



ADVICE LETTER SUMMARY

ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: San Diego Community Power

Utility type:

☒ ELC ☐ GAS ☐ WATER
☐ PLC ☐ HEAT

Contact Person: Byron Vosburg

Phone #: 619-657-0419

E-mail: bvosburg@sdcommunitypower.org

E-mail Disposition Notice to: bvosburg@sdcommunitypower.org

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas WATER = Water
PLC = Pipeline HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 17-E

Tier Designation: 2

Subject of AL: San Diego Community Power Month Ahead Local Resource Adequacy Waiver Request for February 2024
- Public

Keywords (choose from CPUC listing):

AL Type: ☐ Monthly ☐ Quarterly ☐ Annual ☒ One-Time ☐ Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:
D.19-06-026

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL:

Summarize differences between the AL and the prior withdrawn or rejected AL:

Confidential treatment requested? ☒ Yes ☐ No

If yes, specification of confidential information: Resource Adequacy Supply Information, Procurement Strategy
Confidential information will be made available to appropriate parties who execute a
nondisclosure agreement. Name and contact information to request nondisclosure agreement/
access to confidential information: Byron Vosburg, bvosburg@sdcommunitypower.org

Resolution required? ☐ Yes ☒ No

Requested effective date: 1/17/24

No. of tariff sheets:

Estimated system annual revenue effect (%):

Estimated system average rate effect (%):

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes
(residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected:

Service affected and changes proposed¹:

Pending advice letters that revise the same tariff sheets:

¹Discuss in AL if more space is needed.

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov

Name: Byron Vosburg
Title: Managing Director of Power Services
Utility Name: San Diego Community Power
Address: PO Box 12716
City: San Diego
State: California Zip: 92112
Telephone (xxx) xxx-xxxx: 619-657-0419
Facsimile (xxx) xxx-xxxx:
Email: bvosburg@sdcommunitypower.org

Name: Andrewy Ball
Title: Keyes & Fox LLP, Counsel to SDCP
Utility Name:
Address: 1580 Lincoln Street, Suite 1105
City: Denver
State: Colorado Zip: 80203
Telephone (xxx) xxx-xxxx: 610-389-9996
Facsimile (xxx) xxx-xxxx:
Email: aball@keyesfox.com

Clear Form

ENERGY Advice Letter Keywords

Affiliate	Direct Access	Preliminary Statement
Agreements	Disconnect Service	Procurement
Agriculture	ECAC / Energy Cost Adjustment	Qualifying Facility
Avoided Cost	EOR / Enhanced Oil Recovery	Rebates
Balancing Account	Energy Charge	Refunds
Baseline	Energy Efficiency	Reliability
Bilingual	Establish Service	Re-MAT/Bio-MAT
Billings	Expand Service Area	Revenue Allocation
Bioenergy	Forms	Rule 21
Brokerage Fees	Franchise Fee / User Tax	Rules
CARE	G.O. 131-D	Section 851
CPUC Reimbursement Fee	GRC / General Rate Case	Self Generation
Capacity	Hazardous Waste	Service Area Map
Cogeneration	Increase Rates	Service Outage
Compliance	Interruptible Service	Solar
Conditions of Service	Interutility Transportation	Standby Service
Connection	LIEE / Low-Income Energy Efficiency	Storage
Conservation	LIRA / Low-Income Ratepayer Assistance	Street Lights
Consolidate Tariffs	Late Payment Charge	Surcharges
Contracts	Line Extensions	Tariffs
Core	Memorandum Account	Taxes
Credit	Metered Energy Efficiency	Text Changes
Curtailable Service	Metering	Transformer
Customer Charge	Mobile Home Parks	Transition Cost
Customer Owned Generation	Name Change	Transmission Lines
Decrease Rates	Non-Core	Transportation Electrification
Demand Charge	Non-firm Service Contracts	Transportation Rates
Demand Side Fund	Nuclear	Undergrounding
Demand Side Management	Oil Pipelines	Voltage Discount
Demand Side Response	PBR / Performance Based Ratemaking	Wind Power
Deposits	Portfolio	Withdrawal of Service
Depreciation	Power Lines	



PO BOX 12716
San Diego, CA 92112
sdcommunitypower.org

December 18, 2023

Advice Letter 17-E

(San Diego Community Power)

California Public Utilities Commission
Energy Division
Attention: Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, California 94102-3298

Subject: San Diego Community Power Month Ahead Local Resource Adequacy Waiver Request for February 2024 (Public Version)

Purpose

Pursuant to California Public Utilities Commission (“Commission”) Decision (“D.”) 06-06-064 and D.07-06-029, D.19-06-026 and Section 25 of the Commission’s *2024 Filing Guide for System, Local and Flexible Resource Adequacy (RA) Compliance Filings* (“2024 Filing Guide”), San Diego Community Power (“SDCP”) submits this Tier 2 Advice Letter seeking a waiver for a portion of its month-ahead Local Resource Adequacy (“RA”) procurement obligation for the February 2024 compliance month. SDCP further requests that the Commission assess no penalty on SDCP related to its deficiency in procurement of its February 2024 Local RA Requirements (“RAR”). The specific Local RA requirements covered by this waiver request are market-sensitive and confidential and are provided to the Commission in Attachment A to this advice letter.

Background

As detailed in the Declaration of Byron Vosburg,¹ Managing Director of Power Services, SDCP has reasonably and in good faith solicited bids and has diligently pursued all commercially reasonable efforts to acquire resources necessary to meet its February 2024 Local RA obligation. Despite these efforts, SDCP was unable to procure all of the Local RA resource capacity to satisfy its February 2024 obligation for the San Diego-Imperial Valley (“SD-IV”) local RA area.

On October 31, 2023, SDCP submitted Advice Letter 15-E, requesting a waiver of 2024/2025 Local RA procurement obligations (“YA Waiver Request”).² At this time SDCP has been notified that the Energy Division needs additional time to review the YARA Waiver Request.

¹ Included with this Advice Letter as Attachment A.

² Advice Letter 15-E, Request of San Diego Community Power for Waiver of 2024 and 2025 Local Procurement Obligations (October 31, 2023).

Unfortunately, the market conditions and circumstances which led SDCP to file the YA Waiver Request have continued through to the present day. Thus, although SDCP has continued its many and varied efforts to procure Local RA, it was not able to acquire Local RA sufficient for its February 2024 monthly filing requirement but was able to secure nearly 93% of its February 2024 Local RA obligation. SDCP reasonably expects to secure 100% of its February 2024 Local RA obligations upon completion of outstanding negotiations and prior to the January 2, 2024, MARA Plan Revision Due Date but submits this Local RA waiver request on December 18, the final day to do so, as contracting has been delayed due to procedural delays and organizational bandwidth on behalf of contracting parties.

Legal Standard

D.06-06-064 and D.07-06-029 establish a waiver process whereby an LSE can request relief from its Local RA procurement obligation with a demonstration that it has made every commercially reasonable effort to contract for Local RA resources. D.19-06-026 requires that Local RA waiver requests be submitted to the Commission via a Tier 2 advice letter. A waiver request must demonstrate that the load-serving entity (“LSE”) actively sought products and either received bids with prices in excess of their proposed administratively determined local attribute price or received no bids. More specifically, an LSE’s waiver request must establish the following:

- (1) a demonstration that the LSE reasonably and in good faith solicited bids for its RAR capacity needs along with accompanying information about the terms and conditions of the Request for Offer or other form of solicitation, and
- (2) a demonstration that despite having actively pursued all commercially reasonable efforts to acquire the resources needed to meet the LSE’s local procurement obligation, it either:
 - (a) received no bids, or
 - (b) received no bids for an unbundled RA capacity contract of under \$51 per kW-year or for a bundled capacity and energy product of under \$73 per kW-year, or
 - (c) received bids below these thresholds but such bids included what the LSE believes are unreasonable terms and/or conditions, in which case the waiver request must demonstrate why such terms and/or conditions are unreasonable.

These requirements are necessary, but are not necessarily a sufficient condition, for the Commission to grant a waiver. The Commission will also consider other information brought to its attention regarding the reasonableness of the waiver request.³

³ D.06-06-064, pp. 72-73; D.19-06-026, p. 59 (raising the local trigger price to \$51/kW-year); 2023 RA Filing Guide, pp. 56-57.

Request for Waiver

SDCP's waiver request meets both prongs of the requirement set forth in D.06-06-064. As documented in the YA Waiver Request, external factors continue to make it extremely challenging for SDCP to secure SD-IV resources. The San Diego area continues to be unique with respect to the proportion of overall system RA that must be met with SD-IV local RA resources. In addition, resources procured under the Cost Allocation Mechanism continue to tighten the SD-IV market for RA. SDCP again emphasizes its belief that no further commercially reasonable efforts would have resulted in the necessary procurement before the compliance filing deadline. Further detail regarding these specific constraints is set forth confidentially in Attachment A.

SDCP undertook an aggressive procurement strategy to overcome local constraints and meet its Local RA requirements for the 2024-2026 multi-year compliance period. SDCP's efforts to meet the 2024-2026 compliance period requirements included: (1) conducting two separate Request for Offer ("RFO") solicitations in 2021 for 2022-2024 SD-IV Local RA; (2) submitting bids in San Diego Gas & Electric's ("SDG&E") 2021 and 2022 solicitations and attempting to engage bilaterally with SDG&E; (3) conducting two RFO solicitations in 2022 for 2023-2025 Local RA; and (3) engaging bilaterally with SDG&E, Pacific Gas & Electric, and Southern California Edison, and non-IOU Local RA sellers. A more detailed description of SDCP's procurement efforts, as well as the terms & conditions of the solicitations, were included in the YA Waiver Request and are not restated in this waiver request.

Since the filing of the pending YA Waiver Request, SDCP has continued to undertake the same vigorous efforts to fulfill its compliance obligations. With respect to February 2024 Local RA obligations, these efforts include outreach to and discussion with market participants and brokerage firms as well as efforts to close three outstanding deals. As of December 18, SDCP has contracted for 93% of its February 2024 Local RA coverage, and SDCP continues to pursue leads that should allow it to contract for the remaining obligation by the end of the cure period.

SDCP requests that the Energy Division grant a waiver for any portion of SDCP's month-ahead Local RA procurement obligation for the February 2024 compliance month and assess no penalty, if applicable, on SDCP related to its deficiency in procurement of its February 2024 Local RAR.

Request for Confidential Treatment

SDCP requests confidential treatment for portions of the Declaration of Byron Vosburg, which is included with this Advice Letter as confidential Attachment A. SDCP makes this request pursuant to D.06-06-066, as modified by D.07-05-032 and D.08-04-023, which adopted the Energy Services Provider ("ESP") matrix specifying categories of market-sensitive information that should be

treated as confidential, and D.20-07-005 which finds that the market-sensitive information of CCAs shall be eligible for confidential treatment consistent with the ESP matrix.⁴

The Declaration of Stephen Gunther, Senior Regulatory Analyst, provides support for SDCP's claim of confidentiality over certain information included in the Local RA Waiver Request. The confidential material includes market-sensitive information regarding SDCP's current market positions and compliance obligations, entities with whom SDCP has negotiated and transacted, and price-related information that are all market-sensitive information. Accordingly, SDCP requests that Paragraphs 5, 6, and 7 of the Declaration of Byron Vosburg contained in Attachment A to this Local RA Waiver Request be treated as confidential. To the extent that the Commission has any different interpretation with respect to this request, SDCP respectfully requests that notice be provided to SDCP and that SDCP have an opportunity to provide any supplemental information necessary to maintain confidentiality of those paragraphs of the Declaration.

Effective Date

SDCP requests that this Tier 2 Advice Letter become effective on January 17, 2024, which is 30 days after the date of submission.

Protests

Anyone wishing to protest this Advice Letter may do so by letter sent electronically via e-mail, no later than January 8, 2024, which is 21 days after the date of this submittal. Protests must be submitted to:

CPUC Energy Division
ED Tariff Unit
E-mail: EDTariffUnit@cpuc.ca.gov

The protest must also be electronically sent to SDCP via e-mail at the address shown below on the same date it is electronically delivered to the Commission:

Byron Vosburg
SDCP, Managing Director of Power Services
E-mail: bvosburg@sdcommunitypower.org

Andrew Ball
Keyes & Fox LLP
E-mail: aball@keyesfox.com

⁴ D.20-07-005, *Decision Granting in Part Petition to Modify Decision 06-06-006, R.05-06-040*, July 16, 2022, p. 1.

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter.⁵ The protest must contain the following information: specification of the advice letter protested, grounds for the protest, supporting factual information or legal argument, name and e-mail address of the protestant, and statement that the protest was sent to the utility no later than the day on which the protest was submitted to the Energy Division.⁶

Notice

A copy of this Advice Letter has been distributed to the service list of R.23-10-011 in accordance with D.19-06-026.⁷

Attachments:

- Attachment A – Declaration of Byron Vosburg Regarding San Diego Community Power’s Local Resource Adequacy Waiver Request for February 2024 [Public Version]
- Attachment B – Declaration of Stephen Gunther Supporting Confidentiality Claim for SDCP’s Local Resource Adequacy Waiver Request for February 2024

Respectfully submitted,

/s/ Byron Vosburg

Byron Vosburg

Managing Director of Power Services

San Diego Community Power

PO Box 12716

San Diego, California 92112

Tele: 619-657-0419

E-mail: bvosburg@sdcommunitypower.org

cc: Service List R.23-10-011
RAFiling@cpuc.ca.gov

⁵ General Order 96-B, Section 7.4.

⁶ General Order 96-B, Section 3.11.

⁷ D.19-06-026 at Ordering Paragraph 8. Local RA waiver requests shall be submitted via a Tier 2 Advice Letter to the Commission with accompanying service to the service list (in redacted form, if necessary) of the RA proceeding open at the time of the request.

Attachment A

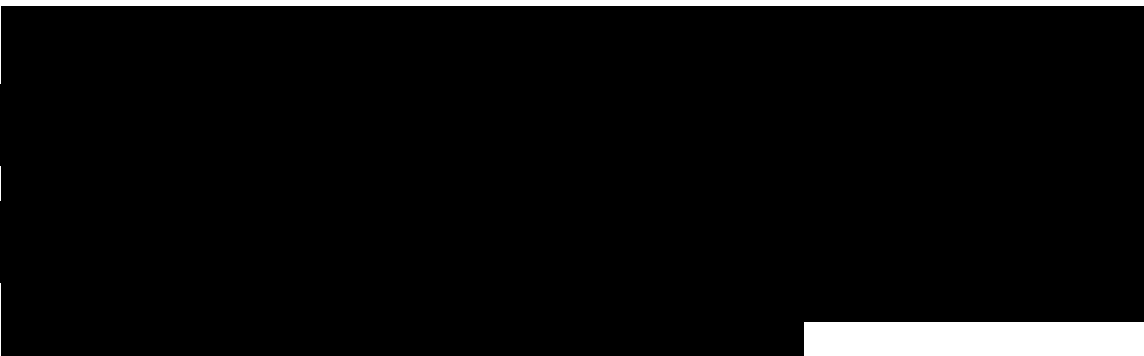
**Declaration of Byron Vosburg Regarding San Diego Community Power's Local
Resource Adequacy Waiver Request for February 2024**

[Public Version]

**Declaration of Byron Vosburg Regarding San Diego Community Power’s Local Resource
Adequacy Waiver Request for February 2024
[Public Version]**

The undersigned declares, under penalty of perjury, as follows:

1. My name is Byron Vosburg and I am employed by San Diego Community Power (“SDCP”) as Managing Director of Power Services.
2. In this capacity I am directly involved with SDGP’s procurement for resources to comply with California’s resource adequacy (“RA”) requirements.
3. I make this declaration based on my own knowledge, or on the basis of information or belief, and as to those matters I believe them to be true.
4. SDGP’s efforts to procure RA for the 2024-2026 multi-year period are set forth in the Memorandum of Byron Vosburg Regarding San Diego Community Power’s Local Resource Adequacy Waiver, included as Attachment A to SDGP Advice Letter 15-E (Request of San Diego Community Power for Waiver of 2024 and 2025 Local Procurement Obligations), dated October 31, 2023.

5. 

6. 

7. 



Executed on December 18, 2023 at San Diego, California.

/s/ Byron Vosburg

Byron Vosburg

Managing Director of Power Services

San Diego Community Power

PO Box 12716

San Diego, CA 92112

Telephone: (619) 657-0419

E-mail: bvosburg@sdcommunitypower.org

Attachment B

Declaration of Stephen Gunther Supporting Confidentiality Claim for San Diego Community Power's Local Resource Adequacy Waiver Request for February 2024

**Declaration of Stephen Gunther Supporting Confidentiality Claim for
San Diego Community Power's Local Resource Adequacy Waiver Request for February 2024**

In accordance with General Order 66-D, D.06-06-066, and D.08-04-023 setting forth the protocol for the submission of confidential information to the California Public Utilities Commission ("Commission") in an Advice Letter filing, and D.20-07-005 extending confidential treatment to market-sensitive information of community choice aggregators ("CCAs"), San Diego Community Power ("SDCP") submits the following declaration in support of its claim of confidentiality for the below-specified information in confidential Attachment A to SDCP Advice Letter 17-E: *San Diego Community Power Month Ahead Local Resource Adequacy Waiver Request for February 2024* ("SDCP AL 17-E").

The undersigned declares, under penalty of perjury pursuant to the laws of the State of California, as follows:

1. My name is Stephen Gunther and I am employed by San Diego Community Power ("SDCP") as Senior Regulatory Analyst. In this capacity, I have knowledge of the information provided in this declaration and am authorized to make this declaration on SDCP's behalf.
2. In this Advice Letter, SDCP is securely and confidentiality uploading the following documents to the Energy Division through the Commission's FTP system:
 - a. SDCP Advice Letter 17-E: *San Diego Community Power Month Ahead Local Resource Adequacy Waiver Request for February 2024*.
 - b. Attachment A [Confidential]: *Declaration of Byron Vosburg Regarding San Diego Community Power's Local Resource Adequacy Waiver Request for February 2024*.
 - c. Attachment B: *Declaration of Stephen Gunther Supporting Confidentiality Claim for San Diego Community Power's Local Resource Adequacy Waiver Request for February 2024*.
3. In this Advice Letter, SDCP is publicly submitting the following documents to the Energy Division and the service list for the current Resource Adequacy Rulemaking, R.23-10-011, via e-mail:
 - a. SDCP Advice Letter 17-E: *San Diego Community Power Month Ahead Local Resource Adequacy Waiver Request for February 2024*.
 - b. Attachment A [Public Version]: *Declaration of Byron Vosburg Regarding San Diego Community Power's Local Resource Adequacy Waiver Request for February 2024*.
 - c. Attachment B: *Declaration of Stephen Gunther Supporting Confidentiality Claim for San Diego Community Power's Local Resource Adequacy Waiver Request for February 2024*.

4. Through this declaration, SDCP requests that Attachment A to SDCP AL 17-E be treated as confidential and kept under seal.
5. This request for confidentiality is being made pursuant to the requirements and authority of D.06-06-066, D.08-04-023, and D.20-07-005, and Commission General Order 66-D.
6. The attached "Table of Confidential Information" identifies the specific information that is subject to this confidentiality request, provides specific citations to the authority upon which each request is based, provides a justification for confidential treatment, and specifies the length of time that the information is to be kept confidential.
7. SDCP is complying with the limitations of confidentiality specified in the ESP and CCA Matrix established in D.06-06-066, as modified by D.20-07-005 for the types of data being submitted subject to a request for confidentiality.
8. To the best of my knowledge, the information being submitted subject to this request for confidentiality is not already public.
9. SDCP is providing a public, unredacted version of SDCP AL 17-E and is separately providing confidential information in confidential Attachment A to the Commission.
10. As set forth below, information in supporting documentation for SDCP AL 17-E, specifically Paragraphs 5, 6, and 7 of Attachment A, is highly market-sensitive, confidential, and cannot be aggregated, redacted, summarized, masked or otherwise protected in a way that allows further partial disclosure. In particular, Paragraphs 5, 6, and 7 of Attachment A include key elements of SDCP's procurement strategy, and procurement transactions. The confidential information in this document has been redacted.
11. The following person is designated as the person for the Commission to contact regarding potential release of this information:

Byron Vosburg
SDCP, Managing Director of Power Services
E-mail: bvosburg@sdcommunitypower.org

Executed on December 18, 2023 at San Diego, California.

/s/ Stephen Gunther

Stephen Gunther

Senior Regulatory Analyst

San Diego Community Power

PO Box 12716

San Diego, CA 92112

Telephone: (619) 657-0419

E-mail: sgunther@sdcommunitypower.org

TABLE OF CONFIDENTIAL INFORMATION
SDCP Advice Letter 17-E

San Diego Community Power Month Ahead Local Resource Adequacy Waiver Request for February 2024

Redaction Reference	Confidentiality Category from D.06-06-006 Matrix or Other Authority	Justification for Confidential Treatment	Limitations on Confidentiality
Paragraphs 5, 6 and 7 of Attachment A to SDCP Advice Letter 17-E	ESP and CCA Matrix, Item II(B) – RA Supply Data	<p>This attachment includes market-sensitive resource adequacy (“RA”) supply information, including: capacity deficiencies and confidential information regarding SDCP’s RA procurement practices and strategy.</p> <p>Attachment A also includes information regarding SDCP’s efforts to procure its Local RA obligation, including confidential communications with potential counterparties.</p> <p>All of this information is RA “supply data” under Item II(B) and as such is confidential.</p> <p>Additionally, this information is highly market sensitive as it (1) reveals confidential communications, proposals, offers, and bids between market participants, (2) reveals SDCP’s business practices and strategy, and could be used by other market participants to determine</p>	Under Item II(B), RA Supply Data is confidential for the first 3 years of the forecast period.

		SDCP's RA net short position, creating market disruption. The public interest in withholding this information outweighs the public interest in disclosing this highly confidential and market sensitive information.	
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