

RESOLUTION NO. 2021-08

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF SAN DIEGO COMMUNITY POWER
APPROVING THE ADDITION OF THE CITY OF NATIONAL
CITY AS A MEMBER OF SDCP**

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

WHEREAS, Section 2.4 of the JPA Agreement provides that after the initial formation of SDCP by its Founding Members, any incorporated municipality, county, or other public agency authorized to be a community choice aggregator located within the service territory of the applicable investor-owned utility may apply to and become a member of SDCP if certain conditions are met; and

WHEREAS, the conditions for SDCP membership under Section 2.4 of the JPA Agreement include:

- The adoption by a two-thirds vote of the Board of a resolution authorizing membership into SDCP;
- The adoption by the proposed new member of a community choice aggregation (“CCA”) ordinance as required by Public Utilities Code Section 366.2(c)(12) and approval and execution of the JPA Agreement and other necessary program agreements by the proposed new member;
- Payment of a membership fee, if any, as may be required by the SDCP Board to cover SDCP costs incurred in connection with adding the new member; and
- Satisfaction of any other reasonable conditions established by the SDCP Board; and

WHEREAS, in June 2021, the SDCP Board adopted a New Member Policy to support expansion of SDCP to other interested public agencies located in San Diego County and surrounding areas; and

WHEREAS, during summer 2021, SDCP performed a pro forma analysis of the financial and operational impacts of the City of National City (“National City”) joining SDCP, including a technical feasibility/load impact analysis, and discussed with National City the mutual goals and objectives of SDCP and National City; and

WHEREAS, on September 23, 2021, the results of SDCP’s analysis, completed by Pacific Energy Advisors, was presented to the SDCP Board and showed a positive fiscal impact to SDCP under base case conditions if National City joined SDCP; and

WHEREAS, based on the analysis, it was the consensus of the Board to continue discussions relating to National City's potential membership in SDCP; and

WHEREAS, on October 19, 2021, the City Council of National City introduced an ordinance establishing a CCA program within the jurisdictional boundaries of the City of National City ("National City"); and

WHEREAS, on November 2, 2021, the City Council of National City adopted its ordinance establishing a CCA program within the jurisdictional boundaries of National City and authorized National City to join SDCP by executing SDCP's JPA Agreement; and

WHEREAS, SDCP's New Member Policy provides that prospective new members are required to agree to pay the costs of SDCP's pro forma analysis, but that such costs will be waived under certain circumstances, including where the prospective new members decide to join SDCP; and

WHEREAS, on November 18, 2021, the Board of Directors of SDCP considered the membership of National City.

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

Section 1. The above recitals are true and correct and are incorporated herein.

Section 2. The SDCP Board of Directors hereby approves the inclusion of the City of National City in San Diego Community Power. The SDCP Board hereby finds that National City has taken or is anticipated to take all the necessary steps to become a member of SDCP by the later of December 2, 2021, or the date on which National City's CCA ordinance otherwise takes effect (the "Effective Date"). Subject to the National City's CCA ordinance taking effect and the completion of any other necessary steps that are outstanding as of the date of this Resolution, National City shall become a Party to the JPA Agreement and member of SDCP as of the Effective Date. As provided in Section 4.11.3 of the JPA Agreement, Exhibits C and D of the SDCP JPA Agreement shall be adjusted by the Board to account for the addition of National City as a member of SDCP. Consistent with SDCP's New Member Policy, National City is not required to pay a membership fee or other fee for SDCP's costs to analyze National City's prospective membership in SDCP.

Section 3. As provided in Section 4.1.1 of the JPA Agreement, with the addition of National City, the Board of Directors of SDCP will be increased to seven (7) members as of the Effective Date (including the five (5) Founding Members and County of San Diego, which shall join SDCP effective December 1, 2021). National City is entitled to one (1) primary director on the Board of SDCP and one (1) alternate director who may serve in the absence of National City's primary director.

Section 4. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Board of

Directors hereby declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion thereof.

Section 5. Except as otherwise expressly set forth herein, this Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by a two-thirds vote at a meeting of the Board of Directors of San Diego Community Power held on November 18, 2021.



Chair, Board of Directors
San Diego Community Power

ATTEST:



Secretary, Board of Directors
San Diego Community Power