that are parties in this proceeding. The next steps in the proceedings are as follows:

- August 31, 2021 – Opening Briefs Filed
- August 31, 2021 – Completion of Confidential Settlement Discussions (if any)
- Within 90 days of Closing Briefs (By December 2021) – Proposed Decision

D) SDG&E Application for Approval of 2022 Electric Procurement Revenue Requirement Forecasts

On April 15, 2021, SDG&E filed its [Application](#) for Approval of its 2022 Electric Procurement Revenue Requirement Forecasts and GHG-related forecasts. SDG&E requests approval of a total 2022 forecasted revenue requirement of \$693.090 million. In the application, SDG&E notes that these changes, if approved as is, would decrease the current system average rate by 4.752 cents per kilowatt hour, or 17.28%. These rates would be implemented on January 1, 2022. However, SDG&E also notes in its application that these projections could change if the CPUC approves SDG&E's request to update its authorized sales in its 2022 sales forecast application.

SDCP filed a [protest](#) to the application on May 21, 2021. In the protest, SDCP noted that last year, in the 2021 Energy Resources Recovery Account (ERRA) Forecast Application, SDG&E declined to calculate the 2021 commodity rate forecast using an updated retail sales forecast that was consistent with the 2021 bundled energy requirements forecast used to derive the ERRA revenue requirement. The stale sales forecast employed by SDG&E to calculate bundled commodity rates failed to account for significant CCA load



departure in early 2021, resulting in an artificially low bundled customer rate forecast. Despite acknowledging the misaligned data in its 2021 commodity rate forecast, SDG&E claimed that it was required to use the outdated sales forecast because it was the most recent forecast approved by the CPUC. The CPUC, however, rejected SDG&E's arguments. SDCP noted in the recent protest that SDG&E once again declined to use the most recent sales forecast to calculate the commodity rate for the 2022 ERRR forecast.

The bottom line is that although the large decrease in the revenue requirements leads to a reported decrease in both total bundled rates (decrease of 17.8%) and bundled commodity rates (decrease of 35%), these rate reductions are overstated, because SDG&E has not yet incorporated its updated 2022 sales forecast into the calculation of bundled rates.

SDCP staff along with outside consultants and external legal counsel have been raising this issue at every opportunity with the CPUC Energy Division as well as with advisors to CPUC Commissioners. Most recently, SDCP addressed this issue in an [ex parte meeting](#). During this meeting, SDCP explained that the stale sales forecast would significantly understate bundled commodity rates, which would result in misleading price signals for customers at a very critical time: when residential customers will be choosing between SDG&E and SDCP for their generation service.

The week after this *ex parte* meeting, the Administrative Law Judge issued a [ruling](#) directing SDG&E to prepare a "modified 2021" sales forecast, adjusted solely for SDG&E's current best estimate of likely departing load in 2022. While not a perfect solution, it is clear at the very least that forecast sales numbers used to establish 2022 rates will account for SDCP departing load, which is a great outcome for SDCP and all customers in San Diego.

Next Steps:

- Evidentiary Hearings (if needed) – September 7, 2021 – September 10, 2021
- Opening Briefs – September 24, 2021
- Reply Briefs – October 8, 2021
- November Update – November 5, 2021

COMMITTEE REVIEW

N/A





SAN DIEGO COMMUNITY POWER Staff Report – Item 7

To: San Diego Community Power Board of Directors

From: Byron Vosburg, Director of Power Services

Via: Bill Carnahan, Interim Chief Executive Officer

Subject: EEI Agreement Confirmation Between SDG&E and SDCP for Purchase of Long-term Renewable Energy

Date: August 26, 2021

RECOMMENDATION

Approve the EEI Agreement Confirmation Between SDG&E and SDCP and authorize the Interim CEO to execute the agreement in substantially similar form as reviewed and approved to form by General Counsel.

BACKGROUND

As SDCP strives to meet its environmental, financial, and regulatory compliance goals and requirements, long-term power purchase agreements (PPAs) of at least 10 years in duration will become integral components of its energy supply portfolio. Not only do long-term PPAs with developing facilities underpin the development of new renewable energy projects, but also long-term PPAs lock in renewable energy supply around which SDCP can build its power supply portfolio while also providing power supply cost certainty around which SDCP can develop its pro forma financial model. From a regulatory compliance perspective, long-term PPAs also enable SDCP to meet the requirements of Senate Bill 350 ("SB 350"), passed by the California Legislature in 2015 and implemented by the CPUC in D.17-06-026, which requires that all California load serving entities ("LSE") meet 65% of their Renewable Portfolio Standard ("RPS") requirements with contracts that are at least 10 years in length.

In the interest of promoting the development of new renewable energy generation facilities, SDCP plans to meet most of its renewable energy targets with long-term PPAs that provide renewable generation facility developers with revenue streams against which they can finance up-front capital requirements and develop incremental renewable energy projects. In addition, due to the immediacy of meeting the long-term contracting requirements of SB350, which do not account for the 2- to 3-year development cycle of developing new resources, SDCP will need to contract for some long-term renewable energy deliveries from existing facilities, especially those that can deliver in Compliance

Period 4 (2021-2024), while the new projects that SDCP has contracted with are under development

In addition to contracting for long-term renewable energy pursuant to last year's Long-term Renewable Energy Request for Offers (RFO), and as previously discussed with the Board, SDCP staff have engaged in bilateral negotiations with SDG&E for the purchase for renewable energy from SDG&E's portfolio of long-term contracts. In some ways, SDG&E is a natural partner for this transaction, as they contracted for a significant share of this energy on behalf of customers who then received bundled services from SDG&E but have since transitioned to CCA service from SDCP or will transition to SDCP service during Phase 3 enrollment in Feb-May 2022. In parallel to these contract negotiations, staff have been monitoring at the CPUC a forthcoming allocation of renewable resources from IOUs to their respective CCAs via the Voluntary Allocation and Market Offer ("VAMO"), which is expected to start in 2023, and have crafted this agreement to be the vehicle via which allocation-eligible, long-term renewable energy is transferred from SDG&E to SDCP as part of that process, once it has been implemented.

ANALYSIS AND DISCUSSION

Staff negotiated the attached EEI Agreement Confirmation Between SDG&E and SDCP for Purchase of Long-term Renewable Energy in order to facilitate SDCP's achievement of its renewable energy targets and to ensure compliance with the long-term renewable energy contracting requirements of SB 350.

Upon execution of this transaction, SDG&E will submit it for CPUC approval, and deliveries from SDG&E to SDCP will begin once the CPUC approves the transaction and will continue through Compliance Period 7 (2031-2033).

Staff expect that the CPUC's "VAMO" allocation process will be implemented before 2023, in which case the annual contract quantities included in this contract will be replaced with the volumes that SDCP elects to receive via the VAMO process. In that circumstance, SDCP will have received deliveries in 2021 and 2022 under the same long-term contract as those that will be allocated to SDCP; herein lies significant value to SDCP. If, for whatever reason, the allocation process is modified or delayed, deliveries under this contract will continue for at least ten years to ensure that energy purchased will still be considered delivered under a long-term contract.

Because SDCP is interested in maximizing the buildout of incremental renewable energy generation projects, staff have worked to negotiate annual contract quantities that enable SDCP to meet its near-term requirements for long-term contracting while not restricting SDCP's future procurement from new-build projects to be solicited and contracted in the coming years. In addition, should the VAMO allocation process be implemented in 2023, staff expect the annual contract quantities to be overwritten by the renewable energy volumes that SDCP elects via the allocation process, which will allow SDCP another opportunity to fine-tune its long-term renewable energy quantities purchased under this transaction once it has additional certainty regarding current and future retail load, compliance requirements, and long-term supply contracts.



Contract EEI Agreement Confirmation Between SDG&E and SDCP for Purchase of Long-term Renewable Energy

- Project: Various wind and solar projects within SDG&E's portfolio of long-term renewable energy facilities
- Delivery Term start: Q4, 2021
- Contract term: ~12 years
- Renewable energy price: Indexed to market prices
- No credit or collateral obligations for SDCP

COMMITTEE REVIEW

The Board authorized SDCP to enter into an EEI Master Agreement "and related documents...to complete renewable energy transactions with SDG&E" on January 28, 2021 (Resolution 2021-02).

FISCAL IMPACT

The pricing of the PPA is confidential, but the long-term purchase of renewable energy at index-based prices will provide planning certainty, diversity within SDCP's power supply cost portfolio, and contribute to SDCP's achievement of its renewable targets and regulatory compliance requirements over the term of this PPA

ATTACHMENTS

Attachment A: EEI Agreement Confirmation Between SDG&E and SDCP for Purchase of Long-term Renewable Energy



GLOSSARY OF TERMS

CAISO – California Independent System Operator - a non-profit independent system operator that oversees the operation of the California bulk electric power system, transmission lines and electricity market generated and transmitted by its members (~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 FERC and governed by a five-member governing board appointed by the governor.

CALCCA – California Community Choice Association – Association made up of Community Choice Aggregation (CCA) groups which represents the interests of California's community choice electricity providers.

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.

CEC – California Energy Commission

CPUC – California Public Utility Commission

C&I – Commercial and Industrial – Business customers

CP – Compliance Period – Time period to become RPS compliant, set by the CPUC (California Public Utilities Commission)

DA – Direct Access – An option that allows eligible customers to purchase their electricity directly from third party providers known as Electric Service Providers (ESP).

DA Cap – 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.

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

DA Waitlist – 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

DASR – Direct Access Service Request – Request submitted by C&I to become direct access eligible.

Demand - 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 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 - 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. SVCE settles its CAISO load at the PG&E DLAP as SVCE is in the PG&E transmission access charge area.

DR – Demand Response - 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.

DWR – Department of Water Resources – DWR manages California's water resources, systems, and infrastructure in a responsible, sustainable way.

ELCC – Effective Load Carrying Capacity – 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 which 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 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 which can be recovered in rates. The utilities do not earn a rate of return on these costs, and only recover 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.

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

EV – Electric Vehicle

GHG – Greenhouse gas - water vapor, carbon dioxide, tropospheric ozone, nitrous oxide, methane, and chlorofluorocarbons (CFCs). A gas that causes the atmosphere to trap heat radiating from the earth. The most common GHG is Carbon Dioxide, though Methane and others have this effect as well.

GRC – General Rate Case – 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 and the rate schedules for each class. Each large electric utility files a GRC application every three years for review by the Public Advocates Office and interested parties and approval by the CPUC.

GWh – Gigawatt-hour - 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.

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



IOU – Investor-Owned Utility – A private electricity and natural gas provider.

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

kW – Kilowatt – Measure of power where power (watts) = voltage (volts) x amperage (amps) and 1 kW = 1000 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.

LCFS – Low Carbon Fuel Standard – 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 – 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 comprised of three components: the marginal cost of energy, congestion and losses. The LMP is used to financially settle transactions in the CAISO.

Load - 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 – Entities that 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.

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

NRDC – Natural Resources Defense Council

OIR – Order Instituting Rulemaking - 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.

MW – Megawatt – measure of power. A megawatt equals 1,000 kilowatts or 1 million watts.

MWH – Megawatt-hour – measure of energy

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.

PCC1 – RPS Portfolio Content Category 1 – Bundled renewables where the energy and 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 – Bundled renewables where the energy and REC are from out-of-state and not dynamically scheduled to a CBA.



PCC3 – RPS Portfolio Content Category 3 – Unbundled REC

PCIA or “exit fee” - 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 - 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 (Statute of 2009) and Senate Bill 1305 (Statutes of 1997).

PD – Proposed Decision - A procedural document in a CPUC Rulemaking process 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.

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

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

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

RE – Renewable Energy - 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 MWh of electricity they produce. Utilities obligated to fulfill an RPS requirement can purchase these RECs on the open market.

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

SCE – Southern California Edison

SDG&E – San Diego Gas & Electric

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

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

Time-of-Use (TOU) Rates — 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, midpeak, 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.

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

Unbundled RECs - 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 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.

