

RESOLUTION NO. 2021-4

A RESOLUTION OF THE BOARD OF DIRECTORS OF SAN DIEGO COMMUNITY POWER APPROVING THE ADDITION OF THE COUNTY OF SAN DIEGO 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.

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, in 2019, the San Diego County Board of Supervisors adopted Ordinance No. 10629, electing to implement a CCA program within the jurisdictional boundaries of the County of San Diego (“County”), along with a set of guiding principles for the implementation of a CCA program by the County; and

WHEREAS, in April 2021, the San Diego County Board of Supervisors adopted a revised set of guiding principles and directed County staff to begin discussions with the existing CCA programs within San Diego County, including SDCP; and

WHEREAS, during spring and summer 2021, SDCP performed a pro forma analysis of the financial and operational impacts of the County’s membership in SDCP,

including a technical feasibility/load impact analysis, and discussed with the County the mutual goals and objectives of SDCP and the County; and

WHEREAS, on June 24, 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 the County joined SDCP; and

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

WHEREAS, on August 31, 2021, the San Diego County Board of Supervisors elected to join SDCP, authorized the County's Chief Administrative Officer or designee to execute the JPA Agreement and to take all actions necessary to establish County membership in SDCP, and appointed a primary Director and alternate Director to serve on the Board of SDCP; 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 September 23, 2021, the Board of Directors of SDCP considered the membership of the County of San Diego.

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 County of San Diego in San Diego Community Power. The SDCP Board hereby finds that the County of San Diego has taken or has agreed to take all the necessary steps to become a member of SDCP by December 1, 2021 (the "Effective Date"). Subject to completion of any necessary steps that are outstanding as of the date of this Resolution, the County of San Diego 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 the County as a member of SDCP. Consistent with SDCP's New Member Policy, the County is not required to pay a membership fee or other fee for SDCP's costs to analyze the County's prospective membership in SDCP.

Section 3. As provided in Section 4.1.1 of the JPA Agreement, with the addition of the County of San Diego, the Board of Directors of SDCP will be increased to six (6) members as of the Effective Date. The County is entitled to one (1) primary director on the Board of SDCP and one (1) alternate director who may serve in the absence of the County'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 September 23, 2021.



Chair, Board of Directors
San Diego Community Power

ATTEST:



Secretary, Board of Directors
San Diego Community Power

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

NOES: None

ABSTAINED: None

ABSENT: None