



AGENDA

Regular Meeting Board of Directors

**Thursday, November 20, 2025
5:00 p.m.**

**Don L. Nay Port Administration Boardroom
3165 Pacific Hwy.
San Diego, CA 92101**

The meeting will be held in person at the above date, time and location(s). Members of the Board of Directors and members of the public may attend in person. Under certain circumstances, Board members may also attend and participate virtually in the meeting, pursuant to the Brown Act (Gov. Code § 54953). As a convenience to the public, San Diego Community Power provides a Zoom teleconference option for members of the public to virtually observe and provide public comments at its meetings. Additional details on in-person and virtual public participation are below. Please note that in the event of a technical issue causing a disruption in the call-in option or internet-based option, the meeting will continue unless otherwise required by law (such as when a Board member is virtually attending the meeting), pursuant to certain provisions of the Brown Act.

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

1. Oral comments during a meeting. Anyone attending in person who wishes to address the Board of Directors is asked to fill out a speaker's slip and present it to the clerk of the Board. To provide remote comments during the meeting, join the Zoom meeting by computer, mobile phone or dial-in number. When participating in a Zoom video conference by computer or mobile phone, use the "Raise Hand" feature. This will notify the moderator that a member of the public wishes to speak during a specific item on the agenda or during the non-agenda public comment period. Members of the public will not be shown on video but will be able to speak when called upon. When participating in the meeting using the Zoom dial-in number, press *9 to request to speak. Comments will be limited to three minutes.

AGENDA – BOARD OF DIRECTORS – SAN DIEGO COMMUNITY POWER

2. Written Comments. Written public comments must be submitted prior to the start of the meeting to ClerkOfTheBoard@SDCommunityPower.org. Members of the public are asked to indicate a specific agenda item when submitting comments. All written comments received prior to the meeting will be provided to members of the Board. At the discretion of the chairperson, the first 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 members of Board and become part of the public record.

If members of the public have any materials to be distributed to the Board, they should be sent to ClerkOfTheBoard@SDCommunityPower.org, who will distribute the information to Board members.

The public may participate using the following remote options:

Teleconference Meeting Webinar

sdcommunitypower-org.zoom.us/j/94274587066

Telephone (audio only) 669-900-6833 or 346-248-7799 | Webinar ID: 94274587066

WELCOME

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

LAND ACKNOWLEDGMENT

SPECIAL PRESENTATIONS AND INTRODUCTIONS

- Introduction of New Community Power Staff

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 provide a comment in either manner described above.

CONSENT CALENDAR

All matters are approved by one motion without discussion unless a member of the Board requests a specific item to be removed from the Consent Calendar for discussion. A member of the public may comment on any item on the Consent Calendar in either manner described above.

1. [Approve October 23, 2025, Meeting Minutes](#)
2. [Receive and File Update on Programs](#)
3. [Receive and File Update on Power Services](#)
4. [Receive and File Update on Customer Operations](#)
5. [Receive and File Update on IT and Data Analytics](#)
6. [Receive and File Update on Human Resources](#)
7. [Receive and File Community Advisory Committee Monthly Update](#)
8. [Receive and File Update on Marketing, Public Relations, and Local Government Affairs](#)
9. [Receive and File Treasurer's Report for Period Ending August 31, 2025](#)
10. [Approve a Sole Source Amendment No. 1 to Agreement with Harman Connected Services, Inc. to add Enterprise Data Platform \(EDP\) Managed Services for an additional not-to-exceed amount of \\$371,000 through December 31, 2026](#)
11. [Adopt Resolution No. 2025-21, Approving Proposed Revisions to the Existing Renewable Energy Self-Generation Bill Credit Transfer Tariff](#)
12. [Approve Updates to Employee Handbook](#)

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.

13. [Informational Update on Battery Energy Storage Systems](#)

Recommendation: Receive and file an informational presentation on battery energy storage systems.

14. Fiscal Year End 2024-25 Financial Audit

Recommendation: Receive and file Fiscal Year End 2024-25 Financial Audit.

15. Adopt Resolution No. 2025-22, Authorizing Execution of Grant Agreement EPC-25-015 with the California Energy Commission; and Authorizing the Chief Executive Office to Accept, Appropriate, and Expend Funds; and Related Actions

Recommendation: Adopt Resolution No. 2025-22, Authorizing Execution of Grant Agreement EPC-25-015 with the California Energy Commission; and Authorizing the Chief Executive Office to Accept, Appropriate, and Expend Funds; And Related Actions.

16. Approve agreement with CGI Technologies and Solutions, Inc. for the Development and Deployment of an Organization-wide Customer Relationship Management (CRM) Platform for a not-to-exceed amount of \$1,166,915

Recommendation: Approve Professional Services Agreement with CGI Technologies and Solutions, Inc. for the development and deployment of an organization-wide Customer Relationship Management (CRM) platform that is licensed, owned and maintained by Community Power for a 22 month term including a not-to-exceed amount of \$1,166,915 and authorize the Chief Executive Officer to execute the contract. This agreement would allow Community Power to implement an enterprise-wide, cloud-based Customer Relationship Management (CRM) platform to support Customer Operations, Programs, Public Affairs, and the San Diego Regional Energy Network (SDREN) teams. This project aims to bring all CRM functions in-house, integrate with existing systems, and enable Community Power to manage and operate the platform independently.

17. Workforce Commitment Assessment

Recommendation: Community Power is directed to review and revise and/or incorporate additional requirements to enhance existing workforce language and commitments for new-build renewable energy and storage projects.

18. Update on Regulatory and Legislative Affairs

Recommendation: Receive and File Update on Regulatory and Legislative Affairs

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 Community Power business. There is to be no discussion or action taken on comments made by Directors unless authorized by law.

ADJOURNMENT

The Board of Directors will adjourn until the next regular meeting scheduled for Thursday, December 11, 2025, at 5 p.m.

Compliance with the Americans with Disabilities Act

Community Power Board of Directors meetings comply with the Americans with Disabilities Act. Individuals with a disability who require a modification or accommodation, including auxiliary aids or services, to participate in the public meeting may contact 888-382-0169 or ClerkOfTheBoard@SDCommunityPower.org. Requests for disability-related modifications or accommodations require varying 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 sdcommunitypower.org/resources/meeting-notes. Late-arriving documents related to a Board meeting item are distributed to Members prior to or during the Board meeting and are available for public review as required by law. Public records, including agenda-related documents, can be requested electronically from ClerkOfTheBoard@SDCommunityPower.org or by mailing San Diego Community Power, Attn: Clerk of the Board, P.O. Box 12716, San Diego, CA 92112. The documents may also be posted on Community Power's website. Such public records are also available for inspection by contacting ClerkOfTheBoard@SDCommunityPower.org to arrange an appointment.



SAN DIEGO COMMUNITY POWER

BOARD OF DIRECTORS Regular Meeting Minutes October 23, 2025

Don L. Nay Port Administration Boardroom
3165 Pacific Hwy.
San Diego, CA 92101

WELCOME AND CALL TO ORDER

Chair Lawson-Remer called the Community Power Board of Directors regular meeting to order at 5:01 p.m.

ROLL CALL

PRESENT: Chair Lawson-Remer, County of San Diego; Vice Chair Yamane, City of National City (via Zoom Teleconference); Director Elo-Rivera, City of San Diego; Director Inzunza, City of Chula Vista; Director San Antonio, City of Encinitas; Director Fisher, City of Imperial Beach; and Director Suzuki, City of La Mesa

ABSENT: None

Staff Present: Chief Executive Officer Burns; Chief Financial Officer Washington; Chief Operations Officer Clark; General Counsel Tyagi; Senior Director of Programs Santulli; Associate Director of Programs Tran; Senior Manager Strategic Partnerships Friedman; Director of Power Contracts Key; Director of Portfolio Management Camara; Senior Strategic Finance Manager Spengler; Senior Program Managers Van Sant and Whitehouse; Senior Program Associate Scurlock; Clerk of the Board Hernandez; and Senior Executive Assistant Porras

PLEDGE OF ALLEGIANCE

Chair Lawson-Remer led the Pledge of Allegiance.

LAND ACKNOWLEDGMENT

Chair Lawson-Remer acknowledged the Kumeyaay Nation and all the original stewards of the land.

Director Suzuki called for a moment of silence in honor of City of La Mesa fallen Officer Lauren Craven.

SPECIAL PRESENTATIONS AND INTRODUCTIONS

- Introduction of New Community Power Staff

Chair Lawson-Remer welcomed new employees Bianca Berron and Aoife Maxwell, Community Outreach Representatives, Carolina Heredia, Key Accounts Services Analyst and Jackson Welch, Portfolio Analyst to introduce themselves.

ITEMS TO BE ADDED, WITHDRAWN OR REORDERED ON THE AGENDA

There were no items added, withdrawn, or reordered on the agenda.

PUBLIC COMMENTS

There were no public comments.

CONSENT CALENDAR

1. Approve September 25, 2025, Meeting Minutes
2. Receive and File Treasurer's Report for Period Ending July 31, 2025
3. Receive and File Update on Programs
4. Receive and File Update on Power Services
5. Receive and File Update on Customer Operations
6. Receive and File Update on IT and Data Analytics
7. Receive and File Update on Human Resources
8. Receive and File Community Advisory Committee Monthly Update
9. Receive and File Update on Marketing, Public Relations, and Local Government Affairs
10. Receive and File Update on Regulatory and Legislative Affairs
11. Approve Annual Energy Usage and Voting Shares Update

12. **Approve Amendment No. 5 to Agreement with Neyenesch Printers for Printing, Mailing and Postage Services to Extend the Term to December 31, 2026, and Increase the Contract Not-to-Exceed amount by \$900,000 for a total Contract Not-To-Exceed amount of \$2,128,218**
13. **Approve Non-Material Revisions to FY 2025-2026 Operating Budget, the FY 2025-2026 Capital Budget, and the FY 2026-2030 Capital Investment Plan**
14. **Approve Updated 2026 Board Meeting Schedule**
15. **Receive and File Update on Pilot Projects**

There were no public comments on Consent Item Nos. 1-15.

Motioned by Director Inzunza and seconded by Director Suzuki to approve Consent Calendar Item Nos. 1-15. The motion carried 7/0 as follows:

AYES:	Chair Lawson-Remer, Vice Chair Yamane, Directors Elo-Rivera, Fisher, Inzunza, San Antonio, and Suzuki
NOES:	None
ABSTAINED:	None
ABSENT:	None

REGULAR AGENDA

16. San Diego Regional Energy Academy Update

Mr. Friedman introduced the item and turned it over to Darbi Berry, San Diego Regional Climate Collaborative representative, to provide the update on San Diego Regional Energy Academy.

There were no public comments on Item No. 16.

After Board member comments, the San Diego Regional Energy Academy Update was received and filed.

17. Fiscal Year End 2024-25 Financial Audit Progress Report Presentation

Dr. Washington introduced the item and turned it over to Kellin Gilbert and Alauna Rico (via Zoom Teleconference), representatives from Sorren CPA, to present the progress report.

There were no public comments on Item No. 17.

The Fiscal Year End 2024-25 Financial Audit Progress Report Presentation was received and filed.

18. Adopt Resolution No. 2025-20, Approving a Third Revision to the Financial Reserves Policy

Mr. Spengler provided an overview of the proposed revisions to the Financial Reserves Policy.

There were no public comments on Item No. 18.

After Board member comments and questions, motioned by Director Suzuki and seconded by Director Inzunza to adopt Resolution No. 2025-20, approving a Third Revision to the Financial Reserves Policy. The motion carried 7/0 as follows:

AYES:	Chair Lawson-Remer, Vice Chair Yamane, Directors Elo-Rivera, Inzunza, San Antonio, Suzuki, and Fisher
NOES:	None
ABSTAINED:	None
ABSENT:	None

19. Approve Agreement with Aspen Environmental Group for Long-Term Load Forecasting

Ms. Camara provided an overview of the proposed Agreement with Aspen Environmental Group for Long-Term Load Forecasting.

There were no public comments on Item No. 19.

After Board member comments and questions, motioned by Director Suzuki and seconded by Director San Antonio to approve the Professional Services Agreement with Aspen Environmental Group for a two-year Long-term Load Forecasting and Compliance services agreement including a not-to-exceed amount of \$150,000.00 and authorize the Chief Executive Officer to execute the contract. This agreement is to develop, test, and support implementation of a customized long-term model to forecast hourly and aggregate customer demand for use in Community Power's financial and resource planning. The motion carried 7/0 as follows:

AYES:	Chair Lawson-Remer, Vice Chair Yamane, Directors Elo-Rivera, Inzunza, San Antonio, Suzuki, and Fisher
NOES:	None
ABSTAINED:	None
ABSENT:	None

20. Approve Master Agreement with Yes Energy, LLC for Short-term Load Forecasting Services

Ms. Camara provided an overview of the proposed Master Agreement with Yes Energy, LLC for Short-term Load Forecasting Services.

There were no public comments on Item No. 20.

Motioned by Director Suzuki and seconded by Director San Antonio to approve the Master Services Agreement (MSA) with Yes Energy, LLC and service order for Short-term Load Forecasting services ("TESLA Custom Forecast"), for an initial 12-month term, and automatic annual renewals, not to exceed 5-years for Short-term Load Forecasting services; and authorize the Chief Executive Officer to execute the contract for a not to exceed amount of \$422,935.00 over the maximum 5-year term The motion carried 7/0 as follows:

AYES:	Chair Lawson-Remer, Vice Chair Yamane, Directors Elo-Rivera, Inzunza, San Antonio, Suzuki, and Fisher
NOES:	None
ABSTAINED:	None
ABSENT:	None

21. Approve First Amendment to the Voluntary Allocation Market Offer confirmation with San Diego Gas and Electric Company

Mr. Key provided an overview of the proposed First Amendment to the Voluntary Allocation Market Offer confirmation with San Diego Gas and Electric Company.

There were no public comments on Item No. 21.

Motioned by Director Suzuki and seconded by Director Elo-Rivera to approve the proposed First Amendment to the Voluntary Allocation Market Offer confirmation with San Diego Gas and Electric Company and authorize the Chief Executive Officer to execute the agreement. The motion carried 7/0 as follows:

AYES:	Chair Lawson-Remer, Vice Chair Yamane, Directors Elo-Rivera, Inzunza, San Antonio, Suzuki, and Fisher
NOES:	None
ABSTAINED:	None
ABSENT:	None

22. Approve Amended and Restated Energy Storage Service Agreement for the Chula Vista Energy Center 2

Mr. Key provided an overview of the proposed Amended and Restated Energy Storage Service Agreement for the Chula Vista Energy Center 2.

There were no public comments on Item No. 22.

Vice Chair Yamane left the meeting at 6:21 p.m.

Motioned by Director Inzunza and seconded by Director Elo-Rivera to approve the proposed Amended and Restated 15-year Energy Storage Service Agreement with Chula Vista Energy Center, LLC for a 49.7 MW/198.8 MWh, 4-hour battery energy storage facility and authorize the Chief Executive Officer to execute the agreement. The motion carried 6/0 as follows:

AYES:	Chair Lawson-Remer, Directors Elo-Rivera, Inzunza, San Antonio, Suzuki, and Fisher
NOES:	None
ABSTAINED:	None
ABSENT:	Vice Chair Yamane

23. San Diego Regional Energy Network (SDREN) Update

Ms. Tran introduced the item and turned it over to Ms. Scurlock, Ms. Whitehouse and Ms. Van Sant to provide the update on San Diego Regional Energy Network (SDREN).

There were no public comments on Item No. 23.

After Board member questions and comments, the update on San Diego Regional Energy Network (SDREN) was received and filed.

CHIEF EXECUTIVE OFFICER REPORT

Ms. Burns reported on Community Power's recent activities and events.

DIRECTOR COMMENTS

None.

ADJOURNMENT

The meeting was adjourned at 6:55 p.m. to the next regular meeting scheduled for Thursday, November 20, 2025, at 5 p.m.

Maricela Hernandez, MMC, CPMC
Clerk of the Board

SAN DIEGO COMMUNITY POWER

Staff Report – Item 2

To: Board of Directors

From: Jack Clark, Chief Operating Officer
Colin Santulli, Senior Director of Programs

Via: Karin Burns, Chief Executive Officer

Subject: Update on Programs

Date: November 20, 2025

Recommendation

Receive and file update on customer energy programs.

Background

Staff will provide regular updates to the Board of Directors (“Board”) regarding the following Community Power customer energy programs: Commercial Programs, Residential Programs, Flexible Load Programs, Solar and Energy Storage Programs, and the San Diego Regional Energy Network.

Analysis and Discussion

Updates on customer energy programs are detailed below.

Commercial Programs

Commercial Application Assistance Pilot Project

Status & Next Steps: This Pilot Project is now complete. Staff provided an update on the Pilot Project in [Item 15](#) of the October 2025 meeting. Staff will remove this Pilot Project from future Update on Programs Staff Reports.

Efficient Refrigeration Pilot Project

Status: Staff provided an update on Pilot Projects at the October 2025 Board meeting. The Efficient Refrigeration Pilot aims to serve a total of 30 participants. As of November 3, 2025, 27 participants have been approved for the Pilot.

Next Steps: Staff will continue to conduct outreach and enroll participants in the pilot until grant funds are expended.

Residential Programs

California Energy Commission (“CEC”) Equitable Building Decarbonization Direct Install (“EBD DI”) Program

Status & Next Steps: Please refer to Item 3 of the October BOD 2025 agenda packet for the most recent update on this program.

Flexible Load Programs

Smart Home Flex Pilot Project

Status: November 1, 2025, marked the end of the utility summer season and the end of the seasonal Smart Flex Events. Over the next couple of weeks, Staff will start processing incentives for customers that participated in Smart Flex Events this past summer.

Staff is additionally engaged in contract negotiations with a vendor to complete an impact evaluation of Smart Home Flex. In October, EcoPort modules were procured and delivered to Community Power. These modules will enable the enrollment of heat pump water heaters into the Pilot. Staff is working to ship these modules to enrolled customers that need them and provide installation resources.

Next Steps: Contract with a vendor to conduct an impact evaluation of Smart Home Flex. Staff will also develop installation guides for the EcoPort modules and start shipping them to customers over the next couple of months.

EV Flex Connect Pilot Project

Status: Staff launched EV Flex Connect in February 2025 and continue to work with their V1G software partner to increase participant enrollment and implement load shifting strategies. Pending Board adoption of Resolution No. 2025-22, staff will execute Grant Agreement EPC-25-015 with the California Energy Commission to commence work on a project that will use EV Flex Connect data to analyze and quantify the value of advanced managed charging/V1G strategies in balancing bulk system and distribution operational needs.

Next Steps: Staff will continue to work with their implementation partner on enrolling participants and planning load shifting strategies. In November 2025, staff are seeking Board adoption of Resolution No. 2025-22.

Solar and Energy Storage Programs

Disadvantaged Communities—Single-Family Affordable Solar Homes (“DAC-SASH”) Readiness Pilot Project

Status & Next Steps: This Pilot Project is now complete. Staff provided an update on the Pilot Project in [Item 15](#) of the October 2025 meeting. Staff will remove this Pilot Project from future Update on Programs Staff Reports.

Net Energy Metering (“NEM”) and Net Billing Tariff (“NBT”)

Status: At the September 2025 Board of Directors meeting, the Board of Directors approved proposed revisions to the existing NEM tariff, revisions to the existing NBT and the establishment of new Net Billing Tariff Virtual and new Net Billing Tariff Aggregation tariffs.

Next Steps: Staff will continue to monitor NBT adoption and anticipate conducting an evaluation of the tariff in 2026.

Solar Battery Savings (“SBS”) Program Relaunch

Status: SBS began accepting applications on September 30, 2025. Community Power held a press event at the County of San Diego Administration Building on October 1, 2025, to generate earned media and raise awareness of the program. In the first month, the program received over 325 applications, of which 120 have already been approved. Of the 51 contractors approved to participate in the program, 38 are actively participating and have submitted applications. In terms of market rate (63%) versus non-market rate (37%) participation, the trends remain consistent with those observed during the pilot program. However, for new versus existing systems, there is a shift toward new installations, which now make up 56% compared to 44% for existing systems.

Next Steps: In November 2025, staff will reopen the contractor application period, including offering additional mandatory trainings, to enable additional interested contractors to apply to become an approved contractor in the program. In Q1 2026, Community Power expects to offer a series of customer workshops to build awareness of the program and the benefits of residential solar and storage, in general.

Solar Advantage Program (previously DAC-GT)

Status: Staff closed the Solar Advantage Program's Second Request for Offer (“RFO”) on October 20, 2025, 5:00 P.M. PDT.

Staff filed a timely Quarterly Report with the California Public Utilities Commission (“CPUC”) for the third quarter of 2025 on October 30, 2025. The report outlines capacity procured and

online, participating customers and California Alternate Rates for Energy (“CARE”) and Family Electric Rate Assistance (“FERA”) enrollment under the Solar Advantage program.

Following Community Power Board of Director’s September approval of the three 1st Oak 2, LLC Power Purchase Agreements (“PPA”) second, third and fourth Solar Advantage Program projects, Staff submitted Advice Letter 35-E on November 6, 2025, for CPUC approval of the fully executed PPAs with 1st Oak 2, LLC.

Next Steps: Staff will begin evaluating bids received and follow up with RFO #2 respondents, as necessary through October 21 through December 10, 2025.

Prior to launching RFO #3 (currently planned for Q1 2026), Staff will update the cost containment cap as directed by E-5368. Upon completion of the four projects from the 1st RFO round in Q2 and Q3 2027, 2,000 eligible residential customers in the top 10% of Disadvantaged Communities (“DACs”), located in Central Chula Vista, Barrio Logan, Logan Heights, Southcrest, Mount Hope, and Chollas View, will be auto-enrolled and receive immediate bill reductions.

San Diego Regional Energy Network (“SDREN”)

Status: Staff provided an update on SDREN at the October 2025 Board meeting. Staff continue activities required for the successful launch of SDREN programs with a focus on procurement. As of November 3, 2025 the following contract from Phase 2 has been executed with the selected vendor:

- Tribal Engagement Program:
 - Vendor: Southern California Tribal Chairmen’s Association
 - Contract Total: \$1,389,551

Next Steps: Staff will finalize contract negotiations with the selected vendors from the Phase 2 and 3 solicitations. All contracts from Phase 1 have been executed. Staff anticipate the remaining Phase 2 contracts to be executed in late November 2025 and the Phase 3 contracts to be executed in January 2026 in accordance with Resolution No. 2025-01 adopted by the Board on January 23, 2025, authorizing the Chief Executive Officer to ‘negotiate and execute contracts with third parties to implement the agreement or use of [SDREN] funds.’

Contracts are expected to be executed with selected vendors with amounts not exceeding the budgets stated in the solicitations:

Phase 2

- Climate Resilience Leadership Program: \$9,740,641 (direct implementation), \$7,442,846 (incentives).

- Single-Family Program: \$6,367,475 (direct implementation), \$12,416,267 (incentives).
- Multifamily Program: \$3,492,276 (direct implementation), \$6,539,071 (incentives).

Phase 3

- Efficient Refrigeration Program: \$2,028,045 (direct implementation), \$4,074,678 (incentives).
- Market Access Program: \$4,597,330 (direct implementation), \$9,006,228 (incentives).
- Small-to-Medium Business Energy Coach Program: \$6,567,110 (direct implementation), \$2,016,518 (incentives).

SDREN funds are authorized by the California Public Utilities Commission and are disbursed to San Diego Community Power in accordance with the *San Diego Regional Energy Network Energy Efficiency Programs and Budget Agreement for Years 2024-2027* executed between Community Power and SDG&E (under Resolution No. 2025-01).

Fiscal Impact

N/A

Attachments

N/A

SAN DIEGO COMMUNITY POWER

Staff Report - Item No. 3

To: Board of Directors

From: Gordon Samuel, Chief Commercial Officer

Via: Karin Burns, Chief Executive Officer

Subject: Update on Power Services

Date: November 20, 2025

Recommendation

Recommendation to receive and file update on Power Services.

Background

Staff provide the updates below to the Board of Directors regarding Community Power's energy procurement activities.

Analysis and Discussion:

Power Services Staffing

Building out a team of experienced, knowledgeable energy professionals has long been a top priority and allows Community Power not only to solicit, negotiate, and administer contracts for energy supply effectively, but also to monitor market activity, manage risk, bring in-house several activities that have historically been completed by consultants, and to dedicate additional resources to local and distributed energy procurement and development efforts. The Power Services team is now sixteen people strong.

Compliance

On October 31, 2025, Community Power submitted its annual year-ahead resource adequacy filing. This filing demonstrated Community Power's ability to meet its system resource adequacy requirements. In addition, Load Serving Entities (LSEs) in the San Diego-Imperial Valley (SD-IV) area are required to procure a certain amount of Resource Adequacy (RA) from local resources. Despite making all commercially reasonable efforts to procure SD-IV local resources, SDCP was unable to meet its Local RA obligations for 2026 and 2027. Accordingly, SDCP followed the CA Public Utilities Commission's process to request a waiver for its remaining obligations by filing a Tier 2 Advice Letter on October 31, 2025.

Long-term Renewable Energy Solicitations

As Community Power strives to meet its environmental, financial, and regulatory compliance goals and requirements, long-term power purchase agreements (PPAs) provide developers with the certain revenue stream against which they can finance up-front capital requirements, so each long-term PPA that Community Power signs with a developing facility will underpin a new, incremental renewable energy and/or storage project. In addition, long-term PPAs lock in renewable energy supply around which Community Power can build its power supply portfolio while also hedging power supply costs. Moreover, the California Renewable Portfolio Standard (RPS), as modified in 2015 by Senate Bill 350, requires that Community Power provide 65% of its RPS-required renewable energy from contracts of at least ten years in length. Finally, in California Public Utilities Commission (CPUC) Decision (D.) 21-06-025, the CPUC required each Load Serving Entity (LSE) in California to make significant long-term purchase commitments for resource adequacy from new, incremental generation facilities that will achieve commercial operation during 2023 through 2026 for purposes of "Mid Term Reliability" (MTR). These requirements have been augmented and extended into 2026 and 2027 via CPUC D.23-02-040.

In pursuit of long-term contracts for renewable energy and storage, staff have released several Requests for Offers (RFOs), including an RFO this year that targeted clean-firm resources that can provide 24/7 deliveries. Staff and the Energy Contracts Working Group (ECWG) evaluate all submissions from solicitations prior to entering negotiations with selected participants. Assuming that staff and shortlisted developers can agree to mutually agreeable contracts consistent with terms authorized by the ECWG, staff then review draft terms with the Community Power Board for approval and authorization to execute the relevant documents. To date, staff have enabled the execution of over two dozen long-term contracts for energy, renewable energy credits, and/or capacity from renewable and storage projects.

Staff remain in negotiations for additional resources that are expected to be online between 2027 and 2030. Going forward, staff expect to prioritize projects that increase the portfolio's diversity in terms of technology and innovative contract structures to achieve a pathway to

100% clean energy. Staff will also be increasingly prioritizing local infill projects as described below.

Local Development

Community Power's rolling Local RFI remains open and has yielded eight Board-approved contracts for local generation and storage facilities. The Community Power Board of Directors has approved a portfolio of PV PPAs and energy storage and service agreements. Staff is now actively negotiating with several local projects submitted to the Local RFI over the past several months. Community Power also released an RFO for distributed renewable energy resources (DERs), focusing on a broad range of distribution-level renewable projects within San Diego County. This solicitation has yielded nine Board-approved PPAs and energy storage agreements, and additional agreements resulting from the RFO are possible pending further negotiations. Other ongoing local initiatives include continued collaboration with member agency staff and other local agencies to identify strategic opportunities to further infill development.

As Program Administrators of the CPUC's Disadvantaged Communities Green Tariff (DAC-GT) program, Community Power completed its first solicitation last year. The first DAC-GT PPAs, with Luminia LLC and 1st Oak 2, LLC, subsidiary of 1st Light Sales Corp., were presented to and approved by the Board in January and September, respectively. This month staff executed the three 1st Light PPAs approved by the Board with minor edits to clarify 1st Light Sales Corp.'s role in self-performed work. The second DAC-GT solicitation round was released on April 7th and accepted offers through October 20th. Staff is evaluating offers for shortlisting.

Community Power's Local RFI and Feed-in Tariff remain open. More information is available about each at the links below:

- <https://sdcommunitypower.org/resources/solicitations/>
- <https://sdcommunitypower.org/programs/feed-in-tariff/>

Short-Term RPS Procurement

Community Power staff continue to actively manage its environmental portfolio and closely monitor the market for opportunities to optimize its renewable and carbon-free portfolios. Community Power has recently been evaluating solicitation offers, bilateral offers, and products that meet needs for multiple portfolios – creating greater value for its customers. Community Power will continue to prioritize environmental targets while also ensuring value for our customers.

Market Update

Due to limited resource availability in the broader Western Interconnection, lingering supply chain impacts and long interconnection queues that have delayed development of new-build energy resources, and implementation of tariffs and duties on foreign imports, the market for renewable energy and resource adequacy (RA) continues to be uncertain. Staff are working with developers, industry groups, the CPUC, and CA Governor's Office and legislators to i)

develop near-term solutions while also actively procuring short-term energy and capacity products and long-term energy resources to meet Community Power 's portfolio needs practically and cost-effectively, and ii) to establish a portfolio of resources that will provide value to Community Power and California's clean, reliable energy needs into the future.

Near-term California power markets are on a slight decline due to decreasing electric demand and cooling temperatures. As Fall weather brings less heat and reduced electric demand, markets are watching seasonal heating changes that can impact natural gas supply and by extension, in-state energy supply, and prices. No supply shortfalls are expected, but markets remain sensitive to extreme weather events and unexpected supply shortages.

Fiscal Impact

N/A

Attachments

N/A

SAN DIEGO COMMUNITY POWER

Staff Report – Item 4

TO: Board of Directors

FROM: Jack Clark, Chief Operating Officer
Lucas Utouh, Senior Director of Data Analytics and Customer Operations

VIA: Karin Burns, Chief Executive Officer

SUBJECT: Update on Customer Operations

DATE: November 20, 2025

RECOMMENDATION

Receive and file an update on various customer operations' initiatives.

BACKGROUND

Staff will provide regular updates to the Community Advisory Committee centered around tracking customer opt actions (i.e., opt outs, opt ups, opt downs, and re-enrollments) as well as customer engagement metrics. The following is a brief overview of items pertaining to customer operations.

ANALYSIS AND DISCUSSION

A) Enrollment Update

As of October 29, 2025, Community Power is serving a cumulative total count of **963,721** active accounts.

Customers with newly established accounts or who have moved into a new service address within any and all of our member jurisdictions receive 2 post-enrollment notices through the mail at their mailing address on file within 60 days of their account start date notifying them that they have defaulted to Community Power electric generation service.

Please note that Re-Enrollment values are captured and displayed through September 30, 2025.

B) Customer Participation Tracking

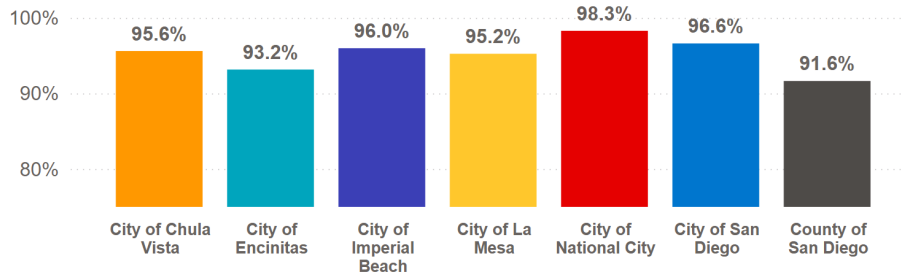
The below charts summarize customer participation by member agency as well as metrics to their elections into San Diego Community Power's four (4) available service options:

**Enrolled
Accounts**
963,721

**Participation
Rate**
95.4%

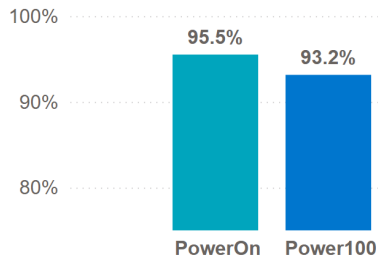
Participation

Participation by Jurisdiction

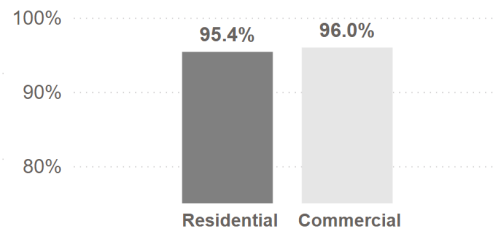


Jurisdiction	Service Option Default	Eligible Accounts	Enrolled Accounts	Participation Rate
City of Chula Vista	PowerOn	99,600	95,217	95.6%
City of Encinitas	Power100	28,935	26,953	93.2%
City of Imperial Beach	PowerOn	10,818	10,382	96.0%
City of La Mesa	PowerOn	29,594	28,184	95.2%
City of National City	PowerOn	19,544	19,206	98.3%
City of San Diego	PowerOn	630,177	608,753	96.6%
County of San Diego	PowerOn	190,999	175,026	91.6%
Total		1,009,667	963,721	95.4%

Participation by Default Service Option



Residential vs Commercial Participation



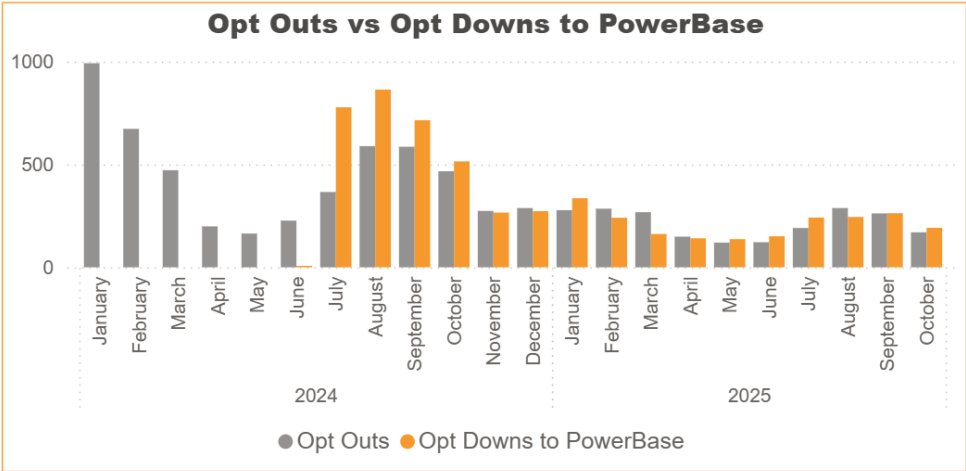
Service Option

PowerBase		PowerOn		Power100		Power100 Green+	
Enrolled	4,837	Enrolled	924,516	Enrolled	34,345	Enrolled	23
Participation	0.5%	Participation	95.9%	Participation	3.6%	Participation	0.0%

Service Option Enrollment Summary

Jurisdiction	Service Option Default	Enrolled Accounts	Power Base Enrolled	Power Base %	PowerOn Enrolled	PowerOn %	Power 100 Enrolled	Power 100%	Power100 Green+ Enrolled	Power100 Green+%
City of Chula Vista	PowerOn	95,217	453	0.5%	93,853	98.6%	911	1.0%		
City of Encinitas	Power100	26,953	192	0.7%	400	1.5%	26,361	97.8%		
City of Imperial Beach	PowerOn	10,382	38	0.4%	10,264	98.9%	80	0.8%		
City of La Mesa	PowerOn	28,184	137	0.5%	27,785	98.6%	262	0.9%		
City of National City	PowerOn	19,206	57	0.3%	19,119	99.5%	30	0.2%		
City of San Diego	PowerOn	608,753	2,578	0.4%	600,251	98.6%	5,901	1.0%	23	0.0%
County of San Diego	PowerOn	175,026	1,382	0.8%	172,844	98.8%	800	0.5%		
Total		963,721	4,837	0.5%	924,516	95.9%	34,345	3.6%	23	0.0%

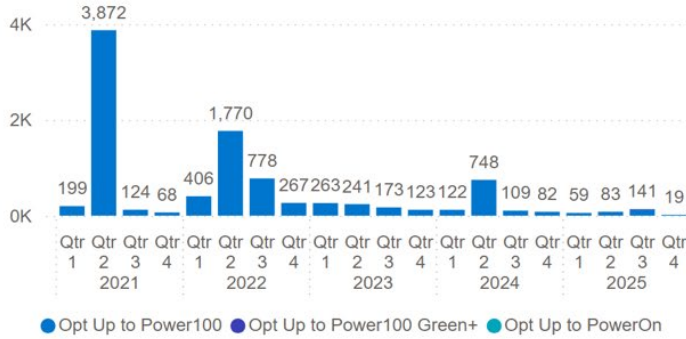
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Opt Up History

Total Opt Ups	Opt Ups Current*
9,647	8,081

Opt Ups Quarterly



Opt Ups Monthly

Last 4 Months



Opt Ups by Jurisdiction

Jurisdiction	2021	2022	2023	2024	2025 YTD	Total
City of Chula Vista	710	175	61	49	20	1,015
City of Encinitas	18	1	1	3	1	24
City of Imperial Beach	60	29	11	6	4	110
City of La Mesa	155	120	19	12	4	310
City of National City			12	24	1	37
City of San Diego	3,316	2,896	489	340	239	7,280
County of San Diego	4		207	627	33	871
Total	4,263	3,221	800	1,061	302	9,647

Opt Ups by Customer Class

Customer Class	2021	2022	2023	2024	2025 YTD	Total
Commercial	4,256	296	232	701	129	5,614
Residential	7	2,925	568	360	173	4,033
Total	4,263	3,221	800	1,061	302	9,647

Opt Ups by Method

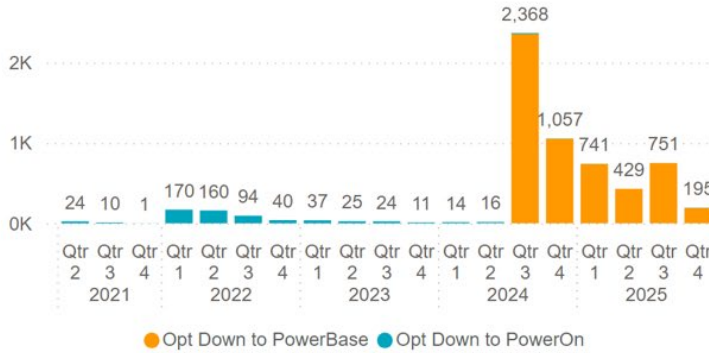
Opt Method	2021	2022	2023	2024	2025 YTD	Total
CSR	4,232	1,372	301	817	173	6,895
IVR	4	85	84	42	19	234
Web	27	1,764	415	202	110	2,518
Total	4,263	3,221	800	1,061	302	9,647

*Current indicates the account is open with SDG&E and this opt action is their latest opt action

Opt Down History

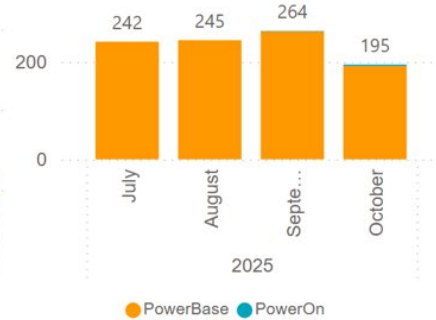
Total Opt Downs 6,167	Opt Downs Current* 5,303
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Opt Downs Quarterly



Opt Downs Monthly

Last 4 Months



Opt Downs by Jurisdiction

Jurisdiction	2021	2022	2023	2024	2025 YTD	Total
City of Chula Vista		2	4	287	226	519
City of Encinitas	35	429	74	150	92	780
City of Imperial Beach		1		31	16	48
City of La Mesa		4		106	56	166
City of National City				36	32	68
City of San Diego		28	13	1,793	1,186	3,020
County of San Diego			6	1,052	508	1,566
Total	35	464	97	3,455	2,116	6,167

Opt Downs by Customer Class

Customer Class	2021	2022	2023	2024	2025 YTD	Total
Commercial	34	23	9	508	153	727
Residential	1	441	88	2,947	1,963	5,440
Total	35	464	97	3,455	2,116	6,167

Opt Downs by Method

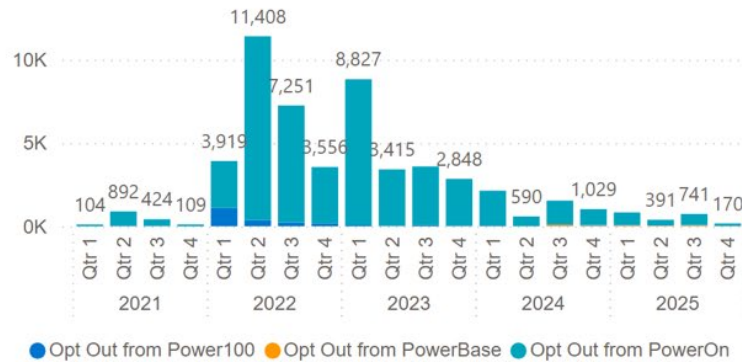
Opt Method	2021	2022	2023	2024	2025 YTD	Total
CSR	31	311	65	2,562	1,336	4,305
IVR	4	26	3	309	233	575
Web		127	29	584	547	1,287
Total	35	464	97	3,455	2,116	6,167

*Current indicates the account is open with SDG&E and this opt action is their latest opt action

Opt Out History

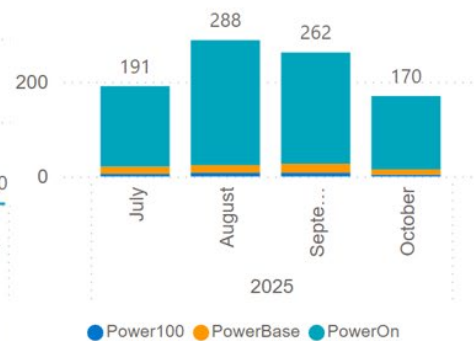
Total Opt Outs	Opt Outs Current*
53,776	44,967

Opt Outs Quarterly



Opt Outs Monthly

Last 4 Months



Opt Outs by Jurisdiction

Jurisdiction	2021	2022	2023	2024	2025 YTD	Total
City of Chula Vista	267	3,466	747	411	185	5,076
City of Encinitas	66	1,870	230	118	52	2,336
City of Imperial Beach	32	343	99	60	17	551
City of La Mesa	84	1,269	235	128	54	1,770
City of National City			285	75	30	390
City of San Diego	1,078	19,185	3,185	1,836	952	26,236
County of San Diego	2	1	13,902	2,669	843	17,417
Total	1,529	26,134	18,683	5,297	2,133	53,776

Opt Outs by Customer Class

Customer Class	2021	2022	2023	2024	2025 YTD	Total
Commercial	1,492	535	1,684	344	114	4,169
Residential	37	25,599	16,999	4,953	2,019	49,607
Total	1,529	26,134	18,683	5,297	2,133	53,776

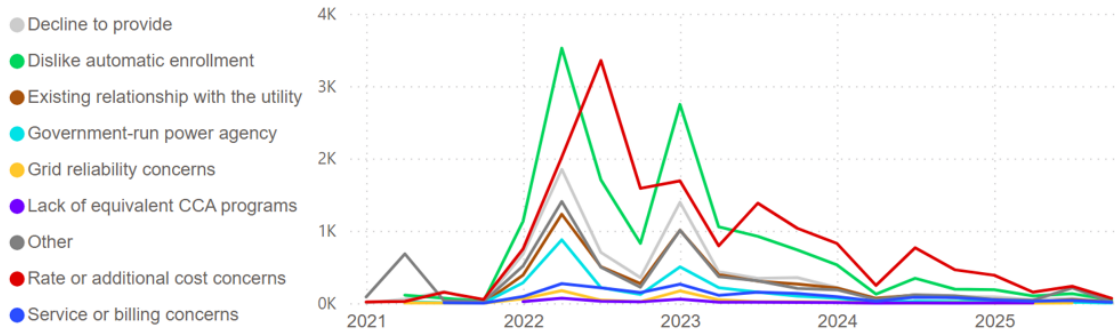
Opt Outs by Method

Opt Method	2021	2022	2023	2024	2025 YTD	Total
CSR	1,104	6,963	4,706	1,653	642	15,068
IVR	102	4,886	3,789	1,284	401	10,462
Web	323	14,285	10,188	2,360	1,090	28,246
Total	1,529	26,134	18,683	5,297	2,133	53,776

*Current indicates the account is open with SDG&E and this opt action is their latest opt action

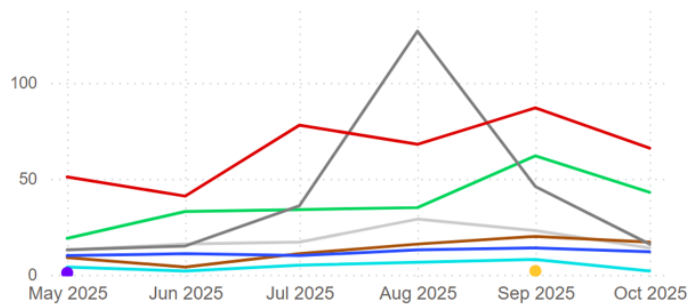
Opt Out Reason Summary

Opt Outs by Reason Quarterly



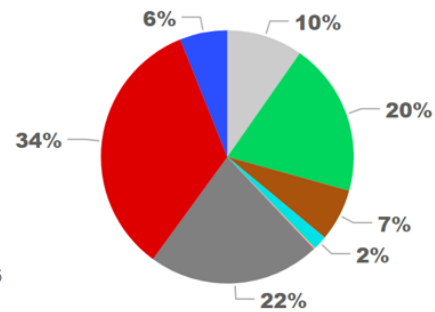
Opt Outs by Reason Monthly

Last 6 Calendar Months



Opt Out Reason Distribution

Last 6 Calendar Months

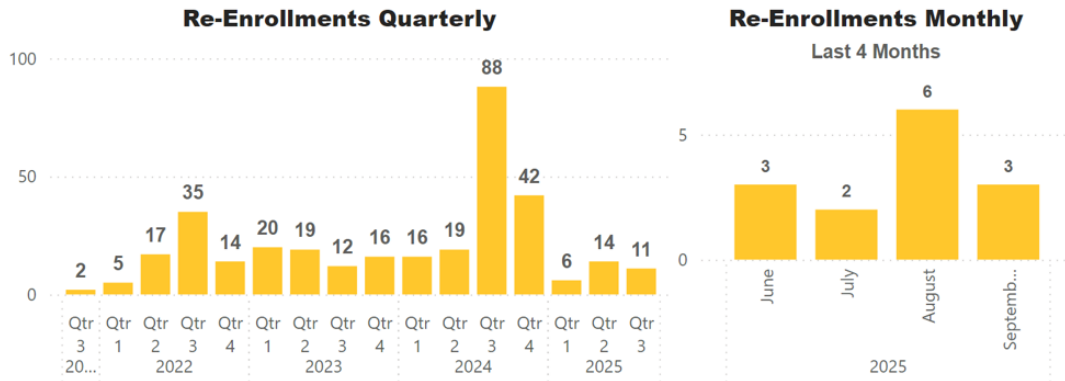


Opt Outs by Reason Table

Opt Out Reason	2021	2022	2023	2024	2025 YTD	Total
Decline to provide	228	3,583	2,519	465	215	7,010
Dislike automatic enrollment	203	7,187	5,458	1,188	459	14,495
Existing relationship with the utility	2	2,389	1,968	462	131	4,952
Government-run power agency	24	1,490	961	129	50	2,654
Grid reliability concerns	7	293	252	20	4	576
Lack of equivalent CCA programs		131	90	12	5	238
Other	819	2,636	1,884	453	315	6,107
Rate or additional cost concerns	240	7,707	4,897	2,296	835	15,975
Service or billing concerns	6	718	654	272	119	1,769
Total	1,529	26,134	18,683	5,297	2,133	53,776

Re-Enrollment Requests

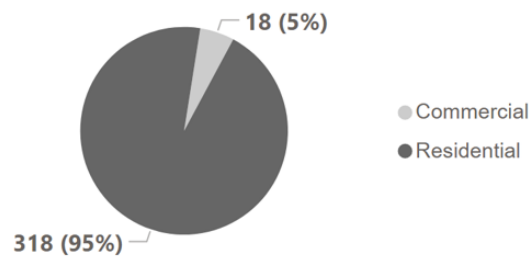
Excludes closed accounts



Re-Enrollments by Jurisdiction

Jurisdiction	Accounts
City of Chula Vista	24
City of Encinitas	29
City of Imperial Beach	4
City of La Mesa	7
City of National City	1
City of San Diego	203
County of San Diego	68
Total	336

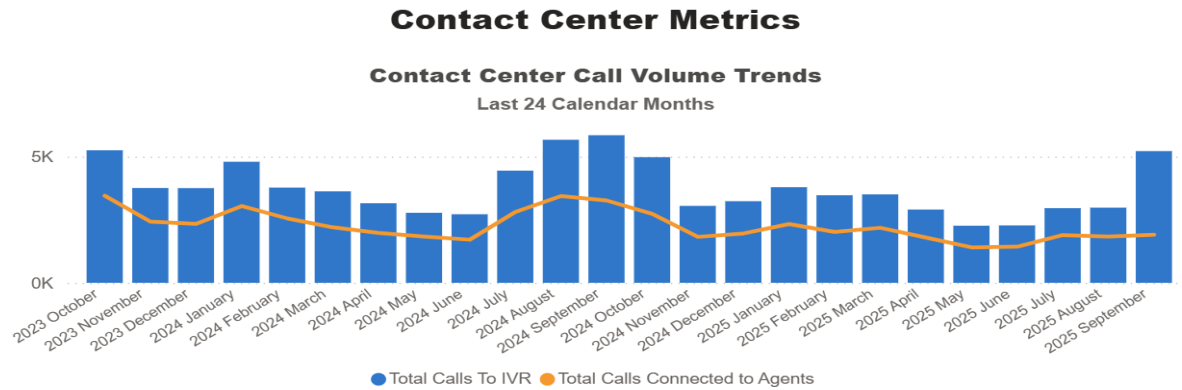
Re-Enrollments Residential vs Commercial



C) Contact Center Metrics

Please note that Contact Center Metrics are captured and displayed through September 30, 2025. As expected, calls to our Contact Center seem to have reached peak volume in the month of September in 2025 thus far as customers have continued to receive bills for higher usage, especially for bill periods covering the month of August due to quite a few hot days during that month. We are expecting calls to remain high in the month of October as customers receive their bills for usage covering the month of September. As noted in prior reports to the Board, this observation is a standard trend that we notice year over year across the CCA space.

The chart below summarizes contact made by customers into the Contact Center broken down by month:



Interactive Voice Response (IVR) and Service Level Agreement (SLA) Metrics

	2021	2022	2023	2024	2025 YTD	Total
Total Calls to IVR	2,289	47,118	52,977	48,073	29,369	179,826
Total Calls Connected to Agents	1,401	30,174	34,173	29,332	16,786	111,866
Avg Seconds to Answer	20.00	11.50	6.75	18.08	9.89	13.06
Avg Call Duration (Minutes)	8.5	9.8	9.6	9.6	8.9	9.3
Calls Answered Within 60 Seconds (75% SLA)	96.23%	95.50%	97.57%	91.74%	95.58%	95.26%
Abandon Rate	0.57%	0.36%	0.19%	0.72%	0.43%	0.45%



Customer Service Email Volume Trends

Last 24 Calendar Months



Customer Service Emails

	2021	2022	2023	2024	2025 YTD	Total
Emails Received	272	2,894	2,116	1,271	784	7,337
Emails Answered or Escalated Within 24 Hours	257	2,821	2,107	1,270	784	7,239
Completion%	94%	96%	100%	100%	100%	98%

San Diego Community Power anticipates that the trend of customers calling into the Contact Center's Interactive Voice Response (IVR) system tree and being able to self-serve their opt actions using the recorded prompts as well as utilizing Community Power's website for processing opt actions will continue to account for the majority of all instances. The remaining portion of customer calls are connected to Customer Service Representatives to answer additional questions, assist with account support, or process opt actions.

As of this latest reporting month, Community Power still maintains nine Dedicated Customer Service Representatives staffed at the Contact Center and 1 Supervisor. Robust Quality Assurance (QA) procedures are firmly in place to ensure that customers are getting a world-class customer experience when they contact Community Power.

FISCAL IMPACT

N/A

ATTACHMENTS

N/A

SAN DIEGO COMMUNITY POWER

Staff Report – Item 5

To: Board of Directors

From: Jack Clark, Chief Operating Officer
Stephen Yi, Associate Director of IT and Data Analytics

Via: Karin Burns, Chief Executive Officer

Subject: Update on IT and Data Analytics

Date: November 20, 2025

Recommendation

Receive and file an update on IT and Data Analytics

Background

Community Power onboarded the Associate Director of IT and Data Analytics in February 2025 to continue its commitment to building a world-class in-house IT and analytics service team. In recent months, the IT and Data Analytics teams have led key technology projects aimed at simplifying processes, transforming operations, and improving effectiveness with low-cost, efficient solutions. Improvements in cybersecurity measures were also implemented.

Analysis and Discussion

Information Technology

In October, the IT team successfully resolved 91 support tickets, maintaining a 94.7% SLA compliance rate and achieving a 100% resolution rate for Q3. These efforts contributed to a 15% reduction in average response times, enhancing overall service efficiency. Additionally, improvements to incident reporting processes increased accountability and led to an estimated 8% boost in customer satisfaction scores, ensuring a more reliable and transparent IT support experience.

Cybersecurity

Within the last month, the cybersecurity team successfully completed cybersecurity awareness training, contributing to a 5% reduction in phishing vulnerability across the organization. Additionally, protocols for incident detection and escalation were strengthened, improving response efficiency and enabling faster containment of potential threats. These initiatives enhanced the organization's overall security posture and reduced risk exposure.

Data Analytics

Enterprise Data Platform (EDP)

Development of Iteration 3 is progressing toward production go-live. The project team is actively engaging with data providers to implement enhancements to foundational datasets and establish incremental load processes, which are critical for the next phase of deployment. Concurrently, the Data and IT teams are collaborating with internal departments to define and align the roadmap for future platform development.

Business Intelligence

A new Power BI internal workspace and associated reports have been successfully deployed to staff, leveraging data from the Enterprise Data Platform. The team continues to provide comprehensive support for organizational data requests through the established ticketing system.

Fiscal Impact

N/A

Attachments

N/A

SAN DIEGO COMMUNITY POWER

Staff Report - Item No. 6

To: Board of Directors

From: Chandra Pugh, Senior Director of People and Administrative Services

Via: Karin Burns, Chief Executive Officer

Subject: Update on Human Resources

Date: November 20, 2025

Recommendation

Receive and file the update on human resources.

Background

Staff provide regular updates to the Board of Directors regarding Community Power's human resources activities.

Analysis and Discussion

The HR team has been focused on preparing for open enrollment this month. Open enrollment is the annual period to choose or change health insurance plans. During this time, employees review and select their benefits, while Community Power assesses our current plan's cost and effectiveness to prepare for the next cycle. In preparation, the HR team diligently evaluated rates and made recommendations to the executive team as part of the benefits renewal process for the upcoming year.

End-of-year HR activities include performance reviews, updating policies and employee information, and strategic planning like setting next year's budget and reviewing HR metrics. Other key tasks are ensuring data management and record-keeping are up to date, managing benefits and payroll, and organizing employee engagement activities like year-end recognition events. Lastly, we introduced our Pathways to Leadership framework for Individual contributors seeking to gain people leadership opportunities and skills development. Together, we are building a culture where leadership is earned through learning, collaboration, and impact. This is an essential step toward building the capabilities that make great leaders.

Hiring:

We welcomed Megan Phelps as our newest Programs Associate. Megan received a B.S. in Environmental Science and Management from UC Davis and is a passionate climate professional with over with five years of experience in local climate program development and climate justice.

Current open positions:

Associate Director of Finance - Capital Investments Plan
Paralegal
Procurement Analyst
Senior IT Systems Engineer

Fiscal Impact

N/A

Attachments

N/A

SAN DIEGO COMMUNITY POWER

Staff Report - Item 7

To: Board of Directors

From: Jack Clark, Chief Operating Officer
Jen Lebron, Senior Director of Public Affairs

Via: Karin Burns, Chief Executive Officer

Subject: Community Advisory Committee Monthly Update

Date: November 20, 2025

Recommendation

Receive and file the Community Advisory Committee (CAC) monthly update.

Background

Per Section 5.10.3 of the San Diego Community Power (Community Power) Joint Powers Authority Agreement:

The Board shall establish a Community Advisory Committee comprised of non-Board members. The primary purpose of the Community Advisory Committee shall be to advise the Board of Directors and provide a venue for ongoing citizen support and engagement in the strategic direction, goals, and programs of Community Power.

At the direction of the Board Chair, the CAC provides quarterly reports to the Board of Directors on the regular agenda and monthly updates on the consent agenda. The next quarterly report is expected to take place at the December 11, 2025, Board meeting.

Analysis and Discussion

During the November 13, 2025, regular CAC meeting, Vice-Chair Montero-Adams (City of San Diego) welcomed new Community Power staff and led the approval of the consent agenda, which included updates on Customer Operations, Marketing, Public Relations and Local Government Affairs, and Power Services, as well as the approval of the 2026 CAC Meeting

Schedule and a recommendation that the Board adopt a resolution to approve proposed revisions to existing Renewable Energy Self-Generation Bill Credit Transfer Tariff.

The CAC received an informational update on Battery Energy Storage Systems from CleanTech San Diego. Members asked how Community Power can be more proactive in the planning for these projects and about specific audiences included in the survey, as well as audiences receiving the summary of the survey's findings for educational purposes.

The CAC also learned about ongoing Regulatory and Legislative Affairs efforts. Members asked clarifying questions on energy crossing state lines and commended the team for continuing to work in invisible ways to protect ratepayers, encouraging the Public Affairs team to consider storytelling strategies to communicate regulatory successes that prevent adverse impacts to rates and ratepayers.

The Programs team also provided updates on the Smart Home Flex Project, where members asked clarifying questions on water heating technologies, and the California Energy Commission Grant Agreement EPC-25-015, where the CAC discussed the impact of electric vehicles with bigger batteries on this type of program and the conventional charging times.

Lastly, the CAC created the following ad-hoc committees, and will be assigning volunteers:

- 2026 CAC Work Plan Ad-Hoc Committee, which will revise the annual work plan;
- Community Power Plan Review, which will assess progress towards programming implementation; and
- Distributed Energy Resources/Local Infill Ad-Hoc Committee, which will review local procurement strategies.

No items were recommended for the Board of Directors. Members shared an overview of the actions taken by the Board of Directors during its last meeting, announcements on community outreach and meetings. Vice-Chair Montero-Adams volunteered to provide a report to the CAC on the next Board of Directors meeting.

As of November 5, 2025, the CAC has two vacancies representing the City of Encinitas and the City of Imperial Beach. Members of the public must be residents, community leaders, and/or business owners of the respective jurisdictions and may submit their applications electronically. The vacancies are advertised at meetings, community events, and through Community Power's social media.

Fiscal Impact

N/A

Attachments

N/A



SAN DIEGO COMMUNITY POWER

Staff Report – Item 8

To: Board of Directors

From: Jack Clark, Chief Operating Officer
Jen Lebron, Senior Director of Public Affairs

Via: Karin Burns, Chief Executive Officer

Subject: Update on Marketing, Public Relations, and Local Government Affairs

Date: November 20, 2025

Recommendation

Receive and file an update on marketing, public relations, and local government affairs activities for San Diego Community Power (Community Power).

Background

Community Power has engaged in a variety of public relations, marketing, community outreach, and local government affairs activities to drive awareness, spark community engagement, and maintain high customer enrollment.

Analysis and Discussion

Community Power's Public Affairs Department has been participating in events across our member agencies as it aims to increase general awareness and answer questions in a friendly, helpful manner.

Recent and Upcoming Public Engagement Events

San Diego Regional Chamber of Commerce Circle of Influence Reception
San Diego Climate Week: Sustainable Business & Film Night
San Diego Climate Week: Latinx in Sustainability Panel
Sherman Heights Community Center Noche de Mole
Tree San Diego Plant-A-Thon
Startup Week Cleantech Panel
Asian Business Association 35th Annual Awards
Environmental Health Coalition RICCE Resource Fair

California Energy Storage Alliance Market Development Forum
Spirit of the Barrio Luncheon
Imperial Beach Collaborative
San Diego Wave Futbol Club Fan Fest
County of San Diego Pumpkin Patch at Waterfront Park
Live Well Advance Conference
Chula Vista Chamber Bayfront Business Expo
MAAC 2025 Soiree
City of Imperial Beach Spooktacular Trunk or Treat
Circulate San Diego Momentum Awards
San Diego Environmental Film Festival
San Diego Regional Climate Collaborative Mixer
La Mesa Farmers Market
Jackie Robinson Family YMCA Halloween Spooktacular
MANA de San Diego Brindis Gala
Jackie Robinson Family YMCA Resource Fair
San Diego Regional Chamber of Commerce Legislative Lounge
Lesley K. McAllister Symposium on Climate and Energy Law
National City Farmers Market
Climate Action Campaign's Community Climate Conversations
Thanksgiving Grocery Giveaway and Resource Fair
Boys & Girls Club of South County Feed the Kids & Families
MAAC Senior Food Distribution
Surfrider Pacific Beach Cleanup
National City District 3 Neighborhood Thanksgiving

Marketing, Communications and Outreach

The Public Affairs team has been working diligently behind the scenes to support programmatic efforts, including the launch of the San Diego Regional Energy Network and relaunch of the Solar Battery Savings program. It is also ramping up efforts to promote pilot programs, including one that helps customers repair their roofs to be ready for solar installations, and another that will distribute grants to small businesses that would benefit from more efficient refrigerators. The Public Affairs team is working closely with internal and external stakeholders to encourage participation in these programs and leveraging relationships with community partners to amplify our marketing and outreach efforts.

The Marketing and Communications division has also been working on a website refresh and brand update. After a survey of more than 4,700 stakeholders including customers, board members, CAC members and staff, the team is making improvements to the website to enhance navigability and increase accessibility. The website was officially launched earlier this week. As a companion to the website update, Community Power brand standards are being refreshed to create more easily recognizable, consistent imagery.

Community Power has continued its efforts to connect with local leaders through meetings and community events.

The Public Affairs team will continue to develop new strategies, processes and capacity over the next several months to conduct more community outreach, expand marketing and brand awareness efforts, and provide timely, accurate information across multiple channels.

Local Government Affairs

Community Power continues to meet with and work with local governments and tribal nations throughout the greater San Diego region. It has made a concerted effort to reach out to newly elected officials in all seven member agencies to provide education about the organization.

Fiscal Impact

N/A

Attachments

N/A

SAN DIEGO COMMUNITY POWER

Staff Report – Item 9

To: Board of Directors

From: Dr. Eric W. Washington, Chief Financial Officer/Treasurer

Via: Karin Burns, Chief Executive Officer

Subject: Treasurer's Report for Period Ending August 31, 2025

Date: November 20, 2025

Recommendation

Receive and File Treasurer's Report for Period Ending August 31, 2025.

Background

San Diego Community Power (Community Power) prepares its accounting records on a full accrual basis under GAAP for governmental enterprise funds. Year-to-date financial statements for the two-month period ending August 31, 2025, include budget comparisons.

The Board adopted an Investment Policy on May 25, 2023, with subsequent revisions on June 27, 2024, and August 28, 2025, to ensure the safeguarding of principal, preservation of liquidity, generation of returns, and adherence to a high standard of fiduciary care. The policy requires regular reporting to the Financial and Risk Management Committee (FRMC) via the Treasurer's Report.

To enhance transparency, Community Power reports newly executed contracts between \$50,000 and \$150,000 in the Treasurer's Report, per the Delegated Contract Authority Policy. Monthly operational metrics are presented at Board meetings, and key risk metrics are shared during FRMC meetings as part of the Treasurer's Report.

On June 26, 2025, the Community Power Board of Directors (Board) approved the Fiscal Year 2025-26 Operating Budget, which serves as the basis for comparison in this report.

Table 1: Budget Comparison Versus Actual Results

**SAN DIEGO COMMUNITY POWER OPERATING FUND
BUDGETARY COMPARISON SCHEDULE
Two Months Ended August 31, 2025**

	Year-to-Date				Annual	
	Budget	Actual	Budget Variance (Under) Over	Actual/ Budget %	Budget	Budget Remaining
REVENUES AND OTHER SOURCES						
Gross Ratepayer Revenues	323,700,000	\$ 313,406,353	(10,293,647)	97%	1,220,987,000	\$ 907,580,647
Less: Uncollectible Customer Accounts	(5,665,000)	(4,701,095)	963,905	83%	(21,367,000)	(16,665,905)
Total Revenues and Other Sources	318,035,000	308,705,258	(9,329,742)		1,199,620,000	890,914,742
OPERATING EXPENSES						
Cost of Energy	234,931,000	223,237,904	(11,693,096)	95%	956,691,000	733,453,096
Professional Services and Consultants	4,119,000	3,052,362	(1,066,638)	74%	24,713,000	21,660,638
Personnel Costs	3,535,000	3,142,615	(392,385)	89%	21,209,000	18,066,385
Marketing and Outreach	411,000	424,120	13,120	103%	2,464,000	2,039,880
General & Administrative	978,000	852,899	(125,101)	87%	5,867,000	5,014,101
Total Operating Expenses	243,974,000	230,709,900	(13,264,100)		1,010,944,000	780,234,100
Operating Income (Loss)	74,061,000	77,995,358	3,934,358		188,676,000	110,680,642
NON-OPERATING REVENUES (EXPENSES)						
Investment Income	-	2,467,988	2,467,988	N/A	-	(2,467,988)
Interest and Related Expenses	(315,000)	(309,806)	5,194	98%	(1,893,000)	(1,583,194)
Transfer to Capital Investment Program	(22,170,000)	(22,170,000)	-	100%	(22,170,000)	-
Total Non-Operating Revenues (Expenses)	(22,485,000)	(20,011,817)	2,473,183		(24,063,000)	(4,051,183)
NET CHANGE	<u>\$ 51,576,000</u>	<u>\$ 57,983,540</u>	<u>\$ 6,407,540</u>		<u>\$ 164,613,000</u>	<u>\$ 106,629,460</u>

Analysis and Discussion

Actual financial results for the period ended August 31, 2025: \$308.7 million in net operating revenues were reported compared to \$318.0 million budgeted for the period. Community Power's change in net position of \$58.0 million was reported year-to-date for Fiscal Year 2025-26. The following is a summary of the actual results compared to the Fiscal Year 2025-26 Adopted Budget

- Operating revenues year-to-date are \$9.3 million, or 2.9% under budget primarily due to cooler temperatures driving lower energy sales.
- Operating expenses year-to-date are \$13.3 million, or 6.0% under budget, primarily due to lower costs of energy primarily as a result of timing differences due to accruals of REC pricing.
- Investment Income: Favorable variance of \$2.5 million year-to-date. Investment returns are not budgeted and will be reflected in financial statements as realized.
- Professional Services and Consultants: \$1.1 million below year-to-date budget, mainly due to lower-than-expected utilization of outside professional services.
- Personnel Costs: \$0.4 million under budget, driven by vacancies and accrued vacation.

Community Power reserves at the end of the period totaled \$439.9 million, including \$357.7 million in unrestricted cash and \$82.1 million in investment holdings. Total available liquidity (including unrestricted cash, investment holdings, and lines of credit availability) was \$667.4 million. Community Power has a total Fiscal Year 2025-26 year-end reserve target of \$498.5 million which is equivalent to 180-days of total Fiscal Year 2025-26 budgeted operating expenses as set in Community Power's Reserve Policy and Strategic Goals.

Investment Portfolio Report

Chandler Asset Management manages Community Power's investment portfolio. As of August 31, 2025, the market value of the portfolio was \$83.2 million compared to the \$82.3 million market value as July 31, 2025. The following is a snapshot of the overall characteristics of the portfolio.

PORTFOLIO SUMMARY



San Diego Community Power | Account #11293 | As of August 31, 2025

Portfolio Characteristics

Average Modified Duration	2.60
Average Coupon	4.08%
Average Purchase YTM	4.26%
Average Market YTM	3.87%
Average Credit Quality*	AA
Average Final Maturity	3.10
Average Life	2.68

Account Summary

	End Values as of 07/31/2025	End Values as of 08/31/2025
Market Value	81,793,533.50	82,628,896.17
Accrued Interest	545,739.27	583,194.30
Total Market Value	82,339,272.77	83,212,090.47
Income Earned	263,406.61	196,973.02
Cont/WD	10,000,000.00	0.00
Par	82,054,487.97	82,283,205.83
Book Value	81,504,197.45	81,754,160.74
Cost Value	81,430,898.98	81,669,386.28

Top Issuers

Government of The United States	51.52%
FHLMC	10.71%
PACCAR Inc	1.34%
American Express Credit Master Trust	1.29%
Royal Bank of Canada	1.16%
John Deere Owner Trust	1.15%
Wells Fargo & Company	1.11%
Mercedes-Benz Auto Receivables Trust	1.10%

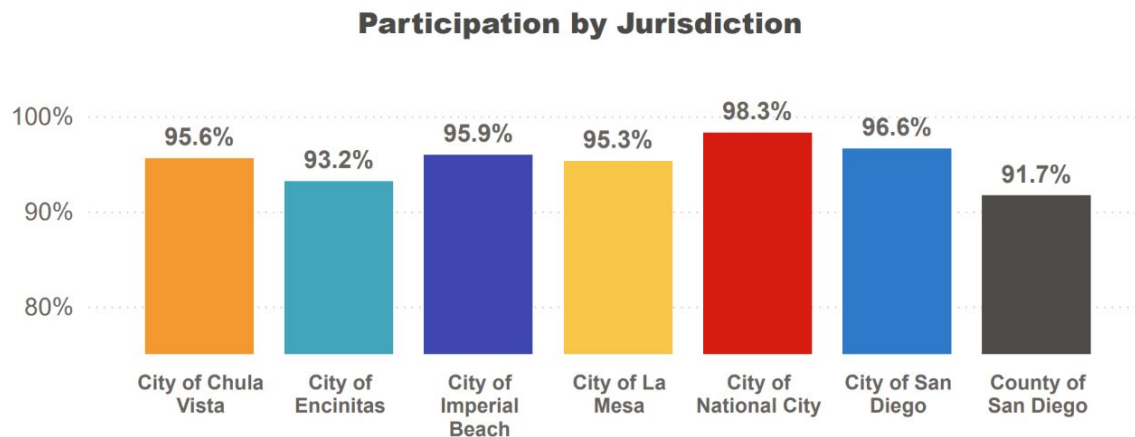
August 2025 Contract Execution between \$50,000 and \$150,000

Temporary Staffing Services

- Vendor: LHI, Inc.
- Contract Total: \$140,000

Customer Participation Rates

Metrics Figure 2: Participation Rates as of 10/1/2025



Jurisdiction	Service Option Default	Eligible Accounts	Enrolled Accounts	Participation Rate
City of Chula Vista	PowerOn	99,384	95,012	95.6%
City of Encinitas	Power100	28,918	26,938	93.2%
City of Imperial Beach	PowerOn	10,811	10,373	95.9%
City of La Mesa	PowerOn	29,578	28,174	95.3%
City of National City	PowerOn	19,514	19,176	98.3%
City of San Diego	PowerOn	629,320	607,944	96.6%
County of San Diego	PowerOn	190,903	174,995	91.7%
Total		1,008,428	962,612	95.5%

The participation rate for Community Power reflects full enrollment of current member agencies. We are reporting on the opt outs and eligible accounts associated with the phase based on those accounts that we have noticed for enrollment on a rolling basis as of the reporting month.

Staff are also presenting the state of Community Power Arrearages related to financial risk for FRMC consideration and for regular review. The below arrearage data includes Community Power's Receivables aged 120+ Days as of October 1, 2025.

Figure 3: State of Community Power Arrearages as of 10/1/2025

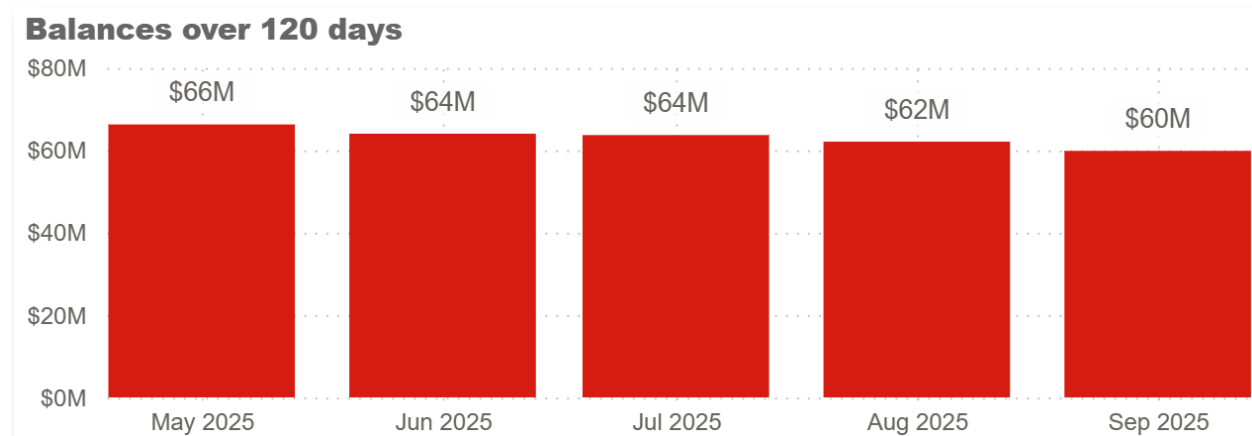
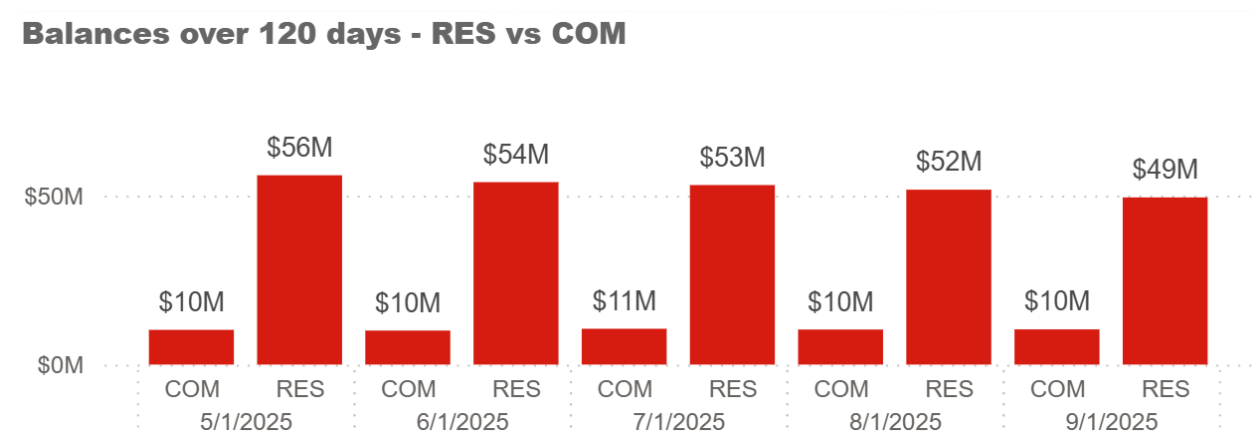


Figure 4: State of Community Power Arrearages Residential vs Commercial as of 10/1/2025



Fiscal Impact

N/A

Strategic Plan

Strategic Plan of practicing fiscal strategies to promote long-term organizational sustainability.

Committee Review

The Finance and Risk Management Committee received and filed this report at their November 13 meeting.

Attachments

A: FY 2026 Year-to-Date Period Ended August 31,2025, Financial Statements.



ITEM 9

ATTACHMENT A



ACCOUNTANTS' COMPILATION REPORT

Management
San Diego Community Power

Management is responsible for the accompanying financial statements of San Diego Community Power (a California Joint Powers Authority) which comprise the statement of net position as of August 31, 2025, and the related statement of revenues, expenses, and changes in net position, and the statement of cash flows for the two months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, conclusion, nor provide any assurance on these financial statements.

Management has elected to omit substantially all of the note disclosures required by accounting principles generally accepted in the United States of America in these interim financial statements. San Diego Community Power's annual audited financial statements include the note disclosures omitted from these interim statements. If the omitted disclosures were included in these financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to the Authority because we performed certain accounting services that impaired our independence.

Maher Accountancy

San Rafael, CA
October 9, 2025

SAN DIEGO COMMUNITY POWER
STATEMENT OF NET POSITION
As of August 31, 2025

ASSETS

Current assets	
Cash and cash equivalents - unrestricted	\$ 357,664,335
Cash and cash equivalents - restricted	25,724,644
Accounts receivable, net of allowance	150,200,457
Accrued revenue	101,293,724
Prepaid expenses	20,399,193
Other receivables	4,982,605
Deposits	12,163,108
Investments	1,960,099
Total current assets	<u>674,388,165</u>
Noncurrent assets	
Cash and cash equivalents - restricted	647,000
Investments	80,252,389
Capital assets, net of depreciation and amortization	1,125,149
Total noncurrent assets	<u>82,024,538</u>
Total assets	<u><u>756,412,703</u></u>

LIABILITIES

Current liabilities	
Accrued cost of electricity	160,409,600
Accounts payable	3,536,891
Other accrued liabilities	2,429,523
State surcharges payable	419,044
Deposits - energy suppliers	383,731
Lease liability	862,962
Advances from grantors	25,224,644
Total current liabilities	<u>193,266,395</u>
Noncurrent liabilities	
Lease liability	448,056
Deposits - energy suppliers	7,443,450
Total noncurrent liabilities	<u>7,891,506</u>
Total liabilities	<u><u>201,157,901</u></u>

NET POSITION

Restricted for security collateral	1,147,000
Unrestricted	554,107,802
Total net position	<u><u>\$ 555,254,802</u></u>

**SAN DIEGO COMMUNITY POWER
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
Two Months Ended August 31, 2025**

OPERATING REVENUES

Electricity sales, net	\$ 308,705,258
Grant revenue	31,071
Total operating revenues	<u>308,736,329</u>

OPERATING EXPENSES

Cost of electricity	223,237,904
Contract services	3,660,330
Staff compensation	3,142,615
Other operating expenses	1,933,504
Depreciation and amortization	192,393
Total operating expenses	<u>232,166,746</u>
Operating income	<u>76,569,583</u>

NON-OPERATING REVENUES (EXPENSES)

Investment income	2,467,988
Interest expense	(14,933)
Nonoperating revenues (expenses), net	<u>2,453,055</u>

CHANGE IN NET POSITION

	79,022,638
Net position at beginning of year	476,232,164
Net position at end of year	<u><u>\$ 555,254,802</u></u>

SAN DIEGO COMMUNITY POWER
STATEMENT OF CASH FLOWS
Two Months Ended August 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 246,399,702
Receipts of supplier security deposits	268,448
Receipts from wholesale sales and other operating activities	602,872
Payments to suppliers for electricity	(163,478,705)
Payments for other goods and services	(6,216,590)
Payments for deposits and collateral	(100,000)
Payments for staff compensation	(3,179,290)
Payments of state surcharges	(535,146)
Net cash provided by operating activities	<u>73,761,291</u>

**CASH FLOWS FROM CAPITAL AND RELATED
FINANCING ACTIVITIES**

Payments of lease liability	<u>(155,964)</u>
Net cash used by capital and related financing activities	<u>(155,964)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Investment income received	2,122,083
Proceeds from investment sales and maturities of investments	1,236
Purchase of investments	<u>(10,866,913)</u>
Net cash provided (used) by investing activities	<u>(8,743,594)</u>

Net change in cash and cash equivalents	64,861,733
Cash and cash equivalents at beginning of year	<u>319,174,246</u>
Cash and cash equivalents at end of year	<u>\$ 384,035,979</u>

Reconciliation to the Statement of Net Position

Unrestricted cash and cash equivalents - current	\$ 357,664,335
Restricted cash and cash equivalents - current	25,724,644
Restricted cash and cash equivalents - noncurrent	647,000
Cash and cash equivalents	<u>\$ 384,035,979</u>

NONCASH INVESTING ACTIVITIES

Change in fair value of investments	\$ 284,171
Change in interest income receivable	\$ 61,734

SAN DIEGO COMMUNITY POWER
STATEMENT OF CASH FLOWS (continued)
Two Months Ended August 31, 2025

**RECONCILIATION OF OPERATING INCOME TO NET
CASH PROVIDED BY OPERATING ACTIVITIES**

Operating income	\$ 76,569,583
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation and amortization expense	192,393
(Increase) decrease in:	
Accounts receivable, net	(34,173,234)
Accrued revenue	(28,551,365)
Prepaid expenses	3,402,942
Other receivables	(820,880)
Deposits	(1,068,897)
Increase (decrease) in:	
Accrued cost of electricity	58,207,434
Accounts payable	(274,081)
Advances from grantors	(31,070)
Other accrued liabilities	269,568
State surcharges payable	(116,102)
Deposits - energy suppliers	155,000
Net cash provided by operating activities	<u>\$ 73,761,291</u>

SAN DIEGO COMMUNITY POWER

FY25 - Supplemental Operating Budget Details

Two Months Ended August 31, 2025

	2025/26 YTD Budget	2025/26 YTD Actual	2025/26 YTD Budget Variance (Under) Over	2025/26 YTD Actual/ Budget %	2025/26 Annual Budget	2025/26 Budget Remaining
OPERATING REVENUES						
Gross Ratepayer Revenues	\$ 323,700,000	\$ 313,406,353	\$ (10,293,647)	97%	\$ 1,220,987,000	\$ 907,580,647
Less Uncollectible Accounts	(5,665,000)	(4,701,095)	963,905	83%	(21,367,000)	(16,665,905)
Other Income	-	-	-		-	-
Net Operating Revenues	<u>318,035,000</u>	<u>308,705,258</u>	<u>(9,329,742)</u>		<u>1,199,620,000</u>	<u>890,914,742</u>
OPERATING EXPENSES						
Cost of Energy	<u>234,931,000</u>	<u>223,237,904</u>	<u>(11,693,096)</u>	95%	<u>956,691,000</u>	<u>733,453,096</u>
Professional Services and Consultants						
Data Management	2,470,000	2,096,116	(373,884)	85%	14,819,000	12,722,884
SDG&E Fees	673,000	484,121	(188,879)	72%	4,036,000	3,551,879
Technical Support	341,000	128,475	(212,525)	38%	2,045,000	1,916,525
Legal/Regulatory	253,000	141,803	(111,197)	56%	1,516,000	1,374,197
Other Services	<u>383,000</u>	<u>201,845</u>	<u>(181,155)</u>	53%	<u>2,297,000</u>	<u>2,095,155</u>
Total	<u>4,120,000</u>	<u>3,052,360</u>	<u>(1,067,640)</u>		<u>24,713,000</u>	<u>21,660,640</u>
Personnel Costs						
Salaries	2,815,000	2,496,060	(318,940)	89%	16,889,000	14,392,940
Benefits (Retirement/Health)	527,000	473,847	(53,153)	90%	3,163,000	2,689,153
Payroll Taxes	<u>192,000</u>	<u>172,708</u>	<u>(19,292)</u>	90%	<u>1,157,000</u>	<u>984,292</u>
Total	<u>3,534,000</u>	<u>3,142,615</u>	<u>(391,385)</u>		<u>21,209,000</u>	<u>18,066,385</u>
Marketing and Outreach						
Printing	132,000	70,610	(61,390)	53%	790,000	719,390
Partnerships/Sponsorships/Membe	165,000	290,452	125,452	176%	990,000	699,548
Marketing and Communications	<u>114,000</u>	<u>63,058</u>	<u>(50,942)</u>	55%	<u>684,000</u>	<u>620,942</u>
Total	<u>411,000</u>	<u>424,120</u>	<u>13,120</u>		<u>2,464,000</u>	<u>2,039,880</u>
General and Administration						
Other G&A	669,000	535,644	(133,356)	80%	4,012,000	3,476,356
Cal CCA Dues	99,000	92,500	(6,500)	93%	594,000	501,500
Rent	156,000	170,480	14,480	109%	936,000	765,520
Insurance	<u>54,000</u>	<u>54,275</u>	<u>275</u>	101%	<u>325,000</u>	<u>270,725</u>
Total	<u>978,000</u>	<u>852,899</u>	<u>(125,101)</u>		<u>5,867,000</u>	<u>5,014,101</u>
Total Operating Expenses	<u>243,974,000</u>	<u>230,709,898</u>	<u>(13,264,102)</u>		<u>1,010,944,000</u>	<u>780,234,102</u>
Operating Income (Loss)	<u>74,061,000</u>	<u>77,995,360</u>	<u>3,934,360</u>		<u>188,676,000</u>	<u>110,680,640</u>
NON-OPERATING REVENUES (EXPENSES)						
Investment income	-	2,467,988	2,467,988		-	(2,467,988)
Interest and Related Expenses	(315,000)	(309,806)	5,194	0%	(1,893,000)	(1,583,194)
Transfer to Capital Investment Progr	<u>(22,170,000)</u>	<u>(22,170,000)</u>	<u>-</u>		<u>(22,170,000)</u>	<u>-</u>
Total Non-Operating Rev (Exp)	<u>(22,485,000)</u>	<u>(20,011,818)</u>	<u>2,473,182</u>		<u>(24,063,000)</u>	<u>(4,051,182)</u>
CHANGE IN NET POSITION	<u>\$ 51,576,000</u>	<u>\$ 57,983,542</u>	<u>\$ 6,407,542</u>		<u>\$ 164,613,000</u>	<u>\$ 106,629,458</u>

SAN DIEGO COMMUNITY POWER

Staff Report - Item 10

To: Board of Directors

From: Jack Clark, Chief Operating Officer
Stephen Yi, Associate Director of IT and Data Analytics

Via: Karin Burns, Chief Executive Officer

Subject: Approve a Sole Source Amendment No. 1 to Agreement with Harman Connected Services, Inc. to add Enterprise Data Platform (EDP) Managed Services for an additional not-to-exceed amount of \$371,000 through December 31, 2026

Date: November 20, 2025

Recommendation

Approve Amendment No. 1 for the professional services agreement with Harman Connected Services, Inc for an extended term through December 31, 2026, and increase the not-to-exceed amount by \$371,000 for a revised total contract not-to-exceed amount of \$1,221,000 and authorize the Chief Executive Officer to execute the contract. This amendment allows Community Power to continue meeting all the EDP ongoing platform stability measures, proactive monitoring, incident management, and continuous optimization of data pipelines, analytics, and machine learning models.

Background

As San Diego Community Power (Community Power) has continued to grow its footprint of clean energy operations, services, and product offerings for its customers, the organization must leverage adequate technology, tools, and processes that empower its staff and operations. The Data Analytics team has worked closely with the Harman Connected Services Inc team since January 2025 to develop and deploy Community Power's Enterprise Data Platform to streamline and secure our data infrastructure in the cloud, which has already started to provide a single source of truth for all our reporting and advanced analytics needs, and allows us to gain enhanced and considerable efficiencies.

On September 25, 2024, Community Power issued a Request for Proposals (RFP) for an Enterprise Data Platform. Proposers were able to submit their proposals for cloud-based data platform solutions to meet the needs of Community Power.

The proposers were requested to showcase their competencies, strengths, and successes to demonstrate their capabilities as articulated in the scope of work. Community Power staff evaluated and scored each proposal, and several proposals scored very highly. The top-scoring proposers were given an interview. Each proposer was given a dedicated time to present their capabilities, introduce their teams, and opportunities to ask questions from Community Power staff.

Following the interviews, Harman Connected Services, Inc, was identified as the proposer able to bring the greatest value to Community Power. Harman Connected Services, Inc demonstrated strong expertise, capabilities, and experience to adequately meet Community Power's needs and was selected to build Community Power's enterprise data platform by the end of 2025.

In December 2024, the Board of Directors approved the initial agreement with Harman Connected Services, Inc for a not-to-exceed amount of \$850,000 over twelve months. The EDP project got underway in January 2025 and has so far realized 2 out of the 3 milestones that were mutually agreed upon between Community Power and Harman Connected Services, Inc.

Over the past month, Community Power's incumbent data manager implemented system enhancements on their end that significantly improved how Community Power receives and processes data. Even though these changes enable faster, more efficient, and more reliable data ingestion while providing additional detail in our datasets, they necessitate a change in the overall EDP implementation timeline and costs. This optimization will reduce computer and storage costs long term and help us avoid costly rework later by establishing a strong foundation for future growth. Faster and more reliable data access will allow us to deliver quicker, more meaningful insights to support decision-making. Therefore, Harman's support in managing the EDP is necessary and more cost-efficient than hiring the proposed 3-4 technical staff members.

Analysis and Discussion

Harman is the original implementer of Community Power's AI-enabled, governed EDP and the associated AWS components (including Glue, Lambda, Step Functions), CI/CD/IaC, orchestration/observability, and model refresh processes. Their intimate knowledge of Community Power's data pipelines, transformations, and Machine Learning operationalization is essential to sustain reliable operations at EDP go-live and immediately thereafter. Transitioning to an alternate vendor at this stage of our EDP implementation roadmap would require reverse engineering pipelines, reestablishing runbooks and automations, revalidating

data quality/lineage, and retuning model refreshes—introducing unacceptable risk of service interruption to enterprise reporting and analytics that the EDP is intended to centralize. Continuation with services from Harman Connected Services, Inc will ensure a seamless transition from development to support and thus minimize operational risk.

The initial contract with Harman was procured competitively. However, Amendment No. 1 is proposed to be a sole source award because there is a demonstrated need for compatibility with an existing item or service that Community Power has already procured, as discussed above.

Staff recommends approving Amendment No. 1 to Agreement with Harman Connected Services, Inc to add Enterprise Data Platform (EDP) Managed Services for an additional not-to-exceed amount of \$371,000 through December 31, 2026 for a revised total contract not-to-exceed amount of \$1,221,000 and authorize the Chief Executive Officer to execute the contract to seamlessly continue the critical services this vendor provides to the organization.

Fiscal Impact

Amount of \$371,000 through December 31, 2026.

Strategic Plan

Community Power's secure, cloud-based Enterprise Data Platform (EDP) is designed to serve as the organization's single source of truth for all reporting and analytics. By centralizing data in a robust, governed environment, the EDP ensures accuracy, consistency, and reliability across all operational and strategic decision-making processes. This platform directly supports Community Power's mission to deliver clean energy by enabling timely, data-driven insights that inform program performance, customer engagement, and resource planning. Leveraging advanced predictive analytics and machine learning models, the EDP empowers Community Power to proactively identify trends, optimize energy delivery, and enhance operational efficiency. These capabilities contribute to both immediate and long-term strategic value, fostering continuous improvement and supporting Community Power's commitment to sustainability and innovation.

Attachments

A: Amendment 1 to Agreement No. 2024-19 with Harman Connected Services Inc

ITEM 10

ATTACHMENT A

**AMENDMENT NO. 1
TO PROFESSIONAL SERVICES AGREEMENT NO. 2024-19
BETWEEN
SAN DIEGO COMMUNITY POWER AND HARMAN CONNECTED SERVICES INC**

THIS AMENDMENT NO. 1 (this “**Amendment No. 1**”) is entered into as of _____ by and between SAN DIEGO COMMUNITY POWER, a California joint powers agency (“**SDCP**”) and HARMAN CONNECTED SERVICES, INC., a Delaware Corporation (“**Consultant**”). SDCP and Consultant are sometimes individually referred to herein as the “**Party**” and collectively as the “**Parties.**”

RECITALS

WHEREAS, the Parties entered into that certain Professional Services Agreement between SDCP and Consultant, dated December 12, 2024 (the “**Agreement**”); and

WHEREAS, pursuant to the Agreement, Consultant provides technology solution services to SDCP; and

WHEREAS, the parties desire to amend the Agreement to amend the scope, increase the not-to-exceed amount, and extend the term; and

NOW, THEREFORE, it is agreed by and between the parties as follows:

1. Recitals. The Recitals set forth above are true and correct and are incorporated into the body of this Amendment as though expressly set forth herein.

2. Amendment of Section 1.2 (Term). Section 1.2 of the Agreement is amended to extend the term of the Agreement from December 31, 2025, to **December 31, 2026**.

3. Amendment of Section 3.1 (Compensation). Section 3.1 of the Agreement is amended to increase the not-to-exceed amount by \$371,000 from \$850,000 to **ONE MILLION TWO HUNDRED TWENTY-ONE THOUSAND DOLLARS (\$1,221,000)**.

4. Amendment of EXHIBITS A & C. Exhibits A and C of the Agreement have been amended as follows and attached herein to this Amendment No. 1.

- a. Exhibit A – Scope of Services is hereby amended and restated in its entirety with the revised Exhibit A, dated November 5, 2025. The revised Exhibit A reflects additional services, including Sections entitled System Enhancements (Section I. D.) and EDP Managed Support Services (Phase II).
- b. Exhibit C – Compensation Billing Rates of the Agreement is hereby amended and restated in its entirety with the revised Exhibit C, dated November 5, 2025. The revised Exhibit C reflects changes to the Milestone Payments, additional costs, and clarifications to cost terms.

5. Addition of EXHIBITS D, E and F. Exhibits D, E, and F attached hereto are added as Exhibits D, E, and F of the Agreement. These exhibits provide supporting reference information that aligns with the additional scope of services.

6. Effect of Amendment. Except as expressly set forth in this Amendment No. 1, all other sections, provisions, exhibits and commitments of the Agreement remain unchanged and in full force and effect.

7. Counterparts. This Amendment No. 1 may be executed in one or more counterparts, including facsimile counterparts, each of which shall, for all purposes, be deemed an original and all such counterparts, taken together, shall constitute one and the same instrument.

8. Authority to Enter Amendment. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform Amendment No. 1. Each Party warrants that the individuals who have signed this Amendment No. 1 have the legal power, right, and authority to make this Amendment and bind each respective Party.

IN WITNESS WHEREOF, the Parties have executed this Amendment No. 1 to the Professional Services Agreement between SDCP and Consultant, through their authorized representatives, as of the date first set forth above.

SAN DIEGO COMMUNITY POWER

**HARMAN CONNECTED SERVICES,
INC.**

Name: Karin Burns
Title: Chief Executive Officer
Date: _____

Name: Vikas Gupta
Title: SVP & GM
Date: _____

ATTEST:

Maricela Hernandez
Clerk of the Board/Secretary
SDCP Board of Directors

APPROVED AS TO FORM:

Veera Tyagi, General Counsel
SDCP

EXHIBIT A
SCOPE OF SERVICES
(Revised November 5, 2025)

The scope of services includes Enterprise Data Platform (EDP) development, deployment and support services.

I. EDP DEVELOPMENT AND DEPLOYMENT SERVICES (PHASE I)

A. Primary Use Cases:

Consultant will perform ten (10) Primary Use Cases.

1. Centralized Customer Account Database with History

- a. Single source of truth for customer account attribute data across IOU system, CRM systems, and other systems.
- b. Ability to track and identify customer account numbers across multiple instances, duplicates, and data sources.
- c. Historic date spans for customer attributes, to see what attributes were present on any given day. Historic detail across multiple instances.
- d. Multiple granularity or hierarchy levels (service point, billing account number, combination of service point and billing account number, customer number, other account numbers).

2. Centralized Customer Usage Database

- a. Single location for all customer usage data, across various sources. Include both interval meter data (15 minute or hourly), and scalar data from unmetered accounts.
- b. Identifier of best-available data source, based on billing quality for each data source.

3. Centralized Customer Billing Database

- a. Single location for all invoices, payments, and customer account balance data

4. 360 Customer View – Centralized view of all customer data across data sources.

5. KPI Tracking – Reports and Dashboards (up to daily), with ability to drill down by customer attributes. Some examples are:

- a. Number of accounts, participation rate, enrollment options, service option choices.
- b. Invoiced revenue and usage volumes by billing cycle and by flow month, payment volumes, account outstanding balances by aging bucket, accounts in collections etc.
- c. Hourly usage volumes by day and customer class.
- d. Participation in programs.

6. Data Clustering/Grouping/Profiling

- a. Customer Usage Profiles – Group customers based on their usage habits (hourly load shape, high/avg/low usage totals, peak usage totals), and Customer Account attributes (customer class, rate schedule, climate zone, territory, electric vehicle ownership status,

EXHIBIT A -1

net energy metering status, voltage etc.).

- b. Customer Payment Profiles – Group customers based on their payment history, payment type, customer class, rate schedule, climate zone, territory and outstanding balances.

7. Data Monitoring

- a. Customer account discrepancies – Flag accounts that do not match expected values, according to business logic.
- b. Data Source Cross-Validation- Monitor usage and revenue volumes across data sources, to flag discrepancies.

8. Outlier Detection – Flag customers outside historical norms, including usage, invoiced amounts, payments, balances.

9. Forecasting – Project monthly levels of accounts, participation, opt stats, revenue and usage.

10. Standardized Mailing Address – Standardize mailing addresses to validate before sending customer notification communications via regular mail.

B. Secondary Use Cases:

Consultant will perform one (1) Secondary Use Case.

- 1. Short Term Load Forecasting** – Create day-ahead and week-ahead hourly load forecast for SD Community Power’s aggregate load. Ability to forecast subsets, including customer class or rate schedule.

C. Technology Services

Consultant will perform the Technology Services tasks as described below:

1. Administration

- a. Provide a robust project implementation roadmap for EDP
- b. Provide monthly progress reports
- c. Provide monthly budget reports
- d. Provide price estimates for operating EDP, including all licenses, tools, cloud storage and resource costs.
- e. Gather and document requirements through collaboration with SDCP team
- f. Provide testing plan for user acceptance
- g. Provide training materials and meetings for developers and end users
- h. Train SDCP staff on administration, operation, maintenance, and security protocols
- i. Provide tracking log of all bugs and enhancements
- j. Provide thorough documentation of entire platform
- k. Align with SDCP’s agile cadence and follow two-week sprint schedule
- l. Schedule any necessary regular meetings during SDCP’s business hours between 9am and 5pm Pacific Time, Monday through Friday
- m. Report and resolve all major bugs and issues before completion of the project

EXHIBIT A -2

2. Platform Development and Deployment

- a. Architect end-to-end cloud-based solution
- b. Configure end-to-end cloud environment, including cloud storage, resources, and tools
- c. Set up billing alerts to monitor cloud operational costs
- d. Follow best practices for version control, documentation, security, change management
- e. Develop security and user access framework for protecting, managing, and monitoring data
- f. Classify data by sensitivity and limit access based on classification
- g. Develop data cleaning and validation procedures
- h. Build ETL/pipelines
- i. Ingest existing data into platform
- j. Refresh source data into platform according to requested frequency
- k. Develop sandbox or test environment for analytics
- l. Integrate with data analysis or visualization tools such as Power BI, Tableau, and Looker to allow SDCP users to create their own visualizations and reports
- m. Enable self-service reporting and customization of reports and dashboards
- n. As-needed support for the proposed solution

3. Analytics and Report Development

- a. Consultant will develop customizable analytics, reports, and dashboards for Primary Use Cases.
- b. Train SDCP staff on customization or analytics, reports, and dashboards

4. Analytics and Report Enablement

- a. SDCP will work with the Consultant to develop relevant Secondary Use Cases
- b. Work with SDCP to suggest additional or external data sources to complete Secondary Use Cases

5. Support

- a. Manage user roles and access permissions
- b. Troubleshoot issues from SDCP developers and end users
- c. Manage integration of tools

D. System Enhancements

Consultant will perform the System Enhancement tasks as described below:

1. Data Analysis and Modelling

- a. Perform detailed analysis of new V2 datasets provided by SDCP's source of EDP data.
- b. Extend and validate the V2 Data Dictionary.
- c. Model required transformations and integration with existing EDP datasets.

2. UAT and PROD Data Availability

- a. Support V2 UAT execution led by SDCP's Data Analytics team.

EXHIBIT A -3

- b. Ensure timely availability of PROD data during the last week of December 2025.

3. Data Quality and Integrity Checks

- a. Conduct integrity validations on PROD data.
- b. Validate data lineage and ensure parity with Phase 1 datasets.

4. Pipeline Retrofit and Development

- a. Retrofit existing data pipelines to incorporate V2 changes.
- b. Conduct unit testing and regression testing for pipeline updates.

5. Materialized View and Power BI Enhancements

- a. Implement changes to Materialized Views.
- b. Update and validate Power BI reports to reflect new V2 data attributes (by end of December 2025).

6. Quality Assurance (QA) Validation

- a. Execute QA validation cycles.
- b. Document findings, remediations, and signoffs with SDCP stakeholders.

7. Pre-Production Activities

- a. Conduct Pre-Prod validation during beginning of December.
- b. Coordinate with SDCP for final Pre-Prod validation and runbook finalization.

8. Knowledge Transfer and Readiness

- a. Update all design, test, and operational documentation with V2 changes.
- b. Support knowledge transfer to Managed Services team
- c. Prepare and hand over runbooks and operational guides.

II. EDP MANAGED SUPPORT SERVICES (PHASE II)

A. Data Platform Support

Consultant will provide L1/L2 and L3 support services to SDCP. Support Activities and Definitions are identified in EXHIBIT E.

1. Assigned Resources

Consultant will provide 5 Resources for the support activities as identified in EXHIBIT E. Roles and Responsibilities for Managed Support Team (“Team”) are defined in EXHIBIT F.

- a. The Team will have all the data engineering skills including development work.
- b. The Team will have the capacity to take on additional tasks in case of less support tickets or work items.

2. Assumptions and Key Considerations

- a. L1 & L2 support coverage will be provided during the PST time zone, operating on a 9x5 model (Monday to Friday)

EXHIBIT A -4

- b. One L1 and One L2 Support Analysts will rotate weekly to align with SDCP working hours:
 - Shift 1 (8:00 AM – 5:00 PM PT): L1 or L2 Support Analyst (1)
 - Shift 2 (3:00 AM – 12:00 PM PT): L2 or L1 Support Analyst (1)This rotation minimizes fatigue by avoiding continuous night shifts while ensuring full support coverage for SDCP.
- c. L3 Support Coverage: L3 personnel will work 3:00 AM – 12:00 PM PT, ensuring a minimum of 4 hours of overlap with SDCP working hours (8:00 AM – 12:00 PM PT).
- d. Working Hours: Each resource works a 9-hour shift.
- e. SDCP's Data Engineer/Data Scientist /BI Analyst will serve as Single Points of Contact (SPOC) to support data pipeline maintenance and data platform operations.
- f. Definition of changes and enhancements will be routed through change request process
- g. Consultant will transition from EDP development and deployment phase (Phase I) to EDP Support Services Phase (Phase II) without any addition cost in 2 weeks
- h. All project-related information and data generated will remain confidential and will be handled in accordance with SDCP's data protection policies.

3. Service Level Agreement (SLA) for L1 and L2 Support

The Service Level Agreement (SLA) in EXHIBIT D outlines the support standards for Level 1 (L1) and Level 2 (L2) support for the Enterprise Data Platform (EDP) hosted on Amazon Web Services (AWS). It defines the expected response times, escalation procedures, and resolution timelines to ensure reliable and efficient support services during the Consultant's defined support hours.

EXHIBIT C
COMPENSATION BILLING RATES
(Revised November 5, 2025)

Fees and Payments for the consulting services will be as follows:

I. EDP DEVELOPMENT AND DEPLOYMENT SERVICES

Consulting services for EDP development and deployment shall be invoiced by milestone.

Milestone	Description	Amount
1	Kick off and Discovery completion (Complete)	\$100,000.00
2	Deployment and Release of Iteration 1 to Pre-Prod (Complete)	\$175,770.00
3	Deployment and Release of Iteration 2 to Pre-Prod	\$175,770.00
4	Go-Live (Complete)	\$50,000.00
5	Documentation and User training completion (Complete)	\$25,772.00
6	V2 System Enhancements	\$52,000
TOTAL MILESTONE PAYMENTS		\$579,312.00

II. EDP MANAGED SUPPORT SERVICES

Support services shall be invoiced on a monthly basis, 1 (one) month after the agreed upon “Phase II” initiation date.

Description	Amount
EDP Managed Support Services	\$26,583.33 per month
TOTAL SUPPORT SERVICES AMOUNT	\$319,000.00

Travel Expenses: shall not exceed **\$40,000.00**

- Consultant shall invoice SDCP for pre-approved airfare and other charges in accordance with SDCP’s Travel policy. Invoiced travel and related expenses must include supporting documentation.

Licenses:

- All license costs pre-approved by SDCP necessary during the project duration will be invoiced directly to SDCP and paid to the appropriate vendor.

Additional Costs

- Any additional tools, cloud subscriptions, and software required for the project will need to be pre-approved and procured by SDCP in adherence to SDCP’s procurement policy.
- Onsite visits will be charged separately, in accordance with the Travel Expenses terms above.
- Monthly cloud consumption costs are not included in the fixed price and will be invoiced directly to SDCP and paid to the appropriate vendor.

EXHIBIT C-1

EXHIBIT D
HARMAN SERVICE LEVEL AGREEMENT (SLA)

SUPPORT LEVELS

Level 1 (L1) Support:

L1 support provides initial triage and basic troubleshooting for incoming issues. It is responsible for acknowledging and categorizing incidents and escalating unresolved or complex issues to L2 support.

Level 2 (L2) Support:

L2 support handles advanced technical troubleshooting and resolution of escalated issues. It involves deeper analysis and coordination with engineering teams if necessary.

SLA STANDARDS

The following SLA standards apply only during HARMAN's support hours

Note: HARMAN does NOT provide 24×7 support. SLA timelines apply only within the stated support hours in Exhibit A, Section II.A.2. Any requests received outside this window will be addressed in the next support window.

Response Time

L1 Support

- Critical (P1): Within 45 minutes
- Non-Critical (P2/P3): Within 1–4 hours

L2 Support

- Escalated P1: Within 1 hour
- P2/P3: Within 4–8 hours

Escalation Time (L1 to L2)

- P1 (Critical): Escalate within 45 minutes to 1 hour
- P2 (High): Escalate within 2–4 hours
- P3 (Medium/Low): Escalate within 1 business day

Compliance Remedies, Penalty Credits and Governance.

Harman will provide penalty support hours credits if Harman fails to meet agreed SLA thresholds.

SLA Compliance Compensation Model & Governance

In the event Harman fails to meet defined SLA thresholds, the following remediation model will be followed:

- **SLA-based support hour credits** will be granted **for each SLA breach as defined in the below SLA Credit Matrix table**
- These SLA credit hours can be applied toward **enhancement tasks, backlog resolution(P1/P2/P3)** related to the EDP platform.
- SLA non-compliance must be **attributable to Harman**, and not due to external factors such as upstream system outages or client-side dependencies.
- The **credited hours will be transparently tracked** and reported in the monthly operations report. They must be **utilized within 6 months from issuance and within contract period**.
- SLA timelines are enforced only during **Harman's official support hours**. Tickets submitted outside this window will be addressed during the next available support window.

SLA Credit Metrix

Support	Target Time	Non-Compliance Trigger	Required Hours	Example
L1 – Critical P1	Within 45 min	For 2 P1s or above that missed SLA Target within calendar month	9 hours	➤ For 1 missed P1 no credit hours will apply ➤ For 2 Missed P1s 9 credit hours will apply ➤ For 3 Missed P1s 18 credit hours and so on
L1 – Non-Critical P2	Within 1-4 hours	For 2 P2s or above that missed SLA Target within calendar month	4 hours	➤ For 1 missed P2 no credit hours will apply ➤ For 2 Missed P2s 4 credit hours will apply ➤ For 3 Missed P2s 8 credit hours and so on
L1 – Non-Critical P3	Within 1–4 hours	For 2 P3s or above that missed SLA Target within calendar month	2 hours	➤ For 1 missed P3 no credit hours will apply ➤ For 2 Missed P3s 2 credit hours will apply ➤ For 3 Missed P3s 4 credit hours and so on
L2 – Escalated	Within 1 hour	For 2 P1s or above that	9 HOURS	➤ For 1 missed P1 no credit hours will apply

EXHIBIT D-2

P1		missed SLA Target within calendar month		➤ For 2 Missed P1s 9 credit hours will apply ➤ For 3 Missed P1s 18 credit hours and so on
L2 – P2	Within 4-8 HOURS	For 2 P2s or above that missed SLA Target within calendar month	2 HOURS	➤ For 1 missed P2 no credit hours will apply ➤ For 2 Missed P2s 2 credit hours will apply ➤ For 3 Missed P2s 4 credit hours and so on
L2 – P3	Within 4–8 hours	For 2 P3s or above that missed SLA Target within calendar month	1 hour	➤ For 1 missed P3 no credit hours will apply ➤ For 2 Missed P3s 1 credit hours will apply ➤ For 3 Missed P3s 2 credit hours and so on

EXHIBIT D-3

Communication Plan and Managed Service Health/Status Report

As part of this managed services engagement, Harman will track SLA compliance, support ticket volumes, and platform-specific KPIs, and review them during the weekly and monthly review. This enables continuous oversight of platform operations, surfacing actionable insights on system stability, support effectiveness, and service responsiveness.

Status Report: Provide support service visibility - Summarizes all operational activities and issues	• Tickets opened, resolved, pending • SLAs met/breached with reason • Highlights from previous week • Risks & blockers • Platform uptime %
Incident & Escalation Tracker: Tracks L1/L2 incident flow and resolution quality	• Breakdown of P1/P2/P3 tickets • Time to acknowledge vs resolve • Reopened/residual issues
SLA Compliance Scorecard : SLA tracking and compliance at a glance	• SLA adherence % • Category-wise compliance • Historical trend
Platform Health Report: System and pipeline performance	• Ingestion success/failure • Infrastructure Utilization Report
Change Request Summary: Track all enhancement/CR activity	• New/approved/implemented CRs

EXHIBIT E SUPPORT ACTIVITIES, DEFINITIONS AND SUPPORT STRUCTURE

LI/L2 AND L3 SUPPORT ACTIVITIES AND DEFINITIONS



SL NO	ACTIVITY	SUPPORT LEVEL	SUN	MON	TUE	WED	THU	FRI	SAT
1	All Delta data loads	L1							
2	BI Reports refresh	L1							
3	Data Science Models refresh	L1							
4	Incident Management	L1							
5	Hot Fix Development	L2							
6	Change Deployment	L2							
7	Platform Enhancements	L3							

- LEVEL 1 ACTIVITIES
- LEVEL 2 ACTIVITIES
- LEVEL 3 ACTIVITIES



All Delta Data Loads

- Identifying changes using timestamps, change data capture (CDC), or versioning.
- Extracting only the modified records from source systems.
- Transforming and validating the delta data.
- Loading the delta into the target system (e.g., data warehouse or data lake).
- Ensuring data consistency and integrity post-load.

BI Reports Refresh

- Scheduling or triggering report refreshes after data loads.
- Validating data accuracy in reports post-refresh.
- Monitoring refresh jobs for failures or performance issues.
- Troubleshooting and resolving issues (e.g., broken data sources, query timeouts).
- Communicating refresh status to stakeholders.

Data Science Models Refresh

- Monitoring model performance (e.g., accuracy, precision, recall).
- Retraining models with new data periodically or based on performance thresholds.
- Validating model outputs and comparing with previous versions.
- Deploying updated models to production environments.
- Documenting changes and communicating with stakeholders.

Incident Management

- Monitoring systems for alerts or anomalies.
- Logging incidents in a ticketing system (e.g., Jira, ServiceNow).
- Performing root cause analysis (RCA).
- Coordinating with relevant teams for resolution.
- Communicating status and resolution to stakeholders.
- Documenting incidents for future reference and audits.

Hot Fix Development

- Identifying and reproducing the issue.
- Developing a minimal, targeted fix.
- Testing the fix in a controlled environment.
- Deploying the fix to production with minimal downtime.
- Monitoring post-deployment behavior.
- Planning for a permanent solution if needed.

Change Deployment

- Preparing deployment packages (code, scripts, configurations).
- Performing pre-deployment validations and approvals.
- Executing deployments during scheduled windows.
- Validating post-deployment functionality.
- Rolling back in case of failure.
- Updating documentation and notifying stakeholders.

Platform Enhancements

- Upgrading infrastructure (e.g., databases, servers, cloud services).
- Optimizing data pipelines and queries.
- Enhancing security and compliance features.
- Adding new tools or integrations.
- Improving monitoring and alerting capabilities.
- Gathering feedback and prioritizing enhancements.

EXHIBIT E-1

ENTERPRISE DATA PLATFORM SUPPORT STRUCTURE

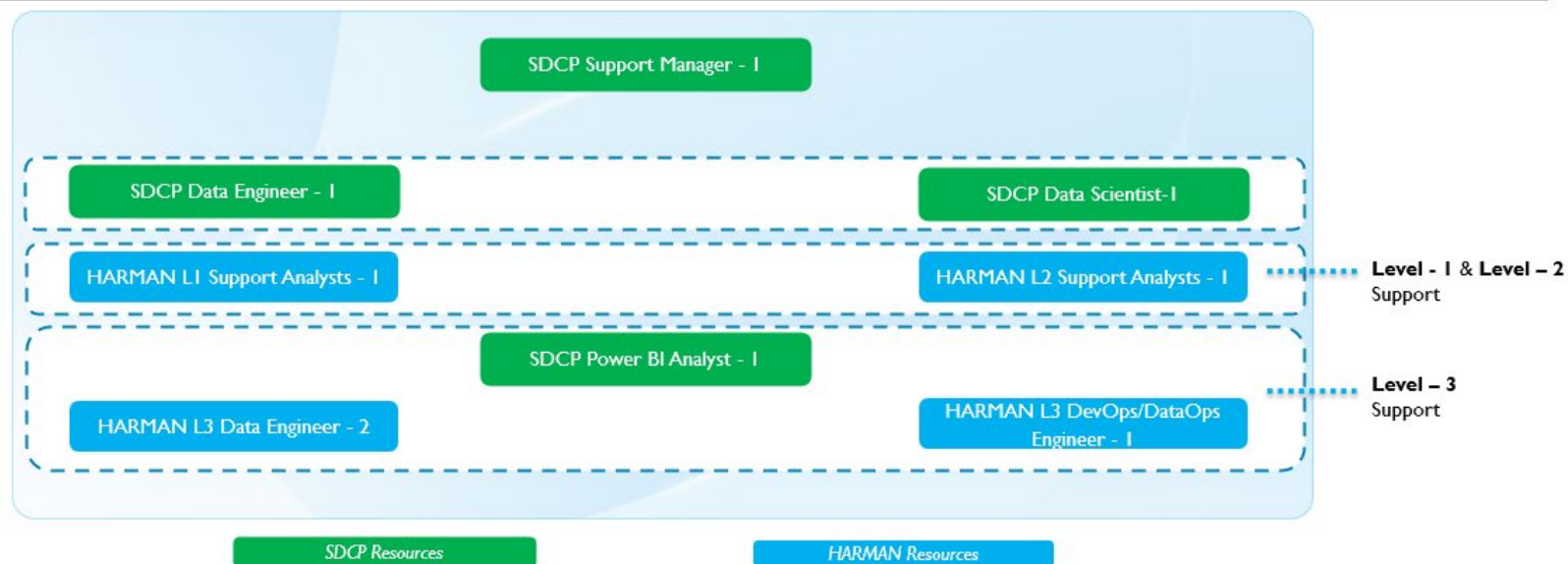


EXHIBIT E-2

EXHIBIT F

ROLES AND RESPONSIBILITIES

1. Data Engineering Team

- a. Data pipeline enhancement and orchestration – maintain scalable, fault tolerant pipelines
- b. Oversee incidents, problems, and change management processes for AWS cloud infrastructure
- c. Coordinate with AWS support for critical issues Review, optimize AWS resource usage and cost reports
- d. Drive continuous improvement initiatives
- e. Monitor and maintain data ingestion and transformation pipelines (e.g., Glue, Lambda, Step Functions)
- f. Resolve issues related to data quality, job failures, or schema mismatches in production
- g. Support batch and streaming jobs, ensuring timely availability of processed data
- h. Collaborate with BI and analytics teams for backend fixes and data model adjustments
- i. Update technical documentation and implement minor enhancements based on business needs

2. Support Analyst

- a. Act as the primary technical contact for resolving cloud infrastructure and data pipeline issues
- b. Monitor AWS services (EC2, S3, Lambda, Glue, RDS) and respond to alerts and incidents
- c. Perform root cause analysis, suggest preventive measures
- d. Coordinate with AWS Support for service-related escalations and resource optimization
- e. Document resolutions, update SOPs/runbooks, and ensure compliance with support SLAs

3. DevOps/DataOps Engineer

- a. Maintain CI/CD pipelines and resolve deployment failures across environments
- b. Infrastructure automation workflows (e.g., CloudFormation, AirFlow Terraform) Handle IAM roles, credentials rotation, and access provisioning automation
- c. Participate in service restoration, root cause analysis for failures in execution or environment issues
- d. Patch and update CI/CD tools and integrations as per compliance guidelines
- e. Troubleshoot pipeline failures and coordinate rollback or patch deployments
- f. Automate routine tasks such as backups, log archival, or data purging
- g. Collaborate with data engineers to support Glue job scheduling and performance tuning
- h. Ensure secure and compliant configuration management through IAC tools (e.g., CloudFormation, Terraform)

SAN DIEGO COMMUNITY POWER

Staff Report - Item No. 11

To: Board of Directors

From: Jack Clark, Chief Operating Officer
Lucas Utouh, Senior Director of Data Analytics & Customer Operations

Via: Karin Burns, Chief Executive Officer

Subject: Adopt Resolution No. 2025-21, Approving Proposed Revisions to the Existing Renewable Energy Self-Generation Bill Credit Transfer Tariff

Date: November 20, 2025

Recommendation

Adopt Resolution No. 2025-21, Approving Proposed Revisions to the Existing Renewable Energy Self-Generation Bill Credit Transfer Tariff.

Background

The San Diego Community Power (Community Power) Board of Directors adopted the existing Renewable Energy Self-Generation Bill Credit Transfer (RES-BCT) tariff on December 16, 2021. The RES-BCT tariff enables local governments and tribal nations to share generation credits from a renewable generator system located on one government-owned property with billing accounts at other government-owned properties.

Analysis and Discussion

Under the existing RES-BCT tariff, the renewable generator system size limit is 5 megawatts (MW), and bill credits are applied at the generation-only portion of a customer's retail rate.

Community Power staff recommend approving the updates to the RES-BCT tariff to (1) increase the renewable generation system size limit to 5.5 MW and (2) standardize language, definitions, and formatting consistent with all of Community Power's other tariffs.

The recommended increase in the system size limit will assist local governments and tribal customers in their efforts to decarbonize their energy use and reach their sustainability and/or climate action targets.

Fiscal Impact

Unknown.

Committee Review

Reviewed by the Community Advisory Committee on November 13, 2025.

Strategic Plan

This activity supports the strategic plan goals of (1) evolving rate strategy to ensure competitiveness, affordability, and fiscal sustainability, and (2) developing customer strategies to increase retention and engagement.

Attachments

A: Resolution No. 2025-21, Approving Proposed Revisions to the Existing Renewable Energy Self-Generation Bill Credit Transfer Tariff

Exhibit A: Renewable Energy Self-Generation Bill Credit Transfer Tariff - redlined

Exhibit B: Renewable Energy Self-Generation Bill Credit Transfer Tariff – clean version

ITEM 11

ATTACHMENT A

RESOLUTION NO. 2025-21

A RESOLUTION OF THE BOARD OF DIRECTORS OF SAN DIEGO COMMUNITY POWER, APPROVING REVISIONS TO THE EXISTING RENEWABLE ENERGY SELF-GENERATION BILL CREDIT TRANSFER (RES-BCT) TARIFF.

A. San Diego Community Power (Community Power) 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, and amended and restated December 16, 2021 (JPA Agreement).

B. Community Power Board of Directors approved a Renewable Energy Self-Generation Bill Credit Transfer (RES-BCT) tariff on December 16, 2021.

C. Community Power staff reviewed the existing RES-BCT tariff and updated the tariff to increase the renewable generator system size limit to 5.5 MW.

D. Community Power Board of Directors held a public meeting on November 20, 2025, to approve revisions to the existing RES-BCT tariff to assist local governments and tribal customers in their efforts to decarbonize their energy use and reach their sustainability and/or climate action targets.

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

Section 1. Recitals. The above recitals are true and correct.

Section 2. Approval. Community Power Board of Directors hereby approves revisions to the existing Renewable Energy Self-Generation Bill Credit Transfer (RES-BCT) tariff.

Section 3. Effective Date. 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 November 20, 2025.

AYES:

NOES:

ABSTAIN:

ABSENT:

Terra Lawson-Remer, Chair
San Diego Community Power

ATTEST:

APPROVED AS TO FORM:

Maricela Hernandez, MMC, CPMC
Secretary/Clerk of Board of Directors
San Diego Community Power

Veera Tyagi, General Counsel
San Diego Community Power

ITEM 11

EXHIBIT A

Renewable Energy Self-Generation Bill Credit Transfer Tariff

Terms and Conditions of Service

<u>Policy</u>	<u>Renewable Energy Self-Generation Bill Credit Transfer Tariff</u>	<u>Original Adoption Date</u>	<u>December 16, 2021</u>
<u>Approval Date</u>	<u>November 20, 2025</u>	<u>Resolution No.</u>	<u>2025-</u>

A. PURPOSE:

The purpose of the San Diego Community Power ("~~SDCP~~Community Power") Renewable Energy Self-Generation Bill Credit Transfer Tariff (~~("RES-BCT")~~Terms and Conditions or "Schedule RES-BCT") is to provide a framework that allows Local Governments or ~~Campuses~~Tribes to generate energy from an Eligible Renewable Generating Facility ("Eligible REGF") for its own use (~~("Generating Account")~~) and to export energy not consumed at the time of generation by the Generating Account to the grid. All generation exported to the grid is converted into Generation Credits and applied to the Benefiting Accounts designated by the Local Government or ~~Campus~~Tribe. Only the energy charge rate component of the Generating Account's commodity rate schedule shall be used in the calculation of credits to be applied under this schedule.

B. APPLICABILITY:

The ~~SDCP-RESBCT tariff~~Community Power Schedule RES-BCT is available to Community Power Local Government ~~SDCP~~or Tribal customers with an Eligible ~~Renewable Electrical Generating Facility~~REGF (defined in Section D Definitions) within ~~SDCP~~Community Power service territory. Eligible customers who take service under the ~~SDCP~~Community Power RES-BCT tariff shall not be eligible for any other program that requires an electrical corporation to purchase generation from the customer's Eligible ~~Renewable Electrical Generation Facility~~REGF enrolled in this tariff.

TERRITORY

~~SDCP service area.~~

DEFINITIONS

ELIGIBLE RENEWABLE ELECTRICAL GENERATION FACILITY: A

This schedule will be available to eligible customers, upon request, on a first-come-first-served basis, until the combined rated generating capacity of Eligible REGFs within Community Power's service territory reaches its applicable proportional allocation of SDG&E's share of 8.1 percent of the statewide 250 megawatts (MW) limitation.

Any costs associated with billing system modifications required for the development and implementation of Schedule RES-BCT will be recovered from participating customers through their monthly consolidated bills accordingly.



This tariff shall remain in effect until modified, amended, or replaced by Community Power's Board of Directors ("Board") at a duly noticed public meeting of the Board.¹

ELIGIBILITY:

An Eligible REGF is defined as a facility that generates electricity from a renewable source listed in Public Resources Code Section 25741(a)(1). These sources are biomass, solar thermal, photovoltaic, wind, geothermal, fuel cells or linear generators using renewable fuels, small hydroelectric generation (only if facility will not cause an adverse impact on instream beneficial uses or cause a change in the volume of 30 megawatts or timing of streamflow~~less~~), digester gas, municipal solid waste conversion, landfill gas, ocean wave, ocean thermal, or tidal current, and any additions or enhancements to the facility using that technology.

The Eligible ~~Renewable Electrical Generation Facility~~REGF must also meet all of the following criteria:

- a. is a generation facility with a generation capacity of not more than five and a half (5.5) megawatts; ("MW");
- b. is located within the geographical boundaries of SDCP's Community Power's service territory;
- c. is owned, operated, or located on property under the control of the Local Government customer. Under certain circumstances when a Local Government customer is a lessee in a lease agreement, leased property within the geographical boundaries of the local government customer shall be considered under the control of the Local Government customer²;
- d. is sized to offset all or a part of the electrical load of the Generating Account; and
- e. is interconnected and operates in parallel with San Diego Gas and Electric's (SDG&E's) transmission and distribution systems.

Eligible generators utilized to receive service under the terms of this rate schedule shall be in compliance with SDG&E's Electric Rule 21 (Interconnection Standards for Non-Utility Owned Generation). The Local Government customer shall have installed a meter capable of recording net generation output in 15-minute intervals to interconnect with the generator, and which must be approved by SDG&E. The Local Government must execute and comply with the applicable SDG&E Interconnection Agreement, SDG&E tariffs, and any other regulations and laws governing the interconnection of the Eligible Renewable Electrical Generating Facility.

Eligible generators participating on this schedule are not eligible for service under SDCP's Community Power's Schedule Net Energy Metering ("NEM") program or Schedule Net Billing Tariff ("NBT") or to participate in SDCP's Community Power's Feed-In Tariff ("FIT") program. Moreover, service under this tariff will not be provided in combination with SDG&E's

¹ Board agendas are available at: <https://sdcommunitypower.org/resources/meeting-notes>.

² Under certain circumstances when a Local Government customer is a lessee in a lease agreement, leased property within the geographical boundaries of the local government customer shall be considered under the control of the Local Government customer.

Level Pay Plan (“LPP”) option. Lastly, there is no guarantee that ~~an SDGP~~a Community Power Schedule RES-BCT customer who chooses to opt-out and return to SDG&E will be guaranteed service under the bundled Schedule RES-BCT ~~tariff~~.

LOCAL GOVERNMENT: Consistent with Public Utilities Code Section 2830, DEFINITIONS:

- i. “Local Government ~~means~~” is defined as a customer formed as a city, county, (whether general law or chartered, city and county), special district, school district, political subdivision, other local public agency or a joint powers authority formed pursuant to the Joint Exercise of Powers Act (Government Code Section 6500 *et seq.*), consistent with Public Utilities Code Section 2830, that has as members public agencies located within the same county and same electrical corporation service territory, but shall not mean the State of California or any agency or department of the State, other than an individual campus of the University of California or the California State University or any joint powers authority that has as members public agencies located in different counties or different electrical corporation service territories, or that has as a member the federal government, any federal department or agency, this or another state, or any department or agency of this state or another state.
- ii. GENERATING ACCOUNT: A “Tribe” means a California Native American Tribe, as defined in Section 21073 of the Public Resources Code, on the contact list maintained by the Native American Heritage Commission for the purposes of Chapter 905 of the Statutes of 2004.
- iii. “Generating Account” is defined as the SDG&E electricity billing account at the location of the Eligible ~~Renewable Electrical Generation Facility~~REGF served under a time-of-use (~~“TOU”~~) rate schedule with bills rendered in the name of the Local Government or Tribal customer. Generating Accounts will be allowed to take service under Schedule DG-R (Distributed Generation Renewable – Time Metered).
- iv. BENEFITING ACCOUNT: A “Benefiting Account” is defined as a service account, or more than one service account, belonging to a Local Government or Tribal customer, located within ~~SDGP’s Community Power’s~~ service territory and served under a ~~time-of-use (TOU)~~ rate schedule within the geographical boundary of the city, county, or city and county in which the campus is located or an account or accounts that belong to members of a joint powers authority and are located within the geographical boundaries of the group of public agencies that formed the joint powers authority. The number of Benefiting Accounts is limited to 50. Benefiting Accounts will not automatically be eligible to receive service under Schedule DG-R, unless the Benefiting Account is already a host facility to a distributed generation project. ~~Benefiting accounts participating on SDGP’s RES-BCT tariff are not eligible for service under SDGP’s NEM program.~~

POWER DELIVERED: The In order to be an eligible Benefiting Account of a Tribe, the account(s) must belong to a Tribe and be located on land owned by or under the jurisdiction of the Tribe, the account(s) must be wholly located within a single county within which the Tribe is located and electrical service is provided by the Utility, with the account(s) being mutually agreed upon by the Tribe and the Utility.

Benefiting accounts participating on Community Power’s Schedule RES-BCT are not



eligible for service under Community Power's Schedule NEM or Schedule NBT.

- ii-v. "Power Delivered" is defined as the metered output measured in kilowatt-hours, exported to the grid, as recorded by the net generator output meter and validated by the SDG&E billing processes during the specific billing period.

E. PROGRAM

- vi. "Relevant Period" is defined as the billing period that consists of twelve monthly billing cycles commencing on the date SDG&E provides Generating Account with SDG&E's written approval to begin parallel operation of the Eligible REGF for purposes of participating in Schedule RES-BCT, and on every subsequent anniversary thereof.

GENERATION BILL CREDIT TRANSFER ALLOCATION REQUEST FORM:

In order to initiate service under this tariff, the Local Government or Tribal customer must submit a SDCPCommunity Power Schedule RES-BCT Allocation Request Form (Exhibit A—"Request Form"), which is provided in Exhibit A. The Request Form designates how the credits from the Generating Account will be allocated among the customer's Benefiting Accounts. The customer may submit an updated form within a Relevant Period in the event there is a change in eligibility of a Benefiting Account (such as account closure), and which must be received by SDCPCommunity Power at least thirty (30)sixty (60) days prior to when the reallocation of Generating Account credits is to be effective. A Local Government or Tribal customer requesting termination of SDCPCommunity Power Schedule RES-BCT service shall provide written notice to SDCPCommunity Power at least thirty (30)sixty (60) days in advance of the termination date.

Only the energy charge rate component of the Generating Account's SDCPCommunity Power service charge shall be used in the calculation of credits to be applied under this tariff. Credits will be calculated by multiplying the Power Delivered by TOU energy charge component of the Generating Account's electric energy commodity rate schedule, as determined by the discrete TOU period during which the Power Delivered was produced and exported to the grid. Credits will be applied to Benefiting Accounts based on the Request Form. SDCPCommunity Power will not compensate a Local Government for electricity generated from an Eligible Renewable Electrical Generating FacilityREGF in excess of the bill credits applied to the designated Benefiting Account.

A Benefiting Account Relevant Period is a twelve-month period, or portion thereof, corresponding to that of the Generating Account Relevant Period. However, due to possible differences in billing (and meter read) cycles, the Benefiting Account Relevant Period may lag in time behind the Generating Account Relevant Period by any number of days up to one full billing cycle.

For purposes of applying Bill Credit, the Bill Credit Relevant Period ends at the same time as thefor the Generating and all applicable Benefiting Account Relevant Period (noted in the Request Form)Accounts. Community Power requires that is laggingall RES BCT accounts (i.e., both Generating and Benefiting Accounts) to be on the same meter read cycle before the most behind the Generating Account Relevant Period, up to one Billing Cycle.credit allocation can commence.



For a new Benefiting Account Credit arrangement, the initial Benefiting Account Relevant Period for a Benefiting Account that does not have the same Billing Cycle as the Generating Account, will start its Relevant Period at the start of its first full billing cycle that falls *after* that of the Generating Account. During the less-than-one-full billing-cycle period between the start of the Generating Account's Relevant Period and that of the Benefiting Account, no bill credit will be applied to that Benefiting Account's usage. The Benefiting Account's normal Relevant Period will consist of a twelve-month period, starting with the first full bill cycle.

Credits will be applied to the Generating Account and the Benefiting Account(s) based on whole percentages provided by the Local Government or Tribe on the Request Form. The process of allocating credits shall commence on the effective date of the Request Form and shall continue for 12 consecutive billing periods (Relevant Period). Credits remaining at the end of the Relevant Period will be applied toward remaining eligible SDG&E Community Power electric generation charges during the

Relevant Period. At the end of the Relevant Period, any remaining ~~credit~~ credits shall be reset applied as a Rollover to zero offset future months of consumption and/or to be applied in accordance with each benefitting account's percentage allocation at the time of future true ups. Each subsequent 12-month period of service under this schedule shall be considered a new Relevant Period. The Local Government will not be compensated for electricity generated from an Eligible Renewable Electrical Generating Facility (REGF) in excess of the bill credits applied to the Benefiting Accounts in a form outside of a credit Rollover.

The Local Government or Tribe is responsible for all charges due on the Benefiting Account bill in excess of the Generating Account applied credits.

F. Billing Process:

BILLING:

- 1) **Benefiting Account Bill:** A Benefiting Account served under this tariff is responsible for all charges billed under its OAS (Otherwise Applicable Schedule ("OAS")) including monthly billed minimum charges, customer charges, meter chargers, facilities charges, and energy and demand charges. Applicable demand charges are defined in the OAS. Credits applied based on the whole percentages provided by the Local Government on the Request Form shall not exceed the electric energy commodity charges incurred during the specific billing period.
- 2) **Generating Account Bill:** A Generating Account served under this schedule is responsible for all charges billed under its OAS including monthly billed minimum charges, customer charges, meter chargers, facilities charges, energy and demand charges. Applicable demand charges are defined in the OAS. Credits are applied on a monthly basis to a Generating Account whereby they will be based on the on whole percentages provided by the Local Government on the Request Form to the Benefiting Account(s) and shall not exceed the electric energy commodity charges incurred during the specific billing period.

SDG&E's SCHEDULE RES-BCT:

Customers are subject to all applicable terms and conditions and billing procedures of SDG&E for SDG&E charges as described in SDG&E's Schedule RES-BCT (with the exception of



Community Power generation charges in accordance with the applicable OAS, which are described in Community Power’s rate schedules). Community Power may amend this Schedule RES-BCT to align with SDG&E’s Schedule RES-BCT following California Public Utilities Commission approval of SDG&E’s Schedule RES-BCT’s revisions and any future amendments or other schedules that impact terms and conditions outlined above. Community Power calculates and applies generation charges and credits on a monthly basis. SDG&E will continue to calculate and apply charges and credits for delivery, transmission, and other services as detailed in SDG&E’s Schedule RES-BCT, and Community Power credits cannot be applied to any SDG&E charges or vice versa. Please review the SDG&E’s Schedule RES-BCT³ for more information.

MISCELLANEOUS:

The Chief Executive Officer (“CEO”) of Community Power or their designee may, in their discretion, reserve the right to work with customers on a case-by-case basis to transfer export credits and/or otherwise deviate from the process specified in this policy for reasons including but not limited to cases of unforeseeable events, inconsistent receivable data from SDG&E, exigent circumstances, SDG&E bill presentment limitations or customer hardship.

Prior Versions:

<u>Date</u>	<u>Action</u>	<u>Resolution No.</u>	<u>Policy No.</u>
December 16, 2021	Adoption	N/A	N/A

³ See <https://tariffsprd.sdge.com/view/tariff/?utilId=SDGE&bookId=ELEC&tarfKey=639>.



EXHIBIT A
SAN DIEGO COMMUNITY POWER
RENEWABLE ENERGY SELF-GENERATION BILL CREDIT TRANSFER (RES-BCT) REQUEST FORM

DATE:

LOCAL GOVERNMENT CUSTOMER NAME:

MAILING ADDRESS:

CONTACT NAME:

CONTACT PHONE NUMBER:

CONTACT EMAIL ADDRESS:

REQUESTED EFFECTIVE DATE:

Note: Request form must be received by SDCPCommunity Power at least ~~30~~60 days prior to when the reallocation of generating Account credits is to be effective.

☐ Check here if this is an initial request

☐ Check here if this is an update to an existing SDCPCommunity Power RES-BCT Request Form

During the 12-month Relevant Period, updates to an existing SDCPCommunity Power RES-BCT Request Form will only be considered in the event of a change in eligibility of a Benefiting Account, such as account closure. Changes to allocation in subsequent 12-month Relevant Periods must be received at least 30 days prior to the start of the next Relevant Period.

Signature

Date



Generating Account Information.

Credits available as determined by the rates and terms of the SDCPCommunity Power Schedule RES-BCT-~~tariff~~ are to be allocated in the following whole percentages to the following authorized Benefiting Accounts (located within SDCPCommunity Power service territory boundaries).

ACCOUNT NUMBER	ACCOUNT NAME	SERVICE ADDRESS	SERVICE DELIVERY POINT	PERCENTAGE

Benefiting Account Information.

Credits available from the Generating Account, as determined by the rates and terms of the SDCPCommunity Power Schedule RES-BCT-~~tariff~~, are to be allocated to the Benefiting Accounts within SDCPCommunity Power territory, in the following whole percentages. Percentages may not sum to more than 100%.

ACCOUNT NUMBER	ACCOUNT NAME	SERVICE ADDRESS	SERVICE DELIVERY POINT	PERCENTAGE

Additional sheets may be attached as needed for additional Benefiting Account ~~and~~ percentages.

ITEM 11

EXHIBIT B

Policy	Renewable Energy Self-Generation Bill Credit Transfer Tariff	Original Adoption Date	December 16, 2021
Approval Date	November 20, 2025	Resolution No.	2025-__

PURPOSE:

The purpose of the San Diego Community Power (“Community Power”) Renewable Energy Self-Generation Bill Credit Transfer Tariff (“RES-BCT” or “Schedule RES-BCT”) is to provide a framework that allows Local Governments or Tribes to generate energy from an Eligible Renewable Generating Facility (“Eligible REGF”) for its own use (“Generating Account”) and to export energy not consumed at the time of generation by the Generating Account to the grid. All generation exported to the grid is converted into Generation Credits and applied to the Benefiting Accounts designated by the Local Government or Tribe. Only the energy charge rate component of the Generating Account’s commodity rate schedule shall be used in the calculation of credits to be applied under this schedule.

APPLICABILITY:

The Community Power Schedule RES-BCT is available to Community Power Local Government or Tribal customers with an Eligible REGF (defined in Section D Definitions) within Community Power service territory. Eligible customers who take service under the Community Power RES-BCT tariff shall not be eligible for any other program that requires an electrical corporation to purchase generation from the customer’s Eligible REGF enrolled in this tariff.

This schedule will be available to eligible customers, upon request, on a first-come-first-served basis, until the combined rated generating capacity of Eligible REGFs within Community Power’s service territory reaches its applicable proportional allocation of SDG&E’s share of 8.1 percent of the statewide 250 megawatts (MW) limitation.

Any costs associated with billing system modifications required for the development and implementation of Schedule RES-BCT will be recovered from participating customers through their monthly consolidated bills accordingly.

This tariff shall remain in effect until modified, amended, or replaced by Community Power’s Board of Directors (“Board”) at a duly noticed public meeting of the Board.¹

ELIGIBILITY:

¹ Board agendas are available at: <https://sdcommunitypower.org/resources/meeting-notes>.

An Eligible REGF is defined as a facility that generates electricity from a renewable source listed in Public Resources Code Section 25741(a)(1). These sources are biomass, solar thermal, photovoltaic, wind, geothermal, fuel cells or linear generators using renewable fuels, small hydroelectric generation (of 30 megawatts or less), digester gas, municipal solid waste conversion, landfill gas, ocean wave, ocean thermal, or tidal current, and any additions or enhancements to the facility using that technology.

The Eligible REGF must also meet all of the following criteria:

- a. is a generation facility with a generation capacity of not more than five and a half (5.5) megawatts ("MW");
- b. is located within the geographical boundaries of Community Power's service territory;
- c. is owned, operated, or located on property under the control of the Local Government customer²;
- d. is sized to offset all or a part of the electrical load of the Generating Account; and
- e. is interconnected and operates in parallel with San Diego Gas and Electric's (SDG&E's) transmission and distribution systems.

Eligible generators utilized to receive service under the terms of this rate schedule shall be in compliance with SDG&E's Electric Rule 21 (Interconnection Standards for Non-Utility Owned Generation). The Local Government customer shall have installed a meter capable of recording net generation output in 15-minute intervals to interconnect with the generator, and which must be approved by SDG&E. The Local Government must execute and comply with the applicable SDG&E Interconnection Agreement, SDG&E tariffs, and any other regulations and laws governing the interconnection of the Eligible Renewable Electrical Generating Facility.

Eligible generators participating on this schedule are not eligible for service under Community Power's Schedule Net Energy Metering ("NEM") or Schedule Net Billing Tariff ("NBT") or to participate in Community Power's Feed-In Tariff ("FIT") program. Moreover, service under this tariff will not be provided in combination with SDG&E's Level Pay Plan ("LPP") option. Lastly, there is no guarantee that a Community Power Schedule RES-BCT customer who chooses to opt-out and return to SDG&E will be guaranteed service under the bundled Schedule RES-BCT.

DEFINITIONS:

² Under certain circumstances when a Local Government customer is a lessee in a lease agreement, leased property within the geographical boundaries of the local government customer shall be considered under the control of the Local Government customer.

- i. “Local Government” is defined as a customer formed as a city, county, (whether general law or chartered, city and county), special district, school district, political subdivision, other local public agency or a joint powers authority formed pursuant to the Joint Exercise of Powers Act (Government Code Section 6500 *et seq.*), consistent with Public Utilities Code Section 2830, that has as members public agencies located within the same county and same electrical corporation service territory, but shall not mean the State of California or any agency or department of the State, other than an individual campus of the University of California or the California State University or any joint powers authority that has as members public agencies located in different counties or different electrical corporation service territories, or that has as a member the federal government, any federal department or agency, this or another state, or any department or agency of this state or another state.
- ii. “Tribe” means a California Native American Tribe, as defined in Section 21073 of the Public Resources Code, on the contact list maintained by the Native American Heritage Commission for the purposes of Chapter 905 of the Statutes of 2004.
- iii. “Generating Account” is defined as the SDG&E electricity billing account at the location of the Eligible REGF served under a time-of-use (“TOU”) rate schedule with bills rendered in the name of the Local Government or Tribal customer. Generating Accounts will be allowed to take service under Schedule DG-R (Distributed Generation Renewable – Time Metered).
- iv. “Benefiting Account” is defined as a service account, or more than one service account, belonging to a Local Government or Tribal customer, located within Community Power’s service territory and served under a TOU rate schedule within the geographical boundary of the city, county, or city and county in which the campus is located or an account or accounts that belong to members of a joint powers authority and are located within the geographical boundaries of the group of public agencies that formed the joint powers authority. The number of Benefiting Accounts is limited to 50. Benefiting Accounts will not automatically be eligible to receive service under Schedule DG-R, unless the Benefiting Account is already a host facility to a distributed generation project.

In order to be an eligible Benefiting Account of a Tribe, the account(s) must belong to a Tribe and be located on land owned by or under the jurisdiction of the Tribe, the account(s) must be wholly located within a single county within which the Tribe is located and electrical service is provided by the Utility, with the account(s) being mutually agreed upon by the Tribe and the Utility.

Benefiting accounts participating on Community Power’s Schedule RES-BCT are not eligible for service under Community Power’s Schedule NEM or Schedule NBT.

- v. “Power Delivered” is defined as the metered output measured in kilowatt-hours, exported to the grid, as recorded by the net generator output meter and validated by the SDG&E billing processes during the specific billing period.
- vi. “Relevant Period” is defined as the billing period that consists of twelve monthly billing cycles commencing on the date SDG&E provides Generating Account with SDG&E’s written approval to begin parallel operation of the Eligible REGF for purposes of participating in Schedule RES-BCT, and on every subsequent anniversary thereof.

GENERATION BILL CREDIT TRANSFER ALLOCATION REQUEST FORM:

In order to initiate service under this tariff, the Local Government or Tribal customer must submit a Community Power Schedule RES-BCT Allocation Request Form (“Request Form”), which is provided in Exhibit A. The Request Form designates how the credits from the Generating Account will be allocated among the customer’s Benefiting Accounts. The customer may submit an updated form within a Relevant Period in the event there is a change in eligibility of a Benefiting Account (such as account closure), and which must be received by Community Power at least sixty (60) days prior to when the reallocation of Generating Account credits is to be effective. A Local Government or Tribal customer requesting termination of Community Power Schedule RES-BCT service shall provide written notice to Community Power at least sixty (60) days in advance of the termination date.

Only the energy charge rate component of the Generating Account’s Community Power service charge shall be used in the calculation of credits to be applied under this tariff. Credits will be calculated by multiplying the Power Delivered by TOU energy charge component of the Generating Account’s electric energy commodity rate schedule, as determined by the discrete TOU period during which the Power Delivered was produced and exported to the grid. Credits will be applied to Benefiting Accounts based on the Request Form. Community Power will not compensate a Local Government for electricity generated from an Eligible REGF in excess of the bill credits applied to the designated Benefiting Account.

A Benefiting Account Relevant Period is a twelve-month period, or portion thereof, corresponding to that of the Generating Account Relevant Period. However, due to possible differences in billing (and meter read) cycles, the Benefiting Account Relevant Period may lag in time behind the Generating Account Relevant Period by any number of days up to one full billing cycle.

For purposes of applying Bill Credit, the Bill Credit Relevant Period ends at the same time for the Generating and all applicable Benefiting Accounts. Community Power requires that all RES BCT accounts (i.e., both Generating and Benefiting Accounts) to be on the same meter read cycle before the credit allocation can commence.

For a new Benefiting Account Credit arrangement, the initial Benefiting Account Relevant Period for a Benefiting Account that does not have the same Billing Cycle as the Generating Account, will start its Relevant Period at the start of its first full billing cycle that falls *after* that of the Generating Account. During the less-than-one-full billing-cycle period between the start of the Generating Account's Relevant Period and that of the Benefiting Account, no bill credit will be applied to that Benefiting Account's usage. The Benefiting Account's normal Relevant Period will consist of a twelve-month period, starting with the first full bill cycle.

Credits will be applied to the Generating Account and the Benefiting Account(s) based on whole percentages provided by the Local Government or Tribe on the Request Form. The process of allocating credits shall commence on the effective date of the Request Form and shall continue for 12 consecutive billing periods (Relevant Period). Credits remaining at the end of the Relevant Period will be applied toward remaining eligible Community Power electric generation charges during the Relevant Period. At the end of the Relevant Period, any remaining credits shall be applied as a Rollover to offset future months of consumption and/or to be applied in accordance with each benefitting account's percentage allocation at the time of future true ups. Each subsequent 12-month period of service under this schedule shall be considered a new Relevant Period. The Local Government will not be compensated for electricity generated from an Eligible REGF in excess of the bill credits applied to the Benefiting Accounts in a form outside of a credit Rollover.

The Local Government or Tribe is responsible for all charges due on the Benefiting Account bill in excess of the Generating Account applied credits.

BILLING:

- 1) **Benefiting Account Bill:** A Benefiting Account served under this tariff is responsible for all charges billed under its Otherwise Applicable Schedule ("OAS") including monthly billed minimum charges, customer charges, meter chargers, facilities charges, and energy and demand charges. Applicable demand charges are defined in the OAS. Credits applied based on the whole percentages provided by the Local Government on the Request Form shall not exceed the electric energy commodity charges incurred during the specific billing period.
- 2) **Generating Account Bill:** A Generating Account served under this schedule is responsible for all charges billed under its OAS including monthly billed minimum charges, customer charges, meter chargers, facilities charges, energy and demand charges. Applicable demand charges are defined in the OAS. Credits are applied on a monthly basis to a Generating Account whereby they will be based on the whole percentages provided by the Local Government on the Request Form to the Benefiting Account(s) and shall not exceed the electric energy commodity charges incurred during the specific billing period.

SDG&E's SCHEDULE RES-BCT:

Customers are subject to all applicable terms and conditions and billing procedures of SDG&E for SDG&E charges as described in SDG&E's Schedule RES-BCT (with the exception of Community Power generation charges in accordance with the applicable OAS, which are described in Community Power's rate schedules). Community Power may amend this Schedule RES-BCT to align with SDG&E's Schedule RES-BCT following California Public Utilities Commission approval of SDG&E's Schedule RES-BCT's revisions and any future amendments or other schedules that impact terms and conditions outlined above. Community Power calculates and applies generation charges and credits on a monthly basis. SDG&E will continue to calculate and apply charges and credits for delivery, transmission, and other services as detailed in SDG&E's Schedule RES-BCT, and Community Power credits cannot be applied to any SDG&E charges or vice versa. Please review the SDG&E's Schedule RES-BCT³ for more information.

MISCELLANEOUS:

The Chief Executive Officer ("CEO") of Community Power or their designee may, in their discretion, reserve the right to work with customers on a case-by-case basis to transfer export credits and/or otherwise deviate from the process specified in this policy for reasons including but not limited to cases of unforeseeable events, inconsistent receivable data from SDG&E, exigent circumstances, SDG&E bill presentment limitations or customer hardship.

Prior Versions:

Date	Action	Resolution No.	Policy No.
December 16, 2021	Adoption	N/A	N/A

³ See <https://tariffsprd.sdge.com/view/tariff/?utilId=SDGE&bookId=ELEC&tarfKey=639>.

**EXHIBIT A
SAN DIEGO COMMUNITY POWER
RENEWABLE ENERGY SELF-GENERATION BILL CREDIT TRANSFER (RES-BCT)
REQUEST FORM**

DATE:

LOCAL GOVERNMENT CUSTOMER NAME:

MAILING ADDRESS:

CONTACT NAME:

CONTACT PHONE NUMBER:

CONTACT EMAIL ADDRESS:

REQUESTED EFFECTIVE DATE:

Note: Request form must be received by Community Power at least 60 days prior to when the reallocation of generating Account credits is to be effective.

☐ Check here if this is an initial request

☐ Check here if this is an update to an existing Community Power RES-BCT Request Form

During the 12-month Relevant Period, updates to an existing Community Power RES-BCT Request Form will only be considered in the event of a change in eligibility of a Benefiting Account, such as account closure. Changes to allocation in subsequent 12-month Relevant Periods must be received at least 30 days prior to the start of the next Relevant Period.

Signature

Date

Generating Account Information.

Credits available as determined by the rates and terms of the Community Power Schedule RES-BCT are to be allocated in the following whole percentages to the following authorized Benefiting Accounts (located within Community Power service territory boundaries).

ACCOUNT NUMBER	ACCOUNT NAME	SERVICE ADDRESS	SERVICE DELIVERY POINT	PERCENTAGE

Benefiting Account Information.

Credits available from the Generating Account, as determined by the rates and terms of the Community Power Schedule RES-BCT, are to be allocated to the Benefiting Accounts within Community Power territory, in the following whole percentages. Percentages may not sum to more than 100%.

ACCOUNT NUMBER	ACCOUNT NAME	SERVICE ADDRESS	SERVICE DELIVERY POINT	PERCENTAGE

Additional sheets may be attached as needed for additional Benefiting Account percentages.

SAN DIEGO COMMUNITY POWER

Staff Report – Item 12

To: Board of Directors

From: Chandra Pugh, Senior Director of People Operations and Administration

Via: Karin Burns, Chief Executive Officer

Subject: Employee Handbook Update

Date: November 20, 2025

Recommendation

Update the Employee Handbook to: (1) include a Paid Parental Leave Policy; (2) include a Compassionate Paid Leave Policy; and (3) revise the Vacation Cash Out Policy.

Background

Community Power provides family and medical leave to eligible employees in accordance with the requirements of the federal Family Medical and Leave Act (“FMLA”), the California Family Rights Act (“CFRA”), and state Paid Family Leave Law (“PFL”). Under the current Employee Handbook (“Handbook”), employees may use their sick and/or vacation leave while on approved FMLA/CFRA/PFL leave in coordination with any wage replacement benefits they are receiving from another source, such as state disability insurance (SDI) or paid family leave (PFL) benefits. However, sick/vacation leave and wage replacement benefits do not replace most of the employee’s base wages while on FMLA/CFRA/PFL leave in some instances, especially where an employee is on extended leave and/or the employee does not have enough sick/vacation leave balance, which can create serious financial hardship for the affected employee.

In addition, the current Vacation Cash Out Policy in the Employee Handbook allows Community Power employees who have at least five years of employment at Community Power and a minimum of 120 hours of vacation leave balance to irrevocably elect to cash out vacation leave to be accrued the following year. However, there are several employees, especially longer-tenured ones, who have reached their vacation accrual limit and are no longer accruing vacation leave, or are about to reach their vacation accrual limit in the near term. Due to the five-year tenure requirement, no current employee can take advantage of this benefit.

Analysis and Discussion

The Board delegated to the Chief Executive Officer (“CEO”) the authority to perform personnel actions as to all subordinate employees in accordance with the Handbook and all applicable laws and regulations. The Board also delegated to the CEO the authority to amend the Handbook provided that the amendments are consistent with all applicable laws, the Community Power Joint Powers Agreement, and all ordinances, resolutions and enactments of the Board. Revisions to the Handbook that would affect the CEO and/or the General Counsel’s compensation require Board approval.

Pursuant to these delegations, the CEO approved a Paid Parental Leave Policy in 2022 for subordinate employees to take time off to bond with a new child, adjust to family changes, and manage childcare responsibilities following the birth or adoption of a child. The policy was intended to address the gap between the employee’s base wages and sick/vacation leave and wage replacement benefits for eligible employees who take time off for the above-stated purpose. The policy provides up to 320 hours of paid parental leave benefits, which must be taken within 12 months of the birth or adoption event. Staff is proposing for the Board to adopt the policy, as fully set forth in Attachment A, so that it applies to all employees including the CEO and General Counsel and not just subordinate employees. After adoption, the policy will be included in the Employee Handbook.

In addition, the CEO approved a Compassionate Paid Leave Policy in 2023 for subordinate employees to address the gap between their base wages and sick/vacation leave and wage replacement benefits for eligible employees experiencing an FMLA or CFRA-qualified event. The policy grants up to 6 weeks or 240 hours (whichever is greater) of paid leave to supplement the wages of an eligible employee experiencing an FMLA or CFRA-qualified event and needs time off from work for seven (7) days or more. Staff is proposing for the Board to adopt the policy, as fully set forth in Attachment B, so that it applies to all employees including the CEO and the General Counsel, and not just subordinate employees. After adoption, the policy will be included in the Employee Handbook.

Staff is also proposing revisions to the Vacation Cash Out Policy to remove the tenure requirement and cap the number of hours that can be cashed out to 80 hours. To address the large vacation balances that longer-tenured employees have accumulated, employees hired before November 1, 2022 would also be allowed to do a one-time cash out of 40 hours of vacation to be accrued in 2026. Other revisions to the policy include clarifying language relating to the timing of the election to cash out and when payment will be made. Revisions to the policy will be incorporated into the Employee Handbook. The full policy is set forth in Attachments C (redline) and D (clean).

Fiscal Impact

The cost of adopting a Paid Parental Leave Policy and Compassionate Paid Leave Policy for all employees is considered negligible given that these benefits are already existing for all employees except the CEO and the GC and is already accounted for in Community Power's financial statement and budget.

The cost of the update to the Vacation Cash Out Policy is considered negligible given that vacation time is already accounted for in Community Power's financial statement as a liability and in Community Power's budget as accrued vacation time.

Strategic Plan

This supports Community Power's strategic plan goal of ensuring excellence by adopting sustainable business practices and fostering a workplace culture of innovation, diversity, transparency and integrity.

Attachments

- A – Paid Parental Leave Policy
- B – Compassionate Paid Leave Policy
- C – Vacation Cash Out Policy (redlined)
- D – Vacation Cash Out Policy (clean)

ITEM 12

ATTACHMENT A

Paid Parental Leave Policy

Community Power will grant up to 320 hours of paid parental leave to supplement the wages of an eligible employee for the purpose of bonding with a new child, adjust to their new family situation, and manage childcare responsibilities following the birth or adoption of a child. The leave must be taken within 12 months of the birth or adoption event, and may be used on a full-time basis (continuous leave) or intermittent or part-time basis (with management approval). This leave benefit will be coordinated with other wage replacement benefits so that the employee receives total wage replacement benefits not to exceed 100% of their regular weekly compensation. To be eligible, the employee must be classified as a regular employee of Community Power for six (6) consecutive months prior to the start of leave. The employee must first apply for state wage replacement benefits and provide a copy of the award notice to HR. Paid parental leave benefits will be calculated based on the amount of other wage replacement benefits the employee is receiving and paid at the employee's regular base rate. Benefits such as health insurance will continue during the leave period, provided the employee maintains any required contributions. Paid parental leave benefits may not be taken concurrently with compassionate paid leave benefits.

ITEM 12

ATTACHMENT B

Compassionate Paid Leave Policy

Community Power will grant up to 6 weeks or 240 hours (whichever is greater) of paid leave to supplement the wages of an eligible employee experiencing an FMLA or CFRA-qualified event and who will need time off from work for seven (7) days or more. This leave benefit will be coordinated with other wage replacement benefits (such as state disability insurance and PFL) so that the employee receives total wage replacement benefits of approximately 100% of their regular weekly compensation for a period of up to 6 weeks or 240 hours. To be eligible, the employee must be classified as a regular employee of Community Power for 12 consecutive months prior to the start of leave. The employee must first apply for state wage replacement benefits and provide a copy of the award notice to HR. Compassionate paid leave benefits will be calculated based on the amount of other wage replacement benefits employee is receiving and paid at the employee's regular base rate. Benefits such as health insurance will continue during the leave period, provided the employee maintains any required contributions. Compassionate paid leave benefits may not be taken concurrently with paid parental leave benefits.

ITEM 12

ATTACHMENT C

Vacation Cash Out Policy (Redlined)

Annually, on or about December 1 of each year, by December 31st of each year, an employee with a minimum of one hundred and twenty (120) hours of accumulated vacation leave as of December 15th of that year, and at least five (5) years of employment with COMMUNITY POWER, may irrevocably elect how much, if any, of the to have up to 80 hours of vacation leave to be that will be earned in the following calendar year will be compensated for in cash at the end of that year in the first paycheck of November of that calendar year. The amount elected by the employee to be paid in cash at year-end will be compensated by COMMUNITY POWER to the extent the accumulated balance at year-end on October 1st of that calendar year meets does not drop below the minimum of one hundred and twenty (120) hours requirement. Any vacation leave compensated by COMMUNITY POWER will be at the employee's base hourly current salary rate on the date of payment. A non-exempt employee's base hourly rate shall be calculated based on working 40 hours per week for 52 weeks in a calendar year. Vacation leave to be earned in the following year, which the employee does not elect to have compensated for in cash at the end of that year, may be taken as vacation leave during that year or will be added to the employee's accumulated balance of vacation leave.

In addition, employees who joined Community Power before November 1, 2022 are also eligible for a one-time vacation cash out of 40 hours of vacation leave earned in 2026, to be paid out in the first paycheck of July 2026. Such employees must make the irrevocable election to cash out the 40 hours by December 31, 2025 and must have a minimum of 120 hours of vacation leave balance by December 15, 2025.

ITEM 12

ATTACHMENT D

Vacation Cash Out Policy (Clean)

Annually, by December 31st of each year, an employee with a minimum of one hundred and twenty (120) hours of accumulated vacation leave, as of December 15th of that year, may irrevocably elect to have up to 80 hours of vacation leave that will be earned in the following calendar year be compensated for in cash in the first paycheck of November of that calendar year. The amount elected by the employee to be paid in cash will be compensated by COMMUNITY POWER to the extent the accumulated vacation balance on October 1st of that calendar year meets the minimum one hundred and twenty (120) hours requirement. Any vacation leave compensated by COMMUNITY POWER will be at the employee's base hourly rate on the date of payment. A non-exempt employee's base hourly rate shall be calculated based on working 40 hours per week for 52 weeks in a calendar year. Vacation leave to be earned in the following year, which the employee does not elect to have compensated for in cash, may be taken as vacation leave during that year or will be added to the employee's accumulated balance of vacation leave.

In addition, employees who joined COMMUNITY POWER before November 1, 2022 are also eligible for a one-time vacation cash out of 40 hours of vacation leave earned in 2026, to be paid out in the first paycheck of July 2026. Such employees must make the irrevocable election to cash out the 40 hours by December 31, 2025 and must have a minimum of 120 hours of vacation leave balance by December 15, 2025.

SAN DIEGO COMMUNITY POWER

Staff Report - Item 13

To: Board of Directors

From: Jack Clark, Chief Operating Officer
Jen Lebron, Senior Director Public Affairs
Lee Friedman, Senior Manager Strategic Partnerships

Via: Karin Burns, Chief Executive Officer

Subject: Informational Update on Battery Energy Storage Systems

Date: November 20, 2025

Recommendation

Receive and file an informational presentation on battery energy storage systems.

Background

The battery energy storage system (BESS) is an advanced technological solution that allows energy to be stored and then discharged for later use. These systems can range in size (from residential home storage to utility scale), complexity (single user to virtual power plant), technology, and purpose. BESS are critical to improving grid reliability and stability as they help balance the integration of intermittent renewable energy sources like solar and wind and reduce demand (and associated costs) by lowering peak demand. The State of California has projected needing 52,000 megawatts of energy storage by 2045, and as of April 2025 was at 15,763 megawatts online.

Analysis and Discussion

San Diego Community Power (Community Power) has a strategic goal of procuring one gigawatt of local power with 300 megawatts of that power to be local distributed capacity and development of local BESS will be necessary to meet these goals. While these battery systems are not new to the San Diego region (25 utility scale sites already in operation), additional education and advocacy will be critical as significant progress in the safety, design, and

technology of these systems has been made since the first systems were deployed over ten years ago.

After two recent fires at BESS facilities in the San Diego region and several additional fires at BESS facilities across the state, there have been various efforts by municipalities to respond to concerns around public safety and neighborhood impact of potential BESS projects. These efforts have led to a range of responses from productive conversations and outcomes for the continued safe development of BESS projects (generally through clarifying land-use or existing development codes), to calling for blanket moratoriums on all future BESS projects or establishing onerous development requirements that act as an effective moratorium.

San Diego Community Power has invited Cleantech San Diego Executive Director Jason Anderson and San Diego Fire Department Battalion Chief Robert Rezende, experts in the Cleantech and BESS safety space respectively, to provide information on BESS technologies, the deployment of BESS in San Diego, San Diego resident sentiment to BESS, and the nexus of BESS development and public safety.

San Diego Community Power supports the development and deployment of safe and reliable BESS projects locally, regionally, and across the state to meet our goals of providing clean, renewable, and affordable power while supporting the growth of the green economy and good paying local jobs. Today's discussion is only one part of a larger education campaign to ensure the general public can hear from experts in the cleantech and public safety sector – and to receive feedback on how best Community Power can balance the needs of the community it serves to ensure any BESS development by Community Power meets the needs of its various stakeholders.

Fiscal Impact

N/A

Strategic Plan

- Support development of 1 Gigawatt of local renewable and clean energy capacity by 2035, of which 300 MW will be distributed energy resources (DERs) enabled by Community Power programs, tariffs, and procurement
- Create high quality local jobs in renewable energy that support healthy families and vibrant communities

Attachments

N/A

SAN DIEGO COMMUNITY POWER

Staff Report – Item 14

To: Board of Directors

From: Dr. Eric Washington, Chief Financial Officer/Treasurer

Via: Karin Burns, Chief Executive Officer

Subject: Fiscal Year End 2024-25 Financial Audit

Date: November 20, 2025

Recommendation

Receive and file Fiscal Year End 2024-25 Financial Audit.

Background

On October 1, 2019, the Founding Members of San Diego Community Power (Community Power) adopted the Joint Powers Agreement (JPA) which was amended and restated on December 16, 2021.

Section 4.6.14 of the JPA specifies the Board of Directors (Board) shall arrange for an annual independent fiscal audit.

Section 5.4 of the JPA specifies 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 Section 6505.5 of the Government Code. The section further specifies that the Treasurer shall cause an independent audit(s) of the finances of Community Power to be made by a certified public accountant, or public accountant, in compliance with Section 6505 of the Government Code. Section 7.2.2 of the JPA additionally specifies that the Community Power Board shall contract with a certified public accountant to make an annual audit of the financial statements of Community Power, which shall be conducted in accordance with the requirements of Section 6505 of the Government Code.

On July 1, 2021, Community Power entered into a professional services agreement with Piseni & Brinker to perform its annual audit for FY 2020-21.

On July 1, 2022, Community Power exercised an option in the professional services agreement to extend the term from June 30, 2022, to June 30, 2023, to conduct its annual audit for FY 2021-22.

Subsequently, on July 20, 2023, Community Power exercised an option in the professional services agreement to extend the term from June 30, 2023, to June 30, 2024, to conduct its annual audit for FY 2022-23.

Later, on July 30, 2024, Community Power issued an invitation to bid from qualified and experienced professionals to provide independent financial statement auditing and additional as-needed services such as assisting with the preparation and reporting of audit findings to Community Power's Board. As a result of the invitation to bid, on September 1, 2024, Community Power entered into a professional services agreement with Pisenti & Brinker to perform its annual audit for FY 2023-24.

Shortly thereafter, Pisenti & Brinker subsequently merged with several accounting firms to form Sorren CPAs P.C. (Sorren), and Sorren assumed all of Pisenti & Brinker's rights, duties, and obligations under the professional services agreement.

Finally, on September 23, 2025, Community Power executed Amendment No. 1 to the professional services agreement with Sorren to extend the professional services agreement by one year, from September 30, 2025, to September 30, 2026.

This amendment to extend the contract term was necessary to conduct Community Power's FY 2024-25 annual audit with Sorren.

On October 16, 2025, Sorren provided the Finance and Risk Management Committee (FRMC) with a progress report presentation for the Fiscal Year End 2024-25 Financial Audit that provided the preliminary results. Subsequently, on October 23, 2025, the Board was similarly provided with a progress report presentation.

Sorren is a firm with extensive experience auditing CCA's throughout California, as well as other local government entities.

Committee Review

Audit results for June 30, 2025, Fiscal Year End Audited Financial Statements were received and filed by the Finance and Risk Management Committee at their November 13 meeting.

Fiscal Impact

N/A

Strategic Plan

The FY 2024-25 financial audit supports Community Power's strategic goal for fiscal sustainability and strengthening financial controls across the agency.

Attachments

A: Audited Financial Statements for Fiscal Year Ended June 30, 2025

B: Report to the Board of Directors



ITEM 14

ATTACHMENT A



FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 & 2024

WITH REPORT OF

INDEPENDENT AUDITORS

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Independent Auditor's Report

To the Board of Directors
San Diego Community Power

Opinion

We have audited the accompanying financial statements of San Diego Community Power (Community Power), which comprise the statements of net position as of June 30, 2025 and 2024, the related statements of revenue, expenses and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Community Power as of June 30, 2025 and 2024, and the results of its operations and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Community Power and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Power's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued, including any currently known information that may raise substantial doubt shortly thereafter.

Independent Auditor's Report (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Community Power's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Power's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Independent Auditor's Report (continued)

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Sorren CPAs P.C.

Santa Rosa, California
October 30, 2025

**SAN DIEGO COMMUNITY POWER
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2025 AND 2024**

The purpose of management's discussion and analysis (MD&A) is to help stakeholders and other readers understand what the financial statements and notes in this report say about San Diego Community Power's (Community Power) financial health and why it has changed since last year. It contains information drawn from other parts of the report, accompanied by explanations informed by the finance staff's knowledge of Community Power's finances.

If you have questions about this report or require further information, please contact Community Power at customerservice@sdcommunitypower.org

Overview of the Financial Statements

Community Power's financial report contains basic financial statements, which include:

- The *Statements of Net Position* include all of Community Power's assets, liabilities, and net position and provide information about the nature and amounts of resources and obligations at a specific point in time.
- The *Statements of Revenues, Expenses, and Changes in Net Position* report all of Community Power's revenue and expenses for the years shown.
- The *Statements of Cash Flows* report the cash provided and used by operating activities, as well as other sources and uses, such as capital and non-capital and investing activities.
- The notes to the Basic Financial Statements provide additional details and information related to the basic financial statements.

**SAN DIEGO COMMUNITY POWER
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2025 AND 2024**

Financial Summary

COMMUNITY POWER'S NET POSITION

	2025	2024	2023
Current assets	\$ 547,449,994	\$ 533,740,155	\$ 300,522,958
Noncurrent assets:			
Other noncurrent assets	70,552,811	1,147,000	5,032,000
Capital assets, net	1,317,542	1,258,843	1,032,334
Total noncurrent assets	71,870,353	2,405,843	6,064,334
Total assets	619,320,347	536,145,998	306,587,292
Current liabilities	135,046,542	159,813,660	83,699,768
Noncurrent liabilities	8,041,641	949,956	36,875,193
Total liabilities	143,088,183	160,763,616	120,574,961
Net position			
Restricted for security collateral	1,147,000	1,647,000	2,147,000
Unrestricted	475,085,164	373,735,382	183,865,331
Total net position	\$ 476,232,164	\$ 375,382,382	\$ 186,012,331

As of June 30, 2025, Community Power's total net position was approximately \$476,232,000, an increase of \$118,800,000 compared with June 30, 2024. Most of the increase in net position was concentrated in increases in cash, cash equivalents and investments, as a result of Community Power's operating surplus discussed in the following sections.

COMMUNITY POWER's Changes in Net Position

	2025	2024	2023
Operating revenues	\$ 1,243,031,946	\$ 1,264,369,520	\$ 891,178,064
Nonoperating revenues	13,467,273	9,384,873	433,366
Total income	1,256,499,219	1,273,754,393	891,611,430
Operating expenses	1,155,213,375	1,082,692,389	746,131,125
Nonoperating expenses	436,062	1,691,953	1,998,926
Total expenses	1,155,649,437	1,084,384,342	748,130,051
Change in net position	\$ 100,849,782	\$ 189,370,051	\$ 143,481,379

Total income was fairly steady in FY 2025. Increases in electricity sales accounted for most of the increase in total income from FY 2023 to FY 2024 due to territory expansions and increases in electricity rates. See the following sections of MD&A for a detailed analysis of the changes in net position.

**SAN DIEGO COMMUNITY POWER
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2025 AND 2024**

Detailed Analysis

Total current assets increased significantly year-over-year, reflecting growth in cash balances and receivables. Unrestricted cash and cash equivalents totaled approximately \$292,772,000 at June 30, 2025, compared to \$299,795,000 in the prior year. Restricted cash increased to \$25,756,000 from \$500,000, due to the receipt of grants not expended by June 30, 2025. Accounts receivable rose to \$116,027,000 from \$103,512,000 reflecting increased rates charged to customers. Accrued revenue declined modestly to \$72,742,000 from \$76,863,000 based on billing cycle cutoffs.

A notable change in 2025 was the presentation of \$69,906,000 in noncurrent investments for the first time. Management expects to hold these investments for over one year. Other noncurrent assets also include certain restricted cash and cash equivalents of \$647,000 at the end of 2025 and \$1,147,000 at the end of 2024.

Capital assets are reported net of depreciation and amortization. See Note 5 to the basic financial statements for a detail of changes for fiscal years 2025 and 2024. Capital assets held by Community Power include furniture, equipment, and intangible right-of-use lease assets.

The largest component of current liabilities remains the accrued cost of electricity, which decreased to \$102,202,000 from \$148,116,000 in 2024, reflecting changes in payment timing and energy procurement terms. Unlike 2025, suppliers had significant delays in sending Community Power invoices for certain energy products which resulted in a large accrued liability at the end fiscal year 2024. Accounts payable and other accrued liabilities were stable, while deposits from energy suppliers dropped from \$4,055,000 in 2024 to \$229,000 in 2025 reflecting the return of deposits to suppliers. A new liability of \$25,256,000 is reported as Advances from Grantors, representing unspent San Diego Regional Energy Network ("SDREN") grant funds received during the year. Noncurrent liabilities decreased from 2023 to 2024 with the retirement of bank debt. While Community Power did draw on its credit line in both 2024 and 2025, it repaid the amounts in full within each year. Noncurrent liabilities increased from 2024 to 2025 as a result of increased supplier security deposits that are to be held longer than a year.

Revenues increased from 2023 to 2024 primarily due to higher sales volumes from territory expansion and rate adjustments. Although Community Power reduced rates in January 2024, the effect was offset by strong sales volumes earlier in the year, resulting in overall revenue growth. From 2024 to 2025, revenues were relatively flat because a March 2025 rate increase was largely offset by the lower rate environment in place at the beginning of the year.

**SAN DIEGO COMMUNITY POWER
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2025 AND 2024**

Detailed Analysis (continued)

Community Power also receives revenues from sources other than retail customer sales. These sources include grant income used to assist with various customer programs and liquidated damage revenue resulting from supplier violations of contract provisions. Revenue from liquidated damages increased notably from 2023 to 2024 primarily due to delays in the operations of certain energy supplier facilities and other contractual shortfalls. There were fewer delays in 2025 resulting in a large drop in liquidated damages revenue.

Investment income increased from 2024 to 2025 with increases in the amount of invested assets and from achieving higher rates of return as a result of diversifying its investment portfolio by investing in high value debt instruments.

Operating expenses increased from 2023 to 2024, due to increased prices for certain products in the energy markets and operational territory expansion. In April 2023, Community Power expanded into National City as well as the unincorporated County of San Diego. Providing service to these additional customers, as well as providing service for full year to the customers enrolled prior to fiscal year 2023, accounted for much of the increased revenue in fiscal year 2024. While operating expenses also increased from 2024 to 2025, the change was less significant. For all the years presented, the largest expense was the cost of electricity. Community Power procures energy from a variety of sources to minimize this risk and maintain a balanced renewable power portfolio. The cost of electricity increased from 2024 to 2025 by \$53,992,000 (5.2%), primarily due to rising costs in the resource adequacy market and the pricing of certain contracts that were executed to comply with the State's Renewable Portfolio Standards. Other operating expenses that increased from 2024 to 2025 were staff compensation and other operating expenses. Staff compensation rose due to planned staffing increases needed to accommodate Community Power growing operational needs. Other operating expenses include costs to implement various new and expanding customer programs, including a significant amount of cash incentives paid to customers.

Significant Capital Asset and Long-Term Financing Activity

Community Power does not own assets used for electric generation or distribution. Capital assets represent office equipment, such as computers, furniture, and right-of-use assets related to Community Power's office lease.

During fiscal year 2024, Community Power repaid its bank note of \$35,730,000, reducing its outstanding financing debt to \$0. Community Power borrowed \$55,500,000 in fiscal year 2025 and repaid the balance in full in the same fiscal year.

**SAN DIEGO COMMUNITY POWER
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2025 AND 2024**

Currently Known Facts, Decisions, or Conditions

Community Power is a community-owned organization that provides affordable clean energy and invests in the community to create an equitable and sustainable future for the San Diego region. The agency's vision is to be a global leader inspiring innovative solutions to climate change by powering our communities with 100% clean affordable energy while prioritizing equity, sustainability, and high-quality jobs.

Even as we deliver near-term savings, we continue to plan for long-term energy security and stability. The broader power market remains volatile, shaped by a constrained statewide resource supply and uncertain federal tax credit and trade policies. Our Power Services team is navigating these challenges through disciplined procurement and long-range planning. To date, we've executed 17 long-term power purchase and energy storage agreements that will deliver reliable, renewable electricity to nearly 1 million homes and businesses across our region. These investments not only support our goal of 100% renewable energy by 2035, but also help insulate customers from future price spikes.

In 2024, we marked a major milestone with the ribbon cutting of the Vikings Solar and Storage Project in Imperial County. Developed by Arevon, with Community Power as the offtaker, Vikings is more than just a solar generation site. As one of the first utility-scale solar peaker plants in the United States, the project is designed to keep the lights on and costs down when demand is at its highest — powering the equivalent of 50,000 San Diego homes with clean, affordable energy. It exemplifies our broader procurement strategy: securing long-term renewable power while creating local and regional economic opportunity.

Community Power also launched its Solar Battery Savings Program as a pilot with \$11,500,000 million in funding in the summer of 2024. Shortly thereafter, the California Public Utilities Commission approved Community Power and the County of San Diego's joint effort to establish a regional energy network, called "SDREN" that is poised to bring \$124,300,000 million in energy efficiency programs to the region through 2027.

**SAN DIEGO COMMUNITY POWER
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2025 AND 2024**

Currently Known Facts, Decisions, or Conditions (continued)

Community Power anticipates \$344,300,000 in similar one-time investments through its fiscal year 2026-30 Capital Investment Plan. These investments reflect Community Power's priorities as we transition toward our mid-term program strategy, which focuses on optimizing customer energy use around time-of-use rate schedules and individual preferences. These efforts reduce participants' bills while lowering major cost drivers like energy procurement and resource adequacy — creating system-wide savings that benefit all ratepayers. In the years ahead, we will continue building the tools and incentives that align customer behavior with grid needs, helping make our clean energy system smarter, more affordable and more resilient.

Community Power remains on track to meet its 100% renewable energy goal by 2035. As Community Power looks ahead, our focus remains on driving measurable impact: accelerating the region's clean energy transition, supporting local climate goals and building a more just and resilient energy system. With the continued leadership of our Board of Directors, Community Advisory Committee and dedicated staff, San Diego Community Power is proud to power the path toward a cleaner, more resilient future — together.

Requests for Information

This financial report is designed to provide Community Power's board members, stakeholders, customers, and creditors with a general overview of Community Power's finances and to demonstrate Community Power's accountability for the funds under its stewardship.

Please address any questions about this report or requests for additional financial information to the finance department at P.O. Box 12716, San Diego, CA 92112-3716.

BASIC FINANCIAL STATEMENTS

SAN DIEGO COMMUNITY POWER
STATEMENTS OF NET POSITION
JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
Current assets		
Cash and cash equivalents - unrestricted	\$ 292,771,532	\$ 299,795,110
Cash and cash equivalents - restricted	25,755,714	500,000
Accounts receivable, net of allowance	116,027,223	103,512,165
Accrued revenue	72,742,359	76,863,423
Prepaid expenses	23,802,135	35,018,400
Other receivables	4,099,991	5,888,858
Deposits	11,094,211	12,162,199
Investments	1,156,829	-
Total current assets	<u>547,449,994</u>	<u>533,740,155</u>
Noncurrent assets		
Cash and cash equivalents - restricted	647,000	1,147,000
Investments	69,905,811	-
Capital assets, net of depreciation and amortization	1,317,542	1,258,843
Total noncurrent assets	<u>71,870,353</u>	<u>2,405,843</u>
Total assets	<u>619,320,347</u>	<u>536,145,998</u>
LIABILITIES		
Current liabilities		
Accrued cost of electricity	102,447,166	148,116,316
Accounts payable	3,565,972	4,726,594
Other accrued liabilities	2,159,955	1,141,121
State surcharges payable	535,146	528,942
Deposits - energy suppliers	228,731	4,055,000
Interest and finance costs payable	-	281,283
Lease liability	853,858	964,404
Advances from grantors	25,255,714	-
Total current liabilities	<u>135,046,542</u>	<u>159,813,660</u>
Noncurrent liabilities		
Lease liability	598,191	325,956
Deposits - energy suppliers	7,443,450	624,000
Total noncurrent liabilities	<u>8,041,641</u>	<u>949,956</u>
Total liabilities	<u>143,088,183</u>	<u>160,763,616</u>
NET POSITION		
Restricted for security collateral	1,147,000	1,647,000
Unrestricted	475,085,164	373,735,382
Total net position	<u>\$ 476,232,164</u>	<u>\$ 375,382,382</u>

The accompanying notes are an integral part of these financial statements.

**SAN DIEGO COMMUNITY POWER
STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
OPERATING REVENUES		
Electricity sales, net	\$1,239,973,471	\$1,252,787,768
Grant revenue	1,780,217	983,500
Other income	1,278,258	10,598,252
Total operating revenues	<u>1,243,031,946</u>	<u>1,264,369,520</u>
OPERATING EXPENSES		
Cost of electricity	1,101,545,238	1,047,553,476
Contract services	19,487,406	19,750,534
Staff compensation	17,159,242	11,399,388
Other operating expenses	16,295,134	3,261,424
Depreciation and amortization	726,355	727,567
Total operating expenses	<u>1,155,213,375</u>	<u>1,082,692,389</u>
Operating income	<u>87,818,571</u>	<u>181,677,131</u>
NONOPERATING REVENUES (EXPENSES)		
Investment income	13,467,273	9,384,873
Interest expense	(436,062)	(1,691,953)
Nonoperating revenues (expenses), net	<u>13,031,211</u>	<u>7,692,920</u>
CHANGE IN NET POSITION	100,849,782	189,370,051
Net position at beginning of year	<u>375,382,382</u>	<u>186,012,331</u>
Net position at end of year	<u><u>\$ 476,232,164</u></u>	<u><u>\$ 375,382,382</u></u>

**SAN DIEGO COMMUNITY POWER
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2025 AND 2024**

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$1,233,997,068	\$1,264,068,317
Receipts from grantors	27,035,931	983,500
Receipts of supplier security deposits	15,196,186	37,126,179
Receipts from wholesale sales and other operating activities	13,235,888	14,572,544
Payments to suppliers for electricity	(1,155,287,321)	(1,002,775,871)
Payments for other goods and services	(35,849,830)	(22,030,135)
Payments for deposits and collateral	(1,984,371)	(15,783,943)
Payments for staff compensation	(17,174,536)	(11,066,586)
Payments of state surcharges	(2,411,387)	(2,321,269)
Net cash provided by operating activities	<u>76,757,628</u>	<u>262,772,736</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Proceeds from bank note	55,500,000	-
Principal payments - bank note	(55,500,000)	(35,730,000)
Interest payments	(393,962)	(1,909,624)
Net cash used by noncapital financing activities	<u>(393,962)</u>	<u>(37,639,624)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments of lease liability	(643,272)	(604,328)
Purchases of capital assets	-	(71,550)
Net cash used by capital and related financing activities	<u>(643,272)</u>	<u>(675,878)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income received	11,828,321	9,153,996
Proceeds from investment sales and maturities of investments	3,195,096	-
Purchase of investments	(73,011,675)	-
Net cash provided (used) by investing activities	<u>(57,988,258)</u>	<u>9,153,996</u>
Net change in cash and cash equivalents	17,732,136	233,611,230
Cash and cash equivalents at beginning of year	301,442,110	67,830,880
Cash and cash equivalents at end of year	<u>\$ 319,174,246</u>	<u>\$ 301,442,110</u>
Reconciliation to the Statement of Net Position		
Cash and cash equivalents (unrestricted)	\$ 292,771,532	\$ 299,795,110
Restricted cash - current	25,755,714	500,000
Restricted cash - noncurrent	647,000	1,147,000
Cash and cash equivalents	<u>\$ 319,174,246</u>	<u>\$ 301,442,110</u>
NONCASH INVESTING ACTIVITIES		
Change in fair value of investments	\$ 1,638,952	\$ -
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of lease asset	\$ 1,284,053	\$ -

**SAN DIEGO COMMUNITY POWER
STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED JUNE 30, 2025 AND 2024**

**RECONCILIATION OF OPERATING INCOME TO NET
CASH PROVIDED BY OPERATING ACTIVITIES**

	<u>2025</u>	<u>2024</u>
Operating income	\$ 87,818,571	\$ 181,677,131
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation and amortization expense	726,355	727,567
(Increase) decrease in:		
Accounts receivable, net	(12,515,058)	7,001,566
Accrued revenue	4,121,064	1,929,361
Prepaid expenses	11,216,265	(4,490,902)
Other receivables	2,181,758	(5,424,266)
Deposits	1,067,988	5,494,151
Increase (decrease) in:		
Accrued cost of electricity	(45,914,150)	70,770,973
Accounts payable	(1,196,904)	4,287,328
Advances from grantors	25,255,714	-
Other accrued liabilities	996,640	(2,653,526)
State surcharges payable	6,204	28,353
Deposits - energy suppliers	2,993,181	3,425,000
Net cash provided by operating activities	<u>\$ 76,757,628</u>	<u>\$ 262,772,736</u>

**SAN DIEGO COMMUNITY POWER
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

San Diego Community Power (Community Power) is a California Joint Powers Authority created on October 1, 2019. As of June 30, 2025, parties to its Joint Powers Agreement (JPA) consist of the following local governments:

<u>County</u>	<u>Cities</u>	
San Diego (Unincorporated)	Chula Vista	La Mesa
	Encinitas	National City
	Imperial Beach	San Diego

Community Power is separate from and derives no financial support from its members. Community Power is governed by a Board of Directors (Board) whose membership is composed of elected officials or other representatives of the member governments.

The core function of Community Power is to provide electric service that includes the use of renewable sources under the Community Choice Aggregation Program under California Public Utilities Code Section 366.2.

Community Power began its energy delivery operations in March 2021. Electricity is acquired from commercial suppliers and delivered through existing physical infrastructure and equipment managed by San Diego Gas and Electric.

BASIS OF ACCOUNTING

Community Power's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements.

Community Power's operations are accounted for as a governmental enterprise fund and are reported using the economic resources measurement focus and the accrual basis of accounting – similar to business enterprises. Accordingly, revenues are recognized when they are earned, and expenses are recognized at the time related liabilities are incurred. Enterprise fund-type operating statements present increases (revenues) and decreases (expenses) in total net position. Reported net position is segregated into three categories, if applicable – net investment in capital assets, restricted and unrestricted.

When both restricted and unrestricted resources are available for use, it is Community Power's policy to use restricted resources first, then unrestricted resources as they are needed.

**SAN DIEGO COMMUNITY POWER
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

CASH AND CASH EQUIVALENTS

For the purpose of the Statements of Cash Flows, Community Power defines cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with an original maturity of three months or less. The Statements of Net Position presents restricted cash balances separately. Restricted cash reported on the Statements of Net Position includes advanced funding from grantors, collateral related to a bank line of credit, as well as a required minimum balance to be maintained in one of its bank accounts.

INVESTMENTS

Investments are stated at fair value based on prices listed on a national exchange. Investments with a maturity of less than one year are shown as current assets in the Statements of Net Position. Investments with a maturity of one year or more are shown as noncurrent assets in the Statements of Net Position.

Community Power's investment policy permits the following types of investments:

Deposits at banks	Money market funds
Local Agency Investment Fund	Commercial paper
Federal agency securities	Medium-term notes
Bankers' acceptances	Pass-through securities
Negotiable certificates of deposits	Municipal securities
Placement service deposits	Supranationals

ACCRUED REVENUE

Accrued revenue reflects the estimated value of electricity delivered to customers during the reporting period for which invoices had not been issued by the end of the fiscal year.

PREPAID EXPENSES

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid expenses.

DEPOSITS

Contracts to purchase energy may require Community Power to provide a supplier with advanced payments or security deposits. Security deposits are generally held for the term of the contract and are classified as current or noncurrent assets depending on the length of the time the deposits will be outstanding.

SAN DIEGO COMMUNITY POWER
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

CAPITAL ASSETS AND DEPRECIATION

Community Power's policy is to capitalize furniture and equipment valued over \$5,000 that is expected to be in service for over one year. Depreciation is computed according to the straight-line method over estimated useful lives of three years for electronic equipment, and five years for furniture. Leasehold improvements are depreciated over the lesser of seven years or the length of the original lease term. Community Power does not own any electric generation, transmission, or distribution assets.

LEASE ASSETS AND LEASE LIABILITIES

Community Power recognizes an asset and liability when it enters into certain leasing arrangements. The leased assets are amortized over the term of the leases. The lease liabilities initially recognized at the present value of payments expected to be paid to the lessors during the terms of the lease. Community Power's leased assets and liabilities relate to its office premises.

DEPOSITS - ENERGY SUPPLIERS

Various energy contracts entered into by Community Power require the supplier to provide Community Power with a security deposit. These deposits are generally held for the term of the contract or until the completion of certain benchmarks. Deposits are classified as current or noncurrent, depending on the length of time the deposits will be held.

ADVANCES FROM GRANTORS

Community Power received grant funding from grantors. The amount in this category represents funds received by Community Power but not yet expended to carry out specific goals.

NET POSITION

Net position is presented in the following components:

Restricted: This component of net position consists of restraints placed on net asset use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted: This component of net position consists of net position that does not meet the definition "restricted."

OPERATING AND NONOPERATING REVENUE

Operating revenues include energy sales to retail and wholesale customers, program-related grants, and liquidated damages from suppliers that fail to meet delivery commitments.

Investment income is considered nonoperating revenue.

SAN DIEGO COMMUNITY POWER
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

REVENUE RECOGNITION

Community Power recognizes revenue according to the accrual basis. This includes invoices issued to customers during the reporting period and electricity estimated to have been delivered but not yet billed. Management estimates that a portion of the billed amounts will be uncollectible. Accordingly, an allowance for uncollectible accounts has been recorded. Revenue is presented net of estimated uncollectible accounts.

OPERATING AND NONOPERATING EXPENSES

Operating expenses include the costs of electricity, services, administrative expenses, and depreciation of capital assets. Operating expenses are expenses other than nonoperating expenses. Nonoperating expenses are expenses related to financing.

COST OF ELECTRICITY

During the normal course of business, Community Power purchases electrical power from numerous suppliers. Electricity costs include the cost of energy and capacity arising from bilateral contracts with energy suppliers as well as generation credits and load and other charges arising from Community Power's participation in the California Independent System Operator's (CAISO) centralized market. The cost of electricity and capacity is recognized as "Cost of Electricity" in the Statements of Revenues, Expenses and Changes in Net Position.

To comply with the State of California's Renewable Portfolio Standards (RPS) and self-imposed benchmarks, Community Power acquires RPS eligible renewable energy evidenced by Renewable Energy Certificates (Certificates) recognized by the Western Renewable Energy Generation Information System. Community Power obtains Certificates with the intent to retire them and does not sell or build surpluses of Certificates with a profit motive.

Community Power purchases capacity commitments from qualifying generators to comply with the California Public Utilities Commission's (CPUC) Resource Adequacy (RA) Program. The goals of the Resource Adequacy Program are to provide sufficient resources to CAISO to ensure the safe and reliable operation of the electrical grid in real-time and to provide appropriate incentives for the siting and construction of new resources needed for reliability in the future.

**SAN DIEGO COMMUNITY POWER
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

STAFFING COSTS

Community Power fully pays employees semi-monthly and fully pays its obligation for health benefits and contributions to its defined contribution retirement plan each month. Community Power is not obligated to provide post-employment healthcare or other fringe benefits and, accordingly, no related liability is recorded in these financial statements.

Community Power provides compensated absences, including paid time off, which are accrued when earned and recorded as part of accrued liabilities. The liability includes leave that is attributable to services already rendered, accumulates, and is more likely than not to be used or paid. The liability is measured using the employee's pay rate as of the financial statement date.

INCOME TAXES

Community Power is a joint powers authority under the provision of the California Government Code and is not subject to federal or state income or franchise taxes.

ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

RECLASSIFICATIONS

Certain amounts in the prior year's financial statements have been reclassified for comparative purposes to conform to the presentation of the current year financial statements. These reclassifications did not result in any change in previously reported net position or change in net position or change in net position.

SAN DIEGO COMMUNITY POWER
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024

2. CASH AND CASH EQUIVALENTS

Community Power maintains its cash in both interest-bearing and non-interest-bearing accounts. Community Power deposits are subject to California Government Code Section 16521 which requires banks to provide collateral of 110% of balances in excess of the \$250,000 insurance coverage provided by the Federal Deposit Insurance Corporation. Accordingly, the amount of risk is not disclosed for bank deposits. The risk disclosures in Note 4 address the risks related to certain short-term investments with original maturities of less than three months that are classified as cash and cash equivalents in the statements of net position and statements of cash flows. Community Power monitors its risk on an ongoing basis.

3. ACCOUNTS RECEIVABLE

Accounts receivable were as follows as of June 30:

	2025	2024
Accounts receivable from customers	\$ 164,527,223	\$ 141,912,165
Allowance for uncollectible accounts	(48,500,000)	(38,400,000)
Net accounts receivable	<u>\$ 116,027,223</u>	<u>\$ 103,512,165</u>

The majority of account collections occur within the first few months following the issuance of customer invoices. Community Power estimates that a portion of the invoiced accounts will not be collected. Community Power continues collection efforts on accounts in excess of *de minimis* balances regardless of the age of the account. Although collection success generally decreases with the age of the receivable, Community Power continues to have success in collecting older accounts.

SAN DIEGO COMMUNITY POWER
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024

4. INVESTMENTS

During the year ended June 30, 2025, Community Power began holding investments with original maturities of three months or more. As of June 30, the fair value of investments was as follows:

	<u>2025</u>	<u>2024</u>	<u>Level</u>
Current Investments:			
U.S. Treasury securities	\$ 1,006,055	\$ -	1
Corporate bonds - U.S.	150,774	-	2
Total current investments	<u>\$ 1,156,829</u>	<u>\$ -</u>	
	<u>2025</u>	<u>2024</u>	<u>Level</u>
Noncurrent Investments:			
U.S. Treasury securities	\$ 36,261,017	\$ -	1
U.S. agency obligations	9,007,232	-	2
Corporate bonds - U.S.	21,457,839	-	2
Corporate bonds - foreign	2,302,456	-	2
Municipal bonds	877,267	-	2
Total noncurrent investments	<u>\$ 69,905,811</u>	<u>\$ -</u>	

FAIR VALUE MEASUREMENT

GASB Statement No. 72, *Fair Value Measurement and Application*, sets forth the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. Community Power's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

**SAN DIEGO COMMUNITY POWER
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024**

4. INVESTMENTS (continued)

CREDIT RISK

Credit risk is the risk an issuer or other counterparty to an investment will not fulfill its obligations. Certain investments, such as obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk. As of June 30, 2025, Community Power's investments were rated from A3 to Aaa, as measured by Moody's Investment Service.

Community Power's investment policy addresses this risk. Community Power limits investments to those allowed by Section 53601 of the California Government Code that addresses the risk allowable for each investment.

CUSTODIAL CREDIT RISK

Cash and cash equivalents

Custodial credit risk is the risk that in the event of a financial institution failure, Community Power's deposits may not be returned to Community Power. Community Power's deposits are fully insured or collateralized.

As of June 30, 2025 and 2024, none of Community Power's bank balances are known to be individually exposed to credit risk.

Investments

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, Community Power would not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. All of Community Power's investments are exposed to credit risk.

Community Power's investment policy addresses custodial credit risk. All investments owned by Community Power shall be held in safekeeping by a third-party custodian, acting as an agent for Community Power under the terms of a custody agreement.

SAN DIEGO COMMUNITY POWER
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024

4. INVESTMENTS (continued)

INTEREST RATE RISK

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Duration is a measure of the price sensitivity of a fixed income portfolio to changes in interest rates. Duration is calculated as the weighted average time to receive a bond's coupon and principal payments. The longer the duration of a portfolio, the greater its price sensitivity to changes in interest rates. Community Power manages its exposure to declines in fair values by limiting the weighted average maturity of its investments.

Following is a summary of investment maturities as of June 30, 2025:

Investment Type	Fair Value	Investment Maturities	
		Less Than 1 Year	1-5 Years
U.S. Treasury securities	\$ 37,267,072	\$ 1,006,055	\$ 36,261,017
U.S. agency obligations	9,007,232	-	9,007,232
Corporate bonds-U.S.	21,608,613	150,774	21,457,839
Corporate bonds-foreign	2,302,456	-	2,302,456
Municipal bonds	877,267	-	877,267
	<u>\$ 71,062,640</u>	<u>\$ 1,156,829</u>	<u>\$ 69,905,811</u>

CONCENTRATION OF CREDIT RISK

Concentration of credit risk is the risk of loss to the magnitude of Community Power's investment in a single issuer. Community Power manages the concentration of credit risk by diversifying its portfolio so that reliance on any one issuer will not place an undue burden on Community Power.

As of June 30, 2025 and 2024, Community Power's investment portfolio was concentrated as follows:

Issuer	Investment Type	Percentage of Portfolio	
		2025	2024
Federal Home Loan Mortgage Corporation (Freddie Mac)	U.S. agency implicitly guaranteed	11.4%	0.0%

SAN DIEGO COMMUNITY POWER
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2025 was as follows:

	Beginning balance	Increases	Decreases	Ending balance
Capital assets being depreciated and amortized:				
Furniture and equipment	\$ 163,138	\$ -	\$ -	\$ 163,138
Lease assets	2,076,825	1,284,053	(1,122,749)	2,238,129
Total capital assets being depreciated and amortized:	<u>2,239,963</u>	<u>1,284,053</u>	<u>(1,122,749)</u>	<u>2,401,267</u>
Less accumulated depreciation and amortization:				
Furniture and equipment	(39,354)	(35,301)	-	(74,655)
Lease assets	(941,766)	(691,054)	623,750	(1,009,070)
Total accumulated depreciation and amortization	<u>(981,120)</u>	<u>(726,355)</u>	<u>623,750</u>	<u>(1,083,725)</u>
Total capital assets, net of depreciation and amortization	<u>\$ 1,258,843</u>	<u>\$ 557,698</u>	<u>\$ (498,999)</u>	<u>\$ 1,317,542</u>

Capital asset activity for the year ended June 30, 2024 was as follows:

	Beginning balance	Increases	Decreases	Ending balance
Capital assets being depreciated and amortized:				
Furniture and equipment	\$ 163,138	\$ -	\$ -	\$ 163,138
Lease assets	1,122,749	954,076	-	2,076,825
Total capital assets being depreciated and amortized:	<u>1,285,887</u>	<u>954,076</u>	<u>-</u>	<u>2,239,963</u>
Less accumulated depreciation and amortization:				
Furniture and equipment	(4,055)	(35,299)	-	(39,354)
Lease assets	(249,498)	(692,268)	-	(941,766)
Total accumulated depreciation and amortization	<u>(253,553)</u>	<u>(727,567)</u>	<u>-</u>	<u>(981,120)</u>
Total capital assets, net of depreciation and amortization	<u>\$ 1,032,334</u>	<u>\$ 226,509</u>	<u>\$ -</u>	<u>\$ 1,258,843</u>

SAN DIEGO COMMUNITY POWER
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024

6. DEBT

BANK NOTE PAYABLE

In February 2023, Community Power entered into a revolving credit agreement with JPMorgan (JPM) to borrow up to \$150,000,000. In October 2024, Community Power amended its credit agreement with JPM to increase the borrowing limit to \$250,000,000 and Community Power assigned a security interest in all customer accounts receivable, revenues, debt service reserve accounts, and cash collateral accounts. Principal can be drawn as needed and interest is accrued on the outstanding balance. In the event of default, the note becomes immediately due and payable. In addition to borrowings, Community Power issues Standby Letters of Credit secured by the line of credit agreement that reduces the available portion of the line but is not considered debt to Community Power. The line of credit matures in February 2028.

Bank note activity and balances were as follows:

	<u>Beginning</u>	<u>Additions</u>	<u>Payments</u>	<u>Ending</u>
Year ended June 30, 2025				
Bank note payable - JPM	\$ -	\$ 55,500,000	\$ (55,500,000)	\$ -
Amounts due within one year				-
Amounts due after one year				<u>\$ -</u>
Year ended June 30, 2024				
Bank note payable - JPM	\$ 35,730,000	\$ -	\$ (35,730,000)	\$ -
Amounts due within one year				-
Amounts due after one year				<u>\$ -</u>

**SAN DIEGO COMMUNITY POWER
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024**

7. LEASES

Lease assets and lease liabilities are reported in accordance with GASB 87.

PROPERTY LEASES

In October 2023 and February 2025, Community Power entered into non-cancelable leases for its office space. Rental payments for Community Power's office space were \$705,000 and \$610,000 for the fiscal years ended June 30, 2025 and 2024, respectively.

As of June 30, 2025, future minimum lease payments were projected as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ended June 30,			
2026	\$ 853,858	\$ 66,899	\$ 920,757
2027	598,191	13,859	612,050
Total	<u>\$ 1,452,049</u>	<u>\$ 80,758</u>	<u>\$ 1,532,807</u>

8. GRANTS

During the year ended June 30, 2025, Community Power, as the lead administrator of the San Diego Regional Energy Network ("SDREN"), received \$26,682,000 in grant funding approved by the CPUC. SDREN is a regional partnership focused on delivering energy efficiency, electrification, and climate resilience programs, with Community Power responsible for managing program design, contracting, and implementation. Of the funds received, \$1,427,000 was recognized as grant revenue in the current year upon meeting eligibility requirements. The unspent balance of approximately \$25,256,000 represents funds received in advance for which eligibility requirements had not yet been met as of year-end and accordingly is reported as Advances from Grantors in the liabilities section of the Statements of Net Position. Community Power also received approximately \$353,000 in funding from the CPUC as part of their Disadvantage Communities Green Tariff program.

SAN DIEGO COMMUNITY POWER
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024

9. DEFINED CONTRIBUTION RETIREMENT PLAN

The San Diego Community Power Plan (Plan) is a defined contribution retirement plan established by Community Power to provide benefits at retirement to its employees. The Plan is administered by Empower Retirement. As of June 30, 2025, there were 80 plan members. Community Power is required to contribute 10% of annual covered payroll to the Plan and contributed \$1,216,000 and \$864,000 during the fiscal years ended June 30, 2025 and 2024, respectively. The Plan includes vesting provisions intended to encourage employee retention. Plan provisions and contribution requirements are established and may be amended by the Board.

10. RISK MANAGEMENT

Community Power is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; and errors and omissions. During the year, Community Power purchased insurance policies from highly rated commercial carriers to mitigate risks that include those associated with earthquakes, theft, general liability, errors and omissions, cybersecurity, and property damage. There were no significant reductions in coverage compared to the prior year. Community Power has general liability coverage of \$2,000,000 with a deductible of \$100,000. From time to time, Community Power may be party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and Community Power's legal counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on Community Power's financial position or results of operations.

Community Power maintains a comprehensive risk management framework to identify and mitigate credit, liquidity, market, operational, regulatory, and other risks associated with participation in the California energy market. The framework employs credit risk strategies, including a preference for transacting with highly rated counterparties, establishing credit limits, and securing collateral when necessary. To address market risks, Community Power utilizes hedging strategies, netting arrangements, and liquidity monitoring. Internal controls and compliance mechanisms are in place to manage operational and regulatory risks, ensuring adherence to legal and market regulations. Risk monitoring and oversight are continuously performed through frequent reporting, with key risks communicated promptly to stakeholders. This integrated approach enables Community Power to maintain a balanced risk profile while adapting to evolving market conditions.

SAN DIEGO COMMUNITY POWER
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024

11. PURCHASE COMMITMENTS

In the ordinary course of business, Community Power enters into various power purchase agreements in order to acquire renewable and other energy and electric capacity. The price and volume of purchased power may be fixed or variable. Variable pricing is generally based on the market price of electricity at the date of delivery. Variable volume is generally associated with contracts to purchase energy from as-available resources such as solar, wind, and hydro-electric facilities.

The following table represents the expected, undiscounted, contractual obligations outstanding as of June 30, 2025:

Year ending June 30,	
2026	\$ 532,200,000
2027	624,800,000
2028	518,900,000
2029	595,300,000
2030	601,900,000
2031-2047	7,239,300,000
Total	<u>\$ 10,112,400,000</u>

12. JOINT VENTURE

Community Power participates in a JPA through the California Community Choice Financing Authority (CCCFA). CCCFA was formed to assist its members by undertaking the financing or refinancing of energy prepayments through tax-advantaged bonds on behalf of one or more of the members by issuing or incurring bonds and entering into related contracts with its members. Any debt or liability incurred by CCCFA on behalf of a member to prepay for renewable energy is not a debt or liability of that member. Furthermore, the assets of CCCFA in the form of prepaid energy or reserves held by the respective bond trustees for any prepayment transaction undertaken on behalf of a member does not constitute an asset or reserve of that member.

Community Power will purchase energy from CCCFA in the same manner as it purchases energy from other suppliers. Community Power purchased approximately \$12,836,000 and \$0 from CCCFA during fiscal years 2025 and 2024, respectively. The outstanding purchase commitments related to these financing facilities are included in Note 11. This amount represents executed energy contracts assigned to CCCFA at June 30, 2025. Additional contracts will be assigned throughout the full bond period. The financial statements of CCCFA are available online at <http://www.cccfa.org/key-documents.html>.

SAN DIEGO COMMUNITY POWER
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024

13. RECENTLY ADOPTED AND FUTURE ACCOUNTING PRONOUNCEMENTS

Community Power implemented GASB Statement No. 102, *Certain Risk Disclosures*, which requires additional disclosures regarding concentrations and constraints that could impact Community Power's financial position or results of operations. Implementation of this statement did not have a material effect on the financial statements.

Community Power also implemented GASB Statement No. 103, *Financial Reporting Model Improvements*, which establishes revised guidance for the presentation of financial statements by state and local governments. The adoption of this statement did not have a material effect on Community Power's financial statements.

In addition, Community Power adopted GASB Statement No. 104, *Disclosure of Certain Capital Assets*. Implementation of this statement did not have a material effect on the financial statements.

ITEM 14

ATTACHMENT B



Report to the Board of Directors

San Diego Community Power
For the year ended June 30, 2025



To the Board of Directors
San Diego Community Power
815 E Street, Suite 12716
San Diego, CA 92112

We are pleased to present this report related to our audit of the financial statements of San Diego Community Power ("Community Power") as of and for the year ended June 30, 2025. Our report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for Community Power's financial reporting process.

This report is intended solely for the information and use of the Financial and Risk Management Committee, Board of Directors and management of Community Power and is not intended to be and should not be used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to continue to be of service to San Diego Community Power.

Sorren CPAs P.C.

Santa Rosa, California
October 30, 2025

cc: Eric Washington, Chief Financial Officer/Treasurer

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REQUIRED COMMUNICATIONS

The following required communications summarize our responsibilities regarding the financial statement audit as well as observations from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

Our Responsibilities

We described our responsibilities under auditing standards generally accepted in the United States of America have been described to you in our engagement letter dated September 23, 2025. Our audit of the financial statements does not relieve management or you of your responsibilities, which are also described in that letter.

Planned Scope and Timing

We previously issued a separate communication dated August 26, 2025 regarding the planned scope and timing of our audit and identified significant risks.

Accounting Policies and Practices

Preferability of Accounting Policies and Practices

Under accounting principles generally accepted in the United States of America, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice.

Adoption of, or Change in, Accounting Policies

Management has the ultimate responsibility for the appropriateness of the accounting policies used by Community Power. Community Power did not change any existing significant accounting policies. As disclosed in Note 13, Community Power adopted GASB 102-104 which did not have a significant effect on the financial statements.

Significant Accounting Policies

We did not identify any significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant or Unusual Transactions

We did not identify any significant unusual transactions.

Management's Judgments and Accounting Estimates

Summary information about the process used by management in formulating particularly sensitive accounting estimates and about our conclusions regarding the reasonableness of those estimates is in the attached Summary of Significant Accounting Estimates.

Audit Adjustments and Uncorrected Misstatements

Management chose to pass on one adjustment related to GASB 96 which management concluded wasn't material. We are not aware of any other passed adjustments that were not trivial.

Observations About the Audit Process

Disagreements With Management

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit or significant disclosures to be included in the financial statements.

Consultations With Other Accountants

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

Significant Issues Discussed With Management

No significant issues arising from the audit were discussed or were the subject of correspondence with management.

Significant Difficulties Encountered in Performing the Audit

We did not encounter any significant difficulties in dealing with management during the audit.

Shared Responsibilities for Independence

Auditor independence is a joint responsibility and is managed most effectively when management, audit committees, and audit firms work together in considering compliance with applicable independence rules. For Sorren CPAs P.C. (the Firm) to fulfill its professional responsibility to maintain and monitor independence, management, the Board of Directors, and the Firm each play an important role.

Our Responsibilities

- We are required to maintain both independence of mind and in appearance when providing audit and other attestation services. It is our responsibility to ensure that the general requirements for performing nonattest services are adhered to and included in all letters of engagement.
- We are required to maintain a system of quality management over compliance with independence rules and firm policies.

Community Power's Responsibilities

- Timely inform the Firm, before the effective date of transactions or other business changes, of the following:
 - New affiliates, directors, or officers.
- Understand and conclude on the permissibility, prior to Community Power's, officers, directors, or persons in a decision-making capacity, engaging in business relationships with the Firm.
- Not entering into relationships resulting in close family members of the Firm covered persons, temporarily or permanently acting as an officer, director, or person in an accounting or financial reporting oversight role at the Company.

Significant Written Communications Between Management and Our Firm

Copies of significant written communications between our firm and the management of Community Power, including the representation letter provided to us by management, are attached as Appendix A.

SIGNIFICANT ACCOUNTING ESTIMATES

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events, and certain assumptions about future events. You may wish to monitor throughout the year the process used to determine and record these accounting estimates. The following summarizes the significant accounting estimates reflected in Community Power's June 30, 2025 financial statements.

Significant Accounting Estimates

Accrued Revenue

Accounting policy/ Management's estimation process	Management's estimate of accrued revenue includes historical trends and anticipated energy usage.
Basis for our conclusion on the reasonableness of the estimate	We tested management's estimate analytically and determined management's estimate to be reasonable in relation to the financial statements taken as a whole.

Cost of Electricity

Accounting policy/ Management's estimation process	Management's estimate of accrued cost of electricity includes historical trends and anticipated energy usage.
Basis for our conclusion on the reasonableness of the estimate	We tested management's estimate through subsequent disbursements and analytical procedures and determined management's estimate to be reasonable in relation to the financial statements taken as a whole.

Allowance for Uncollectible Accounts

Accounting policy/ Management's estimation process	Management's estimate of the allowance for uncollectible accounts includes historical collection trends and anticipated future collections.
Basis for our conclusion on the reasonableness of the estimate	We evaluated the key factors and assumptions used to develop the estimate in determining that the allowance is reasonable in relation to the financial statements taken as a whole.

APPENDIX A

Significant Written Communications Between Management and Our Firm

October 30, 2025

Sorren CPAs P.C.
3562 Round Barn Circle, Suite 200
Santa Rosa, CA 95403

This representation letter is provided in connection with your audit of the basic financial statements of San Diego Community Power (Community Power) as of and for the years ended June 30, 2025 and 2024 for the purpose of expressing an opinion on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, that as of October 30, 2025:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit arrangement letter dated September 23, 2025 for the preparation and fair presentation of the financial statements referred to above in accordance with U.S. GAAP.
2. We acknowledge our responsibility for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
3. We acknowledge our responsibility for the design, implementation and maintenance of controls to prevent and detect fraud.
4. The methods, data, and significant assumptions used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in the context of U.S. GAAP, and reflect our judgment based on our knowledge and experience about past and current events, and our assumptions about conditions we expect to exist and courses of action we expect to take.
5. Related-party transactions have been recorded in accordance with the economic substance of the transaction and appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
6. The financial statements properly classify all funds and activities in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as amended.
7. All events subsequent to the date of the financial statements, and for which U.S. GAAP requires adjustment or disclosure, have been adjusted or disclosed.
8. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
9. Management has followed applicable laws and regulations in adopting, approving and amending budgets.

10. Risk disclosures associated with deposit and investment securities and derivative transactions are presented in accordance with GASB requirements.
11. Provisions for uncollectible receivables have been properly identified and recorded.
12. Capital assets, including infrastructure, intangible assets, and right of use assets are properly capitalized, reported and, if applicable, depreciated.
13. The government properly separated information in debt disclosures related to direct borrowings and direct placements of debt from other debt and disclosed any unused lines of credit, collateral pledged to secure debt, terms in the debt agreements related to significant default or termination events with finance-related consequences and significant subjective acceleration clauses in accordance with GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*.
14. Components of net position (net investment in capital assets, restricted, and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
15. Leases have been properly identified, recorded, and disclosed in accordance with GASB Statement No. 87, *Leases*.
16. Subscription-based technology information arrangements (SBITAs) have been properly identified, recorded, and disclosed in accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.
17. There are no concentrations or constraints requiring disclosure in accordance with GASB Statement No. 102, *Certain Risk Disclosures*.
18. We have no direct or indirect legal or moral obligation for any debt of any organization, public or private, or to special assessment bond holders, that is not disclosed in the financial statements.
19. We have complied with all aspects of laws, regulations and provisions of contracts and agreements that would have a material effect on the financial statements in the event of noncompliance. In connection therewith, we specifically represent that we are responsible for determining that we are not subject to the requirements of the Single Audit Act because we have not received, expended or otherwise been the beneficiary of the required amount of federal awards during the period of this audit.
20. We have no knowledge of any uncorrected misstatements in the financial statements.

Information Provided

21. We have provided you with:
 - a. Access to all information of which we are aware that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within Community Power from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of the governing board and committees, or summaries of actions of recent meetings for which minutes have not yet been prepared.



22. All transactions have been recorded in the accounting records and are reflected in the basic financial statements.
23. We have disclosed to you the results of our assessment of risk that the basic financial statements may be materially misstated as a result of fraud.
24. We have no knowledge of allegations of fraud or suspected fraud affecting Community Power's basic financial statements involving:
 - a. Management.
 - b. Employees who have significant roles in internal control.
 - c. Others where the fraud could have a material effect on the basic financial statements.
25. We have no knowledge of any allegations of fraud or suspected fraud affecting the Community Power's basic financial statements received in communications from employees, former employees, analysts, regulators, or others.
26. We have no knowledge of noncompliance or suspected noncompliance with laws and regulations.
27. We are not aware of any pending or threatened litigation, claims or assessments; unasserted claims or assessments that are probable of assertion and must be disclosed in accordance with Accounting Standards Codification (ASC) Topic 450, Contingencies; violations or possible violations of laws and regulations; or other matters, including gain or loss contingencies, whose effects should be considered when preparing the financial statements.
28. We have disclosed to you the identity of all of Community Power's related parties and all the related-party relationships and transactions of which we are aware.
29. We are aware of no significant deficiencies in internal control over financial reporting, including significant deficiencies or material weaknesses, in the design or operation of internal controls that could adversely affect Community Power's ability to record, process, summarize and report financial data.
30. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.



Supplementary Information

31. With respect to the Management's Discussion and Analysis presented as required by GAAP and the Governmental Accounting Standards Board to supplement the basic financial statements:
- a. We acknowledge our responsibility for the presentation of such required supplementary information.
 - b. We believe such required supplementary information is measured and presented in accordance with guidelines prescribed by U.S. GAAP.
 - c. The methods of measurement or presentation have not changed from those used in the prior period.



Eric W. Washington
Chief Financial Officer/Treasurer
San Diego Community Power



Mike Maher
Accountant



SAN DIEGO COMMUNITY POWER

Staff Report – Item 15

To: Board of Directors

From: Jack Clark, Chief Operating Officer
Colin Santulli, Sr. Director of Programs
Tim Treadwell, Associate Director of Programs
Rachel Zook, Vehicle-Grid Integration Program Manager

Via: Karin Burns, Chief Executive Officer

Subject: Adopt Resolution Number 2025-22, Authorizing Execution of Grant Agreement EPC-25-015 with the California Energy Commission; and Authorizing the Chief Executive Office to Accept, Appropriate, and Expend Funds; And Related Actions

Date: November 20, 2025

Recommendation

Adopt Resolution Number 2025-22, Authorizing Execution of Grant Agreement EPC-25-015 with the California Energy Commission; and Authorizing the Chief Executive Office to Accept, Appropriate, and Expend Funds; And Related Actions (Attachment A).

Background

The CEC releases Grant Funding Opportunities (“GFO”) to identify studies and applied research and development projects that support its various strategic objectives. GFO-24-302 (Enabling Electric Vehicles as Distributed Energy Resources) was released in October 2024 with the goal of finding projects that support the Electric Program Investment Charge 2021–2025 (EPIC 4) Investment Plan’s objective to increase the value proposition of distributed energy resources to customers and the grid. This GFO included three distinct project groups, one of which focused on identifying vehicle-grid integration (“VGI”) knowledge gaps. VGI includes unidirectional managed charging (“V1G”) in addition to bidirectional charging technologies.

San Diego Community Power launched its V1G pilot program, EV Flex Connect, in February 2025 as part of its Flex Load Strategy. The pilot’s scope includes enrolling 1,000 participants, creating optimized charging schedules for these participants, and monitoring charging activity. The scope does not include an external, in-depth analysis of the pilot’s data or a distribution operations component. When GFO-24-302 was released, Staff recognized the opportunity to obtain funding for a study that would leverage the ongoing pilot to explore the value of

managed charging strategies in delivering and balancing bulk system and distributional operational savings.

Staff partnered with Pacific Northwest National Laboratory (“PNNL”), a leader in sustainable energy research with significant experience in electric grid modernization and transportation electrification, on the proposal for GFO-24-302. Staff submitted a project abstract in December 2024 and received notice that they were invited to submit a full project application in January 2025. Staff submitted the full project application in March 2025 with a requested funding amount of \$693,611. Staff’s project was included in the CEC’s list of proposed awards in May 2025, after which they worked with the CEC to finalize the grant agreement documents. The project received Commissioner approval in September 2025.

Grant Agreement EPC-25-015 (Attachment B) was created after the Commissioners approved the project. It contains the grant agreement documents that Staff and the CEC worked together to finalize.

Analysis and Discussion:

Grant Agreement EPC-25-015 outlines the Charging Harmonization and Analysis for Resilient, Grid-Efficient Utilization and Planning (“CHARGE UP”) project. The CHARGE UP project will analyze and quantify the value of advanced managing charging/V1G strategies in balancing bulk system and distribution operational needs. The total awarded amount is \$693,611.

The CHARGE UP project will use EV Flex Connect and load data to:

1. Evaluate V1G Use Cases: Assess both bulk system and distribution operations use cases across various customer adoption levels and grid conditions. This includes examining how V1G can support resource adequacy compliance under the new slice-of-day framework while simultaneously managing distribution constraints.
2. Document Co-optimization Opportunities and Limitations: Explore the challenges and benefits of optimizing V1G for both bulk system and distribution value in regions with widespread customer unbundling. This analysis will identify potential conflicts between load serving entities and distribution utility objectives and develop approaches for balancing these sometimes competing priorities.
3. Assess Customer Behavior Impacts: Examine how vehicle usage patterns impact realized V1G value, with particular focus on disadvantaged and low-income communities. This includes analysis of how factors such as commuting distances, charging access, and vehicle utilization affect the grid value that can be derived from different participant segments.
4. Develop Analytical Frameworks: Create robust methodologies for quantifying V1G benefits that can inform future program design and policy development. These frameworks will address both bulk system and distribution value streams, providing tools for stakeholders to assess potential benefits in their specific contexts.

Documenting the full value stack of V1G across both bulk system and distribution operations will not only help Community Power design and fine-tune managed charging programs; it will also provide critical insights to accelerate effective managed charging implementation throughout California.

Community Power will lead project management activities, provide access to V1G pilot data, and contribute expertise on CCA operations and resource planning. An amount not exceeding \$73,611 will be used for these tasks.

Subrecipient PNNL will lead the technical analysis, which includes developing evaluation methodologies, processing and analyzing data, and synthesizing findings. An amount not exceeding \$620,000 will be used for these tasks.

San Diego Gas & Electric (“SDG&E”) and Optiwatt are project partners but not subrecipients. SDG&E will share distribution system data and expertise on distribution operations. Optiwatt will support pilot participant engagement.

Pursuant to Section 3.2.9 of the Joint Powers Agreement (“JPA”), Community Power has the power, at the discretion of the Board, to apply for, accept, and receive all licenses, permits, grants, loans, or other aid from any federal, state, or local public agency. Pursuant to Section 4.6.16, the Board is responsible for exercising the Specific Powers identified in Section 3.2, except those which the Board may elect to delegate to the Chief Executive Officer. The Chief Executive Officer (“CEO”) is not authorized under the JPA or the Board’s Budget Policy to accept, appropriate, and expend funds without Board approval.

The Board is authorized to do the following and may delegate such authority to the CEO:

- Execute Grant Agreement EPC-25-015 and negotiate and execute any amendments, extensions, or renewals of the agreement;
- Accept, appropriate, and expend the agreement funds;
- Take all necessary actions to administer, monitor, manage, and ensure compliance with the agreement; and
- Negotiate and execute contracts with third parties to implement the agreement or use of the funds in accordance with applicable policies.

Fiscal Impact

Community Power will receive \$693,611 in funding. \$620,000 will be provided to grant subrecipient PNNL to lead the technical analysis activities. \$73,611 will be used by Community Power to support project management and stakeholder coordination activities.

Attachments

A: Resolution Number 2025-22, Authorizing Execution of Grant Agreement EPC-25-015 with the California Energy Commission; and Authorizing the Chief Executive Officer to Accept, Appropriate, and Expend Funds; And Related Actions.

B: California Energy Commission Grant Agreement EPC-25-015

ITEM 15

ATTACHMENT A

RESOLUTION NUMBER 2025-22

A RESOLUTION OF THE BOARD OF DIRECTORS OF SAN DIEGO COMMUNITY POWER AUTHORIZING EXECUTION OF GRANT AGREEMENT EPC-25-015 WITH THE CALIFORNIA ENERGY COMMISSION; ACCEPTING, APPROPRIATING, AND EXPENDING FUNDS; AND RELATED ACTIONS.

- A. San Diego Community Power (“Community Power”) 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 first effective on October 1, 2019 (“JPA Agreement”), as amended from time to time.
- B. On or around March 13, 2025, Community Power submitted an application to California Energy Commission (“CEC”) Solicitation GFO-24-302—Enabling Electric Vehicles as Distributed Energy Resources. The application included Pacific Northwest National Laboratory (“PNNL”) as a project partner and major subrecipient.
- C. On or around May 15, 2025, the CEC released a Notice of Proposed Awards that included Community Power’s proposal for the Charging Harmonization and Analysis for Resilient, Grid-Efficient Utilization and Planning (“CHARGE UP”) project.
- D. On or around September 10, 2025, the CEC at their regularly scheduled Business Meeting approved Grant Agreement EPC-25-015 (“EPC-25-015”) with Community Power for a grant of \$693,611 to complete the CHARGE UP project. The CEC approval of the agreement will allow Community Power and PNNL to undertake a study that will leverage Community Power’s managed charging pilot to explore the value of managed charging strategies in delivering and balancing bulk system and distributional operational savings.
- E. EPC-25-015 documents the following:
 - (i) A total of \$693,611 to Community Power as the prime recipient.
 - (a) Of that amount, a total of \$620,000 to PNNL as a major subrecipient.
- F. Pursuant to section 3.2.9 of its JPA Agreement, Community Power may, at the discretion of the Board, apply for, accept, and receive licenses, permits, grants, loans or other aid from any federal, state or local public agency.
- G. Pursuant to Section 4.6.16 of its JPA Agreement, the Board has the responsibility to exercise the Specific Powers identified in Sections 3.2 except those which the Board may elect to delegate to the Chief Executive

Officer.

- H. The Board, or its designee, is authorized to accept, appropriate, and expend EPC-25-015 funds.
- I. The Board, or its designee, is authorized to execute EPC-25-015.
- J. The Board, or its designee, is authorized to take all necessary actions to administer, monitor, manage and ensure compliance and to negotiate and execute contracts with third parties, including PNNL, to implement EPC-25-015 and/or use EPC-25-015 funds.

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

- 1. The Board of Directors has determined that the recitals herein are true and correct.
- 2. The Board of Directors hereby authorizes the Chief Executive Officer to execute EPC-25-015 with the CEC and to negotiate and execute any amendments, extensions, or renewals of the agreement.
- 3. The Board of Directors hereby authorizes the Chief Executive Officer to accept, appropriate, and expend the EPC-25-015 funds in an amount not to exceed \$693,611 in the FY 2025-26 Capital Budget and FY 2025-29 Capital Investment Plan.
- 4. The Board of Directors hereby authorizes the Chief Executive Officer to take all necessary actions to administer, monitor, manage, and ensure compliance with EPC-25-015, and to negotiate and execute agreements with third parties, including PNNL, to implement EPC-25-015 or use of funds.
- 5. This resolution shall take effect immediately upon adoption.

PASSED, APPROVED AND ADOPTED at a meeting of the Board of Directors of San Diego Community Power held on November 20, 2025, with the following vote.

AYES:

NOES:

ABSTAINED:

ABSENT:

Terra Lawson-Remer, Chair
Board of Directors
San Diego Community Power

ATTEST:

APPROVED AS TO FORM:

Maricela Hernandez, MMC, CPMC
Clerk of the Board/Secretary
San Diego Community Power

Veera Tyagi, General Counsel
San Diego Community Power

ITEM 15

ATTACHMENT B



RECIPIENT San Diego Community Power	AGREEMENT NUMBER EPC-25-015
ADDRESS 815 E St Ste 12716 Suite 12716 San Diego, CA 92101-6426	AGREEMENT TERM 09/22/2025 to 08/31/2027 The effective date of this Agreement is either the start date or the approval signature date by the California Energy Commission representative below, whichever is later. The California Energy Commission shall be the last party to sign. No work is authorized, nor shall any work begin, until on or after the effective date.

PROJECT DESCRIPTION

The parties agree to comply with the terms and conditions of the following Exhibits which are by this reference made a part of the agreement.

Exhibit A – Scope of Work	Page(s): 21
Exhibit A-1 – Attachments	Page(s): 3
Exhibit B – Budget	Page(s): 11
Exhibit B -1– Attachments	Page(s): 10
Exhibit C – General Terms and Conditions	Page(s): 50
Exhibit C-1 - Attachments	Page(s): 3
Exhibit D – Special Terms and Conditions	Page(s): 1
Exhibit E - Contacts	Page(s): 1

REIMBURSABLE AMOUNT \$ 693,611
MINIMUM MATCH SHARE REQUIRED \$ 0
TOTAL OF REIMBURSABLE AMOUNT AND MINIMUM MATCH \$ 693,611

The undersigned parties have read the attachments to this agreement and will comply with the standards and requirements contained therein.

CALIFORNIA ENERGY COMMISSION		San Diego Community Power	
AUTHORIZED SIGNATURE	DATE	AUTHORIZED SIGNATURE	DATE
NAME Tatyana Yakshina		NAME Karin Burns	
TITLE Contracts, Grants, and Loans Office Manager		TITLE CEO	
CALIFORNIA ENERGY COMMISSION ADDRESS 715 P Street, 3rd Floor, MS 18, Sacramento, CA 95814			

Exhibit A
Scope of Work
San Diego Community Power

I. TASK ACRONYM/TERM LISTS

A. Task List

Task #	CPR ¹	Task Name
1		General Project Tasks
2		Research Design
3	X	Preliminary Analysis
4		Field Data Assessment
5		Capstone Evaluation
6		Evaluation of Project Benefits
7		Technology/Knowledge Transfer Activities

B. Acronym/Term List

Acronym/Term	Meaning
CAM	Commission Agreement Manager
CCA	Community Choice Aggregator
CEC	California Energy Commission
CPR	Critical Project Review
EV	Electric Vehicle
IOU	Investor-Owned Utility
LSE	Load Serving Entity
RA	Resource Adequacy
Recipient	San Diego Community Power
SOD	Slice of Day
TAC	Technical Advisory Committee
V1G	Unidirectional Electric Vehicle managed charging
UML	Unified Modeling Language

II. PURPOSE OF AGREEMENT, PROBLEM/SOLUTION STATEMENT, AND GOALS AND OBJECTIVES

A. Purpose of Agreement

The purpose of this Agreement is to fund research that will analyze and quantify the bulk system and distribution operations value of unidirectional electric vehicle (EV) managed charging (V1G), using data from an ongoing Community Choice Aggregator (CCA) V1G pilot. The analysis will help load serving entities (LSE) understand how V1G can reduce the costs associated with capacity procurement under the slice of day (SOD) resource adequacy (RA) framework and assist distribution operators in optimizing electricity infrastructure investments.

¹ Please see subtask 1.3 in Part III of the Scope of Work (General Project Tasks) for a description of Critical Project Review (CPR) Meetings.

Exhibit A

Scope of Work

San Diego Community Power

B. Problem/ Solution Statement

Problem

Managed charging of EVs is critical to limiting peak load growth and helping to “right size” infrastructure investments. Simple managed charging strategies, like time-of use rates, are effective at shifting load, but can result in night-time and localized peaks, creating negative effects at both bulk system and distribution level. Active managed charging strategies (or V1G), which use vehicle telematics to shape EV load around bulk system and localized grid needs, can deliver the same benefits while limiting these downsides; however, a thorough evaluation of these novel use cases has not been completed.

Solution

San Diego Community Power (the Recipient) has developed a plan to granularly assess and document the value of advanced V1G strategies. The research will use data from an ongoing pilot to assess the impact of vehicle charge management strategies on SOD RA and distribution operations, by utilizing system engineering principles and object-oriented visual modeling to support the economic analysis of how value is exchanged and accumulated between actors within the electricity system. This analysis will support the optimal integration of EVs into LSE and distribution utility operations resulting in increased value for this critical class of distributed energy resource and avoided unnecessary capital expenditures.

C. Goals and Objectives of the Agreement

Agreement Goals

The goals of this Agreement are to:

- Evaluate V1G use cases for bulk system and distribution operations, assessing their value under various customer adoption and grid conditions.
- Document the opportunities and limitations of co-optimizing bulk system and distribution use cases where there is widespread customer unbundling.
- Assess how customer behavior and vehicle use patterns impact V1G value, with a particular focus on impacts resulting from the unique characteristics of drivers in disadvantaged and/or low-income communities.

Ratepayer Benefits:² This Agreement will result in the ratepayer benefits of greater electricity reliability and lower costs. Greater electricity reliability will be achieved by shifting load away from on-peak demand periods, while minimizing secondary peaks and potential stress and/or overloading of distribution equipment. In addition to the direct reliability benefit, these load shifting strategies will lower costs by reducing overall RA procurement requirements and avoiding expensive upgrades to the distribution system resulting from unmanaged EV load.

² California Public Resources Code, Section 25711.5(a) requires projects funded by the Electric Program Investment Charge (EPIC) to result in ratepayer benefits. The California Public Utilities Commission, which established the EPIC in 2011, defines ratepayer benefits as greater reliability, lower costs, and increased safety (See CPUC “Phase 2” Decision 12-05-037 at page 19, May 24, 2012, http://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_DECISION/167664.PDF).

Exhibit A Scope of Work San Diego Community Power

Technological Advancement and Breakthroughs:³ This Agreement will lead to technological advancement and breakthroughs to overcome barriers to the achievement of the State of California's statutory energy goals by allowing for the integration of managed charging programs into LSEs and distribution operations. This outcome will support the continued growth and cost-effective integration of new EV load and inform evolution of managed charging programs, supporting the state's broader transportation electrification, electric affordability and decarbonization goals.

Agreement Objectives

The objectives of this Agreement are to:

- Develop a comprehensive analytical framework to assess V1G value under the SOD RA structure, focusing on management of evening and secondary overnight charging peaks.
- Develop an analytical framework that categorizes and characterizes the distribution-level impacts of V1G, with emphasis on identifying scenarios where distribution benefits are significant.
- Develop an analytical framework that identifies and characterizes how EV charging patterns in disadvantaged and/or low-income communities affect the grid value of V1G implementation.

III. TASK 1 GENERAL PROJECT TASKS

PRODUCTS

Subtask 1.1 Products

The goal of this subtask is to establish the requirements for submitting project products (e.g., reports, summaries, plans, and presentation materials). Unless otherwise specified by the Commission Agreement Manager (CAM), the Recipient must deliver products as required below by the dates listed in the **Project Schedule (Part V)**. All products submitted which will be viewed by the public, must comply with the accessibility requirements of Section 508 of the federal Rehabilitation Act of 1973, as amended (29 U.S.C. Sec. 794d), and regulations implementing that act as set forth in Part 1194 of Title 36 of the Federal Code of Regulations. All technical tasks should include product(s). Products that require a draft version are indicated by marking “**(draft and final)**” after the product name in the “Products” section of the task/subtask. If “(draft and final)” does not appear after the product name, only a final version of the product is required. With respect to due dates within this Scope of Work, “**days**” means working days.

The Recipient shall:

For products that require a draft version, including the Final Report Outline and Final Report

- Submit all draft products to the CAM for review and comment in accordance with the Project Schedule (Part V). The CAM will provide written comments to the Recipient on the draft product within 15 days of receipt, unless otherwise specified in the task/subtask for which the product is required.

³ California Public Resources Code, Section 25711.5(a) also requires EPIC-funded projects to lead to technological advancement and breakthroughs to overcome barriers that prevent the achievement of the state's statutory and energy goals.

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- Consider incorporating all CAM comments into the final product. If the Recipient disagrees with any comment, provide a written response explaining why the comment was not incorporated into the final product.
- Submit the revised product and responses to comments within 10 days of notice by the CAM, unless the CAM specifies a longer time period, or approves a request for additional time.

For products that require a final version only

- Submit the product to the CAM for acceptance. The CAM may request minor revisions or explanations prior to acceptance.

For all products

- Submit all data and documents required as products in accordance with the following:

Instructions for Submitting Electronic Files and Developing Software:

○ **Electronic File Format**

- Submit all data and documents required as products under this Agreement in an electronic file format that is fully editable and compatible with the California Energy Commission's (CEC) software and Microsoft (MS)-operating computing platforms, or with any other format approved by the CAM. Deliver an electronic copy of the full text of any Agreement data and documents in a format specified by the CAM, such as memory stick.

The following describes the accepted formats for electronic data and documents provided to the CEC as products under this Agreement, and establishes the software versions that will be required to review and approve all software products:

- Data sets will be in MS Access or MS Excel file format (version 2007 or later), or any other format approved by the CAM.
- Text documents will be in MS Word file format, version 2007 or later.
- Project management documents will be in Microsoft Project file format, version 2007 or later.

○ **Software Application Development**

Use the following standard Application Architecture components in compatible versions for any software application development required by this Agreement (e.g., databases, models, modeling tools), unless the CAM approves other software applications such as open source programs:

- Microsoft ASP.NET framework (version 3.5 and up). Recommend 4.0.
- Microsoft Internet Information Services (IIS), (version 6 and up) Recommend 7.5.
- Visual Studio.NET (version 2008 and up). Recommend 2010.
- C# Programming Language with Presentation (UI), Business Object and Data Layers.
- SQL (Structured Query Language).
- Microsoft SQL Server 2008, Stored Procedures. Recommend 2008 R2.
- Microsoft SQL Reporting Services. Recommend 2008 R2.
- XML (external interfaces).

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Any exceptions to the Electronic File Format requirements above must be approved in writing by the CAM. The CAM will consult with the CEC's Information Technology Services Branch to determine whether the exceptions are allowable.

MEETINGS

Subtask 1.2 Kick-off Meeting

The goal of this subtask is to establish the lines of communication and procedures for implementing this Agreement.

The Recipient shall:

- Attend a "Kick-off" meeting with the CAM, and other CEC staff relevant to the Agreement. The Recipient's Project Manager and any other individuals deemed necessary by the CAM or the Project Manager shall participate in this meeting. The administrative and technical aspects of the Agreement will be discussed at the meeting. Prior to the meeting, the CAM will provide an agenda to all potential meeting participants. The meeting may take place in person or by electronic conferencing (e.g., Teams, Zoom), with approval of the CAM.

The Kick-off meeting will include discussion of the following:

- The CAM's expectations for accomplishing tasks described in the Scope of Work;
 - An updated Project Schedule;
 - Terms and conditions of the Agreement;
 - Invoicing and auditing procedures;
 - Travel;
 - Equipment purchases;
 - Administrative and Technical products (subtask 1.1);
 - CPR meetings (subtask 1.3);
 - Monthly Calls (subtask 1.5)
 - Quarterly Progress reports (subtask 1.6)
 - Final Report (subtask 1.7)
 - Match funds (subtask 1.8);
 - Permit documentation (subtask 1.9);
 - Subawards(subtask 1.10);
 - Technical Advisory Committee meetings (subtasks 1.11 and 1.12);
 - Agreement changes;
 - Performance Evaluations; and
 - Any other relevant topics.
- Provide *Kick-off Meeting Presentation* to include but not limited to:
 - Project overview (i.e. project description, goals and objectives, technical tasks, expected benefits, etc.)
 - Project schedule that identifies milestones
 - List of potential risk factors and hurdles, and mitigation strategy
 - Provide an *Updated Project Schedule, Match Funds Status Letter, and Permit Status Letter*, as needed to reflect any changes in the documents.

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The CAM shall:

- Designate the date and location of the meeting.
- Send the Recipient a *Kick-off Meeting Agenda*.

Recipient Products:

- Kick-off Meeting Presentation
- Updated Project Schedule (*if applicable*)
- Match Funds Status Letter (subtask 1.7) (*if applicable*)
- Permit Status Letter (subtask 1.8) (*if applicable*)

CAM Product:

- Kick-off Meeting Agenda

Subtask 1.3 Critical Project Review (CPR) Meetings

The goal of this subtask is to determine if the project should continue to receive CEC funding, and if so whether any modifications must be made to the tasks, products, schedule, or budget. CPR meetings provide the opportunity for frank discussions between the CEC and the Recipient. As determined by the CAM, discussions may include project status, challenges, successes, advisory group findings and recommendations, final report preparation, and progress on technical transfer and production readiness activities (if applicable). Participants will include the CAM and the Recipient and may include the Commission Agreement Officer and any other individuals selected by the CAM to provide support to the CEC.

CPR meetings generally take place at key, predetermined points in the Agreement, as determined by the CAM and as shown in the Task List on page 1 of this Exhibit. However, the CAM may schedule additional CPR meetings as necessary. The budget may be reallocated to cover the additional costs borne by the Recipient, but the overall Agreement amount will not increase. CPR meetings generally take place at the CEC, but they may take place at another location, or may be conducted via electronic conferencing (e.g., Teams) as determined by the CAM.

The Recipient shall:

- Prepare and submit a *CPR Report* for each CPR meeting that: (1) discusses the progress of the Agreement toward achieving its goals and objectives; and (2) includes recommendations and conclusions regarding continued work on the project.
- Attend the CPR meeting.
- Present the CPR Report and any other required information at each CPR meeting.

The CAM shall:

- Determine the location, date, and time of each CPR meeting with the Recipient's input.
- Send the Recipient a *CPR Agenda* with a list of expected CPR participants in advance of the CPR meeting. If applicable, the agenda may include a discussion of match funding and permits.
- Conduct and make a record of each CPR meeting. Provide the Recipient with a schedule for providing a Progress Determination on continuation of the project.
- Determine whether to continue the project, and if so whether modifications are needed to the tasks, schedule, products, or budget for the remainder of the Agreement. A determination of unsatisfactory progress may result in project delays, including a

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potential Stop Work Order, while the CEC determines whether the project should continue.

- Provide the Recipient with a *Progress Determination* on continuation of the project, in accordance with the schedule. The Progress Determination may include a requirement that the Recipient revise one or more products.

Recipient Products:

- CPR Report(s)

CAM Products:

- CPR Agenda(s)
- Progress Determination

Subtask 1.4 Final Meeting

The goal of this subtask is to complete the closeout of this Agreement.

The Recipient shall:

- Meet with CEC staff to present project findings, conclusions, and recommendations. The final meeting must be completed during the closeout of this Agreement. This meeting will be attended by the Recipient and CAM, at a minimum. The meeting may occur in person or by electronic conferencing (e.g., Teams), with approval of the CAM.

The technical and administrative aspects of Agreement closeout will be discussed at the meeting, which may be divided into two separate meetings at the CAM's discretion.

- The technical portion of the meeting will involve the presentation of findings, conclusions, and recommended next steps (if any) for the Agreement. The CAM will determine the appropriate meeting participants.
- The administrative portion of the meeting will involve a discussion with the CAM of the following Agreement closeout items:
 - Disposition of any procured equipment.
 - The CEC's request for specific "generated" data (not already provided in Agreement products).
 - Need to document the Recipient's disclosure of "subject inventions" developed under the Agreement.
 - "Surviving" Agreement provisions such as repayment provisions and confidential products.
 - Final invoicing and release of retention.
- Prepare a *Final Meeting Agreement Summary* that documents any agreement made between the Recipient and Commission staff during the meeting.
- Prepare a *Schedule for Completing Agreement Closeout Activities*.
- Provide copies of *All Final Products* organized by the tasks in the Agreement.

Products:

- Final Meeting Agreement Summary (*if applicable*)
- Schedule for Completing Agreement Closeout Activities
- All Final Products

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MONTHLY CALLS, REPORTS AND INVOICES

Subtask 1.5 Monthly Calls

The goal of this task is to have calls at least monthly between the CAM and Recipient to verify that satisfactory and continued progress is made towards achieving the objectives of this Agreement on time and within budget.

The objectives of this task are to verbally summarize activities performed during the reporting period, to identify activities planned for the next reporting period, to identify issues that may affect performance and expenditures, to verify match funds are being proportionally spent concurrently or in advance of CEC funds or are being spent in accordance with an approved Match Funding Spending Plan, to form the basis for determining whether invoices are consistent with work performed, and to answer any other questions from the CAM. Monthly calls might not be held on those months when a quarterly progress report is submitted or the CAM determines that a monthly call is unnecessary.

The CAM shall:

- Schedule monthly calls.
- Provide questions to the Recipient prior to the monthly call.
- Provide call summary notes to Recipient of items discussed during call.

The Recipient shall:

- Review the questions provided by CAM prior to the monthly call
- Provide verbal answers to the CAM during the call.

Product:

- Email to CAM concurring with call summary notes.

Subtask 1.6 Quarterly Progress Reports and Invoices

The goals of this subtask are to: (1) periodically verify that satisfactory and continued progress is made towards achieving the project objectives of this Agreement; and (2) ensure that invoices contain all required information and are submitted in the appropriate format.

The Recipient shall:

- Submit a *Quarterly Progress Report* to the CAM. Each progress report must:
 - Summarize progress made on all Agreement activities as specified in the scope of work for the reporting period, including accomplishments, problems, milestones, products, schedule, fiscal status, and an assessment of the ability to complete the Agreement within the current budget and any anticipated cost overruns. Progress reports are due to the CAM the 10th day of each January, April, July, and October. The Quarterly Progress Report template can be found on the ECAMS Resources webpage available at: <https://www.energy.ca.gov/media/4691>
- Submit a monthly or quarterly *Invoice* on the invoice template(s) provided by the CAM.

Recipient Products:

- Quarterly Progress Reports
- Invoices

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CAM Product:

- Invoice template

Subtask 1.7 Final Report

The goal of this subtask is to prepare a comprehensive Final Report that describes the original purpose, approach, results, and conclusions of the work performed under this Agreement. When creating the Final Report Outline and the Final Report, the Recipient must use the CEC Style Manual provided by the CAM.

Subtask 1.7.1 Final Report Outline

The Recipient shall:

- Prepare a *Final Report Outline* in accordance with the *Energy Commission Style Manual* provided by the CAM.

Recipient Products:

- Final Report Outline (draft and final)

CAM Products:

- Energy Commission Style Manual
- Comments on Draft Final Report Outline
- Acceptance of Final Report Outline

Subtask 1.7.2 Final Report

The Recipient shall:

- Prepare a *Final Report* for this Agreement in accordance with the approved Final Report Outline, Energy Commission Style Manual, and Final Report Template provided by the CAM with the following considerations:
 - Ensure that the report includes the following items, in the following order:
 - Cover page (**required**)
 - Credits page on the reverse side of cover with legal disclaimer (**required**)
 - Acknowledgements page (optional)
 - Preface (**required**)
 - Abstract, keywords, and citation page (**required**)
 - Table of Contents (**required**, followed by List of Figures and List of Tables, if needed)
 - Executive summary (**required**)
 - Body of the report (**required**)
 - References (if applicable)
 - Glossary/Acronyms (If more than 10 acronyms or abbreviations are used, it is required.)
 - Bibliography (if applicable)
 - Appendices (if applicable) (Create a separate volume if very large.)
 - Attachments (if applicable)
- Submit a draft of the Executive Summary to the TAC for review and comment.

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- Develop and submit a *Summary of TAC Comments on Draft Final Report* received on the Executive Summary. For each comment received, the Recipient will identify in the summary the following:
 - Comments the Recipient proposes to incorporate.
 - Comments the Recipient does propose to incorporate and an explanation for why.
- Submit a draft of the report to the CAM for review and comment. The CAM will provide written comments to the Recipient on the draft product within 15 days of receipt.
- Incorporate all CAM comments into the *Final Report*. If the Recipient disagrees with any comment, provide a *Written Responses to Comments* explaining why the comments were not incorporated into the final product.
- Submit the revised *Final Report* electronically with any Written Responses to Comments within 10 days of receipt of CAM's Written Comments on the Draft Final Report, unless the CAM specifies a longer time period or approves a request for additional time.

Products:

- Summary of TAC Comments on Draft Final Report
- Draft Final Report
- Written Responses to Comments (*if applicable*)
- Final Report

CAM Product:

- Written Comments on the Draft Final Report

MATCH FUNDS, PERMITS, AND SUBAWARDS

Subtask 1.8 Match Funds

The goal of this subtask is to ensure that the Recipient obtains any match funds planned for this Agreement and applies them to the Agreement during the Agreement term.

While the costs to obtain and document match funds are not reimbursable under this Agreement, the Recipient may spend match funds for this task. Match funds must be identified in writing, and the Recipient must obtain any associated commitments before incurring any costs for which the Recipient will request reimbursement.

The Recipient shall:

- Prepare a *Match Funds Status Letter* that documents the match funds committed to this Agreement. If no match funds were part of the application that led to the CEC awarding this Agreement and none have been identified at the time this Agreement starts, then state this in the letter.

If match funds were a part of the application that led to the CEC awarding this Agreement, then provide in the letter a list of the match funds that identifies:

- The amount of cash match funds, their source(s) (including a contact name, address, and telephone number), and the task(s) to which the match funds will be applied.
- The amount of each in-kind contribution, a description of the contribution type (e.g., property, services), the documented market or book value, the source (including a contact name, address, and telephone number), and the task(s) to which the match funds will be applied. If the in-kind contribution is equipment or other tangible or real property, the Recipient must identify its owner and provide a contact name, address,

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- telephone number, and the address where the property is located.
- If different from the solicitation application, provide a letter of commitment from an authorized representative of each source of match funding that the funds or contributions have been secured.
- At the Kick-off meeting, discuss match funds and the impact on the project if they are significantly reduced or not obtained as committed. If applicable, match funds will be included as a line item in the progress reports and will be a topic at CPR meetings.
- Provide a *Supplemental Match Funds Notification Letter* to the CAM of receipt of additional match funds.
- Provide a *Match Funds Reduction Notification Letter* to the CAM if existing match funds are reduced during the course of the Agreement. Reduction of match funds may trigger a CPR meeting.

Products:

- Match Funds Status Letter
- Supplemental Match Funds Notification Letter (*if applicable*)
- Match Funds Reduction Notification Letter (*if applicable*)

Subtask 1.9 Permits

The goal of this subtask is to obtain all permits required for work completed under this Agreement in advance of the date they are needed to keep the Agreement schedule on track. Permit costs and the expenses associated with obtaining permits are not reimbursable under this Agreement, with the exception of costs incurred by University of California recipients. Permits must be identified and obtained before the Recipient may incur any costs related to the use of the permit(s) for which the Recipient will request reimbursement.

The Recipient shall:

- Prepare a *Permit Status Letter* that documents the permits required to conduct this Agreement. If no permits are required at the start of this Agreement, then state this in the letter. If permits will be required during the course of the Agreement, provide in the letter:
 - A list of the permits that identifies: (1) the type of permit; and (2) the name, address, and telephone number of the permitting jurisdictions or lead agencies.
 - The schedule the Recipient will follow in applying for and obtaining the permits.

The list of permits and the schedule for obtaining them will be discussed at the Kick-off meeting (subtask 1.2), and a timetable for submitting the updated list, schedule, and copies of the permits will be developed. The impact on the project if the permits are not obtained in a timely fashion or are denied will also be discussed. If applicable, permits will be included as a line item in progress reports and will be a topic at CPR meetings.

- If during the course of the Agreement additional permits become necessary, then provide the CAM with an *Updated List of Permits* (including the appropriate information on each permit) and an *Updated Schedule for Acquiring Permits*.
- Send the CAM a *Copy of Each Approved Permit*.
- If during the course of the Agreement permits are not obtained on time or are denied, notify the CAM within 5 days. Either of these events may trigger a CPR meeting.

Products:

- Permit Status Letter

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- Updated List of Permits (*if applicable*)
- Updated Schedule for Acquiring Permits (*if applicable*)
- Copy of Each Approved Permit (*if applicable*)

Subtask 1.10 Obtain and Execute Subawards and Agreements with Site Hosts

The goals of this subtask are to: (1) procure and execute subrecipients and site host agreements, as applicable, required to carry out the tasks under this Agreement; and (2) ensure that the subrecipients and site host agreements are consistent with the Agreement terms and conditions and the Recipient's own contracting policies and procedures.

The Recipient shall:

- Execute and manage subawards and coordinate subrecipients activities in accordance with the requirements of this Agreement.
- Incorporate this Agreement by reference into each subaward.
- Include any required Energy Commission flow-down provisions in each subaward, in addition to a statement that the terms of this Agreement will prevail if they conflict with the subaward terms.
- Submit a *Subaward and Site Letter* to the CAM describing the subawards and any site host agreement needed or stating that no subawards or site host agreements are required.
- If requested by the CAM, submit a draft of each *Subaward* and any *Site Host Agreement* required to conduct the work under this Agreement.
- If requested by the CAM, submit a final copy of each executed *Subaward* and any *Site Host Agreement*.
- Notify and receive written approval from the CAM prior to adding any new subrecipient (see the terms regarding subrecipient additions in the terms and conditions).

Products:

- Subaward and Site Letter
- Draft Subawards (*if requested by the CAM*)
- Draft Site Host Agreement (*if requested by the CAM*)
- Final Subawards (*if requested by the CAM*)
- Final Site Host Agreement (*if requested by the CAM*)

TECHNICAL ADVISORY COMMITTEE

Subtask 1.11 Technical Advisory Committee (TAC)

The goal of this subtask is to create an advisory committee for this Agreement. The TAC should be composed of diverse professionals. The composition will vary depending on interest, availability, and need. TAC members will serve at the CAM's discretion. The purpose of the TAC is to:

- Provide guidance in project direction. The guidance may include scope and methodologies, timing, and coordination with other projects. The guidance may be based on:
 - Technical area expertise;
 - Knowledge of market applications; or
 - Linkages between the Agreement work and other past, present, or future projects (both public and private sectors) that TAC members are aware of in a particular area.

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- Review products and provide recommendations for needed product adjustments, refinements, or enhancements.
- Evaluate the tangible benefits of the project to the state of California, and provide recommendations as needed to enhance the benefits.
- Provide recommendations regarding information dissemination, market pathways, or commercialization strategies relevant to the project products.
- Help set the project team's goals and contribute to the development and evaluation of its statement of proposed objectives as the project evolves.
- Provide a credible and objective sounding board on the wide range of technical and financial barriers and opportunities.
- Help identify key areas where the project has a competitive advantage, value proposition, or strength upon which to build.
- Advocate, to the extent the TAC members feel is appropriate, on behalf of the project in its effort to build partnerships, governmental support, and relationships with a national spectrum of influential leaders.
- Ask probing questions that ensure a long-term perspective on decision-making and progress toward the project's strategic goals.

The TAC may be composed of qualified professionals spanning the following types of disciplines:

- Researchers knowledgeable about the project subject matter;
- Members of trades that will apply the results of the project (e.g., designers, engineers, architects, contractors, and trade representatives);
- Public interest market transformation implementers;
- Product developers relevant to the project;
- U.S. Department of Energy research managers, or experts from other federal or state agencies relevant to the project;
- Public interest environmental groups;
- Utility representatives;
- Air district staff; and
- Members of relevant technical society committees.

The Recipient shall:

- Prepare a *List of Potential TAC Members* that includes the names, companies, physical and electronic addresses, and phone numbers of potential members. The list will be discussed at the Kick-off meeting, and a schedule for recruiting members and holding the first TAC meeting will be developed.
- Recruit TAC members. Ensure that each individual understands member obligations and the TAC meeting schedule developed in subtask 1.12.
- Prepare a *List of TAC Members* once all TAC members have committed to serving on the TAC.
- Submit *Documentation of TAC Member Commitment* (such as Letters of Acceptance) from each TAC member.

Products:

- List of Potential TAC Members
- List of TAC Members
- Documentation of TAC Member Commitment

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Subtask 1.12 TAC Meetings

The goal of this subtask is for the TAC to provide strategic guidance for the project by participating in regular meetings, which may be held via teleconference.

The Recipient shall:

- Discuss the TAC meeting schedule with the CAM at the Kick-off meeting. Determine the number and location of meetings (in-person and via teleconference) in consultation with the CAM.
- Prepare a *TAC Meeting Schedule* that will be presented to the TAC members during recruiting. Revise the schedule after the first TAC meeting to incorporate meeting comments.
- Prepare a *TAC Meeting Agenda* and *TAC Meeting Back-up Materials* for each TAC meeting.
- Organize and lead TAC meetings in accordance with the TAC Meeting Schedule. Changes to the schedule must be pre-approved in writing by the CAM.
- Prepare *TAC Meeting Summaries* that include any recommended resolutions of major TAC issues.

The TAC shall:

- Help set the project team's goals and contribute to the development and evaluation of its statement of proposed objectives as the project evolves.
- Provide a credible and objective sounding board on the wide range of technical and financial barriers and opportunities.
- Help identify key areas where the project has a competitive advantage, value proposition, or strength upon which to build.
- Advocate on behalf of the project in its effort to build partnerships, governmental support and relationships with a national spectrum of influential leaders.
- Ask probing questions that ensure a long-term perspective on decision-making and progress toward the project's strategic goals.
- Review and provide comments to proposed project performance metrics.
- Review and provide comments to proposed project Draft Technology Transfer Plan.

Products:

- TAC Meeting Schedule (draft and final)
- TAC Meeting Agendas (draft and final)
- TAC Meeting Back-up Materials
- TAC Meeting Summaries

Subtask 1.13 Project Performance Metrics

The goal of this subtask is to finalize key performance targets for the project based on feedback from the TAC and report on final results in achieving those targets. The performance targets should be a combination of scientific, engineering, techno-economic, and/or programmatic metrics that provide the most significant indicator of the research or technology's potential success.

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The Recipient shall:

- Complete and submit the project performance metrics section of the *Initial Project Benefits Questionnaire*, developed in the Evaluation of Project Benefits task, to the CAM.
- Present the draft project performance metrics at the first TAC meeting to solicit input and comments from the TAC members.
- Develop and submit a *TAC Performance Metrics Summary* that summarizes comments received from the TAC members on the proposed project performance metrics. The *TAC Performance Metrics Summary* will identify:
 - TAC comments the Recipient proposes to incorporate into the *Initial Project Benefits Questionnaire*, developed in the Evaluation of Project Benefits task.
 - TAC comments the Recipient does not propose to incorporate with and explanation why.
- Develop and submit a *Project Performance Metrics Results* document describing the extent to which the Recipient met each of the performance metrics in the *Final Project Benefits Questionnaire*, developed in the Evaluation of Project Benefits task.
- Discuss the *Project Performance Metrics Results* at the Final Meeting.

Products:

- TAC Performance Metrics Summary
- Project Performance Metrics Results

IV. TECHNICAL TASKS

TASK 2 RESEARCH DESIGN

The goal of this task is to develop the analysis framework to study the impacts of V1G managed charging. This task will utilize existing analysis frameworks from previous studies of the electric system and incorporate the CCA and distribution system specific aspects as well as the SOD RA considerations. During this task a visual model of the analysis will be developed, as well as formulas to quantify value exchanges and data requirements inventory.

Subtask 2.1 Project Team Workshop

The goal of this subtask is to discuss and document key aspects of V1G programming to use in Subtask 2.2 model visualization activities. This workshop will also establish the scope of the analysis by identifying the stakeholders that will be represented as actors within the system and use cases.

The Recipient shall:

- Convene the project team to discuss V1G programming and market interactions.
- Document major aspects of the program and interactions with related systems, including:
 - Managed charging use cases,
 - Market actors (e.g., LSE, investor-owned utility (IOU), program participant),
 - Activities,
 - Regulatory requirements (e.g., SOD RA), and
 - Value exchanges

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- Convene a workshop to establish the scope of the analysis and prepare a *Workshop Summary* that includes, but is not limited to:
 - Agreed upon use cases,
 - Actors,
 - Activities,
 - Key value exchanges, and
 - Identified research questions

Products:

- Workshop Summary

Subtask 2.2 Visual Modeling

The goal of this subtask is to develop a visual model of the V1G program analysis and associated systems. This visual model will utilize object oriented visual modeling such as the unified modeling language (UML) to clearly communicate and gain consensus on the exchanges and accrual of values within the system.

The Recipient shall:

- Develop a *Draft Visual Model* of recipient's V1G pilot using UML notation, that includes:
 - Regional and statewide actors
 - Key activities and platforms
 - Value exchanges between systems and actors, and
 - Graphical representation of the flow of activities within the system
- Present *Draft Visual Model* to the CAM for feedback and incorporate changes requested in the *Final Visual Model*.

Products:

- Visual Model (draft and final)

Subtask 2.3 Valuation Analysis Development

The goal of this subtask is to develop a quantitative model for each value exchange identified in Subtask 2.2. Each value exchange within the visual model will be associated with a system actor and activity. The final visual model from Subtask 2.2 will be converted into an accounting table framework where each value exchange will be defined and assigned as an incoming or outgoing value to the relevant activity and actor. This provides the quantitative framework of the economic analysis.

The Recipient shall:

- Construct mathematical formulas within an economic model describing each value exchange identified in the visual model developed in Subtask 2.2.
- Generate *Economic Accounting Tables* which include the formula representation of each value exchange.

Products:

- Economic Accounting Tables

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Subtask 2.4 Data Requirements Gathering

The goal of this subtask is to document data requirements for each formula produced in Subtask 2.3, including unit, timescale, source, owner, and availability.

The Recipient shall:

- Conduct an inventory of data requirements for each value exchange formula developed in Subtask 2.3 and organize into an *Analysis Data Dictionary*. The *Analysis Data Dictionary* should include for each data point the:
 - Source,
 - Ownership/responsibility,
 - Controls
 - Update frequency,
 - Granularity,
 - Unit, and
 - Temporal resolution

Products:

- Analysis Data Dictionary

TASK 3 PRELIMINARY ANALYSIS

The goal of this task is to test the analysis framework and design from Task 2 with a subset of project data. This task includes gathering and processing data through the analysis framework to ensure that the requirements are met and that the analysis outputs sufficiently answer the research questions. During this task the framework and data dictionary is validated, and if necessary updated, in preparation for Task 4 Field Data Assessment.

Subtask 3.1 Data Collection and Processing

The goal of this subtask is to gather and process the necessary data to ensure the expected fields are aligned, usable and sufficient.

The Recipient shall:

- Collect all data identified in the Analysis Data Dictionary. Potential sources include IOU hosting capacity maps, managed charging program data, and RA data.
- Process collected data and ensure that the fields are aligned with the *Final Visual Model* and usable for the analysis.
- Compile collected and processed data into an *Analysis Dataset*.

Products:

- Analysis Dataset

Subtask 3.2 Preliminary Analysis

The goal of this subtask is to compute preliminary analysis results to validate the analysis design and inform Subtask 3.3 Gap Analysis.

The Recipient shall:

- Determine research computing resources required to support the analysis.
- Compute the formulas developed in Subtask 2.3 using the *Analysis Dataset* developed in Subtask 3.1, generating a trial result for each calculation.

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- Generate a *Preliminary Results Summary*, including but not limited to:
 - Summary of computation method and iterations, if applicable
 - Trial results

Products:

- Preliminary Results Summary

Subtask 3.3 Gap Analysis

The goal of this subtask is to identify any missing or misspecified data, non-compute errors, or/and deficiencies in the analysis plan.

The Recipient shall:

- Analyze the trial calculation results from Subtask 3.2 to identify data gaps and computational errors.
- Generate a *Gap Analysis Summary* which documents any missing elements from the data/analysis plan necessary to answer the research questions.

Products:

- Gap Analysis Summary

Subtask 3.4 Updated Analysis Design

The goal of this subtask is to make any possible updates to the analysis plan based on Subtask 3.3 and verify the effectiveness of finalized formulas for use in Task 4 activities.

The Recipient shall:

- Implement changes to the analysis framework (formulas and datasets) based on Subtask 3.1-3.3.
- Rerun the analysis using updated methodology to verify effectiveness
- Create *Change Log* for any revisions or updates to Analysis Data Dictionary and/or valuation analysis formulas
- Prepare a *CPR Report* in accordance with Subtask 1.3 (CPR Meetings).
- Participate in a CPR meeting.

Products:

- Change Log
- CPR Report

TASK 4 FIELD DATA ASSESSMENT

The goal of this task is to analyze and report on the value of V1G dispatch strategies using field data and the valuation framework developed in previous Tasks. During this task reporting templates will be developed to support an iterative analysis and program refinement cycle.

Subtask 4.1 V1G Program Results Template Development

The goal of this subtask is to develop an analysis reporting template that can be used by the project team regularly report out on the impact of pilot program operations, to enable iteration on managed charging strategy.

Exhibit A

Scope of Work

San Diego Community Power

The Recipient shall:

- Develop a *Draft Program Results Template* to support ongoing reporting of use case valuation, including charts and tables of key performance metrics on use case outcomes and overall project benefits.
- Present *Draft Program Results Template* to the CAM for feedback and incorporate changes requested in the *Final Program Results Template*.

Products:

- Program Results Template (Draft and Final)

Subtask 4.2 Ongoing V1G Program Analysis

The goal of this subtask is to analyze ongoing V1G program impacts. In this subtask a reoccurring stream of data will be collected, processed, analyzed and reported on using the Program Results Template developed in Subtask 4.1. This will result in a reoccurring process of analysis and managed charging optimization refinement, repeating the process throughout the duration of this task.

The Recipient shall:

- Refresh Analysis Dataset and analyze in accordance with the Updated Analysis Design.
- Generate findings using the Program Results Template and document in *Report Catalog*.
- Review findings with project team and incorporate insights into managed charging optimization.
- Repeat process multiple times over a duration of 6 months.

Products:

- Report Catalog

TASK 5 CAPSTONE EVALUATION

The goal of this task is to finalize the V1G Program valuation analysis. This task will include a complete assessment of bulk system and distribution operations impacts, as well as trends, program design, customer behavior, and seasonal impacts. This analysis will feed into the technical reports, presentations, and other knowledge transfer activities.

The Recipient shall:

- Compile results from Subtask 4.2 Ongoing V1G Program Analysis.
- Examine results and explore trends in measured values against factors, including but not limited to:
 - Changes in optimization strategy
 - Customer composition
 - Seasonal effects
- Generate a *Summary of Key Findings*, including, but not limited to:
 - Analytic products such as a waterfall chart highlighting economic tradeoffs between use cases and a system cost impact assessment highlighting impacts on rates
 - Presentation and/or written materials (e.g., workshops, technical reports, conference papers, journal articles) prepared to transfer knowledge to specific audiences

Exhibit A Scope of Work San Diego Community Power

Products:

- Summary of Key Findings

TASK 6: EVALUATION OF PROJECT BENEFITS

The goal of this task is to report the benefits resulting from this project.

The Recipient shall:

- Complete the *Initial Project Benefits Questionnaire*. The Initial Project Benefits Questionnaire shall be initially completed by the Recipient with 'Kick-off' selected for the 'Relevant data collection period' and submitted to the CAM for review and approval.
- Complete the *Annual Survey* by January 31st of each year. The Annual Survey includes but is not limited to the following information:
 - Technology commercialization progress
 - New media and publications
 - Company growth
 - Follow-on funding and awards received
- Complete the *Final Project Benefits Questionnaire*. The Final Project Benefits Questionnaire shall be completed by the Recipient with 'Final' selected for the 'Relevant data collection period' and submitted to the CAM for review and approval.
- Respond to CAM questions regarding the questionnaire drafts.
- Complete and update the project profile on the CEC's public online project and recipient directory on the [Energize Innovation website \(www.energizeinnovation.fund\)](http://www.energizeinnovation.fund), and provide *Documentation of Project Profile on EnergizeInnovation.fund*, including the profile link.
- If the Prime Recipient is an Innovation Partner on the project, complete and update the organizational profile on the CEC's public online project and recipient directory on the [Energize Innovation website \(www.energizeinnovation.fund\)](http://www.energizeinnovation.fund), and provide *Documentation of Organization Profile on EnergizeInnovation.fund*, including the profile link.

Products:

- Initial Project Benefits Questionnaire
- Annual Survey(s)
- Final Project Benefits Questionnaire
- Documentation of Project Profile on EnergizeInnovation.fund
- Documentation of Organization Profile on EnergizeInnovation.fund

TASK 7 TECHNOLOGY/KNOWLEDGE TRANSFER ACTIVITIES

The goal of this task is to ensure the scientific and techno-economic analysis and tools developed under this agreement are utilized in the energy policy and/or planning decisions at the state and/or local levels, academic community and/or commercial sector.

The Recipient Shall:

- Develop and submit a *Knowledge Transfer Plan* that identifies the proposed activities the recipient will conduct to meet the goal of the task. The *Knowledge Transfer Plan* should include at a minimum:
 - Specific policy and planning efforts this project is expected to inform.

Exhibit A

Scope of Work

San Diego Community Power

- Specific stakeholder groups and energy policy and planning practitioners who will utilize the results of this project.
- Proposed activities the Recipient will conduct to ensure the tools and results from this project will be utilized and adopted by the groups identified above.
- Present the *Draft Knowledge Transfer Plan* to the TAC for feedback and comments.
- Develop and submit a *Summary of TAC Comments* that summarizes comments received from the TAC members on the *Draft Knowledge Transfer Plan*. This document will identify:
 - TAC comments the Recipient proposes to incorporate into the *Final Knowledge Transfer Plan*.
 - TAC comments the Recipient does not propose to incorporate with and explanation why.
- Submit the *Final Knowledge Transfer Plan* to the CAM for approval.
- Implement the activities as described in the *Final Knowledge Transfer Plan*.
- Develop a *Knowledge Transfer Summary Report* that includes high level summaries of the activities, results, and lessons learned of tasks performed relating to implementing the Final Technology Transfer Plan. This report should not include any proprietary information.
- When directed by the CAM, develop presentation materials for an CEC- sponsored conference/workshop(s) on the project.
- When directed by the CAM, participate in annual EPIC symposium(s) sponsored by the California CEC.
- Provide at least (6) six High Quality Digital Photographs (minimum resolution of 1300x500 pixels in landscape ratio) of pre and post technology installation at the project sites or related project photographs.

Products:

- Knowledge Transfer Plan (draft and final)
- Summary of TAC Comments
- Technology Transfer Summary Report (draft and final)
- High Quality Digital Photographs

V. PROJECT SCHEDULE

Please see the attached Excel spreadsheet.

ENERGY RESEARCH, DEVELOPMENT, AND DEMONSTRATION AGREEMENTS
Exhibit A-1 - Scope of Work
San Diego Community Power
PROJECT SCHEDULE

Agreement Term: 09-22-2025 to 08-31-2027

Within this Scope of Work, "days" means business days.

Changes to due dates must be approved in writing by the CAM, and may require approval by the CEC's Executive Director or his/her designee.

Task/ Subtask #	Task/Subtask Name	Meeting Name	Product(s)	Due Date
1	General Project Tasks			
1.1	Products			
1.2	Kick-off Meeting	Kick-off Meeting		10/8/2025
			Kick-off Meeting Presentation	5 days prior to Kick-off Meeting
			Updated Project Schedule <i>(if applicable)</i>	5 days after determination of the need to update the documents
			Match Funds Status Letter (subtask 1.7) <i>(if applicable)</i>	5 days prior to Kick-off Meeting
			Permit Status Letter (subtask 1.8) <i>(if applicable)</i>	5 days prior to Kick-off Meeting
			CAM Product	
			Kick-off Meeting Agenda	7 days prior to the kick-off meeting
1.3	CPR Meeting	CPR Meeting #1		5/15/2026
			CPR Report(s)	15 days prior to the CPR meeting
			CAM Products	
			CPR Agenda	5 days prior to the CPR meeting
			Progress Determination	As indicated in the Schedule for Providing a Progress Determination
1.4	Final Meeting	Final Meeting		7/23/2027
			Final Meeting Agreement Summary <i>(if applicable)</i>	7 days after the final meeting
			Schedule for Completing Agreement Closeout Activities	7 days after the final meeting
			All Final Products	7 days after the final meeting
1.5	Monthly Calls		Email to CAM concurring with call summary notes	5 days after the call
1.6	Quarterly Progress Reports and Invoices		Quarterly Progress Reports	10 days after the first of the months of January, April, July, and October.
			Invoices	10 days after the first of each month or quarter
			CAM Products	
			Invoice Template	7 days prior to the kick-off meeting
1.7	Final Report			
1.7.1	Final Report Outline		Draft Final Report Outline	11/13/2026
			Final Report Outline	As determined by the CAM
			CAM Products	
			Energy Commission Style Manual	At least 2 months prior to the final report outline due date
			Comments on Draft Final Report Outline	10 days after receipt of the Draft Final Report Outline
			Approval of Final Report Outline	10 days after receipt of the Final Report Outline
1.7.2	Final Report		Summary of TAC Comments on Draft Final Report	As determined by the CAM
			Draft Final Report	1/15/2027
			Written Responses to Comments <i>(if applicable)</i>	As determined by the CAM
			Final Report	3/19/2027
			CAM Products	
			Written Comments on Draft Final Report	15 days after receipt of the Draft Final Report
1.8	Match Funds		Match Funds Status Letter	2 days prior to the kick-off meeting
			Supplemental Match Funds Notification Letter <i>(if applicable)</i>	10 days after receipt of additional match funds
			Match Funds Reduction Notification Letter <i>(if applicable)</i>	10 days after any reduction of match funds

ENERGY RESEARCH, DEVELOPMENT, AND DEMONSTRATION AGREEMENTS
Exhibit A-1 - Scope of Work
San Diego Community Power
PROJECT SCHEDULE

Task/ Subtask #	Task/Subtask Name	Meeting Name	Product(s)	Due Date
1.9	Permits		Permit Status Letter	2 days prior to the kick-off meeting
			Updated List of Permits (<i>if applicable</i>)	10 days after determination of the need for a new permit
			Updated Schedule for Acquiring Permits (<i>if applicable</i>)	10 days after determination of the need for a new permit
			Copy of Each Approved Permit (<i>if applicable</i>)	7 days after receipt of each permit
1.10	Obtain and Execute Subawards and Agreements with Site Hosts		Subaward and Site Letter	As determined by the CAM
			Draft Subawards (if requested by the CAM)	As determined by the CAM
			Draft Site Host Agreement (if requested by the CAM)	As determined by the CAM
			Final Subawards (if requested by the CAM)	As determined by the CAM
			Final Site Host Agreement (if requested by the CAM)	As determined by the CAM
1.11	Technical Advisory Committee (TAC)		List of Potential TAC Members	2 days prior to the kick-off meeting
			List of TAC Members	7 days after finalization of the TAC
			Documentation of TAC Member Commitment	7 days after receipt of the documentation
1.12	TAC Meetings	TAC Meeting #1	1/23/2026	
		TAC Meeting #2	7/24/2026	
			Draft TAC Meeting Schedule	20 days after the kickoff meeting
			Final TAC Meeting Schedule	10 days after the first TAC meeting
			Draft TAC Meeting Agendas	20 days prior to each TAC meeting
			TAC Meeting Back-up Materials	20 days prior to each TAC meeting
			Final TAC Meeting Agenda	7 days prior to each TAC meeting
			TAC Meeting Summaries	10 days after each TAC meeting
1.13	Project Performance Metrics		TAC Performance Metrics Summary	10 days after first TAC meeting
			Project Performance Metrics Results	Same date as the Draft Final Report due date
Technical Tasks				
2	Research Design			
2.1	Project Team Workshop		Workshop Summary	11/7/2025
2.2	Visual Modeling		Draft Visual Model	12/5/2025
			Final Visual Model	12/19/2025
2.3	Valuation Analysis Development		Economic Accounting Tables	1/23/2026
2.4	Data Requirements Gathering		Analysis Data Dictionary	2/6/2026
3	Preliminary Analysis			
3.1	Data Collection and Processing		Analysis Dataset	3/6/2026
3.2	Preliminary Analysis		Preliminary Results Summary	3/23/2026
3.3	Gap Analysis		Gap Analysis Summary	4/24/2026
3.4	Updated Analysis Design	CPR Meeting #1	Change Log	5/13/2026
			CPR Report	5/13/2026
4	Field Data Assessment			
4.1	V1G Program Reporting Template Development		Draft Program Results Template	5/13/2026
			Final Program Results Template	5/29/2026
4.2	Ongoing V1G Program Analysis		Report Catalog	11/20/2026
5	Capstone Evaluation		Summary of Key Findings	12/18/2026

ENERGY RESEARCH, DEVELOPMENT, AND DEMONSTRATION AGREEMENTS
Exhibit A-1 - Scope of Work
San Diego Community Power
PROJECT SCHEDULE

Task/ Subtask #	Task/Subtask Name	Meeting Name	Product(s)	Due Date
6	Evaluation of Project Benefits		Initial Project Benefits Questionnaire	30 days after the kick-off meeting
			Annual Survey(s)	January 31st of each agreement year
			Final Project Benefits Questionnaire	Same date as the Draft Final Report due date
			Documentation of Project Profile on EnergizeInnovation.fund	30 days after the Kick-off Meeting
			Documentation of Organization Profile on EnergizeInnovation.fund	30 days after the Kick-off Meeting
7	Technology/Knowledge Transfer Activities		Draft Knowledge Transfer Plan	30 days prior to TAC Meeting #1
			Final Knowledge Transfer Plan	30 days after TAC Meeting #1
			Summary of TAC Comments	30 days after TAC Meeting #1
			Draft Technology Transfer Summary Report	Same date as the Draft Final Report due date
			Final Technology Transfer Summary Report	30 days after the Draft Technology Transfer Summary Report due date
			High Quality Digital Photographs	Same date as the Draft Final Report due date

Workbook Instructions

Input Data: Enter information as required in all cells highlighted in Blue.

Restricted Editing: All cells not highlighted in Blue are locked from editing. Locked cells include: cells with formulas highlighted in Gray or Light Yellow, cells with no color fill (white), etc.

For the Agreement Budget Template ONLY: Colored Tabs:

The "Equipment" and "Subrecipients & Vendors" budget category tabs are colored **ORANGE** to indicate that line item details can be entered for these budget categories. The other budget category tabs (Direct Labor, Fringe Benefits, Travel, Materials & Misc., and Indirect Costs & Profit) only contain category totals.

Regarding Confidential Information: Avoid disclosing trade secrets and confidential information on any agreement document, since these documents are publicly accessible.

Rules for decimal places on values:

- **Budget and Invoice values:**
 - Rounding of any values, as described below, should be performed using standard rounding practices.
 - For all currency rates (e.g., Direct Labor, and Unit Cost): Round to the cent (\$0.01).
 - For all percentage rates (e.g., Fringe Benefits, Indirect Cost, and Profit): Round to a maximum of two decimal places of a percent (e.g., 25.12%). You can round to less if desired, such as one decimal place (e.g., 25.1%), or zero decimal places (e.g., 25%).
 - For all quantity values (e.g., # of hours, # of months, and # of units): Round to a maximum of two decimal places (e.g., 50.12). You can round to less if desired, such as one decimal place (e.g., 50.1), or zero decimal places (e.g., 50).
- **Budget values:**
 - For entered and totaled (via calculation) CEC and Match share budget values: Round to the dollar (\$1).
 - For all calculated currency values (e.g., rate x hours, rate x months, base amount, and rate x base amount): Round to the dollar (\$1).
- **Invoice values:**
 - For entered and totaled (via calculation) CEC and Match share expense invoice values: Round to the cent (\$0.01).
 - For all calculated currency values (e.g., rate x hours, rate x months, base amount, and rate x base amount): Round to the cent (\$0.01).
 - **SPECIAL CIRCUMSTANCE for calculated currency values:** **ONLY** if a calculated value (e.g., rate x hours = actual labor expense) does **NOT** equal the actual expense, because of the decimal place rules provided for rates and quantity values listed above, it is acceptable to use as many decimal places as necessary for rates and quantity values listed above to ensure that the calculated value **DOES** equal the actual expense.

Invoice Supporting Documentation Requirements, per Budget Category:

The list below contains the supporting documentation that is required to be submitted with an invoice. **IMPORTANT:** The recipient and subrecipients must still retain supporting documentation for all project expenses in case of an audit ("supporting documents" are also known as "backup documents").

- **Direct Labor** – No supporting documentation required with invoice.
- **Fringe Benefits** – No supporting documentation required with invoice.
- **Travel** - Receipts are required only for: Lodging, Airfare, Rental car (including gasoline expenses), Bus/train. Travel Form required for all travel included on an invoice
- **Equipment** – 1) For equipment that is equal to or greater than \$100,000 per line item total (including both CEC and Match Funds), documentation showing the payment terms must be provided to the CAM. 2) CAM must be able to verify equipment purchases for: 1) equipment with a per line item incurred cost of \$500,000 or greater; or 2) a single equipment vendor with \$500,000 or more in equipment incurred costs. See Invoice Review Checklist for methods to verify.
- **Materials & Miscellaneous** – Receipt required for any line item total that is \$5,000 or more.

- **Subrecipients & Vendors** – Major subrecipients (Budget of \$100k or more) follow the same budget requirements as the Recipient when submitting an invoice. For Minor subrecipients and Vendors, subrecipient or vendor invoice required. The subrecipient (major) should not include retention on their invoice template, so that retention will not be double counted. Doing this puts the responsibility on the recipient to determine how much retention to retain, if any, from their subrecipients based on their contractual agreements with their subrecipients and the CEC.
- **Indirect Costs & Profit** – No supporting documentation required with invoice.

Adding Rows: If additional rows are needed within a section, unhide the hidden rows (i.e., select the row directly above and below the hidden rows, then right-click the selection and select “Unhide”). Hide any unused rows. **DO NOT USE THE LAST TWO ROWS THAT ARE MARKED “CEC USE ONLY”.** If all but the last 2 rows are used, and more rows are required, please contact the ECAMS Support team (ECAMS.Support@energy.ca.gov).

FOR ECAMS SUPPORT TEAM ONLY: ADDING ROWS:

To add additional rows and maintain the formulas within the totals, (1) unprotect the sheet, (2) copy the second to the last row in the section, (3) insert the copied row just above the last row, (4) repeat steps 2 - 3 as required, (5) correct formatting and REFERENCE IDs as required, (6) delete “CEC USE ONLY” from all but the last two rows in the section, and (7) re-protect the sheet.

Updating Modification Date on Budgets:

After making modifications to a budget file, update the modification date as described below.

- **Budget Worksheet file** – Update the “*Date of Last Budget Worksheet Modification*” to the date the modifications were completed. Update the “Date of Last Budget Worksheet Modification” in cell D1 of the “Category Budget” tab—this updates the rest of the tabs in the template.
- **Agreement Budget file** – Update the “*Date of Last Approved Agreement Budget Modification*” to the date the modifications were approved. Update the “Date of Last Approved Agreement Budget Modification” in cell D1 of the “Category Budget” tab—this updates the rest of the tabs in the template.

FOR ECAMS SUPPORT TEAM ONLY: UPDATING “TEMPLATE VERSION” DATE:

After making modifications to a budget or invoice template, update the “*Template Version*” date to the date the modifications were completed. For the budget templates, update the “*Template Version*” date in cell A1 of the “*Category Budget*” tab—this updates the rest of the tabs in the template. For the invoice templates, update the “*Template Version*” date in cell A1 of the “*Invoice Payment Cover Sheet*” tab—this updates the rest of the tabs in the template.

ECAMS Support: For support on how to complete this template, please visit the ECAMS Resources web page. The link to this web page is provided in the cell below:

<https://www.energy.ca.gov/funding-opportunities/funding-resources/ecams-resources>

AGREEMENT BUDGET**Category Budget**

Agreement Number	EPC-25-015		
Name of Organization	San Diego Community Power		
Recipient			
None			
Cost Category	CEC Share	Match Share	Total
Direct Labor	\$ 27,280	\$ -	\$ 27,280
Fringe Benefits	\$ -	\$ -	\$ -
Total Labor	\$ 27,280	\$ -	\$ 27,280
Travel	\$ 3,031	\$ -	\$ 3,031
Equipment	\$ -	\$ -	\$ -
Materials/Miscellaneous	\$ -	\$ -	\$ -
Subrecipients/Vendors	\$ 620,000	\$ -	\$ 620,000
Total Other Direct Costs	\$ 623,031	\$ -	\$ 623,031
Indirect Costs	\$ 43,300	\$ -	\$ 43,300
Profit (not allowed for grant recipients)	\$ -	\$ -	\$ -
Total Indirect and Profit	\$ 43,300	\$ -	\$ 43,300
Grand Totals	\$ 693,611	\$ -	\$ 693,611
Total CEC Reimbursable Funds Spent in California	\$ 164,722		
Percentage of CEC Reimbursable Funds Spent in California	23.75%		

AGREEMENT BUDGET

Direct Labor (Unloaded)

EPC-25-015: San Diego Community Power

	CEC Share	Match Share	Total
Grand Totals	\$ 27,280	\$ -	\$ 27,280

AGREEMENT BUDGET

Fringe Benefits

EPC-25-015: San Diego Community Power

	CEC Share	Match Share	Total
Grand Totals	\$ -	\$ -	\$ -

AGREEMENT BUDGET

Travel

EPC-25-015: San Diego Community Power

	CEC Share	Match Share	Total
Grand Totals	\$ 3,031	\$ -	\$ 3,031

AGREEMENT BUDGET

Equipment

EPC-25-015: San Diego Community Power

Reference ID	Task #	Seller of item(s)	Description	Purpose	# of Units	Unit Cost	Total: # of Units x Unit Cost	CEC Share	Match Share	Total	Line Item Revised Since Last Approved Budget?	Revision Notes
E-1					0.00	\$ -	\$ -	\$ -	\$ -	\$ -	Select Yes or No	
E-2					0.00	\$ -	\$ -	\$ -	\$ -	\$ -	Select Yes or No	
E-3					0.00	\$ -	\$ -	\$ -	\$ -	\$ -	Select Yes or No	
E-4					0.00	\$ -	\$ -	\$ -	\$ -	\$ -	Select Yes or No	
E-5					0.00	\$ -	\$ -	\$ -	\$ -	\$ -	Select Yes or No	
E-6					0.00	\$ -	\$ -	\$ -	\$ -	\$ -	Select Yes or No	
E-7					0.00	\$ -	\$ -	\$ -	\$ -	\$ -	Select Yes or No	
E-8					0.00	\$ -	\$ -	\$ -	\$ -	\$ -	Select Yes or No	
E-9					0.00	\$ -	\$ -	\$ -	\$ -	\$ -	Select Yes or No	
E-10					0.00	\$ -	\$ -	\$ -	\$ -	\$ -	Select Yes or No	
E-11					0.00	\$ -	\$ -	\$ -	\$ -	\$ -	Select Yes or No	
Grand Totals								\$ -	\$ -	\$ -		

AGREEMENT BUDGET

Materials & Miscellaneous

EPC-25-015: San Diego Community Power

	CEC Share	Match Share	Total
Grand Totals	\$ -	\$ -	\$ -

AGREEMENT BUDGET**Subrecipients & Vendors****EPC-25-015: San Diego Community Power**

Subrecipients										
Reference ID	Task #	Subrecipient (Please Use Legal Name)	Entity Number (CA Secretary of State)	Purpose	CA Business Certifications DVBE/ SB/MB/None	CEC Share	Match Share	Total	Line Item Revised Since Last Approved Budget?	Revision Notes
S-1	1-7	Pacific Northwest National Laboratory	470455	Support admin, modeling, and knowledge transfer activities	None	\$ 620,000	\$ -	\$ 620,000	No	
Subrecipient Totals						\$ 620,000	\$ -	\$ 620,000		

Vendors										
Reference ID	Task #	Vendor (Please Use Legal Name)	Entity Number (CA Secretary of State)	Purpose	CA Business Certifications DVBE/ SB/MB/None	CEC Share	Match Share	Total	Line Item Revised Since Last Approved Budget?	Revision Notes
V-1					Select your organization's California Business Certifications	\$ -	\$ -	\$ -	Select Yes or No	
Vendor Totals						\$ -	\$ -	\$ -		

Subrecipients & Vendors Grand Totals										
						CEC Share	Match Share	Total		
Grand Totals						\$ 620,000	\$ -	\$ 620,000		

AGREEMENT BUDGET

Indirect Costs and Profit

EPC-25-015: San Diego Community Power

Recipient's Rate (From Cost Allocation Plan)

Indirect Cost(s)			
	CEC Share	Match Share	Total
Indirect Costs Grand Totals	\$ 43,300	\$ -	\$ 43,300

Profit			
	CEC Share	Match Share	Total
Profit Grand Totals	\$ -	\$ -	\$ -

AGREEMENT BUDGET**Budget Updates after Agreement Execution****EPC-25-015: San Diego Community Power**

Change #	Date Approved	Budget Categories	All values should be rounded to the dollar (\$1)						Brief Description of and Justification for Change	Total Amount of CEC Funds Moving Between Categories	Cumulative CEC Total (will reset after DD review)	Has this budget been approved by the Division Director (DD)?**
			CEC Share Funds			Match Share Funds						
			FROM (Approved Budget Totals)	TO (Revised Budget Totals)	Amount of CEC Funds Moving Between Categories	FROM (Approved Budget Totals)	TO (Revised Budget Totals)	Amount of Match Funds Moving Between Categories				
1		Direct Labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$0	\$0	Select Yes or No
		Fringe Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Materials/Misc.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Subrecipients/Vendors	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Indirect Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Profit (not allowed for grant recipients)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Totals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Reallocation Decrease Subtotal			\$ -			\$ -				
		Reallocation Increase Subtotal			\$ -			\$ -				
		Total Budget Reallocation Between Budget Categories			\$ -			\$ -				
2		Direct Labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$0	\$0	Select Yes or No
		Fringe Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Materials/Misc.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Subrecipients/Vendors	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Indirect Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Profit (not allowed for grant recipients)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Totals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Reallocation Decrease Subtotal			\$ -			\$ -				
		Reallocation Increase Subtotal			\$ -			\$ -				
		Total Budget Reallocation Between Budget Categories			\$ -			\$ -				
3		Direct Labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$0	\$0	Select Yes or No
		Fringe Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Materials/Misc.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Subrecipients/Vendors	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Indirect Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Profit (not allowed for grant recipients)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Totals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Reallocation Decrease Subtotal			\$ -			\$ -				
		Reallocation Increase Subtotal			\$ -			\$ -				
		Total Budget Reallocation Between Budget Categories			\$ -			\$ -				

Workbook Instructions

Input Data: Enter information as required in all cells highlighted in Blue.

Restricted Editing: All cells not highlighted in Blue are locked from editing. Locked cells include: cells with formulas highlighted in Gray or Light Yellow, cells with no color fill (white), etc.

For the Agreement Budget Template ONLY: Colored Tabs:

The "Equipment" and "Subrecipients & Vendors" budget category tabs are colored **ORANGE** to indicate that line item details can be entered for these budget categories. The other budget category tabs (Direct Labor, Fringe Benefits, Travel, Materials & Misc., and Indirect Costs & Profit) only contain category totals.

Regarding Confidential Information: Avoid disclosing trade secrets and confidential information on any agreement document, since these documents are publicly accessible.

Rules for decimal places on values:

- **Budget and Invoice values:**
 - Rounding of any values, as described below, should be performed using standard rounding practices.
 - For all currency rates (e.g., Direct Labor, and Unit Cost): Round to the cent (\$0.01).
 - For all percentage rates (e.g., Fringe Benefits, Indirect Cost, and Profit): Round to a maximum of two decimal places of a percent (e.g., 25.12%). You can round to less if desired, such as one decimal place (e.g., 25.1%), or zero decimal places (e.g., 25%).
 - For all quantity values (e.g., # of hours, # of months, and # of units): Round to a maximum of two decimal places (e.g., 50.12). You can round to less if desired, such as one decimal place (e.g., 50.1), or zero decimal places (e.g., 50).
- **Budget values:**
 - For entered and totaled (via calculation) CEC and Match share budget values: Round to the dollar (\$1).
 - For all calculated currency values (e.g., rate x hours, rate x months, base amount, and rate x base amount): Round to the dollar (\$1).
- **Invoice values:**
 - For entered and totaled (via calculation) CEC and Match share expense invoice values: Round to the cent (\$0.01).
 - For all calculated currency values (e.g., rate x hours, rate x months, base amount, and rate x base amount): Round to the cent (\$0.01).
 - **SPECIAL CIRCUMSTANCE for calculated currency values:** **ONLY** if a calculated value (e.g., rate x hours = actual labor expense) does **NOT** equal the actual expense, because of the decimal place rules provided for rates and quantity values listed above, it is acceptable to use as many decimal places as necessary for rates and quantity values listed above to ensure that the calculated value **DOES** equal the actual expense.

Invoice Supporting Documentation Requirements, per Budget Category:

The list below contains the supporting documentation that is required to be submitted with an invoice. **IMPORTANT:** The recipient and subrecipients must still retain supporting documentation for all project expenses in case of an audit ("supporting documents" are also known as "backup documents").

- **Direct Labor** – No supporting documentation required with invoice.
- **Fringe Benefits** – No supporting documentation required with invoice.
- **Travel** - Receipts are required only for: Lodging, Airfare, Rental car (including gasoline expenses), Bus/train. Travel Form required for all travel included on an invoice
- **Equipment** – 1) For equipment that is equal to or greater than \$100,000 per line item total (including both CEC and Match Funds), documentation showing the payment terms must be provided to the CAM. 2) CAM must be able to verify equipment purchases for: 1) equipment with a per line item incurred cost of \$500,000 or greater; or 2) a single equipment vendor with \$500,000 or more in equipment incurred costs. See Invoice Review Checklist for methods to verify.
- **Materials & Miscellaneous** – Receipt required for any line item total that is \$5,000 or more.
- **Subrecipients & Vendors** – Major subrecipients (Budget of \$100k or more) follow the same budget requirements as the Recipient when submitting an invoice. For Minor subrecipients and Vendors, subrecipient or vendor invoice required. The subrecipient (major) should not include retention on their invoice template, so that retention will not be double counted. Doing this puts the responsibility on the recipient to determine how much retention to retain, if any, from their subrecipients based on their contractual agreements with their subrecipients and the CEC.
- **Indirect Costs & Profit** – No supporting documentation required with invoice.

Adding Rows: If additional rows are needed within a section, unhide the hidden rows (i.e., select the row directly above and below the hidden rows, then right-click the selection and select "Unhide"). Hide any unused rows. **DO NOT USE THE LAST TWO ROWS THAT ARE MARKED "CEC USE ONLY".** If all but the last 2 rows are used, and more rows are required, please contact the ECAMS Support team (ECAMS.Support@energy.ca.gov).

FOR ECAMS SUPPORT TEAM ONLY: ADDING ROWS:

To add additional rows and maintain the formulas within the totals, (1) unprotect the sheet, (2) copy the second to the last row in the section, (3) insert the copied row just above the last row, (4) repeat steps 2 - 3 as required, (5) correct formatting and REFERENCE IDs as required, (6) delete "CEC USE ONLY" from all but the last two rows in the section, and (7) re-protect the sheet.

Updating Modification Date on Budgets:

After making modifications to a budget file, update the modification date as described below.

- **Budget Worksheet file** – Update the "Date of Last Budget Worksheet Modification" to the date the modifications were completed. Update the "Date of Last Budget Worksheet Modification" in cell D1 of the "Category Budget" tab—this updates the rest of the tabs in the template.
- **Agreement Budget file** – Update the "Date of Last Approved Agreement Budget Modification" to the date the modifications were approved. Update the "Date of Last Approved Agreement Budget Modification" in cell D1 of the "Category Budget" tab—this updates the rest of the tabs in the template.

FOR ECAMS SUPPORT TEAM ONLY: UPDATING "TEMPLATE VERSION" DATE:

After making modifications to a budget or invoice template, update the "Template Version" date to the date the modifications were completed. For the budget templates, update the "Template Version" date in cell A1 of the "Category Budget" tab—this updates the rest of the tabs in the template. For the invoice templates, update the "Template Version" date in cell A1 of the "Invoice Payment Cover Sheet" tab—this updates the rest of the tabs in the template.

ECAMS Support: For support on how to complete this template, please visit the ECAMS Resources web page. The link to this web page is provided in the cell below:

<https://www.energy.ca.gov/funding-opportunities/funding-resources/ecams-resources>

AGREEMENT BUDGET**Category Budget**

Agreement Number	EPC-25-015		
Name of Organization	Pacific Northwest National Laboratory		
Subrecipient			
None			
Cost Category	CEC Share	Match Share	Total
Direct Labor	\$ 237,357	\$ -	\$ 237,357
Fringe Benefits	\$ 68,077	\$ -	\$ 68,077
Total Labor	\$ 305,434	\$ -	\$ 305,434
Travel	\$ 1,710	\$ -	\$ 1,710
Equipment	\$ -	\$ -	\$ -
Materials/Miscellaneous	\$ 5,254	\$ -	\$ 5,254
Subrecipients/Vendors	\$ -	\$ -	\$ -
Total Other Direct Costs	\$ 6,964	\$ -	\$ 6,964
Indirect Costs	\$ 307,602	\$ -	\$ 307,602
Profit (not allowed for grant recipients)	\$ -	\$ -	\$ -
Total Indirect and Profit	\$ 307,602	\$ -	\$ 307,602
Grand Totals	\$ 620,000	\$ -	\$ 620,000
Total CEC Reimbursable Funds Spent in California	\$ 121,422		
Percentage of CEC Reimbursable Funds Spent in California	19.58%		

AGREEMENT BUDGET

Direct Labor (Unloaded)

EPC-25-015: Pacific Northwest National Laboratory

	CEC Share	Match Share	Total
Grand Totals	\$ 237,357	\$ -	\$ 237,357

AGREEMENT BUDGET

Fringe Benefits

EPC-25-015: Pacific Northwest National Laboratory

	CEC Share	Match Share	Total
Grand Totals	\$ 68,077	\$ -	\$ 68,077

AGREEMENT BUDGET

Travel

EPC-25-015: Pacific Northwest National Laboratory

	CEC Share	Match Share	Total
Grand Totals	\$ 1,710	\$ -	\$ 1,710

AGREEMENT BUDGET

Equipment

EPC-25-015: Pacific Northwest National Laboratory

Reference ID	Task #	Seller of item(s)	Description	Purpose	# of Units	Unit Cost	Total: # of Units x Unit Cost	CEC Share	Match Share	Total	Line Item Revised Since Last Approved Budget?	Revision Notes
E-1					0.00	\$ -	\$ -	\$ -	\$ -	\$ -	Select Yes or No	
Grand Totals								\$ -	\$ -	\$ -		

AGREEMENT BUDGET

Materials & Miscellaneous

EPC-25-015: Pacific Northwest National Laboratory

	CEC Share	Match Share	Total
Grand Totals	\$ 5,254	\$ -	\$ 5,254

AGREEMENT BUDGET**Subrecipients & Vendors****EPC-25-015: Pacific Northwest National Laboratory**

Subrecipients										
Reference ID	Task #	Subrecipient (Please Use Legal Name)	Entity Number (CA Secretary of State)	Purpose	CA Business Certifications DVBE/ SB/MB/None	CEC Share	Match Share	Total	Line Item Revised Since Last Approved Budget?	Revision Notes
S-1					Select your organization's California Business Certifications	\$ -	\$ -	\$ -	Select Yes or No	
Subrecipient Totals						\$ -	\$ -	\$ -		

Vendors										
Reference ID	Task #	Vendor (Please Use Legal Name)	Entity Number (CA Secretary of State)	Purpose	CA Business Certifications DVBE/ SB/MB/None	CEC Share	Match Share	Total	Line Item Revised Since Last Approved Budget?	Revision Notes
V-1					Select your organization's California Business Certifications	\$ -	\$ -	\$ -	Select Yes or No	
Vendor Totals						\$ -	\$ -	\$ -		

Subrecipients & Vendors Grand Totals										
						CEC Share	Match Share	Total		
Grand Totals						\$ -	\$ -	\$ -		

AGREEMENT BUDGET

Indirect Costs and Profit

EPC-25-015: Pacific Northwest National Laboratory

Recipient's Rate (From Cost Allocation Plan)

Indirect Cost(s)			
	CEC Share	Match Share	Total
Indirect Costs Grand Totals	\$ 307,602	\$ -	\$ 307,602

Profit			
	CEC Share	Match Share	Total
Profit Grand Totals	\$ -	\$ -	\$ -

AGREEMENT BUDGET**Budget Updates after Agreement Execution****EPC-25-015: Pacific Northwest National Laboratory**

Change #	Date Approved	Budget Categories	All values should be rounded to the dollar (\$1)						Brief Description of and Justification for Change	Total Amount of CEC Funds Moving Between Categories	Cumulative CEC Total (will reset after DD review)	Has this budget been approved by the Division Director (DD)?**
			CEC Share Funds			Match Share Funds						
			FROM (Approved Budget Totals)	TO (Revised Budget Totals)	Amount of CEC Funds Moving Between Categories	FROM (Approved Budget Totals)	TO (Revised Budget Totals)	Amount of Match Funds Moving Between Categories				
1		Direct Labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$0	\$0	Select Yes or No
		Fringe Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Materials/Misc.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Subrecipients/Vendors	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Indirect Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Profit (not allowed for grant recipients)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Totals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Reallocation Decrease Subtotal			\$ -			\$ -				
		Reallocation Increase Subtotal			\$ -			\$ -				
		Total Budget Reallocation Between Budget Categories			\$ -			\$ -				
2		Direct Labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$0	\$0	Select Yes or No
		Fringe Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Materials/Misc.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Subrecipients/Vendors	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Indirect Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Profit (not allowed for grant recipients)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Totals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Reallocation Decrease Subtotal			\$ -			\$ -				
		Reallocation Increase Subtotal			\$ -			\$ -				
		Total Budget Reallocation Between Budget Categories			\$ -			\$ -				
3		Direct Labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$0	\$0	Select Yes or No
		Fringe Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Materials/Misc.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Subrecipients/Vendors	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Indirect Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Profit (not allowed for grant recipients)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Totals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
		Reallocation Decrease Subtotal			\$ -			\$ -				
		Reallocation Increase Subtotal			\$ -			\$ -				
		Total Budget Reallocation Between Budget Categories			\$ -			\$ -				

EXHIBIT C

ELECTRIC PROGRAM INVESTMENT CHARGE (EPIC) STANDARD GRANT TERMS AND CONDITIONS

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ATTACHMENT 1: CONFIDENTIAL PRODUCTS AND PROJECT-RELEVANT PRE-EXISTING AND INDEPENDENTLY FUNDED INTELLECTUAL PROPERTY

EXHIBIT C

TERMS AND CONDITIONS

1. **INTRODUCTION**

This grant agreement (Agreement) between the California Energy Commission (Energy Commission, Commission, or CEC) and the Recipient is funded by the Electric Program Investment Charge (EPIC), an electricity ratepayer surcharge authorized by the California Public Utilities Commission (CPUC).

This Agreement includes: (1) the Agreement signature page (**form CEC-146**); (2) the scope of work (**Exhibit A**); (3) the budget (**Exhibit B**); (4) these terms and conditions (**Exhibit C**); (5) any special terms and conditions that address the unique circumstances of the funded project (**Exhibit D**); (6) a contacts list (**Exhibit E**); (7) all attachments; and (8) all documents incorporated by reference.

All work and expenditure of funds (CEC-reimbursed and/or match share) must occur within the Agreement term specified on the CEC-146 form.

2. **DOCUMENTS INCORPORATED BY REFERENCE**

The documents below are incorporated by reference into this Agreement. These terms and conditions (this Exhibit C and if included, Exhibit D) will govern in the event of a conflict with the documents below, with the exception of the documents in subsections (e) and (f) below. Where this Agreement or California laws and regulations are silent or do not apply, the CEC will use the federal cost principles and acquisition regulations listed below as guidance in determining whether reimbursement of claimed costs is allowable. Documents incorporated by reference include:

Solicitation Documents (if award is made through a competitive solicitation)

- a. The funding solicitation for the project supported by this Agreement
- b. The Recipient's proposal submitted in response to the solicitation

Federal Cost Principles (*applicable to state and local governments, Indian tribes, institutions of higher education, and nonprofit organizations*)

- c. 2 Code of Federal Regulations (CFR) Part 200, Subpart E (Sections 200.400 et seq.)

Federal Acquisition Regulations (*applicable to commercial organizations*)

- d. 48 CFR, Ch.1, Subchapter E, Part 31, Subpart 31.2: Contracts with Commercial Organizations (supplemented by 48 CFR, Ch. 9, Subchapter E, Part 931, Subpart 931.2 for Department of Energy grants)

Nondiscrimination

- e. 2 California Code of Regulations, Section 11099 et seq.: Contractor Nondiscrimination and Compliance

General Laws

- f. Any federal, state, or local laws or regulations applicable to the project that are not expressly listed in this Agreement

3. STANDARD OF PERFORMANCE

In performing work under the Agreement, the Recipient, its Subrecipients, and any lower tiered level of Sub-Subrecipients, and Vendors, and their employees are responsible for exercising the degree of skill and care required by customarily accepted good professional practices and procedures for the type of work performed.

4. DUE DILIGENCE

The Recipient must take timely actions that, taken collectively, move this project to completion. The Commission Agreement Manager (CAM) will periodically evaluate the project schedule for completion of Scope of Work tasks. If the CAM determines that: (1) the Recipient is not diligently completing the tasks in the Scope of Work; or (2) the time remaining in this Agreement is insufficient to complete all project tasks by the Agreement end date, the CAM may recommend that this Agreement be terminated, and the Commission may terminate this Agreement without prejudice to any of its other remedies.

5. PRODUCTS

- a. “Products” are any tangible item specified for delivery to the CEC in the Scope of Work, such as reports and summaries.

If the CAM determines that a product is substandard given its description and intended use as described in this Agreement, the CAM, without prejudice to any of the CEC’s other remedies, may refuse to authorize payment for the product and any subsequent products that rely on or are based upon the product under this Agreement.

- b. Confidential Products

Please see Section 18 (Confidential Recipient Information) for instructions regarding confidential recipient information in products.

- c. Rights in Products

The CEC owns all products identified in the Scope of Work, with the exception of products that fall within the definition of “intellectual property.”

As between the CEC and the Recipient, the Recipient owns all intellectual property developed under this Agreement (please see the “Intellectual Property” section).

The Recipient has a non-exclusive, non-transferable, irrevocable, worldwide, perpetual license to use, publish, translate, modify, and reproduce products that do not fall within the definition of “intellectual property.”

d. Failure to Submit Products

A Recipient’s failure to submit a product required in the Scope of Work may be considered material noncompliance with the Agreement terms. Without prejudice to any other remedies, noncompliance may result in CEC actions such as the withholding of future payments or awards, or the suspension or termination of the Agreement.

e. Final Report and Payment

The Recipient may only submit a request for the final payment (including any retention) after the final report is completed, submitted to the CAM, and Energy Research and Development Division management has verified satisfactory completion of work.

f. Legal Statements on Products

- 1) All documents that result from work funded by this Agreement and are released to the public must include the following statement to ensure no Commission endorsement of documents:

LEGAL NOTICE

This document was prepared as a result of work sponsored by the California Energy Commission. It does not necessarily represent the views of the Energy Commission, its employees, or the State of California. Neither the Commission, the State of California, nor the Commission’s employees, contractors, or subcontractors makes any warranty, express or implied, or assumes any legal liability for the information in this document; nor does any party represent that the use of this information will not infringe upon privately owned rights. This document has not been approved or disapproved by the Commission, nor has the Commission passed upon the accuracy of the information in this document.

- 2) The Recipient will apply copyright notices to all documents prepared for this Agreement that are released to the public (including reports, articles submitted for publication, and all reprints) using the following form or any other form that may be reasonably specified by the CEC.

“©[Year of first publication of product] [the Copyright Holder’s name]. All Rights Reserved.”

6. AMENDMENTS

a. Procedure for Requesting Changes

The Recipient must submit a written request to the CAM for any change to the Agreement. The request must include:

- A brief summary of the proposed change;
- A brief summary of the reason(s) for the change; and
- The revised section(s) of the Agreement, with changes made in underline/ strikethrough format.

b. Approval of Changes

Unless otherwise allowed in this Agreement, no amendment or variation of this Agreement shall be valid unless made in writing and signed by both of the parties except for the CEC’s unilateral termination rights in Section 16 of these terms. No oral understanding or agreement is binding on any of the parties. Changes to the Agreement must be approved at a CEC business meeting or by the Executive Director (or his/her designee).

Upon Recipient’s request, the CAM or Commission Agreement Officer will provide the Recipient with a document titled “Changes to Grants – Level of Approval and Notification Chart” commonly referred to as the “Changes Chart.” This document explains the level of CEC approval required for a proposed change.

c. Personnel Changes

Except when replacing “key personnel,” the Recipient, Subrecipients, and any lower-tiered level of Sub-Subrecipient, and Vendors can make changes to their respective personnel without written approval. Although changes to “key personnel” do require written approval, that approval can be requested and granted through an email communication or other form of written communication.

Recipients may be reimbursed for actual expenses incurred by new “key personnel” during the term of the Agreement, even if written approval comes after an individual begins work on the project. However, if the replacement is not approved, then the CEC will not reimburse for any expenses charged for the individual. Accordingly, Recipients are strongly encouraged to obtain advance written approval for “key personnel” or risk not being reimbursed for their work.

Recipient must keep the CAM informed of personnel changes through monthly calls and quarterly progress reports. In addition to any other rights and remedies available to the CEC, the CEC retains its authority to issue a Stop Work Order if it becomes clear that the personnel, key or otherwise, of the Recipient, a Subrecipient, any lower-tiered level of Sub-Subrecipient, or Vendor are unable to fulfill their responsibilities under the Agreement. In addition to all other rights and remedies, the CEC shall not pay (or may require Recipient to repay if the CEC has already paid) for personnel who are unnecessary to complete the scope of work or otherwise perform under the Agreement.

d. Budget Reallocations

No CEC approval is needed for a Recipient, Subrecipient, or any lower-tiered level of Sub-Subrecipient to move funds within each of the following Budget Categories listed in Exhibit B: Direct Labor, Fringe Benefits, Travel, Equipment, Materials and Miscellaneous, Subrecipients and Vendors, and Indirect Costs. However, please note per parts e. and h., directly below in this Section 6, any new Materials and Miscellaneous, Equipment, Subrecipient, Sub-Subrecipient or any lower-tiered level of Sub-Subrecipient or Vendor not listed in the Exhibit B does need approval prior to reimbursement. If the Recipient wants to move funds between Budget Categories or submits an invoice that if paid would exceed a Budget Category, the Recipient has at least the following choices:

- 1) Request an amendment from the CEC. The CEC shall not pay the invoice if and until an amendment is executed. In its sole discretion, the CEC might pay the portion of the invoice that does not involve the amount that goes beyond the Budget Category.
- 2) Retract the invoice and resubmit a corrected one that keeps within Budget Categories. The Recipient can treat the amount paid beyond the Budget Category as match funds if the expenditure meets all of the applicable Agreement requirements for match funds.

Neither this nor any other flexibility in these terms for approval without executing an amendment allows the Recipient, Subrecipient, Sub-Subrecipient, any lower-tiered level of Sub-Subrecipient, or Vendor to exceed the overall Agreement amount.

e. New Items Under Materials and Miscellaneous, and Equipment

Without having to execute an amendment to this Agreement, the CAM must approve in writing of any new materials and miscellaneous expenses of \$5,000 or more or new equipment the Recipient, Subrecipient, any lower-tiered level of Sub-Subrecipient, or Vendor plans to purchase and be reimbursed under this Agreement that is not already listed in Exhibit B, Budget. To accomplish this, the Recipient can submit either prior to

invoicing or with its invoice a completed form titled “NEW EQUIPMENT/M&M FORM” which includes a description of the item and a brief explanation of the need for the item. The CAM will approve items that he or she determines to be necessary to the Agreement and do not exceed budgeted amounts for each Budget Category unless Recipient follows the process in this Section 6, part d. directly above.

Any restrictions in the solicitation or elsewhere in the Agreement still apply to the specific items under Materials and Miscellaneous, and Equipment that can be purchased using CEC Funds or Match Share Funds. The restrictions still apply even though a CAM does not have to approve new materials and miscellaneous expenses under \$5,000.

f. Assignment of New Personnel to a New or Existing Job Classification

The Recipient, Subrecipient, and any lower-tiered level of Sub-Subrecipient can assign new personnel to a new or existing job classification without CEC approval. However, the Recipient shall keep the CAM informed of all personnel changes and provide any information requested by the CAM during monthly calls and/or quarterly progress reports.

g. Promotion of Existing Personnel to a New or Existing Job Classification

The Recipient, Subrecipient, and any lower-tiered level of Sub-Subrecipient can promote existing personnel to a new or existing job classification without CEC approval. However, the Recipient shall keep the CAM informed of all personnel changes and provide any information requested by the CAM during monthly calls and/or quarterly progress reports. However, as stated in section 8.c. below, the CEC will not pay more than the total amount in each Budget Category, including Direct Labor, without an amendment.

h. Replacing Subrecipients or Vendors

Under these Terms, all changes of Subrecipients and Vendors require advance written approval by at least the CAM. A higher level of approval may be required based on CEC policy. Required approvals are included in the “Changes to Grants – Level of Approval and Notification Chart” commonly referred to as the “Changes Chart.”

Recipients may be reimbursed for actual expenses incurred by a new Vendor during the term of this Agreement, even if CEC written approval comes after the entity has completed work on the project. However, if the new Vendor is not approved by the CEC, the CEC will not reimburse for any expenses charged for the entity. Accordingly, Recipients are strongly encouraged to obtain **advance** written approval for new Vendors or risk not being reimbursed for their work.

However, any work completed by an entity that may replace an existing Subrecipient WILL NOT BE REIMBURSED for any work completed prior to advance written approval. If a Subrecipient expends funds prior to approval, they can only be claimed as Match Funds.

7. CONTRACTING AND PROCUREMENT PROCEDURES

This section provides general requirements for Subawards entered into between the Recipient and Subrecipients and Vendors for the performance of this Agreement.

a. Recipient's Obligations to Subrecipients and Vendors

- 1) The Recipient is responsible for handling all contractual and administrative issues arising out of or related to any Subawards it enters into for the performance of this Agreement.
- 2) Except for the "CEC as Third-Party Beneficiary" term (see section 22.m), nothing contained in this Agreement or otherwise creates any contractual relation between the CEC and any Subrecipients and Vendors, and no Subaward may relieve the Recipient of its responsibilities under this Agreement. The Recipient agrees to be as fully responsible to the CEC for the acts and omissions of its Subrecipients and Vendors or persons directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Recipient.

The Recipient's obligation to pay its Subrecipients and Vendors is an independent obligation from the CEC's obligation to make payments to the Recipient. As a result, the CEC has no obligation to pay or enforce the payment of any funds to any Subrecipient or Vendor.

- 3) The Recipient is responsible for establishing and maintaining Subawards with and reimbursing each Subrecipient and Vendor for work performed in accordance with the terms of this Agreement.
- 4) A Subrecipient is defined as a person or entity that receives grant funds directly from the Recipient and is entrusted by the Recipient to make decisions about how to conduct some of the Agreement's activities. A Subrecipient's role involves discretion over grant activities and is not merely just selling goods or services.

Characteristics that support the classification of the entity as a Subrecipient include when the entity:

- Has its performance measured in relation to whether objectives of a CEC program were met;

- Has responsibility for programmatic decision-making;
- Is responsible for adherence to applicable CEC program requirements specified in the CEC award agreement;
- In accordance with its agreement, uses the CEC funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the Recipient or Subrecipient; or,
- Provides match share funding contributions to this Agreement.

A Sub-Subrecipient has the same meaning as a Subrecipient except that it receives grant funds from a Subrecipient. There can also be further levels below of Sub-Subrecipients.

- 5) A Vendor is defined as a person or entity that sells goods or services to the Recipient, Subrecipient, or any lower-tiered level of Sub-Subrecipient, in exchange for some of the grant funds, and does not make decisions about how to perform the Agreement's activities. The Vendor's role is ministerial and does not involve discretion over Agreement activities. A Vendor is an entity selected through a competitive process or is otherwise providing a product or service at a fair and reasonable price. Characteristics indicative of a procurement relationship between the Recipient, Subrecipient, and any lower-tiered level of Sub-Subrecipient and a Vendor are when the Vendor:

- Provides the goods and services within normal business operations;
- Provides similar goods or services to many different purchasers;
- Normally operates in a competitive environment;
- Provides goods or services that are ancillary to the operation of the CEC program; and
- May not be subject to compliance with all of the requirements of the CEC program as a result of the agreement, though similar requirements may apply for other reasons.

b. Subrecipient Flow-Down Terms

Subrecipients funded in whole or in part by this Agreement must include language conforming to the terms below, unless the Subawards are entered into by the University of California (UC) or the U.S. Department of Energy (DOE) national laboratories. UC may use the terms and conditions negotiated by the CEC with UC for its Subawards. DOE national laboratories may use the terms and conditions negotiated with DOE (please contact the Commission Grants Officer for these terms).

- Standard of Performance (Section 3)

- Legal Statements on Products (included in Section 5, “Products”). This term does not have to be included if the Subrecipient will not generate any Products.
- Profit (Section 7.g.)
- Travel and Per Diem (Section 9). This term does not have to be included if the Subrecipient will not be reimbursed for travel with CEC funds.
- Prevailing Wage (Section 10)
- Recordkeeping, Cost Accounting, and Auditing (Section 11)
- Equipment (Section 14). This term does not have to be included if the Subrecipient will not be reimbursed for equipment with CEC funds.
- Termination, Executive Order N-6-22 – Russia Sanctions (Section 16.d)
- Indemnification (Section 17)
- Confidential Recipient Information (Section 18). This term does not have to be included if the Subrecipient will not have access to or generate Confidential Recipient Information as defined in Section 18.
- Pre-Existing and Independently Funded Intellectual Property (Section 19)
- Intellectual Property (Section 20)
- Royalty Payments to the Commission (Section 21)
- Access to Sites and Records (included in Section 22, “General Provisions”)
- CEC as Third-Party Beneficiary (included in Section 22, “General Provisions”)
- Nondiscrimination (included in Section 23, “Certifications and Compliance”)
- California Taxpayer Access to Publicly Funded Research Act (Section 24)
- Receipt of Confidential Information and Personal Information (Section 26)
- Survival of the following sections:
 - Equipment (Section 14)
 - Recordkeeping, Cost Accounting, and Auditing (Section 11)
 - Pre-Existing and Independently Funded Intellectual Property (Section 19)
 - Intellectual Property (Section 20)
 - Royalty Payments to the Commission (Section 21)
 - Access to Sites and Records (included in Section 22, “General Provisions”)
 - CEC as Third Party Beneficiary (included in Section 22, “General Provisions”)
 - California Taxpayer Access to Publicly Funded Research Act (Section 24)
 - Receipt of Confidential Information and Personal Information (Section 26)

Subrecipients funded in whole or in part by this Agreement must also include the following:

- A clear and accurate description of the material, products, or services to be procured.
- A detailed budget and timeline.
- Provisions that allow for administrative, contractual, or legal remedies in instances where subcontractors breach contract terms, in addition to sanctions and penalties as may be appropriate.
- Provisions for termination by the Recipient, including termination procedures and the basis for settlement.
- A statement that further assignments will not be made to any third or subsequent tier subcontractor without additional advance written consent of the Commission.

c. Vendor Flow-Down Terms

The flow-down requirements either come from the CEC or the law. Recipient does not have to include any of the CEC-created Subrecipient flow-down terms in its Subawards with Vendors unless it is necessary for the Recipient to meet its obligations to the CEC under this Agreement. But the Recipient is still required to make sure Vendors comply with all applicable laws. For example, the Recipient still must ensure any Vendor complies with applicable Public Work Requirements, including the payment of prevailing wage, and also with the Nondiscrimination clause. These are requirements under the law.

The Recipient does not have to include in its Subawards with Vendors, CEC-created terms, such as Equipment, Travel and Per Diem, Retention of Records, and Audits, if the Recipient does not need them to fulfill its obligations to the CEC. An example of when the Recipient might need to include a CEC-created term in a Vendor Subaward is if intellectual property and royalty payments are involved. The Recipient must ensure the CEC has the intellectual property rights required under this Agreement and receives royalty payments due. If, for example, a Vendor creates intellectual property that the Recipient provides to the CEC as part of this Agreement, the Recipient shall ensure its Vendor Subaward secures the appropriate rights. Another example is the receipt of confidential information or personal information. If a vendor will have access to confidential information or personal information provided by the Energy Commission or a third-party for the performance of this Agreement, the Recipient must ensure its agreement with the vendor includes the Energy Commission's special terms and conditions for the receipt of confidential information and personal information before the vendor has access to any such information.

d. Audits

All Subawards entered into for the performance of this Agreement are subject to examination and audit by the CEC and/or Bureau of State Audits for a period of three (3) years after payment of the Recipient's final invoice under this Agreement. The CEC may audit Subawards that are relevant to the Recipient's royalty payment obligations (see Section 21) for a period of ten (10) years after this Agreement's end date.

e. Copies of Subawards

The Recipient must provide a copy of its Subawards upon request by the CEC.

f. Conflicting Subcontract Terms

Prior to the execution of this Agreement, the Recipient will notify the CAM of any known or reasonably foreseeable conflicts between this Agreement and any of its Subawards (e.g., conflicting intellectual property or payment terms). If the Recipient discovers any such conflicts after the execution of this Agreement, it will notify the CAM of the conflict within fifteen (15) days of discovery. The CEC may, without prejudice to its other remedies, terminate this Agreement if any conflict impairs or diminishes its value.

g. Profit

- 1) Recipient shall ensure that only Subrecipients, Sub-Subrecipients, and Vendors meeting the definition of an "Unrelated Company" include in their budgets, invoice for, and receive a profit.
- 2) For purposes of this Agreement, an Unrelated Company is defined as a for-profit business, appropriately licensed and in good standing, that does NOT meet any of the following criteria:
 - a) Directly or indirectly, partially or fully owns or controls Recipient. This includes, but is not limited to, owning 5% or more of Recipient's stock.
 - b) Is directly or indirectly, partially or fully owned or controlled by Recipient. This includes, but is not limited to, having 5% or more of stock owned by Recipient.
 - c) Has one or more common employees, including, but not limited to, owners, officers, directors, or managers, with Recipient.
 - d) Shares a Parent Company with Recipient. For purposes of this Agreement, Parent Company is defined as an entity that directly or indirectly, partially or fully owns or controls both

the Recipient and the Subrecipient or Sub-Subrecipient or shares the same employees with them. This includes, but is not limited to, owning 5% or more of stock in both the Recipient and Subrecipient or Sub-Subrecipient.

- e) Does not, for any other reason, have an arm's-length relationship (e.g., a relationship involving independent, competing interests) with the Recipient. This could be due to any reason, including but not limited to, both entities being part of the same business group or could stem from family or personal ties between officials of the two entities.
- 3) Recipient shall further ensure the profit to each Unrelated Company that is a Subrecipient or a Sub-Subrecipient does not exceed 10% of only the CEC funds the Unrelated Company will receive. None of the following count towards the 10% profit maximum:
- a) The Profit Amount Itself. For example, assume Recipient and its Subrecipient SubX agree to a total, all inclusive, budget amount of \$200,000 in CEC funds. SubX cannot claim \$20,000 of this as profit. If \$180,000 is the base for expenses on which profit is calculated, 10% is only \$18,000 and not \$20,000.
 - b) Non-CEC Funds in any Form. Only CEC funds a recipient will receive can count towards profit. For example, assume Recipient's Subrecipient SubX has a budget showing it receiving \$100,000 in CEC funds (not including the profit amount) and \$50,000 in federal funds with the federal funds counting as match under the CEC's grant. The maximum SubX can be paid with CEC funds for profit is 10% of \$100,000 CEC funds, or \$10,000 (assuming the \$100,000 CEC base does not include any of the other expenses that cannot be included in calculating profit). The \$50,000 in federal funds does not count towards the profit calculation because it is not CEC funds.
 - c) Equipment. Continuing the example from b), assume SubX's \$100,000 CEC budget shows \$10,000 earmarked for equipment. The maximum SubX can be paid with CEC funds for profit is 10% of \$90,000, or \$9,000 (assuming the \$90,000 base does not include any of the other expenses that cannot be included in calculating profit).
 - d) Amounts Paid to Sub-Subrecipients and Vendors. Continuing the example from b) and c), assume SubX's \$100,000 CEC budget also shows \$20,000 earmarked to pay Sub-SubY. SubX cannot include in its

profit calculation the \$20,000 to Sub-SubY. The maximum SubX can be paid with CEC funds for profit is 10% of \$70,000 (\$100,000 in CEC funds minus \$10,000 in equipment from c) above and minus \$20,000 to Sub-SubY) or \$7,000.

- e) Vendor Unrelated Companies do not have a 10% profit maximum and also do not have to adhere to the same restrictions in a) through d) directly above. However, as stated in the requirements for Vendors in Section 7.a.5) in this Exhibit C, Recipient must be able to demonstrate that the Vendor was selected through a competitive process or is otherwise providing a product or service at a fair and reasonable price.
- 4) Profit can only be paid by the CEC as the amounts on which it is based are invoiced and paid. Profit will NOT be advanced. Continuing the example from 2.d) above, assume SubX submits an invoice for \$5,000 (of its \$70,000) in costs on which profit is based, and the Recipient includes SubX's invoice as part of its invoice to the CEC. The Recipient can include in the invoice, and the CEC will pay, assuming other Agreement requirements are met, \$500 in profit on this particular invoice. Please realize that Retention (see Section 8.n. in these Terms) may reduce the CEC's overall payment on the invoice.
- 5) Budget changes may affect an Unrelated Company's profit. For example, funds moved from a Subrecipient's direct labor, a category counting towards the profit calculation, to a Sub-Subrecipient, a category that does not count towards the profit calculation, would reduce the allowable profit.

h. Penalties for Noncompliance

Without limiting the CEC's other remedies, failure to comply with the above requirements may result in the termination of this Agreement and repayment of any profit amounts in violation of these terms.

8. PAYMENT OF FUNDS

a. Definitions

For purposes of this Section 8, the following terms have the following meaning:

- "Advance Payment" means the CEC pays Recipient prior to the Recipient Incurring or Paying the expense.

- “Incurred Cost” means an expense for which the Recipient has become liable (legally obligated) to pay. Here are examples of incurred costs:
 - The Recipient’s staff has completed work during the month but has not been paid by the Recipient. These labor and associated costs (e.g., fringe benefits) are considered Incurred Costs.
 - The Recipient has purchased a piece of equipment **and** received an invoice, bill, or receipt. The Recipient has not yet paid the invoice. The invoice shows the amount to be paid and confirmation of the sale. This is an Incurred Cost.

Incurred Costs for equipment DO NOT include purchase orders unless accompanied by an invoice, bill, or receipt that shows the payment amount due to the seller for the equipment.

- “Paid Cost” means an expense for which the Recipient has already made payment.

b. Advance Payments

Recipients can receive Advance Payments only for Subrecipients or any lower-tiered level of Sub-Subrecipient with the U.S. Department of Energy laboratories. Otherwise, Advance Payments are NOT allowed under this Agreement. The CEC in its sole discretion, and not the Recipient, decides if the CEC will make an Advance Payment.

c. Reimbursable Cost Requirements

In addition to any other requirements in this Agreement, the CEC is only obligated to reimburse the Recipient for Incurred and Paid Costs that are (1) incurred during the Agreement Term; (2) invoiced within the required timeframes of this Agreement; (3) made in accordance with the Agreement’s Budget; and (4) actual and allowable expenses under this Agreement.

The only exception to the CEC paying actual expenses is rounding to the nearest cent. The Recipient, Subrecipient, and any lower-tiered level of Sub-Subrecipient shall round invoiced amounts to the nearest cent (\$0.01) using standard rounding, which is rounding down from \$0.000 through \$0.004, and rounding up for \$0.005 through \$0.009. Rounding cannot be used to exceed the amount in any Budget Category or exceed the total Agreement amount.

In Exhibit B, the Budget, the rates for Direct Labor and Fringe Benefits are treated as estimates and not capped rates. The Recipient, Subrecipient, and any lower-tiered level of Sub-Subrecipient can invoice at higher rates as long as it is only invoicing for actual expenditures it has made. However, the CEC will not pay more than the total amount in each Budget Category without an amendment, or for more than the total Agreement amount.

Please note that rates listed in Exhibit B, the Budget, are NOT “negotiated rates” that can be charged – documentation must be made available upon request to show that the rates charged reflect actual costs incurred.

This Exhibit C’s terms allow the Recipient, Subrecipient, and any lower-tiered level of Sub-Subrecipient to receive reimbursement for actual Indirect Costs. A Recipient, Subrecipient, and any lower-tiered level of Sub-Subrecipient may choose among three options described below. However, the option selected cannot increase the Indirect Cost amount included in the application upon which the application was scored. Once the Recipient, Subrecipient, and any lower-tiered level of Sub-Subrecipient has received payment for Indirect Costs for one of the options, it cannot switch. It is locked into that option.

Option 1: De Minimis

The Recipient, Subrecipient, and any lower-tiered level of Sub-Subrecipient can elect to invoice and receive a de minimis amount at the set rate of 15% of the Modified Total Direct Costs (MTDC) for Indirect Costs. This cannot be combined with any other Indirect Rate option.

MTDC is defined for purposes of this Agreement as all direct salaries and wages, applicable fringe benefits, materials and supplies, services, vendors, travel, and up to the first \$50,000 of each subrecipient agreement. MTDC excludes equipment, capital expenditures, rental costs, tuition remission, scholarships and fellowships, and the portion of each subrecipient agreement in excess of \$50,000. Entities choosing this de minimis option for Indirect Costs will not have to provide backup documentation for the de minimis amount and will not be audited on it.

Option 2: Defense Contract Audit Agency (DCAA) or other Federally Approved Indirect Rate

A Recipient, Subrecipient, and any lower-tiered level of Sub-Subrecipient that has a federally approved indirect rate from DCAA or another Federal agency may use the approved indirect rate for this Agreement. A copy of the Federal agency’s letter must be provided, and the letter, or the letter together with other supporting documentation, must allow the CEC to verify that the rates charged to the CEC are the federally-approved rates.

This rate will typically shift annually, and this shift is generally acceptable. This is the only Indirect Cost option that is not strictly subject to the maximum rate cap that typically applies to Indirect Costs. If the federal rate decreases from year to year, that will be a cost savings under this budget category. If the federal rate increases from year to year, this will require a budget reallocation. If the CEC, in its sole discretion, determines that a budget reallocation to accommodate an increased Indirect Rate would risk the ultimate success of this Agreement, or is otherwise not in its best interest, the CEC reserves, in addition to all of its

other rights and remedies, the right to either propose a smaller increase that would not risk the ultimate success of the project, or refuse to increase the Indirect Rate. For any increase the CEC will not reimburse from CEC Funds, the entity can choose to charge the increase as Match Funds.

If this Option 2 is chosen, the entity will not be audited on this budget category.

Option 3: Indirect Costs based on Cost Allocation Plan

A Recipient, Subrecipient, and any lower-tiered level of Sub-Subrecipient may choose to budget for Indirect Costs based on the entity's cost allocation plan. The amount of Indirect Costs included in Exhibit B cannot be increased through a budget reallocation. If this option is selected, Indirect Costs are subject to audit, and the entity is required to provide backup documentation upon request proving the actual amount of their Indirect Costs.

d. Recipient's 14-Day Payment Requirement for Incurred Costs

The Recipient, Subrecipients, and all lower-tiered Subrecipients shall pay ALL Incurred Costs within 14 calendar days of receiving payment under this Agreement for the Incurred Costs. For example, if the Recipient invoices and then receives payment from the CEC on September 15 for an Incurred Cost of \$10,000, the Recipient shall pay the entire \$10,000 by September 29. This requirement is needed to prevent entities from creating long lead times for Incurred Costs (e.g., invoicing and receiving payment from the CEC but not paying for the Incurred Costs for weeks or months).

The Recipient shall only invoice the CEC, Subrecipients shall only invoice the Recipient (and so on for any lower-tiered level of Sub-Subrecipients), for Incurred Costs it will pay within 14 calendar days of receiving payment of CEC funds. For example, assume the Recipient has an Incurred Cost for a piece of equipment that costs \$300,000 and will pay in three installments of \$100,000 each over three months. The Recipient shall only invoice the Commission for \$100,000 each month. The Recipient shall not invoice for the entire \$300,000 and retain the balance over the three months.

For any Incurred Costs for which the Recipient, Subrecipient, and any lower-tiered level of Sub-Subrecipient has received CEC funds and does not pay within 14 calendar days, the entity shall on the very next business day after the 14 calendar days submit repayment of the unpaid amount back to the CEC. Repaid funds will be placed back into the Agreement and will be available to reimburse allowable costs in accordance with this Agreement. When making a repayment under this provision, the Recipient

shall specify "Repayment of Unspent Funds under Agreement [Insert this Agreement #]." Recipient shall remit the repayment to:

California Energy Commission
Accounting Office
715 P Street, MS-2
Sacramento, CA 95814

This repayment requirement of the Recipient is in addition to any other rights the CEC can enforce relative to this Agreement. Recipient agrees and acknowledges that time is of the essence in paying Incurred Costs and submitting repayments and the CEC can treat the Recipient's breach of either requirement as a material breach. Recipient can contact the CAM for any questions about the logistics of making repayments.

e. Payment Requests

The Recipient may request payment from the CEC at any time during the term of this Agreement but no more frequently than monthly. The final payment request, including retention, MUST be received by the CEC no later than the Agreement end date.

Recipient agrees and acknowledges that time is of the essence in submitting the final payment request. The CEC has a limited period of time, set by law, in which it can reimburse funds under this Agreement. Without prejudice to the CEC's other rights, the Recipient risks not receiving any funds, and relieves the CEC of any duty and liability whatsoever to pay, for any payment requests received after the end of the Agreement.

No reimbursement for food or beverages shall be made other than allowable per diem charges.

All Recipient expenditures, reimbursable and match, must occur within the approved term of this Agreement.

f. Invoice Approval and Disputes:

Each request for payment is subject to the CAM's approval. Payments will be made to the Recipient for undisputed invoices. An undisputed invoice is an invoice submitted by the Recipient for work performed, for which project expenditures meet all Agreement conditions, and for which additional evidence is not required to determine its validity.

The invoice will be disputed if the invoice is inaccurate or if it does not comply with the terms of this Agreement. If the invoice is disputed, the Recipient will be notified in writing.

g. Recipient's headquarters:

For purposes of payment, the Recipient's headquarters is the location of the Recipient's office where the majority of its employees assigned responsibilities for this Agreement are permanently assigned.

h. Multiple Non-Energy Commission Funding Sources:

No payment will be made for costs identified in Recipient, Subrecipient, and any lower-tiered level of Sub-Subrecipient invoices that have been or will be reimbursed by another source, including but not limited to an agreement with another government entity.

"Government Entity" means: (1) a state governmental agency; (2) a state college or university; (3) a local government entity or agency, including those created as a Joint Powers Authority; (4) an auxiliary organization of the California State University or a California community college; (5) the federal government; (6) a foundation organized to support the Board of Governors of the California Community Colleges; and (7) an auxiliary organization of the Student Aid Commission established under California Education Code Section 69522.

i. Reduced funding:

If the CEC does not receive sufficient funds under the Budget Act or from the investor-owned utility administrators of the EPIC program to fully fund the work identified in Exhibit A (Scope of Work), the following will occur:

- 1) If the Energy Commission has received a reduced amount of funds for the work, it may: (1) offer an Agreement amendment to the Recipient to reflect the reduced amount; or (2) cancel this Agreement (with no liability occurring to the State).
- 2) If the Energy Commission has received no funds for the work identified in Exhibit A: (1) this Agreement will be of no force and effect; (2) the State will have no obligation to pay any funds to the Recipient; and (3) the Recipient will have no obligation to perform any work under this Agreement.

j. Allowability of Costs

1) Allowable Costs

The costs for which the Recipient will be reimbursed under this Agreement include all actual costs, direct and indirect, incurred in the performance of the work identified in the Scope of Work. Costs must be incurred within the Agreement term. Factors to be considered in determining whether an individual item of cost is allowable include: (i) reasonableness of the item, including

necessity of the item for the work; (ii) applicable federal cost principles or acquisition regulations incorporated by reference in Section 2 of this Agreement; and (iii) the terms and conditions and any other requirements of this Agreement.

2) Unallowable Costs

Recipient shall not invoice or obtain from the CEC any profit for itself under this Agreement. This Agreement is a grant for the Recipient's project. This is not a services contract to the state. The Recipient is already receiving the benefit of the grant funds. The CEC shall not pay profit to the Recipient on top of the benefit it is receiving from the grant funds in this Agreement. Some Subrecipients and Sub-Subrecipients may be able to receive up to 10% profit (please refer to section 7.g. in these terms).

Below are examples of other unallowable costs. Details concerning the allowability of costs are available from the CEC's Accounting Office.

- a. Contingency costs;
- b. Imputed costs (e.g., cost of money);
- c. Fines and penalties;
- d. Losses;
- e. Excess profit taxes; and
- f. Unapproved, increased rates and fees for this Agreement.

3) Except as provided for in this Agreement or applicable California law or regulations, the Recipient will use the federal cost principles and/or acquisition regulations incorporated by reference in Section 2 of this Agreement when determining allowable and unallowable costs. In the event of a conflict, this Agreement takes precedence over the federal cost principles and/or acquisition regulations.

k. Payment Request Format

The Recipient, and any Subrecipients or lower-tiered level of Sub-Subrecipient with a total budget of \$100,000 or more, shall use the Invoice Template and any further modifications to it, provided by the CAM. The CAM can change the Invoice Template without amending this Agreement.

Please submit invoices electronically per the instructions included in the document entitled "Procedures for Submitting and Reviewing Grant Invoices Electronically" available at <https://www.energy.ca.gov/media/4469>.

Recipient shall provide documentation showing the Recipient's payment of Incurred Costs as soon as possible and not later than three working days from a request from CEC personnel.

I. Certification

The Recipient, and any Subrecipients or lower-tiered level of Sub-Subrecipient with a total budget of \$100,000 or more shall include and sign the certification provided by the CAM in the Invoice Template. The CAM can change this certification without amending this Agreement.

m. Retention

The CEC shall retain 10 percent of any payment request or 10 percent of the total CEC award at the end of the Agreement. The CEC has the sole discretion to decide which of these methods of retention will be used in this Agreement. The Recipient must submit a completed payment request requesting release of the retention within the required timeframe (see part e. "Payment Requests" above in this term). The Commission Agreement Manager will review the project file and, when satisfied that the terms of the funding Agreement have been fulfilled, will authorize release of the retention.

Retention may be released upon completion of tasks that are considered separate and distinct (i.e., the task is a stand-alone piece of work and could be completed without the other tasks). Tasks for administration or management of the Agreement and/or subcontractors are not considered separate and distinct tasks. The tasks for which retention may be released prior to the end of the Agreement must be identified in Exhibit B (budget) or elsewhere in this Agreement.

When the CEC withholds 10% retention from each invoice, the Recipient can choose to flow down the retention requirement to its Subrecipients subject to the following restrictions and any other requirements in this Agreement:

- The Recipient shall not flow down retention requirements to U.S. Department of Energy national laboratory Subrecipients.
- The retention flowed down to Subrecipients can only be up to a total of 10% of the amount of CEC funds the Subrecipient is to receive. The Recipient is responsible for carrying the retention for its funded portion of the entire Agreement and cannot pass its share of retention to Subrecipients or Vendors.
- Here are three examples:

- i. A Subrecipient submits an invoice for \$100,000 to the Recipient, and the Recipient in turn submits it to the CEC. The CEC will only pay \$90,000 of the invoice and the Recipient can elect to pay only \$90,000 to the Subrecipient.
- ii. The Subrecipient is the U.S. Department of Energy national laboratory and it submits an advance request for \$100,000 to the

Recipient, including any other documents required in the CEC's U.S. Department of Energy Terms and Conditions. The Recipient in turn submits the advance requests to the CEC for payment. The CEC will pay the full amount of the advance requests to the Recipient and the Recipient must pay the full amount to the U.S. Department of Energy.

- iii. The Recipient's submits an invoice for its own staff in the amount of \$20,000. The CEC will only pay \$18,000 to the Recipient, and the Recipient cannot withhold the \$2,000 difference from Subrecipients or Vendor reimbursements.

These requirements apply to all levels of Subrecipients (e.g., any lower-tiered level of Sub-Subrecipients).

9. TRAVEL AND PER DIEM

- a. Travel not listed in Exhibit B, the Budget, can be added without an amendment via CAM approval. CAM approval can come in one of two forms: written authorization from the CAM prior to the trip being taken, or through the invoice review. Outside of a budget reallocation, additional travel requests are submitted using the CEC's [Travel Form](#). Any travel taken that is not listed in Exhibit B, the Budget, or not pre-approved by the CAM in writing, is at the financial risk of the Recipient, Subrecipient, and any lower-tiered level of Sub-Subrecipient taking the trip. Please note that the Recipient, Subrecipient, and any lower-tiered level of Sub-Subrecipient cannot invoice and be paid for more than the total amount in the Travel Budget Category without an amendment, or for more than the total Agreement amount.
- b. No reimbursement for food or beverages will be made other than for allowable per diem charges.
- c. The Recipient will be reimbursed for authorized travel and per diem up to, but not to exceed, the rates listed on the ECAMS Resources webpage. Because the rates on the ECAMS Resources webpage can change over time, Recipient, Subrecipient, and any lower-tiered level of Sub-Subrecipient will be allowed to be reimbursed for the rates in the Grant Manual when the trip expenses become an Incurred Cost. The CEC shall notify the Recipient in writing by way of the Active Agreements listserve if the travel rates in the Grant Manual change. Please sign up for the Active Agreements listserve to stay informed of all updates.
- d. Lodging

The Recipient, Subrecipient, and any lower-tiered level of Sub-Subrecipient can invoice at standard room rates. The CEC will not reimburse for luxury accommodations.

e. Airfare

The Recipient, Subrecipient, and any lower-tiered level of Sub-Subrecipient can invoice at coach rates on commercial flights. The CEC will not pay for upgrades on flights.

f. Rental Car

The Recipient, Subrecipient, and any lower-tiered level of Sub-Subrecipient can invoice for vehicles appropriate for the purpose of the travel. The CEC will not reimburse expenses for luxury vehicles.

g. Bus/Train

The Recipient, Subrecipient, and any lower-tiered level of Sub-Subrecipient can invoice for standard coach rates. The CEC will not reimburse for upgrades.

h. Per Diem

Per diem is allowable for actual costs incurred up to the total daily maximum for the following combined expenses:

- Meals
- Incidentals (i.e., tips for hotel staff and taxi/ride share drivers)
- Parking
- Tolls
- Taxi/ride share

The CEC will not reimburse any expenses under this Agreement for alcoholic beverages. In addition, the daily per diem is for the individual expenses of those traveling and working on the Agreement only. It cannot be used to pay expenses of others (e.g., it cannot be used to buy a meal for someone else).

10. PREVAILING WAGE

a. Requirement

Projects funded by the Energy Commission often involve construction, alteration, demolition, installation, repair, or maintenance work over \$1,000. Such projects might be considered “public works” under the California Labor Code (See California Labor Code Section 1720 et seq. and Title 8 California Code of Regulations, Section 16000 et seq.). Public works projects require the payment of prevailing wages. Prevailing wage rates can be significantly higher than non-prevailing wage rates.

b. Determination of Project's Status

Only the California Department of Industrial Relations (DIR) and courts of competent jurisdiction may issue legally binding determinations that a particular project is or is not a public work. If the Recipient is unsure whether the project funded by the Agreement is a "public work" as defined in the California Labor Code, it may wish to seek a timely determination from DIR or an appropriate court. As such processes can be time consuming, it may not be possible to obtain a timely determination before the date for performance of the Agreement.

By accepting this grant, the Recipient is fully responsible for complying with all California public works requirements, including but not limited to payment of prevailing wage. As a material term of this grant, the Recipient must either:

- 1) Timely obtain a legally binding determination from DIR or a court of competent jurisdiction before work begins on the project that the proposed project is not a public work; or
- 2) Assume that the project is a public work and ensure that:
 - Prevailing wages are paid unless and until DIR or a court of competent jurisdiction determines that the project is not a public work;
 - The project budget for labor reflects these prevailing wage requirements; and
 - The project complies with all other requirements of prevailing wage law, including but not limited to keeping accurate payroll records and complying with all working hour requirements and apprenticeship obligations.

California Prevailing Wage law provides for substantial damages and financial penalties for failure to pay prevailing wages when such payment is required.

c. Subrecipient and Vendor Flow-down Requirements

The Recipient will ensure that its Subrecipients, any lower-tiered level of Sub-Subrecipients, and Vendors also comply with the public works/prevailing wage requirements above. As applicable, the Recipient will ensure that all agreements with its Subrecipients and Vendors to perform work related to this Project contain the above terms regarding payment of prevailing wages on public works projects, and also as applicable that Subrecipients and Vendors also contain these terms. The Recipient is responsible for any failure of its Subrecipients, any lower-tiered level of Sub-Subrecipients, and Vendors to comply with California prevailing wage and public works laws.

d. Indemnification and Breach

Any failure of the Recipient or its Subrecipients, any lower-tiered level of Sub-Subrecipients, and Vendors to comply with the above requirements will constitute breach of this Agreement which excuses the CEC's performance of this Agreement at the CEC's option, and will be at the Recipient's sole risk. In such a case, the CEC will refuse payment to the Recipient of any amount under this award and the CEC will be released, at its option, from any further performance of this Agreement or any portion thereof. The Recipient will indemnify the CEC and hold it harmless for any and all financial consequences arising out of or resulting from the failure of the Recipient and/or any of its subcontractors to pay prevailing wages or to otherwise comply with the requirements of prevailing wage law.

e. Budget

The Recipient's budget on public works projects must indicate which job classifications are subject to prevailing wage. For detailed information about prevailing wage and the process to determine if the proposed project is a public work, the Recipient may wish to contact DIR or a qualified labor attorney for guidance.

f. Covered Trades

For public works projects, the Recipient may contact DIR for a list of covered trades and the applicable prevailing wage.

g. Questions

If the Recipient has any questions about this contractual requirement or the wage, record keeping, apprenticeship, or other significant requirements of California prevailing wage law, the Recipient should consult DIR and/or a qualified labor attorney before entering into this Agreement.

h. Certification

The Recipient will certify to the CEC on each payment request form either that: (a) prevailing wages were paid to eligible workers who provided labor for work covered by the payment request and the Recipient and all contractors and subcontractors otherwise complied with all California prevailing wage laws; or (b) the project is not a public work requiring the payment of prevailing wages. In the latter case, the Recipient will provide competent proof of a DIR or court determination that the project is not a public work requiring the payment of prevailing wages.

Prior to the release of any retained funds under this Agreement, the Recipient will submit to the CEC the above-described certificate signed by

the Recipient and all Subrecipients, any lower-tiered level of Sub-Subrecipients, and Vendors performing public works activities on the project. Absent this certificate, the Recipient will have no right to any funds under this Agreement, and CEC will be relieved of any obligation to pay any funds.

11. RECORDKEEPING, COST ACCOUNTING, AND AUDITING

a. Cost Accounting

The Recipient will keep separate, complete, and correct accounting of the costs involved in completing the project and any match-funded portion of the project. The CEC or its agent will have the right to examine the Recipient's books of accounts at all reasonable times, to the extent necessary to verify the accuracy of the Recipient's reports.

b. Accounting Procedures

The Recipient's costs will be determined on the basis of its accounting system procedures and practices employed as of the effective date of this Agreement, provided that the Recipient uses generally accepted accounting principles and cost reimbursement practices. The Recipient's cost accounting practices used in accumulating and reporting costs during the performance of this Agreement will be consistent with the practices used in estimating costs for any proposal to which this Agreement relates; provided that such practices are consistent with the other terms of this Agreement and that such costs may be accumulated and reported in greater detail during performance of this Agreement.

The Recipient's accounting system will distinguish between direct and indirect costs. All costs incurred for the same purpose, in like circumstances, are either direct costs only or indirect costs only with respect to costs incurred under this Agreement.

c. Audit Rights

The Recipient will maintain books, records, documents, and other evidence, based on the procedures set forth above, sufficient to reflect properly all costs claimed to have been incurred in the performance of this Agreement. The CEC, another state agency, and/or a public accounting firm designated by the CEC may audit the Recipient's accounting records at all reasonable times, with prior notice by the CEC.

It is the intent of the parties that the audits will ordinarily be performed not more frequently than once every twelve (12) months during the performance of the work and once at any time within three (3) years after payment by the CEC of the Recipient's final invoice. However, performance of any such interim audits by the CEC does not preclude further audit. The CEC may audit books, records, documents, and other

evidence relevant to the Recipient's royalty payment obligations (see Section 21) for a period of ten (10) years after payment of the Recipient's final invoice.

The Recipient will allow the auditor(s) to access such records during normal business hours, and will allow interviews of any employees who might reasonably have information related to such records. The Recipient will include a similar right of the state to audit records and interview staff in any subcontract related to the performance of this Agreement.

d. Refund to the Energy Commission

If the CEC determines that any invoiced and paid amounts exceed the actual allowable incurred costs, the Recipient will repay the amounts to the CEC within thirty (30) days of request or as otherwise agreed by the CEC and the Recipient. If the CEC does not receive such repayments, it will be entitled to take actions such as withholding further payments to the Recipient and seeking repayment from the Recipient.

e. Audit Cost

The Recipient will bear its cost of participating in any audit (e.g., mailing or travel expenses). The CEC will bear the cost of conducting the audit unless the audit reveals an error detrimental to the CEC that exceeds more than ten percent (10%) or \$5,000 (whichever is greater) of: (1) the amount audited; or (2) if a royalty audit, the total royalties due in the period audited. The Recipient will pay the refund as specified in subsection (d), and will reimburse the CEC for reasonable costs and expenses incurred by the CEC in conducting the audit.

f. Match or Cost Share

If the budget includes a match share requirement, the Recipient's commitment of resources, as described in this Agreement, is a required expenditure for receipt of CEC funds. The funds will be released only if the required match percentages are expended concurrently or in advance of the CEC funds. The Commission Agreement Manager, in writing and with supervisor approval, can authorize a Recipient to spend CEC funds in advance of Match Funds pursuant to a Match Fund Spending Plan. The Plan must estimate how Match funds and CEC funds will be spent over each quarter and briefly explain why it is not practical to spend Match Funds concurrent with CEC funds. While this term allows flexibility, the Recipient agrees to spend the agreed match as soon as practical during the Agreement in order to resume proportionality between CEC funds and Match funds spent. The Recipient must maintain accounting records detailing the expenditure of the match (actual cash and in-kind, non-cash services), and report on match share expenditures on its request for payment.

12. WORKERS' COMPENSATION INSURANCE

- a. The Recipient warrants that it carries Worker's Compensation Insurance for all of its employees who will be engaged in the performance of this Agreement and agrees to furnish to the CAM satisfactory evidence of this insurance upon the CAM's request.
- b. If the Recipient is self-insured for worker's compensation, it warrants that the self-insurance is permissible under the laws of the State of California and agrees to furnish to the CAM satisfactory evidence of the insurance upon the CAM's request.

13. PERMITS AND CLEARANCES

The Recipient is responsible for ensuring that all necessary permits and environmental documents are prepared and that clearances are obtained from the appropriate agencies.

14. EQUIPMENT

As between the Recipient and CEC, title to equipment acquired by the Recipient with grant funds will vest in the Recipient. The Recipient may use the equipment in the project or program for which it was acquired as long as needed, regardless of whether the project or program continues to be supported by grant funds. However, the Recipient may not sell, lease, encumber the property (i.e., place a legal burden on the property such as a lien), or even transfer possession of it during the Agreement term without the CAM's prior written approval.

The Recipient may refer to the applicable federal regulations incorporated by reference in this Agreement for guidance regarding additional equipment requirements.

15. STOP WORK

CEC staff may, at any time by written notice to the Recipient, require the Recipient to stop all or any part of the work tasks in this Agreement. Stop work orders may be issued for reasons such as a project exceeding budget, noncompliance with the standard of performance, out of scope work, project delays, and misrepresentations.

- a. Compliance. Upon receipt of a stop work order, the Recipient must immediately take all necessary steps to comply with the order and to stop the incurrence of costs allocable to the CEC.
- b. Canceling a Stop Work Order. The Recipient may resume the work only upon receipt of written instructions from CEC staff.

16. TERMINATION

a. Purpose

Because the CEC is a state entity and provides funding on behalf of all California ratepayers, it must be able to terminate the Agreement upon the default of the Recipient and to proceed with the work required under the Agreement in any manner it deems proper. The Recipient agrees that upon any of the events triggering the termination of the Agreement by the CEC, the CEC has the right to terminate the Agreement, and it would constitute bad faith of the Recipient to interfere with the immediate termination of the Agreement by the CEC.

b. With Cause

The CEC may, for cause, terminate this Agreement upon giving five (5) calendar days advance written notice to the Recipient. In this event, the Recipient will use all reasonable efforts to mitigate its expenses and obligations. The Recipient will relinquish possession of equipment purchased for this Agreement with CEC funds to the CEC, or the Recipient may purchase the equipment as provided by the terms of this Agreement or otherwise by the CEC, with approval of the CEC. The term “for cause” includes but is not limited to the following:

- Partial or complete loss of match funds;
- Reorganization to a business entity unsatisfactory to the Energy Commission;
- Retention or hiring of Subrecipients or Vendors, or replacement or addition of personnel, that fail to perform to the standards and requirements of this Agreement;
- The Recipient’s inability to pay its debts as they become due and/or the Recipient’s default of an obligation that impacts its ability to perform under this Agreement; or
- Significant change in state or CEC policy such that the work or product being funded would not be supported by the Commission.

c. Without Cause

The CEC may terminate this Agreement without cause upon giving thirty (30) days advance written notice to the Recipient. In this event, the Recipient will use all reasonable efforts to mitigate its expenses and obligations.

d. Executive Order N-6-22 – Russia Sanctions

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. “Economic Sanctions” refers to sanctions

imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine Recipient is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The State shall provide Recipient advance written notice of such termination, allowing Recipient at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

17. INDEMNIFICATION

To the extent allowed under California law, the Recipient will indemnify, defend, and hold harmless the state (including the CEC) and state officers, agents, and employees from any and all claims and losses in connection with the performance of this Agreement.

18. CONFIDENTIAL RECIPIENT INFORMATION

a. Identification of Confidential Recipient Information

- 1) For the purposes of this Section, "Confidential Recipient Information" refers to information belonging to the Recipient that the Recipient has satisfactorily identified as confidential and the Energy Commission has agreed to designate as confidential under Title 20 California Code of Regulations Section.
- 2) Prior to the effective date of this Agreement, the Recipient will identify all products (or information contained within products) it considers Confidential Recipient Information, and provide the legal basis for confidentiality, in Attachment 1 to this Exhibit. If the CEC agrees the information is confidential, it will not disclose it except as provided in subsection (b).
- 3) During the Agreement, if the Recipient obtains or develops additional products (or information contained within products) not originally identified as Confidential Recipient Information in Attachment 1 to this Exhibit, the Recipient will follow the procedures for a request for designation of confidential information as specified in Title 20 California Code of Regulations (CCR) Section 2505.

The CEC's Executive Director will make the confidentiality determination. Such subsequent determinations may be added to the list of confidential deliverables in the Attachment 1 to this Exhibit. The CEC will not disclose information subject to an application for confidential designation except as provided in subsection (b).

- 4) When submitting products containing Confidential Recipient Information, the Recipient will mark each page of any document containing Confidential Recipient Information as “confidential” and present it in a sealed package to the Contracts, Grants, and Loans Office.

The CAM may require the Recipient to submit a non-confidential version of the product, if it is feasible to separate the Confidential Recipient Information from the non-confidential information. The Recipient is not required to submit such products in a sealed package.

b. Disclosure of Confidential Recipient Information

The CEC will only disclose Confidential Recipient Information under the circumstances specified in Title 20 CCR Sections 2506, 2507, and 2508. All Confidential Recipient Information that is legally disclosed by the Recipient or any other entity will become a public record and will no longer be subject to the CEC’s confidentiality designation.

c. Waiver of Consequential Damages

In no event will the CEC, the California Public Utilities Commission, or the state of California be liable for any special, incidental, or consequential damages based on breach of warranty, breach of contract, negligence, strict tort, or any other legal theory for the disclosure of the Confidential Recipient Information, even if the CEC has been advised of the possibility of such damages.

Damages that the CEC, the California Public Utilities Commission, and the state of California will not be responsible for include but are not limited to: lost profit; lost savings or revenue; lost goodwill; lost use of the product or any associated equipment; cost of capital; cost of any substitute equipment, facilities, or services; downtime; the claims of third parties including customers; and injury to property.

d. Limitations on the Disclosure of Products

During the Agreement, the Recipient, Subrecipients, any lower-tiered level of Sub-Subrecipients, and Vendors must receive written approval from the CAM prior to disclosing the contents of any draft product to a third party. However, if the CEC makes a public statement about the content of any product provided by the Recipient and the Recipient believes the statement is incorrect, the Recipient may state publicly what it believes is correct.

19. **PRE-EXISTING AND INDEPENDENTLY FUNDED INTELLECTUAL PROPERTY**

a. **Ownership**

The CEC makes no ownership, license, or royalty claims to pre-existing intellectual property, independently funded intellectual property, or project-relevant pre-existing or independently funded intellectual property.

“Ownership” means exclusive possession and control of all rights to property, including the right to use and transfer property. Intellectual property licenses and royalties are discussed in Sections 20 and 21.

- 1) **“Pre-existing intellectual property”** means: (a) inventions, technologies, designs, drawings, data, software, formulas, compositions, processes, techniques, works of authorship, trademarks, service marks, and logos that the Recipient, Subrecipients, any lower-tiered level of Sub-Subrecipients, Vendors, or a third party owned or possessed prior to the effective date of this Agreement and that have not been developed, altered, or reduced to practice with CEC or match funds; and (b) associated proprietary rights to these items that are obtained without CEC or match funds, such as patent and copyright.
- 2) **“Independently funded intellectual property”** means: (a) inventions, technologies, designs, drawings, data, software, formulas, compositions, processes, techniques, works of authorship, trademarks, service marks, and logos that are created, conceived, discovered, made, developed, altered, or reduced to practice by the Recipient Subrecipients, any lower-tiered level of Sub-Subrecipients, Vendors, or a third party during or after the Agreement term without CEC or match funds; and (b) associated proprietary rights to these items that are obtained without CEC or match funds, such as patent and copyright.

“Works of authorship” does not include written products created for Agreement reporting and management purposes, such as reports, summaries, lists, letters, agendas, schedules, and invoices. The CEC owns such products regardless of their funding source.

- 3) **“Project-relevant pre-existing intellectual property” and “project-relevant independently funded intellectual property”** mean pre-existing and independently funded intellectual property used to support a premise, postulate, or conclusion referred to or expressed in any product under this Agreement.

b. Project-Relevant Pre-Existing and Independently Funded Intellectual Property

1) Identification of Property

- a) The Recipient will identify all project-relevant pre-existing intellectual property in Attachment 1 to this Exhibit prior to the effective date of the Agreement, or within sixty (60) days of becoming aware that the property has been or will be used to support a premise, postulate, or conclusion referred to or expressed in any product under this Agreement. Attachment 1 may be amended (see the “Amendments” section).
- b) The Recipient will identify all project-relevant independently funded intellectual property and the source of funding for the property in Attachment 1 to this Exhibit within sixty (60) days of becoming aware that the property has been or will be used to support a premise, postulate, or conclusion referred to or expressed in any product under this Agreement.
- c) Failure to identify project-relevant pre-existing or independently funded intellectual property in Attachment 1 to this Exhibit may result in the property’s designation as “intellectual property” that is subject to licenses and royalties, as described in Sections 20 and 21.

2) Access to Property

The extent of CEC and California Public Utilities Commission access to project-relevant pre-existing and independently funded intellectual property is limited to that reasonably necessary to: (a) demonstrate the validity of any premise, postulate, or conclusion referred to or expressed in any product; or (b) establish a baseline for repayment purposes.

Upon the CAM’s request, the Recipient will provide the CAM and any reviewers designated by the CEC or the California Public Utilities Commission with access to review the Recipient’s project-relevant pre-existing and independently funded intellectual property. If the property has been designated as confidential as specified in Section 18, the CEC will only disclose it under the circumstances specified in Title 20 CCR Sections 2506, 2507, and 2508.

3) Preservation of Property

The Recipient will preserve any project-relevant pre-existing or independently funded intellectual property at its own expense for at least ten (10) years from the Agreement’s end date, unless the Recipient agrees to a longer retention period.

The CEC and the California Public Utilities Commission will have reasonable access to the project-relevant pre-existing or independently funded property throughout the retention period.

20. INTELLECTUAL PROPERTY

a. Ownership

- 1) The Recipient owns all intellectual property, subject to the licenses described in subsection b.

“Intellectual property” means: (a) inventions, technologies, designs, drawings, data, software, formulas, compositions, processes, techniques, works of authorship, trademarks, service marks, and logos that are created, conceived, discovered, made, developed, altered, or reduced to practice with Agreement or match funds during or after the Agreement term; (b) any associated proprietary rights to these items, such as patent and copyright; and (c) any upgrades or revisions to these items.

“Works of authorship” does not include written products created for Agreement reporting and management purposes, such as reports, summaries, lists, letters, agendas, schedules, and invoices.

- 2) The CEC owns all products identified in the Scope of Work, with the exception of products that fall within the definition of “intellectual property.”

“Product” means any tangible item specified for delivery to the CEC in the Scope of Work.

- 3) Nothing in this Agreement gives the Recipient any rights to “Confidential Information” and “Personal Information” as defined in Section 26, other than using Confidential Information and Personal Information for the limited purpose of performing Recipient’s work under this Agreement in accordance with Section 26.

b. Intellectual Property Licenses

- 1) Both the CEC and the California Public Utilities Commission have a no-cost, non-exclusive, transferable, irrevocable, royalty-free, worldwide, perpetual license to use, publish, translate, modify, and reproduce intellectual property for governmental purposes. The licenses are transferable only to load-serving entities for the purpose described below.

- 2) Under limited circumstances, both the CEC and the California Public Utilities Commission may grant load-serving entities a no-cost, non-exclusive, transferable, irrevocable, royalty-free, worldwide, perpetual license to use, publish, translate, modify, and reproduce intellectual property to enhance the entities' service to EPIC ratepayers. **The intellectual property that may be licensed to load-serving entities is limited to analytical tools and models that can be used to inform distribution planning and decision-making that benefits electric ratepayers.**

“Load-serving entity” means a company or other organization that provides electricity to EPIC ratepayers.

The licenses are transferable to third parties only for the purpose of facilitating the load-serving entity's enhancement of service to EPIC ratepayers. Load-serving entities must obtain prior written approval from the CEC or California Public Utilities Commission (whichever agency granted the load-serving entity the license) in order to transfer the license to a third party.

- 3) The Recipient has a non-exclusive, non-transferable, irrevocable, worldwide, perpetual license to use, publish, translate, modify, and reproduce written products created for Agreement reporting and management purposes, such as reports and summaries.
- 4) If any intellectual property that is subject to the licenses above has been designated as confidential as specified in Section 18, all license holders will only disclose the intellectual property under the circumstances specified in Title 20 CCR Sections 2506, 2507, and 2508.

All license holders will ensure that their officers, employees, and subcontractors who have access to the intellectual property are informed of and abide by the disclosure limitations in Section 18.

c. Energy Commission's Rights to Inventions

“Invention” means intellectual property that is patentable.

- 1) March-In Rights

At the CEC's request, the Recipient will forfeit and assign to the CEC all rights to any invention (with the exception of U.S. Department of Energy reserved rights) if the Recipient or assignee has not taken, or is not expected to take within a reasonable time, effective steps to achieve practical application of the invention. The CEC will have the unfettered right to use and/or dispose of the rights in whatever manner it deems most suitable to help transfer the invention into the

marketplace, including but not limited to seeking patent protection or licensing the invention.

2) Notice of Patent

If any patent is issued for an invention, the Recipient will send the CAM written notice of the issuance within three (3) months of the issuance date. The notice must include the patent title, issuance number, and a general description of the invention.

3) Legal Notice

The Recipient and all persons and/or entities obtaining an ownership interest in patentable intellectual property must include the following statement within the specification of any United States patent application, and any subsequently issued patent for the invention:

“This invention was made with State of California support under California Energy Commission grant number EPC-18-022. The Energy Commission has certain rights to this invention.”

d. Access to and Preservation of Intellectual Property

1) Access to Intellectual Property

Upon the CAM's request, the Recipient will provide the CAM and any individuals designated by the CEC or the California Public Utilities Commission with access to the Recipient's intellectual property in order to exercise the license and march-in rights described above, and to determine any royalty payments due under the Agreement.

2) Preservation of Intellectual Property

The Recipient will preserve intellectual property at its own expense for at least ten (10) years from the Agreement's end date, unless the Recipient agrees to a longer retention period.

e. Intellectual Property Indemnity

The Recipient may not, in supplying work under this Agreement, knowingly infringe or misappropriate any intellectual property right of a third party, and will take reasonable actions to avoid infringement.

The Recipient will defend and indemnify the CEC and the California Public Utilities Commission from and against any claim, lawsuit, or other proceeding, loss, cost, liability, or expense (including court costs and reasonable fees of attorneys and other professionals) to the extent arising out of: (i) any third party claim that a product infringes any patent, copyright, trade secret, or other intellectual property right of any third party; or (ii) any third party claim arising out of the negligent or other tortious acts or omissions by the Recipient or its employees, subcontractors, or agents in

connection with or related to the products or the Recipient's performance under this Agreement.

21. ROYALTY PAYMENTS TO THE COMMISSION

"Sale," "sales," and **"sold"** mean the sale, license, lease, or other transfer of intellectual property. **Sales Price** means the price at which intellectual property is sold, excluding sales tax.

- a. The Recipient, Subrecipients, any lower-tiered level of Sub-Subrecipients, and Vendors will pay the Energy Commission a royalty of one and one-half percent (1.5%) of the sales price of all sales for which the entity receives a payment, beginning on the Agreement's effective date and extending for ten (10) years from the Agreement's end date.
- b. The Recipient, Subrecipients, any lower-tiered level of Sub-Subrecipients, and Vendors will make payments in annual installments due on the first day of March in the calendar year immediately following the year during which the Recipient received any payment for sales.
- c. The Recipient, Subrecipients, any lower-tiered level of Sub-Subrecipients, and Vendors is not required to make a royalty payment for any calendar year in which payments for sales are less than \$1000. Total royalty payments will be limited to three (3) times the **total** amount of funds paid by the CEC under the Agreement (and not the amount of CEC funds received by the entity). For example, if the CEC has paid \$1 million total under the Agreement, but a Subrecipient has only received \$200,000 of the CEC funds and owes royalties, the royalty payments are capped at \$3 million, and not \$600,000.
- d. If intellectual property was developed in part with match funds during the Agreement term, the royalty payment owed by the Recipient, Subrecipients, any lower-tiered level of Sub-Subrecipients, and Vendors will be reduced in accordance with the percentage of intellectual property development activities that were funded with match funds that the entity itself provided. For example, if 10% of the development activities were funded by the Recipient with match funds during the Agreement and the Recipient's payments for sales totaled \$100,000 in one year, the Recipient would owe the Energy Commission \$1,350 for the year (1.5% of \$100,000 = \$1,500; 10% of \$1,500 = \$150; \$1,500 - \$150 = \$1,350).

If the CEC is providing funds to the Recipient under this Agreement as a project match partner and CEC funds are used in part to develop intellectual property, the royalty payments will be reduced in accordance with the percentage of intellectual property development activities that were funded with non-CEC funds during the Agreement term. For example, if 80% of the development activities were funded with Recipient and/or third-party funds during the Agreement and payments for sales totaled \$100,000 in one year,

the Recipient would owe the CEC \$300 for the year (1.5% of $\$100,000 = \$1,500$; 80% of $\$1,500 = \$1,200$; $\$1,500 - \$1,200 = \$300$).

- e. The Recipient, Subrecipients, any lower-tiered level of Sub-Subrecipients, and Vendors may make an early buyout payment to the Energy Commission without a pre-payment penalty, as an alternative to making annual royalty payments for ten (10) years following the Agreement's end date. The payment must be in a lump sum amount equal to one and a half (1.5) times the amount of total funds paid by the CEC under the entire Agreement and made within five (5) years of the Agreement's end date. The payment amount due under the early buyout option will not be reduced by the percentage of match funds as described above. It is also not reduced because a Subrecipient, any lower-tiered level of Sub-Subrecipient, or Vendor that owes royalties received less than the total CEC funds paid out under the agreement. For example, if a Subrecipient only received 25% of the total CEC funds paid out (because the rest went to the Recipient or other Subrecipients, this early buyout 1.5 times is based on the total CEC funds paid under the Agreement and not the lower, 25% received by the Subrecipient.
- f. The Recipient, Subrecipients, any lower-tiered level of Sub-Subrecipients, and Vendors may not make any sale, transfer, license, or any other conveyance or even allowed use, of intellectual property except than fair market value. Such activity constitutes breach of this Agreement, and will obligate the Recipient, Subrecipients, any lower-tiered level of Sub-Subrecipients, and Vendors to repay within sixty (60) days the early buyout amount due. In the event of breach, the CEC may exercise all rights and remedies available to it under law and at equity.
- g. Royalty payments not made within fifteen (15) days of the due date will constitute breach of this Agreement. The payments will become debt obligations of the Recipient, Subrecipients, any lower-tiered level of Sub-Subrecipients, and Vendors to the CEC, due upon demand and bearing interest at the maximum interest rate allowed by law.
- h. The Recipient will maintain separate accounts within its financial and other records for the purpose of tracking components of sales and royalties due to the CEC under this Agreement.
- i. Payments to the CEC are subject to audit as provided for under the Recordkeeping, Cost Accounting, and Auditing section.
- j. The Recipient shall include these royalty provisions in its agreements with all Subrecipients and Vendors and ensure they in turn include them in their agreements with all lower-tiered level of Sub-Subrecipients and Vendors, who develop or assist with the development of intellectual property.

22. GENERAL PROVISIONS

a. Governing Law

This Agreement is governed by the laws of the State of California as to interpretation and performance.

b. Independent Capacity

In the performance of this Agreement, the Recipient and its agents, Subrecipients, any lower-tiered level of Sub-Subrecipients, and Vendors, and their respective employees will act in an independent capacity and not as officers, employees, or agents of the CEC or the State of California.

c. Assignment

This Agreement is not assignable or transferable by the Recipient either in whole or in part without the consent of the CEC in the form of an amendment.

d. Timeliness

Time is of the essence in this Agreement.

e. Severability

If any provision of this Agreement is unenforceable or held to be unenforceable, all other provisions of this Agreement will remain in full force and effect.

f. Waiver

No waiver of any breach of this Agreement constitutes waiver of any other breach. All remedies in this Agreement will be taken and construed as cumulative, meaning in addition to every other remedy provided in the Agreement or by law.

g. Assurances

The CEC reserves the right to seek further written assurances from the Recipient and its team that the work under this Agreement will be performed in accordance with the terms of the Agreement.

h. Change in Business

1) The Recipient will promptly notify the Energy Commission of the occurrence of any of the following:

- a) A change of address.
- b) A change in business name or ownership.

- c) The existence of any litigation or other legal proceeding affecting the project or Agreement.
 - d) The occurrence of any casualty or other loss to project personnel, equipment, or third parties.
 - e) Receipt of notice of any claim or potential claim against the Recipient, Subrecipients, any lower-tiered level of Sub-Subrecipients, and Vendors for patent, copyright, trademark, service mark, and/or trade secret infringement that could affect the CEC's rights.
- 2) The Recipient must provide the CAM with written notice of a planned change or reorganization of the type of business entity under which it does business. A change of business entity or name change requires an amendment assigning or novating the Agreement to the changed entity. If the CEC does not seek to amend this Agreement or enter into a new agreement with the changed or new entity for any reason (including that the CEC is not satisfied that the new entity can perform in the same manner as the Recipient), it may terminate this Agreement as provided in the "Termination" section.

i. Access to Sites and Records

CEC California Public Utilities Commission staff and representatives will have reasonable access to all project sites and to all records related to this Agreement.

j. Prior Dealings, Custom, or Trade Usage

These terms and conditions may not be modified or supplemented by prior dealings, custom, or trade usage.

k. Survival of Terms

Certain provisions will survive the completion or termination date of this Agreement for any reason. The provisions include but are not limited to:

- Legal Statements on Products (included in Section 5, "Products")
- Payment of Funds (Section 8)
- Recordkeeping, Cost Accounting, and Auditing (Section 11)
- Equipment (Section 14)
- Termination (Section 16)
- Indemnification (Section 17)
- Pre-Existing and Independently Funded Intellectual Property (Section 19)
- Intellectual Property (Section 20)
- Royalty Payments to the Commission (Section 21)
- California Taxpayer Access to Publicly Funded Research Act (Section 24)

- Receipt of Confidential Information and Personal Information (Section 26)
- Change in Business (see this section)
- Access to Sites and Records (see this section)
- Venue (see this section)
- CEC as Third-Party Beneficiary (see this section)

I. Venue

Any court action to enforce any part of this Agreement shall be venued in Sacramento County.

m. CEC as Third-Party Beneficiary

The Recipient shall ensure that in all of its agreements with Subrecipients and in all Subrecipient agreements with Sub-Subrecipients (and so forth through every lower-tiered level of Sub-Subrecipients) that the CEC is specifically named as a third-party beneficiary to the agreement. In addition, the term shall state the entity agrees that if the CEC brings a court action, the entity agrees to venue in Sacramento County.

23. CERTIFICATIONS AND COMPLIANCE

a. Federal, State, and Local Laws

The Recipient is responsible for obtaining all required permits and shall comply with all applicable federal, state, and local laws, codes, rules, and regulations for all work performed under the Agreement.

b. Nondiscrimination Statement of Compliance

During the performance of this Agreement, the Recipient, Subrecipients, any lower-tiered level of Sub-Subrecipients, and Vendors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, sexual orientation, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition, age, marital status, or denial of family care leave. The Recipient, Subrecipients, any lower-tiered level of Sub-Subrecipients, and Vendors will ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.

The Recipient, Subrecipients, any lower-tiered level of Sub-Subrecipients, and Vendors shall comply with the provisions of the Fair Employment and Housing Act (Government Code Sections 12990 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 11000 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4.1 of Title 2 of

the California Code of Regulations, are incorporated into this Agreement by reference and made a part of it as if set forth in full. The Recipient Subrecipients, any lower-tiered level of Sub-Subrecipients, and Vendors shall give written notice of their obligations under this section to labor organizations with which they have a collective bargaining or other Agreement.

The Recipient will include the nondiscrimination and compliance provisions of this section in all agreements with Subrecipients, that perform work under this Agreement.

c. Drug-Free Workplace Certification

By signing this Agreement, the Recipient certifies under penalty of perjury under the laws of the State of California that it will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and will provide a drug-free workplace by taking the following actions:

- 1) Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited, and specifying actions to be taken against employees for violations as required by Government Code Section 8355(a).
- 2) Establish a Drug-Free Awareness Program as required by Government Code Section 8355(b) to inform employees about all of the following:
 - The dangers of drug abuse in the workplace;
 - The person's or organization's policy of maintaining a drug-free workplace;
 - Any available counseling, rehabilitation, and employee assistance programs; and
 - Penalties that may be imposed upon employees for drug abuse violations.
- 3) Provide, as required by Government Code Section 8355(c), that every employee who works on the proposed project:
 - Will receive a copy of the company's drug-free policy statement; and
 - Will agree to abide by the terms of the company's statement as a condition of employment on the project.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both, and the Recipient may be ineligible for any future state awards if the CEC determines that any of the following has occurred: (1) the Recipient has

made false certification, or (2) violates the certification by failing to carry out the requirements as noted above.

- d. National Labor Relations Board Certification (Not applicable to public entities)

The Recipient, by signing this Agreement, swears under penalty of perjury that no more than one final unappealable finding of contempt of court by a federal court has been issued against the Recipient within the immediately preceding two-year period because of the Recipient's failure to comply with an order of a federal court that orders the Recipient to comply with an order of the National Labor Relations Board.

- e. Child Support Compliance Act (Applicable to California Employers)

For any agreement in excess of \$100,000, the Recipient acknowledges that:

- 1) It recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including but not limited to disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
- 2) To the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

- f. Air or Water Pollution Violation

Under state laws, the Recipient shall not be:

- 1) In violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district;
- 2) Subject to a cease-and-desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or
- 3) Finally determined to be in violation of provisions of federal law relating to air or water pollution.

- g. Americans With Disabilities Act

By signing this Agreement, the Recipient assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990 (42 U.S.C. Section

12101, et seq.), which prohibits discrimination on the basis of disability, as well as applicable regulations and guidelines issued pursuant to the ADA.

24. CALIFORNIA TAXPAYER ACCESS TO PUBLICLY FUNDED RESEARCH ACT

- a. As a condition to receiving funding under this Agreement, the Recipient agrees to fully comply with the California Taxpayer Access to Publicly Funded Research Act (California Government Code sections 13989 et seq., the “Act”) and provisions of this section, which apply to publications describing knowledge, an invention, or technology funded within the scope of this Agreement.
- b. For purposes of complying with the Act and this section of the Agreement, the following definitions shall apply.
 - 1) “Peer-Reviewed Manuscript” means a manuscript after it has been peer reviewed and in the form in which it has been accepted for publication in a scientific journal.
 - 2) “Research Grant” in the Act and “this Agreement” in this section mean this Agreement.
 - 3) “State Agency” in the Act means the Energy Commission.
- c. The Recipient shall provide for free public access to any Peer-Reviewed Manuscript developed within the scope of this Agreement.
- d. The Recipient shall ensure that any publishing or copyright agreements concerning Peer-Reviewed Manuscripts:
 - 1) Fully comply with California Government Code section 13989.6;
 - 2) Do not conflict with the Energy Commission’s rights under this Agreement;
 - 3) Secure for the Energy Commission the rights provided under this Agreement, including the rights to Intellectual Property as specified in Section 20; and
 - 4) Recognize the free public access to the Peer-Reviewed Manuscript.
- e. The Recipient shall report to the CEC the final disposition of any Peer-Reviewed Manuscript, including but not limited to if it was published; when it was published; where it was published; and, when the 12-month time period expires, where the Peer-Reviewed Manuscript will be available for open access.
- f. Not later than 12 months after the official date of publication, or sooner if specified in the Schedule of Products, the Recipient shall make available

to the CEC an electronic version of any Peer-Reviewed Manuscript that is developed within the scope of this Agreement.

- g. The Recipient shall make publicly accessible an electronic version of any Peer-Reviewed Manuscript that is developed within the scope of this Agreement, not later than 12 months after the official date of publication, on a repository approved in writing by the CEC, including but not limited to the University of California's eScholarship Repository at the California Digital Library; the California State University's ScholarWorks at the Systemwide Digital Library; or PubMed Central. The Recipient shall notify the CEC when the Peer-Reviewed Manuscript is available on an CEC-approved repository.
- h. If the Recipient is unable to ensure that its Peer-Reviewed Manuscript is accessible on an CEC-approved, publicly accessible repository, the Recipient may comply by providing the manuscript to the CEC not later than 12 months after the official date of publication.
- i. For any publications other than a Peer-Reviewed Manuscript, (herein referred to as "Other Publications") including scientific meeting abstracts, developed within the scope of this Agreement, the Recipient shall:
 - 1) Provide an electronic version of the Other Publications to the CEC not later than 12 months after the official date of publication.
 - 2) Ensure that any publishing or copyright agreements concerning Other Publications:
 - a. Do not conflict with the CEC's rights under this Agreement.
 - b. Secure for the CEC the rights provided under this Agreement, including the rights to Intellectual Property as specified in Section 20.
- j. The Act states that "Grantees are authorized to use grant money for publication costs, including fees charged by a publisher for color and page charges, or fees for digital distribution." Recipient agrees that for purposes of this Agreement, the Recipient is only authorized to use funds under this Agreement, including Matching funds, for these purposes **if the expenses are included in the Agreement's Budget and meet the other Agreement requirements for payment, including that the CEC will only reimburse the Recipient for expenditures incurred during the Agreement term. If these expenses are not included in the Budget, both parties must agree and amend the Budget to include such expenditures before Recipient is authorized to use Agreement funds, either reimbursable expenses or match, for these purposes.**
- k. Should a conflict exist between the terms in this Section 24 and other terms of this Agreement, the terms in this section prevail.

25. COMMISSION REMEDIES FOR RECIPIENT'S NON-COMPLIANCE

Without limiting any of its other remedies, the CEC may, for Recipient's noncompliance of any Agreement requirement, withhold future payments, demand and be entitled to repayment of past reimbursements, or suspend or terminate this Agreement. The tasks in the Scope of Work are non-severable, and completion of all of them is material to this Agreement. Thus, the Commission, without limiting its other remedies, is entitled to repayment of all funds paid to Recipient if the Recipient does not timely complete all tasks in the Scope of Work.

If over the course of performing under this Agreement, the CEC and the Recipient agree that a change is warranted to the Scope of Work, the parties can amend this Agreement.

26. RECEIPT OF CONFIDENTIAL INFORMATION AND PERSONAL INFORMATION

- a. For the purposes of this Section, "confidential information" refers to information the CEC has designated as confidential pursuant to Title 20 CCR Section 2505 et seq., information the CEC has otherwise deemed or stated to be confidential, and other information exempt from public disclosure under the provisions of the California Public Records Act or other applicable state or federal laws.
- b. For the purposes of this Section, "personal information" refers to information that meets the definition of "personal information" in California Civil Code section 1798.3(a) or one of the data elements set forth in California Civil Code section 1798.29(g)(1) or (g)(2). **Personal information is a type of confidential information and is therefore subject to all requirements for confidential information provided in this Agreement and applicable law. However, there are additional requirements specific to personal information.**
- c. For the purposes of this Section, "special terms for confidential information" refers to the CEC's special terms and conditions for the receipt of confidential information and personal information. The CEC's special terms for confidential information include, but are not limited to, having in place an Information Security Program Plan and obtaining nondisclosure agreements from all individuals who will be provided access to confidential information or personal information.
- d. If the Recipient will receive confidential information or personal information from the CEC or a third-party for the performance of this Agreement, the Recipient must first agree to and comply with the CEC's special terms for confidential information.
- e. If any other individual or entity participating in any way with this Agreement, including but not limited to subcontractors, subawardees, vendors, and other project partners, will receive confidential information or personal information from the CEC or a third-party for the performance of this Agreement, that individual or entity must first agree to and comply with the CEC's special

terms for confidential information. The Recipient must flow-down the CEC's special terms for confidential information into each subcontract, subaward, vendor agreement, or other project partner agreement that will be provided access to confidential information or personal information before the individual or entity has access to any such information. Recipient must also require all individuals and entities to flow-down this Section to any lower tier subcontractors, subawardees, vendors, project partners, and other individual or entity participating in any way with this Agreement that will be provided access to Confidential Information or Personal Information before the individual or entity has access to any such information.

- f. If this Agreement does not include the CEC's special terms for confidential information and CEC determines the Recipient or any other individual or entity participating in any way with this Agreement will receive confidential information or personal information from the CEC or a third-party for the performance of this Agreement, the CEC reserves the option to amend this Agreement to add its special terms for confidential information.
- g. Except as provided in Title 20 CCR Sections 2506, 2507, and 2508, and the CEC's special terms for confidential information, Recipient or any other individual or entity participating in any way with this Agreement may not disclose any information provided to it by the CEC or a third party for the performance of this Agreement if the information has been designated as confidential or is the subject of a pending application for confidential designation.

27. DEFINITIONS

- **Agreement** means this grant agreement executed between the CEC and the Recipient.
- **Agreement Term** means the length of this Agreement, as specified on the Agreement signature page (form CEC-146).
- **Budget Categories** means the following categories in Exhibit B, Budget: Direct Labor, Fringe Benefits, Travel, Equipment, Materials and Miscellaneous, Subrecipients and Vendors, and Indirect Costs and Profit. Budget Category means one of these Budget Categories.
- **CAM** means Commission Agreement Manager.
- **CEC** means California Energy Commission.
- **Data** means any recorded information that relates to the project funded by the Agreement, whether created or collected before or after the Agreement's effective date.

- **Effective Date** means the date on which this Agreement is signed by the last party required to sign, provided that signature occurs after the Agreement has been approved by the CEC at a business meeting or by the Executive Director or his/her designee.
- **EPIC** means the Electric Program Investment Charge, an electricity ratepayer-funded surcharge authorized by the California Public Utilities Commission in December 2011.
- **Equipment** means products, objects, machinery, apparatus, implements, or tools that are purchased or constructed with Energy Commission funds for the project, and that have a useful life of at least one year and an acquisition unit cost of at least \$5,000. "Equipment" includes products, objects, machinery, apparatus, implements, or tools that are composed by over thirty percent (30%) of materials purchased for the project. For purposes of determining depreciated value of equipment used in the Agreement, the project will terminate at the end of the normal useful life of the equipment purchased and/or developed with CEC funds. The CEC may determine the normal useful life of the equipment.
- **Incurred Costs** means an expense for which the Recipient has become liable (legally obligated) to pay.
- **Independently Funded Intellectual Property** means: (a) inventions, technologies, designs, drawings, data, software, formulas, compositions, processes, techniques, works of authorship, trademarks, service marks, and logos that are created, conceived, discovered, made, developed, altered, or reduced to practice by the Recipient, Subrecipients, any lower-tiered level of Sub-Subrecipients, Vendors, or a third party during or after the Agreement term without CEC or match funds; and (b) associated proprietary rights to these items that are obtained without CEC or match funds, such as patent and copyright.

"Works of authorship" does not include written products created for Agreement reporting and management purposes, such as reports, summaries, lists, letters, agendas, schedules, and invoices. The CEC owns such products regardless of their funding source.

- **Intellectual Property** means: (a) inventions, technologies, designs, drawings, data, software, formulas, compositions, processes, techniques, works of authorship, trademarks, service marks, and logos that are created, conceived, discovered, made, developed, altered, or reduced to practice with Agreement or match funds during or after the Agreement term; (b) any associated proprietary rights to these items, such as patent and copyright; and (c) any upgrades or revisions to these items.

“Works of authorship” does not include written products created for Agreement reporting and management purposes, such as reports, summaries, lists, letters, agendas, schedules, and invoices.

- ***Invention*** means intellectual property that is patentable.
- ***Load-serving entity*** means a company or other organization that provides electricity to EPIC ratepayers.
- ***Match Funds*** means cash or in-kind (i.e., non-cash) contributions provided by the Recipient, Subrecipients, any lower-tiered level of Sub-Subrecipients, Vendors, or a third party for a project funded by the CEC. If this Agreement resulted from a solicitation, refer to the solicitation’s discussion of match funding for guidelines specific to the project.
- ***Materials*** means the substances used to construct, or as part of, a finished object, commodity, device, article, or product and that does not meet the definition of Equipment.
- ***MTDC (Modified Total Direct Costs)*** means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, vendors, travel, and up to the first \$50,000 of each subrecipient agreement. MTDC excludes equipment, capital expenditures, rental costs, tuition remission, scholarships and fellowships, and the portion of each subrecipient agreement in excess of \$50,000.
- ***Ownership*** means exclusive possession of all rights to property, including the right to use and transfer property.
- ***Paid Costs*** means an expense for which the Recipient has already made payment.
- ***Pre-existing intellectual property*** means: (a) inventions, technologies, designs, drawings, data, software, formulas, compositions, processes, techniques, works of authorship, trademarks, service marks, and logos that the Recipient, Subrecipients, any lower-tiered level of Sub-Subrecipients, Vendors, or a third party owned or possessed prior to the effective date of this Agreement and that have not been developed, altered, or reduced to practice with CEC or match funds; and (b) associated proprietary rights to these items that are obtained without CEC or match funds, such as patent and copyright.
- ***Product*** means any tangible item specified for delivery to the CEC in the Scope of Work.
- ***Project*** means the entire effort undertaken and planned by the Recipient and consisting of the work funded by the CEC. The project may coincide with or extend beyond the Agreement term.

- ***Project-relevant pre-existing intellectual property and project-relevant independently funded intellectual property*** means pre-existing and independently funded intellectual property used to support a premise, postulate, or conclusion referred to or expressed in any product under this Agreement.
- ***Recipient*** means the entity that executed this Agreement with the CEC.
- ***Sale, Sales, and Sold*** mean the sale, license, lease, or other transfer of intellectual property.
- ***Sales Price*** means the price at which intellectual property is sold, excluding normal returns and allowances such as sales tax.
- ***State*** means the state of California and all California state agencies within it, including but not limited to commissions, boards, offices, and departments.
- ***Subaward*** for the Recipient means all agreements it has with Subrecipients and Vendors. For a Subrecipient, a Subaward means all agreements it has with Sub-Subrecipients and Vendors. For any lower-tiered level of Sub-Subrecipient, a Subaward means all agreements it has with its own Sub-Subrecipients and Vendors.
- ***Subrecipient (formerly Subcontractor)*** means a person or entity that receives grant funds directly from the Recipient and is entrusted by the Recipient to make decisions about how to conduct some of this Agreement's activities. A Subrecipients role involves discretion over grant activities and is not merely just selling goods or services.
- ***Sub-Subrecipient*** has the same meaning as a Subrecipient except that it receives grant funds from a Subrecipient or any lower tier level of a Sub-Subrecipient.
- ***Unrelated Company*** has the meaning set forth in section 7.g. of this Exhibit C.
- ***Vendor*** means a person or entity that sells goods or services to the Recipient, Subrecipient, or any lower-tiered level of Sub-Subrecipient, in exchange for some of the grant funds, and does not make decisions about how to perform the grant's activities. The Vendor's role is ministerial and does not involve discretion over this Agreement's activities.

Exhibit C – Attachment 1

Confidential Products and Project-Relevant Pre-Existing and Independently Funded Intellectual Property

1. Instructions

Identification of Confidential Information

- **Prior to the effective date of the Agreement**, the Recipient must identify in Section 2 of this attachment any products (or information contained within products) that it considers to be confidential. If the Energy Commission agrees that the information is confidential, it will not disclose it except as provided in Section 19 (Confidentiality) of these terms and conditions.
- **During the Agreement**, if the Recipient develops additional information not originally anticipated as confidential, it must follow the procedures for a request for designation of confidential information specified in Title 20 California Code of Regulations (CCR) Section 2505.

The Energy Commission's Executive Director will make the confidentiality determination. Following this determination, the confidential information may be added to this attachment through a Letter of Agreement (see Section 6 (Amendments) and Attachment 2 (Sample Letter of Agreement)). The Energy Commission will not disclose information subject to an application for confidential designation except as provided in Section 19.

- **When submitting products containing confidential information**, the Recipient must mark each page of any document containing confidential information as "confidential" and present it in a sealed package to the Contracts, Grants, and Loans Office.

The Commission Agreement Manager may require the Recipient to submit a non-confidential version of the product, if it is feasible to separate the confidential information from the non-confidential information.

Identification of Project-Relevant Independently Funded and Pre-Existing Intellectual Property

- The Recipient must identify all project-relevant pre-existing intellectual property and project-relevant independently funded intellectual property in Section 3 of this attachment prior to the effective date of the Agreement, or within sixty (60) days of becoming aware that the property has been or will be used to support a premise, postulate, or conclusion referred to or expressed in any product under the Agreement. This attachment may be amended by a Letter of Agreement (see Section 6 (Amendments) and Attachment 2 (Sample Letter of Agreement)).
 - **"Project-relevant pre-existing intellectual property" and "project-relevant independently funded intellectual property"** mean pre-existing and independently funded intellectual property used to support a premise, postulate, or conclusion referred to or expressed in any product under the Agreement.
 - **"Pre-existing intellectual property"** means: (a) inventions, technologies, designs, drawings, data, software, formulas, compositions, processes, techniques, works of authorship, trademarks, service marks, and logos that the Recipient or a third party owned or possessed prior to the effective date of this Agreement and that have not been developed, altered, or reduced to practice with Energy Commission or match funds; and (b) associated proprietary rights to these items

- that are obtained without Energy Commission or match funds, such as patent and copyright.
- **“Independently funded intellectual property”** means: (a) inventions, technologies, designs, drawings, data, software, formulas, compositions, processes, techniques, works of authorship, trademarks, service marks, and logos that are created, conceived, discovered, made, developed, altered, or reduced to practice by the Recipient or a third party during or after the Agreement term without Energy Commission or match funds; and (b) associated proprietary rights to these items that are obtained without Energy Commission or match funds, such as patent and copyright.

“Works of authorship” does not include written products created for Agreement reporting and management purposes, such as reports, summaries, lists, letters, agendas, schedules, and invoices. The Commission owns such products regardless of their funding source.

- **Failure to identify project-relevant pre-existing or independently funded intellectual property** in this attachment may result in the property’s designation as “intellectual property” that is subject to licenses and royalties, as described in Sections 21 (Intellectual Property) and 22 (Royalty Payments to the Commission).

2. Confidential Products and/or Confidential Information Contained within Products

The Energy Commission designates the following products (or information contained within products) as confidential, in accordance with Title 20 California Code of Regulations Section 2505(c)(1)(B).

Product name	
Task/subtask number	
Information to be kept confidential	☐ ☐ Selected information within product (<i>describe below; be as specific as possible</i>):
Legal basis for confidentiality designation	☐ California Public Records Act, located in California Government Code Sections 7920.000 et seq. (<i>identify the relevant section(s) and subsections(s) below</i>): ☐ Other law (<i>identify below, including the relevant section(s) and subsections(s)</i>):
Term of confidentiality	
Trade secrets only Answer the following questions if the product/information described above is considered a trade secret (i.e., confidential business information that provides the business with a competitive advantage): 1. What is the nature of the competitive advantage provided by the product/information? 2. How would the competitive advantage be lost by disclosure? (generally describe the value of the product/information and the ease or difficulty with which it may be legitimately acquired or duplicated by others).	

3. Project-Relevant Pre-Existing Intellectual Property and Project-Relevant Independently Funded Intellectual Property

The Recipient has identified the following items as “project-relevant pre-existing intellectual property” and/or “project-relevant independently funded intellectual property,” as defined in Sections 20 (Pre-Existing and Independently Funded Intellectual Property) and 25 (Definitions) of these terms and conditions. The Commission makes no ownership, license, or royalty claims to this property, and may only access it for the purposes described in Section 20.

Name/Title of Intellectual Property	
Type of Intellectual Property	☐ Project-relevant pre-existing intellectual property ☐ Project-relevant independently funded intellectual property ☐ Invention ☐ Process ☐ Technology ☐ Technique ☐ Design ☐ Work of Authorship ☐ Drawing ☐ Trademark/ Service mark ☐ Data ☐ Logo ☐ Software ☐ Formula
Registered or Pending Intellectual Property (i.e., copyrights, patents, or trademarks that are registered or pending with the U.S. Copyright Office or the U.S. Patent and Trademark Office)	☐ Copyright ☐ Patent ☐ Trademark/ Service mark Name of owner: Number and date:
	<i>For pending applications</i> Name of applicant: Application number and date:
Unregistered Intellectual Property	☐ Copyright ☐ Trademark/ Service mark ☐ Trade Secret Name of owner:
Description of how the property will be or has been used to support a premise, postulate, or conclusion referred to or expressed in any product under the Agreement	

Exhibit D

Special Terms and Conditions

1. INSOLVENCY, BANKRUPTCY OR RECEIVERSHIP

The Recipient shall immediately, but no later than five calendar days, notify the CEC if the Recipient, the Recipient's parent, a subrecipient, a vendor, or a site host is planning for any of the following events: (1) the entity's filing of a voluntary case seeking liquidation or reorganization under the Bankruptcy Act or similar applicable law; (2) the entity's consent to the institution of an involuntary case under the Bankruptcy Act or similar applicable law; (3) the filing, or planning of filing, of any similar proceeding for or against the entity, or the entity's consent to the dissolution, winding-up or readjustment of its debts, appointment of a receiver, conservator, trustee, or other officer with similar powers over the entity, under any other applicable law; or (4) the entity's insolvency due to its inability to pay debts generally as they become due.

Such notification shall be in writing and shall: (1) specifically set out the details of the occurrence of the event; (2) provide the facts surrounding that event; and (3) provide the impact such event will have on the project being funded by this Agreement.

Upon the occurrence of any of the four events described above, the CEC reserves the right to conduct a review of the Agreement to determine the Recipient's compliance with the required elements of the Agreement (including such items as match share, progress towards project objectives, and submission of required products). If the CEC review determines that there are significant deficiencies or concerns with the Recipient's continued performance under the Agreement, the CEC reserves the right to take any action available under this Agreement including, but not limited to, issuing a Stop Work Order or terminating the Agreement.

Failure of the Recipient to comply with this term may be considered a material breach of this Agreement.

This term shall be flowed-down to all subawards and site host agreements.

EXHIBIT E

Agreement Contacts

Commission Agreement Manager: <i>(Progress Reports and Non-Confidential Products may be emailed to the CAM or uploaded into ECAMS with Invoice.)</i> Emily Ou California Energy Commission 715 P Street, MS-51 Sacramento, CA 95814 Phone: (916) 232-6334 e-mail: emily.ou@energy.ca.gov	Recipient Project Manager: Rachel Zook San Diego Community Power 815 E St, Suite 12716 San Diego, CA 92101 Phone: 619-895-8664 e-mail: rzook@sdcommunitypower.org
Confidential Products: Email a request to submit Confidential Products to: CGLfiles@energy.ca.gov Subject line should read: <i>Request to Submit Confidential Products: [Recipient Name and CEC Agreement]</i>	Recipient Administrator: Rachel Zook San Diego Community Power 815 E St, Suite 12716 San Diego, CA 92101 Phone: 619-895-8664 e-mail: rzook@sdcommunitypower.org
Invoices: Please submit electronic invoices in ECAMS: https://ecams.energy.ca.gov/s/login/	Recipient Accounting Officer: Tim Manglicmot San Diego Community Power 815 E St, Suite 12716 San Diego, CA 92101 Phone: 619-657-0404 e-mail: tmanglicmot@sdcommunitypower.org
Commission Legal Notices: Phil Dyer Grants Manager California Energy Commission 715 P Street, 3rd Floor, MS-18 Sacramento, CA 95814 e-mail: Phil.Dyer@energy.ca.gov	Recipient Legal Notices: Ruby Laity San Diego Community Power 815 E St, Suite 12716 San Diego, CA 92101 Phone: 619-559-2326 e-mail: rlaity@sdcommunitypower.org

Certificate Of Completion

Envelope Id: 324E319A-AE0F-4809-B06C-7B0B0B914ED6

Status: Sent

Subject: Complete with Docusign: Final_Distribution_EPC-25-015_SanDiego_Community_Power.pdf

Source Envelope:

Document Pages: 101

Signatures: 0

Envelope Originator:

Certificate Pages: 5

Initials: 0

Crystal Willis

AutoNav: Enabled

11493 Sunset Hills Road Suite 100

Envelopeld Stamping: Disabled

Suite 100

Time Zone: (UTC-08:00) Pacific Time (US & Canada)

Reston, VA 20190

Crystal.Willis@energy.ca.gov

IP Address: 134.186.116.121

Record Tracking

Status: Original

Holder: Crystal Willis

Location: DocuSign

10/1/2025 11:46:07 AM

Crystal.Willis@energy.ca.gov

Security Appliance Status: Connected

Pool: StateLocal

Storage Appliance Status: Connected

Pool: Energy Resources Conservation and Development Commission

Location: Docusign

Signer Events

Signature

Timestamp

Karin Burns

kburns@sdcommunitypower.org

CEO

Security Level: Email, Account Authentication (None)

Sent: 10/17/2025 9:35:06 AM

Viewed: 10/17/2025 9:36:02 AM

Electronic Record and Signature Disclosure:

Accepted: 10/17/2025 9:36:02 AM

ID: eb0eab46-d4c4-4e64-9c30-44fde457e9b2

Tatyana Yakshina

Tatyana.Yakshina@energy.ca.gov

Security Level: Email, Account Authentication (None)

Electronic Record and Signature Disclosure:

Not Offered via Docusign

In Person Signer Events

Signature

Timestamp

Editor Delivery Events

Status

Timestamp

Agent Delivery Events

Status

Timestamp

Intermediary Delivery Events

Status

Timestamp

Certified Delivery Events

Status

Timestamp

Rachel Zook

rzook@sdcommunitypower.org

Security Level: Email, Account Authentication (None)

VIEWED

Sent: 10/1/2025 11:53:46 AM

Resent: 10/17/2025 9:35:05 AM

Viewed: 10/27/2025 3:53:03 PM

Using IP Address:

2600:1700:2eca:fc00:8437:a2b0:aaf4:4f06

Electronic Record and Signature Disclosure:

Accepted: 10/1/2025 12:05:12 PM

ID: b7b09ca3-9532-49a4-882c-b7fff52b2d38

Certified Delivery Events	Status	Timestamp
Rachel Zook rzook@sdcommunitypower.org Security Level: Email, Account Authentication (None) Electronic Record and Signature Disclosure: Accepted: 10/1/2025 12:05:12 PM ID: b7b09ca3-9532-49a4-882c-b7fff52b2d38		
Carbon Copy Events	Status	Timestamp
Emily Ou Emily.Ou@energy.ca.gov Security Level: Email, Account Authentication (None) Electronic Record and Signature Disclosure: Accepted: 8/28/2023 11:30:52 AM ID: 047d6f1e-0c7c-4d5b-b02c-ae69506ad84d		
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	10/1/2025 11:53:46 AM
Envelope Updated	Security Checked	10/17/2025 9:35:05 AM
Envelope Updated	Security Checked	10/17/2025 9:35:05 AM
Envelope Updated	Security Checked	10/17/2025 9:35:05 AM
Envelope Updated	Security Checked	10/17/2025 9:35:05 AM
Envelope Updated	Security Checked	10/17/2025 9:35:05 AM
Envelope Updated	Security Checked	10/17/2025 9:35:05 AM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, Energy Resources Conservation and Development Commission (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact Energy Resources Conservation and Development Commission:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: don.davis@water.ca.gov

To advise Energy Resources Conservation and Development Commission of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at don.davis@water.ca.gov and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from Energy Resources Conservation and Development Commission

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to don.davis@water.ca.gov and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with Energy Resources Conservation and Development Commission

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an email to don.davis@water.ca.gov and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to ‘I agree to use electronic records and signatures’ before clicking ‘CONTINUE’ within the DocuSign system.

By selecting the check-box next to ‘I agree to use electronic records and signatures’, you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify Energy Resources Conservation and Development Commission as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by Energy Resources Conservation and Development Commission during the course of your relationship with Energy Resources Conservation and Development Commission.

SAN DIEGO COMMUNITY POWER

Staff Report - Item 16

To: Board of Directors

From: Jack Clark, Chief Operating Officer
Stephen Yi, Associate Director of IT and Data Analytics

Via: Karin Burns, Chief Executive Officer

Subject: Approve agreement with CGI Technologies and Solutions, Inc. for the Development and Deployment of an Organization-wide Customer Relationship Management (CRM) platform

Date: November 20, 2025

Recommendation

Approve the Professional Services Agreement with CGI Technologies and Solutions, Inc. for the development and deployment of an organization-wide Customer Relationship Management (CRM) platform that is licensed, owned and maintained by Community Power for a 22 month term including a not-to-exceed amount of \$1,166,915 and authorize the Chief Executive Officer to execute the contract. This agreement would allow Community Power to implement an enterprise-wide, cloud-based Customer Relationship Management (CRM) platform to support Customer Operations, Programs, Public Affairs, and the San Diego Regional Energy Network (SDREN) teams. This project aims to bring all CRM functions in-house, integrate with existing systems, and enable Community Power to manage and operate the platform independently.

Background

Community Power relies on multiple technology streams for its current Customer Contact Center support provided by the incumbent Contact Center & Data Management vendor ("CCDM"), including telephony, Interactive Voice Response ("IVR"), customer service email, integrated language support and web forms. The incumbent CCDM vendor manages all aspects of back-office services including but not limited to Electronic Data Interchange ("EDI") transaction processing with San Diego Gas & Electric ("SDG&E"), billing and customer payment application, Contact Center operation management, web form management for customer opt actions, and all aspects pertaining to CRM functions through Microsoft Dynamics as well as data storage. The CCDM vendor also handles all aspects of the existing CRM data inputs from SDG&E via a weekly refresh of metadata for Community Power's

eligible customers, daily EDI feeds for active customer accounts, inputs from the Contact Center including Interactive Voice Response and live Customer Service Representative interactions and data updates from web forms embedded on Community Power's website. These web forms, developed by the CCDM vendor, allow customers to self-serve actions such as product election changes or opting out of Community Power services. The CCDM-hosted and -supported Microsoft Dynamics 365 CRM is refreshed daily to capture all customer interactions through the Contact Center, including those via IVR, Customer Service Representative-handled calls and email correspondences received. It also maintains records of both statutory and non-statutory customer notifications. The CCDM makes specific data points emanating from their MS 365 Dynamics CRM available to Community Power staff through a dedicated CRM instance and designated Microsoft SQL Server Views, which staff can call on securely by querying directly or via API calls. On June 5, 2025, Community Power issued a Request For Proposals (RFP) seeking proposals from qualified individuals or firms to provide not only Systems Integration ("SI") services but also to support the development and deployment of an organization-wide Customer Relationship Management ("CRM") platform that is licensed, owned and maintained by Community Power.

Analysis and Discussion

Community Power received multiple proposals from reputable firms across the nation and through a rigorous evaluation process by multiple internal staff members selected CGI Technologies and Solutions Inc. for this critical initiative because of their specific expertise in developing and deploying CRM platforms and their experience working with public agencies. CGI Technologies and Solutions Inc. will develop a customized cloud platform specifically for Community Power that allows the organization to bring all CRM functions in-house under an enterprise-wide CRM platform that is licensed, owned and maintained internally. The enterprise-wide CRM platform will integrate with the Contact Center and Data Management functions described above to provide a comprehensive 360-degree view of Community Power customers and stakeholders. It must also support the needs and use cases of all functional areas within the organization, including Public Affairs, Programs and San Diego Regional Energy Network ("SDREN") departments.

With 91,000 professionals worldwide and a dedicated Energy & Utilities practice comprising 9,500 experts, CGI Technologies and Solutions Inc. is a global leader in delivering enterprise CRM solutions to regulated utilities, public-sector agencies, and community-focused organizations. CGI Technologies and Solutions Inc. will bring deep specialization in Microsoft Dynamics 365, Power Platform, and Azure—backed by elite Microsoft Solution Partner credentials across Business Applications, Data & AI, and Digital & App Innovation.

From their offices in San Diego, US and across the globe CGI has successfully delivered more than 65 CRM and customer-platform implementations for public-power entities, CCAs, and investor-owned utilities. As an active member of CalCCA, SEPA, and the Utility Analytics

Institute, CGI will bring not only technical expertise, but also a nuanced understanding of California's regulatory, energy equity, and customer engagement landscape.

Fiscal Impact

The costs associated with this Agreement will be subject to a not-to-exceed amount of \$1,166,915 over the term. The costs associated with the function of developing and deploying an organization-wide Customer Relationship Management (CRM) platform are included in the approved FY 2025-2026 operating budget under CIP.

Strategic Plan

This agreement supports two of the strategic plan goals for the IT, Data Analytics and Customer Operations team:

1. Develop customer strategies to increase retention and engagement.
2. Identify options to develop best in class customer service, including a potential energy advisor center.

Attachments

A: Agreement between San Diego Community Power and CGI Technologies and Solutions Inc.

ITEM 16

ATTACHMENT A

**SAN DIEGO COMMUNITY POWER
PROFESSIONAL SERVICES AGREEMENT
AGREEMENT #2025-68**

This Professional Services Agreement (“**Agreement**”) is made and entered into this _____ day of _____ 2025 (“**Effective Date**”), by and between SAN DIEGO COMMUNITY POWER, a California joint powers agency (“**SDCP**”) and CGI Technologies and Solutions Inc. a Delaware Corporation with offices at 11325 Random Hills Road, Fairfax, VA 22030 (“**Consultant**”). SDCP and Consultant are sometimes individually referred to as “**Party**” and collectively as “**Parties**.”

RECITALS

A. Consultant desires to perform and assume responsibility for the provision of certain professional services required by SDCP on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing development and deployment services related to organization-wide Customer Relationship Management (“**CRM**”) platform and is familiar with the plans of SDCP.

B. SDCP desires to engage Consultant to render such professional services for the development and deployment of an organization-wide CCRM platform that is licensed, owned and maintained by Community Power (“**Project Service**”) as well as Level 2 and Level 3 application support for 12 months following go-live of the Project (“**Managed Service**”), collectively referred to as the “**Project**”, collectively referred to as the “**Project**”, as set forth in this Agreement and described more particularly in Exhibit A.

AGREEMENT

1. Scope of Project and Term.

1.1 General Scope of Project. Consultant promises and agrees to furnish to SDCP all of the labor, materials, tools, equipment, services, and incidental and customary work described in Exhibit A. The Project is more particularly described in Exhibit A, attached hereto, and will be delivered as stated in the proposal to SDCP. The Project shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto, and all applicable local, state, and federal laws, rules and regulations. The Project includes two phases, a Project Service phase, which develops and implements the CRM. Upon completion of the Project Service phase, a Managed Service phase shall commence immediately and continue for a period of twelve (12) months. During this phase, Consultant shall provide ongoing operational support, maintenance, monitoring, and other managed services. The Project is further described in the proposal to SDCP and Exhibit A.

1.2 Term. The term of this Agreement shall be from the Effective Date to November 20, 2027 unless earlier terminated as provided herein. Consultant shall complete the Project within the term of this Agreement and shall meet any other established mutually agreed upon schedules and deadlines.

2. Responsibilities of Consultant.

2.1 Control and Payment of Subordinates; Independent Contractor. The Project shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Project subject to the requirements of this Agreement. SDCP retains Consultant on an independent contractor basis and not as an employee. Consultant retains the right to perform similar or different projects for others during the term of this Agreement. Any additional personnel performing the Project under this Agreement on behalf of Consultant shall also not be employees of SDCP and shall at all

times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of the Project under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

2.2 Schedule of Project. Consultant shall perform the Project expeditiously, within the term of this Agreement, and in accordance with the Schedule of Project set forth in Exhibit B attached hereto. Consultant represents that it has the professional and technical personnel required to perform the Project in conformance with such conditions. In order to facilitate Consultant's conformance with the Schedule, SDCP shall respond to Consultant's submittals in a timely manner. Upon request of SDCP, Consultant shall provide a more detailed schedule of anticipated performance to meet the Schedule of Project.

2.3 Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the approval of SDCP based on mutually agreed upon acceptance criteria in Attachment A.

2.4 Substitution of Key Personnel. Consultant has represented to SDCP that certain key personnel will perform and coordinate the Project under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of SDCP. In the event that after good-faith efforts, SDCP and Consultant cannot agree as to the substitution of key personnel within a reasonable time (not to exceed thirty 30 days), SDCP shall be entitled to terminate this Agreement for convenience. As discussed below, any personnel who fail or refuse to perform the Project in a manner acceptable to SDCP, or who are determined by the SDCP to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, or a threat to the safety of persons or property, shall be promptly removed from the Project by the Consultant at the request of the SDCP. The key personnel for performance of this Agreement are as follows:

Daniel Gonet; Solutions Architect
Dushyanth K Rao; Integration and Technical Lead
Manuel Adum; Subject Matter Expert
Bruce Plannette; Project Manager

2.5 SDCP's Representative. SDCP hereby designates Karin Burns, SDCP's Chief Executive Officer, or her designee, to act as its representative for the performance of this Agreement ("**SDCP's Representative**"). SDCP's Representative shall have the power to act on behalf of SDCP for all purposes under this Agreement. Consultant shall not accept direction or orders from any person other than SDCP's Representative, or designee.

2.6 Consultant's Representative. Consultant hereby designates **Manuel Adum** or his designee, to act as its Representative for the performance of this Agreement ("**Consultant's Representative**"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Project, using his or her best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Project under this Agreement.

2.7 Coordination of Project. Consultant agrees to work closely with SDCP staff in the performance of Project and shall be available to SDCP's staff, consultants and other staff at all reasonable times.

2.8 Standard of Care; Performance of Employees. Consultant shall perform the Project under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Project. Consultant warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Project assigned to them. Finally, Consultant represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Project, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Consultant shall perform, at its own cost and expense and without reimbursement from SDCP, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein. Any employee of the Consultant or its subcontractors who is determined by SDCP to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Project in a manner acceptable to SDCP, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Project or to work on the Project.

2.9 Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations applicable to Consultant in its capacity as a service provider including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with the Project. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to SDCP, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold SDCP, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

2.10 Insurance.

2.10.1 Time for Compliance. Consultant shall not commence the Project under this Agreement until it has provided evidence satisfactory to SDCP that it has secured all insurance required under this section, in a form and with insurance companies acceptable to SDCP. In addition, Consultant shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to SDCP that the subcontractor has secured all insurance required under this section.

2.10.2 Minimum Requirements. Consultant shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Consultant, its agents, representatives, employees or subcontractors. Consultant shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001 or exact equivalent); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage (form CA 0001, code 1 (any auto) or exact equivalent); and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

(B) Minimum Limits of Insurance. Consultant shall maintain limits no less

than: (1) *General Liability*: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability*: \$1,000,000 per accident for bodily injury and property damage; and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of \$1,000,000 per accident for bodily injury or disease.

2.10.3 Professional Liability. Consultant shall procure and maintain, and require its subcontractors to procure and maintain, for a period of five (5) years following completion of the Project, errors and omissions liability insurance appropriate to their profession. Such insurance shall be in an amount not less than \$2,000,000 per claim. This insurance shall be endorsed to include contractual liability applicable to this Agreement and shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Consultant. "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend.

2.10.4 Insurance Endorsements. The insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms supplied or approved by SDCP to add the following provisions to the insurance policies:

(A) General Liability.

(i) Commercial General Liability Insurance must include coverage for (1) Bodily Injury and Property Damage; (2) Personal Injury/Advertising Injury; (3) Premises/Operations Liability; (4) Aggregate Limits that Apply per policy; (5) Contractual Liability with respect to this Agreement; and (6) Independent Consultants Coverage

(ii) The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; or (3) contain any other exclusion contrary to the Agreement.

(iii) The policy shall give SDCP, its directors, officials, officers, employees, and agents additional insured status using ISO endorsement forms 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage.

(iv) The additional insured coverage under the policy shall be "primary and non-contributory" and will not seek contribution from SDCP's insurance or self-insurance and shall be at least as broad as CG 20 01 04 13, or endorsements providing the exact same coverage.

(B) Automobile Liability. The automobile liability policy shall be endorsed to state that: (1) SDCP, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Consultant or for which the Consultant is responsible; and (2) the insurance coverage shall be primary insurance as respects SDCP, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by SDCP, its directors, officials, officers, employees, agents and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way.

(C) Workers' Compensation and Employers Liability Coverage.

(i) Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and Consultant will comply with such provisions before commencing work under this Agreement.

(ii) The insurer shall agree to waive all rights of subrogation against SDCP, its directors, officials, officers, employees, agents and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Consultant.

(D) All Coverages. Defense costs shall be included within the policy limits. Requirements of specific coverage or limits contained in this section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. It shall be a requirement under this Agreement that any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements and/or limits set forth herein shall be available to SDCP, its directors, officials, officers, employees and agents as additional insureds under said policies. Furthermore, the requirements for coverage and limits shall be (1) the minimum coverage and limits specified in this Agreement; or (2) the broader coverage and maximum limits of coverage of any Insurance policy or proceeds available to the named insured; whichever is greater.

(i) The limits of insurance required in this Agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of SDCP (if agreed to in a written contract or agreement) before SDCP's own insurance or self-insurance shall be called upon to protect it as a named insured. The umbrella/excess policy shall be provided on a "following form" basis with coverage at least as broad as provided on the underlying policy(ies).

(ii) Consultant shall provide SDCP at least thirty (30) days prior written notice of cancellation of any policy required by this Agreement, except that the Consultant shall provide at least ten (10) days prior written notice of cancellation of any such policy due to non-payment of premium. If any of the required coverage is cancelled or expires during the term of this Agreement, the Consultant shall deliver renewal certificate(s) including the General Liability Additional Insured Endorsement to SDCP at least ten (10) days prior to the effective date of cancellation or expiration.

(iii) The retroactive date (if any) of each policy is to be no later than the effective date of this Agreement. Consultant shall maintain such coverage continuously for a period of at least three years after the completion of the work under this Agreement. Consultant shall purchase a one (1) year extended reporting period A) if the retroactive date is advanced past the effective date of this Agreement; B) if the policy is cancelled or not renewed; or C) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.

(iv) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by SDCP, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(v) If at any time during the life of the Agreement, any policy of

insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, SDCP has the right but not the duty to obtain the insurance it deems necessary and any premium paid by SDCP will be promptly reimbursed by Consultant or SDCP will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, SDCP may cancel this Agreement. SDCP may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.

(vi) Neither SDCP nor any of its directors, officials, officers, employees or agents shall be personally responsible for any liability arising under or by virtue of this Agreement.

2.10.5 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to SDCP, its directors, officials, officers, employees, agents and volunteers.

2.10.6 Deductibles and Self-Insurance Retentions. Consultant represents that it maintains the requisite insurance with applicable self-insured retentions (SIR). Consultant shall maintain adequate cash reserves to cover these SIRs should any claim(s) arise. With the exception of Workers' Compensation, the certificate(s) of insurance must disclose the actual amount of any deductible or self-insured retention, or lack thereof, for all other coverages required herein.

2.10.7 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, licensed to do business in California, and satisfactory to SDCP.

2.10.8 Verification of Coverage. Consultant shall furnish SDCP with certificates of insurance and endorsements as verification of coverage required by this Agreement on forms satisfactory to SDCP. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf and shall be on forms provided by SDCP if requested. All certificates and endorsements must be received and approved by SDCP before work commences. SDCP reserves the right to review certificates of insurance and endorsements at any time during the Term of this Agreement.

2.10.9 Subcontractor Insurance Requirements. Consultant shall not allow any subcontractors to commence work on any subcontract until they have provided evidence satisfactory to SDCP that they have secured all insurance required under this section. Policies of commercial general liability insurance provided by such subcontractors shall be endorsed to name SDCP as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. If requested by Consultant, SDCP may approve different scopes or minimum limits of insurance for particular subcontractors.

2.10.10 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out the Project, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life-saving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or

injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3. Fees and Payments.

3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for the Project rendered under this Agreement at the rates set forth in Exhibit C, attached hereto. The total compensation of this Agreement shall not exceed One Million One Hundred and Sixty-Six Thousand Nine Hundred and Fifteen Dollars **(\$1,166,915)** without written approval of SDCP's Chief Executive Officer. Extra Work may be authorized, as described below, and, if authorized, said Extra Work will be compensated at the rates and manner set forth in this Agreement.

3.2 Payment of Compensation. As described in Exhibit C, Consultant shall submit to SDCP a monthly itemized statement, for Project Services, which indicates work completed and hours rendered for the Services by Consultant. The statement shall describe the amount of supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. SDCP shall, within 45 days of receiving such statement, review the statement and pay all approved charges thereon. Managed Services will be billed quarterly on a fixed fee basis and will be paid within 45 days of receipt of the related invoice.

3.3 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing by SDCP.

3.4 Extra Work. At any time during the term of this Agreement, SDCP may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by SDCP to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from SDCP's Representative under a Change Order consistent with section 5.2.6 of the Agreement.

4. **Accounting Records.** Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall, upon reasonable notice of no less than 30 days from SDCP, allow a representative of SDCP during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall, upon reasonable notice, allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

5. General Provisions.

5.1 Termination of Agreement.

5.1.1 Grounds for Termination. SDCP may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least fourteen (14) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those services which have been rendered to SDCP, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause.

5.1.2 Effect of Termination. If this Agreement is terminated as provided herein, SDCP may require Consultant to provide all finished or unfinished Documents and Data and other information of

any kind prepared by Consultant in connection with the performance of the Project under this Agreement for which SDCP has made payment. Consultant shall be required to provide such documents and other information within fifteen (15) days of the request.

5.1.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, SDCP may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

5.2 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective Parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Consultant: Davis Douglas
CGI Technologies and Solutions Inc.
2878 Camino Del Rio South
Ste. 500
San Diego, CA 92108

With a copy to:
CGI Technologies and Solutions Inc.
11325 Random Hills Road, 8th Floor
Fairfax, VA 22030
Attn: Office of General Counsel
Email: US-OGC.crp@cgi.com

SDCP: San Diego Community Power
Attn: Chief Executive Officer
PO Box 12716
San Diego, CA 92112

With a copy to:
San Diego Community Power – Legal Department
PO Box 12716
San Diego, CA 9211

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the Party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

5.3 Ownership of Materials and Confidentiality.

5.3.1 Documents & Data; Licensing of Intellectual Property. Upon full payment for the Project Service phase in Exhibit A and B, this Agreement creates a non-exclusive and perpetual license for SDCP to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement as set forth in Exhibit A (“**Documents & Data**”). Consultant shall require all subcontractors to agree in writing that SDCP is granted a non-exclusive and perpetual license

for any Documents & Data the subcontractor prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or provided to Consultant by SDCP. SDCP shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at SDCP's sole risk.

5.3.2 Intellectual Property. Following and contingent upon Consultant's receipt of full payment of the Project Service phase in Exhibit A and B, SDCP shall have and retain all right, title and interest (including copyright, patent, trade secret and other proprietary rights) in all plans, specifications, studies, drawings, estimates, materials, data, computer programs or software and source code, enhancements, documents, and any and all works of authorship fixed in any tangible medium or expression, including but not limited to, physical drawings or other data magnetically or otherwise recorded on computer media, for which full payment was made, ("**Intellectual Property**"), prepared or developed by or on behalf of Consultant under this Agreement as well as any other such Intellectual Property prepared or developed by or on behalf of Consultant under this Agreement.

SDCP shall have and retain all right, title and interest in Intellectual Property developed or modified under this Agreement whether or not paid for wholly or in part by SDCP, whether or not developed in conjunction with Consultant, and whether or not developed by Consultant. Consultant will execute separate written assignments of any and all rights to the above referenced Intellectual Property upon request of SDCP.

Consultant shall also be responsible to obtain in writing separate written assignments from any subcontractors or agents of Consultant of any and all right to the above referenced Intellectual Property. Should Consultant, either during or following termination of this Agreement, desire to use any of the above-referenced Intellectual Property, it shall first obtain the written approval of the SDCP.

All materials and documents which were developed or prepared by the Consultant for general use prior to the execution of this Agreement and which are not the copyright of any other party or publicly available and any other computer applications, shall continue to be the property of the Consultant. However, unless otherwise identified and stated prior to execution of this Agreement, Consultant represents and warrants that it has the right to grant the exclusive and perpetual license for all such Intellectual Property as provided herein.

SDCP further is granted by Consultant a non-exclusive and perpetual license to copy, use, modify or sub-license any and all Intellectual Property otherwise owned by Consultant which is the basis or foundation for any derivative, collective, insurrectional, or supplemental work created under this Agreement.

5.3.3 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of SDCP, be used by Consultant for any purposes other than the performance of the Project. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use SDCP's name or insignia, photographs of the Project, or any publicity pertaining to the Project in any magazine, trade

paper, newspaper, television or radio production or other similar medium without the prior written consent of SDCP.

5.3.4 Infringement Indemnification. Consultant shall defend, indemnify and hold SDCP, its directors, officials, officers, employees, volunteers and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from and against any third party claims of alleged infringement of any U.S. patent, copyright, trade secret, trade name, trademark, or any other proprietary right of any person or entity in consequence of the authorized use on the Project by SDCP of the Documents & Data, including any method, process, product, or concept specified or depicted therein.

Consultant shall have no obligation to indemnify, defend or hold harmless SDCP to the extent that any such claim of infringement arises out of (i) modifications to the Documents & Data not made by Consultant, (ii) combination, operation, or use of the Documents & Data with other items not supplied by Consultant, or (iii) SDCP's misuse of the Documents & Data.

In the event any of the Documents & Data are held, or are likely to be held, to infringe or misappropriate any proprietary right, Consultant shall, at its expense and using commercially reasonable efforts, (i) procure for SDCP the right to continue using such Documents & Data; or (ii) modify or replace them so that they become non-infringing and of substantially equivalent functionality and quality.

If neither option is commercially reasonable, Consultant may, after consultation with SDCP, discontinue SDCP's use of the infringing portion of the Documents & Data and refund any prepaid fees attributable to that portion. Consultant shall cooperate with SDCP in good faith to minimize any disruption and to preserve SDCP's continued use of all non-infringing Documents & Data developed under this Agreement.

The indemnification provided under this Section shall constitute SDCP's sole and exclusive remedy for any claim of infringement or misappropriation of intellectual property rights arising out of the Documents & Data, provided that Consultant fulfills its obligations under this Section.

5.4 Cooperation; Further Acts. The Parties shall fully cooperate with one another and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

5.5 Attorney's Fees. If either Party commences an action against the other Party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and all other costs of such action.

5.6 Indemnification and Limitation of Liability.

5.6.1 To the fullest extent permitted by law, Consultant shall defend, indemnify and hold SDCP, its officials, officers, employees, volunteers, and agents free and harmless from and against third party claims, demands, causes of action, loss, or liabilities including reasonable attorneys' fees and costs, but only to the extent arising out of (i) damage to or loss of tangible real or personal property or (ii) personal injury, including wrongful death, to the extent caused by the negligent acts, errors or omissions, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in the performance of the Consultant's services for the Project under this Agreement. Consultant shall control the defense and settlement of any such claim with counsel reasonably acceptable to SDCP, shall keep SDCP reasonably informed of the status of the matter, and shall not settle any claim in a manner that imposes any liability or admission of fault on SDCP without SDCP's prior written consent (not to be unreasonably

withheld, conditioned, or delayed). SDCP may participate in the defense at its own expense. Consultant's indemnification obligations specified in this Agreement are conditioned upon SDCP notifying Consultant in writing of the proceeding, providing Consultant a copy of all notices received by the SDCP with respect to the proceeding, and cooperating with Consultant in defending or settling the proceeding. This section shall survive any expiration or termination of this Agreement.

5.6.2 If Consultant's obligation to defend, indemnify, and/or hold harmless arises out of Consultant's performance of "design professional" services (as that term is defined under Civil Code § 2782.8), then, and only to the extent required by Civil Code § 2782.8, which is fully incorporated herein, Consultant's indemnification obligation shall be limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, and, upon Consultant obtaining a final adjudication by a court of competent jurisdiction, Consultant's liability for such claim, including the cost to defend, shall not exceed the Consultant's proportionate percentage of fault.

5.6.3 Each party's aggregate liability for all claims, losses and/or damages arising under or related to its obligations or a Scope of Work under this Agreement (including without limitation, for breach of contract, breach of warranty, negligence or other tort claim) shall not exceed the other party's actual direct damages up to the amount SDCP has paid to Consultant under the Scope of Work for the Services giving rise to the liability. Except as set forth in 5.6.6. below, in no event will either party's aggregate liability under this Agreement exceed an amount equal to \$1,166,915.

5.6.4 In no event will either party be liable for: any lost profits, loss of business, loss of use, loss of data, lost savings, cost of substitute goods or services or other consequential, special, incidental, indirect, exemplary or punitive damages, even if the parties have been advised of the possibility of such damages.

5.6.5 The liability limits in Sections 5.6.3 and 5.6.4 do not apply to indemnification obligations under Sections 5.6.1 and 5.3.4 respectively for i) bodily injury, death to persons, and damage to real or tangible personal property caused by Consultant's negligence or willful misconduct, and ii) intellectual property infringement, and iii) breach of confidentiality (which is addressed in Section 5.6.6 below). In addition, the limitations in Sections 5.6.3 and 5.6.4 will not be deemed to limit any liability to an extent that would not be permitted under applicable law. Notwithstanding anything to the contrary, the limitations of liability in this Section shall not limit or exclude SDCP's obligation to make all payments due to Consultant in accordance with this Agreement.

5.6.6 Within the terms of this Agreement, Consultant's liability for any breach of its confidentiality obligations under this Agreement, other than an Unauthorized Disclosure of Client Data, shall be subject to the general liability limitations set forth in Section 5.6.3 and 5.6.4. Notwithstanding the foregoing, Consultant's aggregate liability for any breach of its confidentiality obligations *that results in an Unauthorized Disclosure of Client Data* shall not exceed an amount equal to two times (2X) the fees paid by SDCP to Consultant under this Agreement.

For purposes of this Section, "Unauthorized Disclosure of Client Data" means any disclosure of Client's data by Consultant that is both:

- (i) not permitted under this Agreement, and
- (ii) not the result of a third party cyberattack, data breach, or other security incident outside of Consultant's reasonable control.

5.7 Entire Agreement. This Agreement contains the entire Agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements.

This Agreement may only be modified by a writing signed by both Parties.

5.8 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in San Diego County.

5.9 Performance. The Parties agree to comply with the mutually agreed project schedule in the performance of their respective obligations under this Agreement and the Parties agree that rescission of this Agreement shall not be a remedy for breach of this provision.

5.10 SDCP's Right to Employ Other Consultants. SDCP reserves right to employ other consultants in connection with this Project.

5.11 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the Parties.

5.12 Assignment or Transfer. Consultant shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of SDCP. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

5.13 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and subcontractors of Consultant, except as otherwise specified in this Agreement. All references to SDCP include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

5.14 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

5.15 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

5.16 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

5.17 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

5.18 Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid, nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making

of this Agreement. For breach or violation of this warranty, SDCP shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of SDCP, during the term of his or her service with SDCP, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

5.19 Equal Opportunity Employment and Subcontracting. Consultant represents that it is an equal opportunity employer and it shall not discriminate on the basis of race, gender, gender expression, gender identity, religion, national origin, ethnicity, sexual orientation, age, or disability in the solicitation, selection, hiring, or treatment of applicants, employees, subcontractors, vendors, or suppliers. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Further, Consultant shall provide equal opportunity for subcontractors to participate in subcontracting opportunities.

5.20 Labor Certification. By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for Workers' Compensation, or to undertake self- insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Project.

5.21 Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

5.22 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

5.23 Subcontracting. Consultant shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of SDCP. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

5.24 Warranty Disclaimer. THE WARRANTIES PROVIDED IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, INTEGRATION, PERFORMANCE AND ACCURACY AND ANY IMPLIED WARRANTIES ARISING FROM STATUTE, COURSE OF DEALING, COURSE OF PERFORMANCE OR USAGE OF TRADE.

5.25 Informal Dispute Resolution. At the written request of either party, the parties will attempt to resolve any dispute arising under or relating to the Agreement through the informal means described in this Section 5.25. Each party will appoint a senior management business representative who does not devote substantially all of his or her time to performance under the Agreement. The business representatives will furnish to each other all non-privileged information with respect to the dispute that the parties believe to be appropriate and germane. The business representatives will negotiate in an effort to resolve the dispute without the necessity of any formal proceeding. Formal proceedings for the resolution of the dispute may not be commenced until the earlier of: (i) the designated business representatives conclude that resolution through continued negotiation does not appear likely; or (ii) thirty (30) calendar days have passed since the initial request to negotiate the dispute was made; provided, however, that a party may file earlier to avoid the expiration of any applicable limitations period, to preserve a superior position with respect to other creditors, or to apply for interim or equitable relief.

5.26 Changes to Scope of Work. Either party may propose changes to the scope or time schedule of the Services under a Scope of Work. Requests for changes will be submitted to the other party in writing for consideration of feasibility and the likely effect on the cost and schedule for performance of the Services. The parties will mutually agree upon any proposed changes, including resulting equitable adjustments to costs and schedules for the performance of the Services. The agreed changes will be documented in one or more change orders signed by authorized representatives of the Parties (each a “Change Order”) in accordance with the Change Order process outlined in 5.29. Extra Work as defined in Section 3.4 shall be subject to the Change Order process described herein, provided that no such work shall be performed or compensated without written authorization from SDCP’s Representative.

5.27 Reasonable Behavior. Each party will act in good faith in the performance of its respective responsibilities under the Agreement and will not unreasonably delay, condition, or withhold the giving of any consent, decision or approval that is either requested or reasonably required by the other party in order to perform its responsibilities under the Agreement. Both parties also expressly agree to work together to manage the scope of Services under this Agreement, including any Scope(s) of Work within the agreed upon budget and schedule for such Services.

5.28 Artificial Intelligence. If the Parties agree to deploy any Artificial Intelligence (AI) solutions under Exhibit A (Scope of Work), the Parties will amend this Agreement to add a new Exhibit (Use of Artificial Intelligence) including applicable terms and conditions of such deployment and SDCP’s use of it.

5.29 Change Order Process. General guidance for a Change Order will follow these steps:

5.29.1 Written Authorization Required. No changes to scope, schedule, or compensation shall be made without a written Change Order executed by both Parties. Verbal directives are not binding.

5.29.2 Change Order Content. Each Change Order shall specify:

- Revised scope of services
- Schedule adjustments (if any)
- Compensation changes (if any)
- Updated not-to-exceed amount

5.29.3 Pricing Basis. Compensation for changes shall be based on:

- Rates and terms in the Agreement, or
- A negotiated lump sum or time-and-materials not-to-exceed amount

5.29.4 Independent Estimate & Approval. SDCP may prepare an independent cost estimate and shall approve Change Orders per its Delegation of Authority before work begins.

5.29.5 Field Directive Letters (Optional) SDCP may issue a written Field Directive Letter for urgent work pending a formal Change Order. Such letters shall state the scope, a not-to-exceed amount, and a time limit.

5.29.6 Funding & Compliance. All changes are subject to funding availability and applicable grant or regulatory requirements.

5.29.7 Records & Audit. Contractor shall maintain detailed records of costs associated

with each time and materials Change Order for audit purposes.

[SIGNATURES ON THE NEXT PAGE]

**SIGNATURE PAGE TO
SAN DIEGO COMMUNITY POWER
PROFESSIONAL SERVICES AGREEMENT**

IN WITNESS WHEREOF, the Parties have made and executed this Agreement as of the date first written above.

SAN DIEGO COMMUNITY POWER

CGI TECHNOLOGIES AND SOLUTIONS INC.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

ATTEST:

Secretary, SDCP Board of Directors

APPROVED AS TO FORM:

SDCP General Counsel

EXHIBIT A

SCOPE OF WORK

1. Description

San Diego Community Power (“SDCP”) seeks to implement an enterprise-wide, cloud-based Customer Relationship Management (CRM) platform and obtain as-needed professional services. The CRM will support Customer Operations, Customer Programs, Public Affairs, and the San Diego Regional Energy Network (SDREN) teams (“Project Service”). This Project aims to bring all CRM functions in-house, integrate with existing systems, and enable SDCP to manage and operate the platform independently after the Term. CGI Technologies and Solutions Inc. is also offering Level 2 and Level 3 application support for 12 months following go-live of the Project (“Managed Service”). The Project Service phase and the Managed Service phase are referred to collectively as the Project.

2. Roles and Responsibilities

- **SDCP:** Project owner, responsible for requirements, oversight, and acceptance of deliverables.
- **CGI Technologies and Solutions Inc. (Contractor):** Responsible for design, development, configuration, deployment, integration, support, and training for the CRM platform. Must provide ongoing support during the Term and ensure a smooth transition to SDCP staff.
- **Third-Party Vendors:** May be involved for specific components or integrations (e.g., SDREN program implementers, Calpine - current CCDM vendor).

3. Project Service (Implementation)

3.1. Requirements & Tasks

3.1.1. Overview:

- Review of the existing data models and flows including the CCDM Dynamics CRM to determine proper configuration and recommendation of the contemplated enterprise-wide CRM solution for SDCP.
- Architect, develop and deploy a scalable, secure, cloud-based CRM solution.
- Integrate with CCDM MS Dynamics 365 CRM, DERMS, EDP, and other data sources.
- Support ongoing, automated data integrations and refreshes.
- Segregate SDREN data for privacy compliance.
- Provide robust user access management, data lineage, and compliance features.
- Configuration of specific, segregated and segmented secured access to vendors and contractors to some sections of SDCP’s CRM solution.
- Creation of associated secured web-based intake forms that can be embedded on SDCP’s website for various programs and other related tasks with a back-end link to the underlying enterprise-wide CRM solution.
- Enable self-service reporting, dashboards, and analytics for ~50 users.
- Deliver training, documentation, and support.
- Follow agile implementation with two-week sprints and regular progress/budget reporting.
- Develop sandbox/test environments as needed.
- Support integration with Power BI, Tableau, Looker, and similar tools.

3.1.2. Detailed Technical Requirements:

3.1.2.1 Platform Architecture & Security

- **Cloud-Based, API-Driven Architecture:** The CRM must be a scalable, secure, cloud-based solution, fully owned and operated by SDCP after the contracted support period. It must leverage modern, API-driven design for robust integrations and future scalability.
- **Segmentation & Data Privacy:** The CRM must support segmentation for different program instances (e.g., SDREN), with strict data firewalls to ensure privacy compliance and data segregation between SDREN and SDCP customers.
- **Security & Compliance:** All customer and sensitive data must be handled using industry-standard best practices, including encryption, multi-factor authentication, intrusion detection/prevention, and automated monitoring of data pipeline health and data quality. The CRM must comply with CCPA, GDPR, HIPAA, PCI DSS, and other relevant standards.
- **User Access Management:** Robust user access management, control, and monitoring, including classification of data by sensitivity and limiting access accordingly.

3.1.2.2. Data Integration & Management

- **Multi-System Integration:** The CRM must integrate with:
 - CCDD MS Dynamics 365 CRM (current vendor system)
 - Distributed Energy Resource Management System (DERMS)
 - Community Power's Enterprise Data Platform (EDP)
 - Granicus GovDelivery
 - SDG&E and other third-party implementers
 - Possible integration with SDCP's project management software such as Monday.com for task management
- **Automated Data Flows:** Support for developing, testing, and scheduling ongoing integrations, including automated refreshes at desired frequencies and on-demand. Data cleaning, validation, and ETL/pipeline development are required.
- **Data Lineage & Tracking:** The platform must provide data lineage and tracking throughout the system, with audit trails for all data changes and access.

3.1.2.3. Reporting, Analytics & Self-Service

- **Self-Service Reporting:** Enable self-service reporting for approximately 50 business users, with customizable reports, dashboards, and outputs in CSV, Excel, and PDF formats.
- **Analytics Integration:** Must support integration with Power BI, Tableau, Looker, and similar tools for user-created visualizations and reports.
- **Custom Dashboards:** Ability to generate and export reports, view portfolio-wide data, and create dashboards based on selected criteria (e.g., program year, sector, program).

3.1.2.4. Use Cases by Department

1. Customer Operations

- **Program Participation:** Track and display details of a customer's participation in and awarded incentives from programs, accessible to Contact Center staff.
- **Customer Interactions:** Document and track all interactions between SDCP staff and customers (via email, outreach, meetings, etc.) for visibility, record-keeping, and consistent customer experience.
- **Contact Information:** Maintain customer contact details (name, account number, phone, email, mailing address, etc.), ensuring manually added data is not overwritten by utility syncs.

2. Customer Programs

- **End-to-End Program Delivery:** Support eligibility verification, enrollment, and incentive payments.
- **Program Application Portal:** Provide a front-end portal for applicants (customers, contractors) to submit applications, documentation, and check status. Support multi-step collection, user profiles, and varying access levels.
- **Enrollment & Management:** Customizable workflows for eligibility validation, multi-program enrollment, waitlist management, document collection, participation tracking, and multi-stage approvals. Integrate with other systems via API.
- **Incentive Management:** Track payment history, audit trails, incentive calculations, milestone-based payments, budget tracking, event participation, and performance. Generate incentive reports based on project status.
- **Role-Based Use Cases:**
 - **Program Manager:** Program setup, reporting, workflow definition, dashboard customization.
 - **Program Administrator:** Review project documentation, manage approvals, draft incentive releases, edit fields.
 - **Customer Support:** Access project data and incentive status.
 - **Third-Party User:** Submit documentation, monitor payments, access specific customer data.
 - **Financial Analyst:** Access payout templates and payment processes.

3. Public Affairs

- **Marketing:** Track campaign performance, map customer journeys, and manage customer interactions for targeted outreach.
- **Nonprofit Relationship Management:** Track interactions with community-based organizations and Clean Energy Community Grant participants for equitable engagement.
- **Public Agency Relationship Management:** Track interactions with public officials, who may also be SDCP customers, and agencies to ensure smooth communication and visibility into last points of contact.

4. SDREN (San Diego Regional Energy Network)

- **Distinct CRM Instance:** Maintain a separate CRM environment for SDREN, aggregating program data from third-party vendors and supporting accounting, reporting, and dashboards.
- **Program Manager Use Cases:** Import project data (xls, csv, pdf), edit fields, query, and export reports, store data by program, view dashboards, override/edit imported data.
- **Third-Party Implementer Use Cases:** Import and upload project data, edit fields, upload project documentation.
- **Stakeholder/External Public User:** View dashboards of selected portfolio-wide data or metrics.
- **SDREN Administration:** Input accounting information, create budgets, generate/export reports.

3.2. Platform Development & Deployment

- **End-to-End Cloud Environment:** Configure cloud storage, resources, and tools, with billing alerts to monitor operational costs.
- **Sandbox/Test Environment:** Develop as needed for testing and training.
- **Version Control & Change Management:** Follow best practices for version control, documentation, security, and change management.
- **Documentation & Training:** Deliver thorough documentation, training materials, and meetings for developers and end users. Train staff on administration, operation, maintenance, and security protocols.
- **Agile Implementation:** The project should follow an agile cadence, with two-week sprints, regular progress and budget reports, and a robust project implementation roadmap.

3.3 Support & Operational Model

- **Operational Independence:** After implementation, SDCP must be able to manage and operate the CRM independently, with no ongoing reliance on the contractor for licensing or support.
- **Support Model:** Throughout the term of the engagement, the vendor must provide ongoing support and service model, including recommendations for staff needs, administration, and efficient ongoing operations.
- **Bug & Enhancement Tracking:** Throughout the term of the engagement, the vendor must provide a tracking log of all bugs and enhancements and resolve all major issues before project completion.
- **Best Practices:** Throughout the term of the engagement, the vendor must identify and document best practices for administration and operation of the CRM platform.

3.3. Performance Standards

- CRM must be cloud-based, secure, and fully owned by SDCP.
- All integrations must function reliably and support business operations.
- Data refreshes and reporting must be automated and on-demand.
- User access and data privacy must comply with industry standards (e.g., CCPA, GDPR).
- Deliverables must meet the mutually agreed upon acceptance criteria defined by the parties.

- Contractor must provide timely notice of any delays, risks, data breaches, or issues affecting project delivery.
- Notice must also be given for any events requiring SDCP or third-party action.

3.4. Period of Performance

Below is a breakdown based on tasks within given phase:

Task Breakdown by Phase (Rounded Hours)				
Environment	Analysis	Build & Test	Hypercare	Full Implementation
	2 Months	7 Months	1 Month	10 Months
Community Power (SDCP)	500	2250	250	3950
Regional Energy Network (SDREN)	260	1200	250	2100
Rounded Totals	760	3450	500	6050

Task Breakdown by Functional Category (Rounded Hours)				
Environment	Power Apps	Integration	Extranets	Reporting
Community Power (SDCP)	1940	900	850	300
Regional Energy Network (SDREN)	480	900	360	300
Rounded Totals	2420	1800	1210	600

After the 10-month Project phase described in the breakdown tables above, CGI will provide twelve (12) months of managed services for the new Dynamics 365/Power Platform environment.

- **Months 1-6** → 1440 support hours (~240 h/month) to absorb the early-life spike in “how do I...?”
- **Months 7-12** → 720 support hours (~120 h/month) after the platform stabilizes.

3.5. Place of Performance

- Work may be performed remotely and/or at SDCP’s offices.
- Some activities (e.g., training, meetings) may require on-site presence in San Diego County.

3.6. Warranty of services/product

- Contractor must support the CRM solution and services for the duration of the contracted support period.
- Remedies for defects or non-conformance include correction, replacement, or additional support at no extra cost to SDCP.
- Service Level Agreement (SLA) for technical support services will be established between both parties for the Managed Services phase.

3.7. Personnel and/or Staffing Requirements

- Daniel Gonet; Solutions Architect
- Dushyanth K Rao; Integration and Technical Lead
- Manuel Adum; Subject Matter Expert

- Bruce Plannette; Project Manager

3.8. Change Management

- All scope changes must be documented and approved in writing by SDCP.
- Contractor must follow the Change Order Process outlined in Section 5.29, including impact assessment and authorization.

3.9. Meetings (if required)

- Regular project meetings (e.g., weekly or bi-weekly) during implementation.
- Agile sprint reviews and planning sessions.
- Ad hoc meetings as needed for issue resolution or stakeholder engagement.

3.10. Acceptance Criteria

1. **Deliverables:** All items listed in the Scope of Work (SOW), including CRM configuration, integration, data migration, documentation, and training materials.
2. **Standards:** Deliverables must:
 - Meet functional and non-functional requirements in the SOW.
 - Pass Agency-approved test scripts and UAT.
 - Comply with security, privacy, and accessibility standards (i.e. WCAG 2.1 AA, MFA, encryption).
3. **Data Migration:** Minimum **99.5% load success** and **99.9% key field accuracy**; reconciliation reports provided.
4. **Performance:** Page loads $\leq 2.5s$; reports $\leq 10s$.
5. **Review Period:** Agency will review within **10 business days** of delivery. Written acceptance or defect notice required.
6. **Defects:**
 - **Critical:** Prevents use or compromises security/data integrity.
 - **Major:** Material functional issue without workaround.
 - **Minor:** Non material items that are not Critical or Major that will be addressed if and as mutually agreed.
 - Contractor must fix Critical within **2 business days**, Major within **5 business days**.
7. **Conditional Acceptance:** Allowed if only Minor defects remain; Contractor must resolve within **15 business days**.
8. **Deemed Acceptance:** If there is no written notice within review period and all required artifacts provided.

9. **Go-Live:** Requires acceptance of prior deliverables, successful cutover, and hypercare support for **3 weeks**.

3.11. Warranty: Latent defects corrected at no cost for **120 days** post-acceptance.

4. Managed Service (Support)

4.1 Scope: Provide Level 2 and Level 3 application support for Microsoft Dynamics 365 CRM and Power Platform environment post go-live.

4.2 Objective:

- Maintain platform stability and security.
- Resolve incidents and implement minor enhancements
- Support SDCP's internal help desk for escalated issues

4.3 Service Model:

- **Coverage:** Business days, 08:00 – 17:00 PT.
- **Channels:** Vendor ITSM portal for ticket logging and tracking
- **SLAs:**
 - P1: Response within 2 hours, resolution within 4 hours.
 - P2: Resolution within 2 business days.
 - P3: Resolution within 5 business days.

4.4 Capacity:

- Months 1–6: 240 support hours/month (burn-in period).
- Months 7–12: 120 support hours/month (steady state).
- Unused hours may be applied to minor enhancements.

4.5 Deliverables:

- Monthly KPI and operational review reports.
- Continuous improvement backlog management.
- Security patching and compliance checks.

4.6 Period: See Exhibit C

4.7 Pricing: See Exhibit C

EXHIBIT B

SCHEDULE OF SERVICES

The CRM Implementation and all managed services shall be completed over a 22-month period, structured into four sequential phases as outlined below:

Phase	Timeline	Description	Key Deliverables
Initiate – Analysis Phase	Months 1-2	Establishes project foundation, gathers requirements, analyzes existing systems, and defines architecture and standards.	Project Plan, Functional Requirements Document (FRD), Solution Blueprint Document (SBD), Gap & Integrations List
Implement – Design, Build & Test Phase	Months 3-7	Agile sprint-based development of CRM functionality, integrations, and configurations. Includes iterative testing, training planning, and data migration preparation.	Functional/Technical Design Documents (FDD/TDD), Customizations/Integrations/and Configurations, Unit and Functional Tests, Sprint tests and Sprint Sign Offs, System Tests/System Integration Tests, Train the Trainer Plan, Data Migration and Verification Tests (including regression tests if applicable), User Acceptance Test Plan and Verification Plan
Prepare – UAT & Deployment Phase	Months 8-9	Final user acceptance testing, training delivery, production cutover, and deployment of the CRM solution.	UAT Results & Sign-Off, End-User Training Materials, Deployment Plan, Cutover Checklist, Production Release, & Data Migration for UAT and Production
Operate – Support & Stabilization Phase	Months 10-22	Post-go-live support, stabilization, and minor enhancements. Includes KPI reporting and final acceptance.	Operations Plan, Helpdesk Transition, Final Project Report, Project Acceptance Sign-Off

EXHIBIT C

COMPENSATION BILLING RATES

CGI shall perform the Services under this Agreement on a time-and-materials basis, with a not-to-exceed (NTE) target price of \$1,166,915, broken down as follows. CGI shall not be authorized or obligated to perform Project Services beyond the expenditure of the NTE target price without a mutually agreed upon Change Order.

Program Element	Cost
Project	\$842,015.00
Managed Services	\$324,900.00
Total NTE Price	\$1,166,915.00

1. Invoicing and Payment

CGI shall invoice SDCP monthly for Project Services, based on actual hours worked multiplied by the hourly rates listed in the Rate Card (see Section 3 below). Each invoice shall include a breakdown of hours by role and task and shall be accompanied by supporting documentation as requested by SDCP. Travel, lodging, and per diem expenses are not included in the hourly rates and will be invoiced at cost, subject to SDCP's travel policy limits and supported by itemized receipts. Managed Services shall be invoiced quarterly at the beginning of each quarter as set forth in Section 4 below.

2. Licensing Costs

Licensing costs for Microsoft Dynamics 365 and Power Platform products are excluded from the NTE price and are provided for estimation purposes only. CGI has supplied a retail-price schedule under the Cloud Solution Provider (CSP) program to assist SDCP in budgeting.

SDCP may already hold or may negotiate an Enterprise Agreement (EA) or other volume licensing vehicle with Microsoft. CGI recommends SDCP confirm final license costs directly with Microsoft or CGI prior to procurement.

3. Rate Card Summary

Hourly rates for CGI personnel are as follows and shall remain firm through December 31, 2025. Beginning January 1, 2026, rates will escalate 3% annually based on CPI.

<u>Role</u>	<u>Level</u>	<u>Hourly Rate</u>
Utility Subject Matter Expert	Senior	\$260
Project Manager	Senior	\$200
Functional Solution Architect	Senior	\$200
Integration Specialist	Senior	\$200
Functional Consultant	Mid	\$130
Functional Consultant	Junior	\$90

4. Managed Services (Post Go-Live Support)

CGI shall provide Level 2 and Level 3 application support for 12 months following go-live, under

SAN DIEGO COMMUNITY POWER

Staff Report – Item 17

To: Board of Directors

From: Terra Lawson-Remer, Community Power Board Chair
Sean Elo-Rivera, Community Power Board Director

Subject: Workforce Commitment Assessment

Date: November 20, 2025

Recommendation

Community Power is directed to review and revise and/or incorporate additional requirements to enhance existing workforce language and commitments for new-build renewable energy and storage projects.

Background

On November 19, 2020, the Community Power Board of Directors (“Board”) first adopted an Inclusive and Sustainable Workforce Policy (“ISWP”). The purpose of the ISWP is to “(1) demonstrate quantifiable economic benefits to the region, including prevailing wage jobs and local workforce development; (2) supporting a stable, skilled, and trained workforce; and (3) promoting supplier and workforce diversity including returning veterans” and from communities of concern.

The ISWP includes policies that apply to promoting inclusion in hiring practices and supply chains for goods and services. The ISWP also encourages the inclusion of workforce commitments and worker protections from developers who bid into Requests for Proposals (RFPs) for Power Purchase Agreements (“PPAs”). These commitments could include local hire, apprenticeship positions/program support, and prevailing wages.

On January 8, 2021, the Community Power amended the ISWP to incorporate a Feed-In Tariff section to encourage hiring of local businesses, local apprenticeship programs, payment of prevailing wages, and fair compensation practices for that program, as well as the incorporation of additional legal language.

Community Power staff utilizes an Energy Proposal Evaluation Criteria (EPEC) matrix to evaluate and select proposals to open solicitations to measure against the standards in the

ISWP. The EPEC includes six categories of evaluation: 1) Quantitative Value; 2) Project Location; 3) Project Development; 4) Community Benefits, 5) Workforce Development, and 6) Environmental Stewardship.

Updates were made to the EPEC and approved by the board in November 2023. High scores in the workforce development category are earned by proposals with a project labor agreement (PLA) for construction. Mid-ranking proposals earn points through compliance with most objectives of the ISWP and committing to local hiring and at least 50% union labor.

As a new Load Serving Entity, Community Power focused the initial procurement strategy on large-scale utility projects to rapidly and readily serve our almost one million accounts, representing approximately 50% of the county grid load. To date, of the 19 long-term utility-scale contracts in Community Power's portfolio for new-build projects, 16 projects have a multi-craft PLA or other work site agreement committing to skilled and trained labor. The remaining three are committed to paying prevailing wages, apprentice programs, and a negotiated percentage of union labor.

The ISWP states that the policy will be updated as Community Power grows and becomes more established.

Analysis and Discussion

At the August 2025 board meeting during a discussion related to a CPUC-funded procurement program, Chair Lawson-Remer requested updates to the EPEC for the program RFO to further incentivize the use of apprenticeships.

Staff are now directed to conduct research with stakeholders and relevant external parties to help inform updates to the ISWP itself. Such parties shall include at minimum:

- California Community Choice Aggregators
- Regional public agencies and municipalities
- Industry stakeholders
- Community Advisory Committee (CAC)
- The San Diego Building and Construction Trades Council
- Tribal communities

Based on internal assessments and external feedback, staff are directed to analyze current policies and procedures and make recommendations that support stronger workforce commitments in solicitation of proposals and procurement contracts. These changes may be incorporated into an updated section of the ISWP, Energy Proposal Evaluation Criteria (EPEC), or other procurement processes. To the extent feasible, these changes should include:

1. A quantitative scoring system for workforce commitments

2. Prevailing wage or the federal Davis-Bacon wage in states without a prevailing wage law.
3. Use of a skilled and trained workforce under California law, or joint labor-management partnerships or joint apprenticeship and training committees in states without skilled and trained workforce legislation.
4. Local hire for projects based in San Diego County
5. Use of union maintenance agreements in operations
6. Additional or modified Project Labor Agreements (PLA) standards, including a PLA requirement on all utility-scale developments that are contracted by Community Power.
7. Staff will negotiate a PLA for all projects developed directly by Community Power to be returned to the Board for review and final approval.
8. The use of best value procurement where appropriate.

Recommendations should enhance workforce policies for Community Power, in consideration of market feasibility, ratepayer affordability, and attainment of renewable energy goals.

Recommendations should be presented to the CAC in January 2026 and to the Board of Directors in February 2026.

Fiscal Impact

N/A

Strategic Plan

This activity supports the strategic plan section on “Energy Portfolio Development” a goal to provide sufficient, reasonably priced, clean electricity to our customers. Tactics to achieve this goal include:

- Develop a clean energy portfolio with renewable content of 100% no later than 2035
- Support development of 1 Gigawatt of local renewable and clean energy capacity by 2035
- Prudently manage the power portfolio to minimize risk and customer costs
- Create high quality local jobs in renewable energy that support healthy families and vibrant communities

Attachments

A: November 2023 EPEC Update

B: Inclusive and Sustainable Workforce Policy

ITEM 17

ATTACHMENT A

SAN DIEGO COMMUNITY POWER

Staff Report – Item 14

To: San Diego Community Power Board of Directors

From: Kenny Key, Director of Power Contracts

Via: Karin Burns, Chief Executive Officer

Subject: Energy Proposal Evaluation Criteria Revision

Date: November 16, 2023

RECOMMENDATION

Approve the update to the Energy Proposal Evaluation Criteria for future evaluation of long-term, wholesale contracts for purchase of renewable energy and capacity.

BACKGROUND

As SDCP strives to meet its environmental, financial, and regulatory compliance goals and requirements, long-term power purchase agreements (PPAs) and Energy Storage Service Agreements (ESSAs) are integral components of its energy supply portfolio. Long-term PPAs and ESSAs provide developers with the certain revenue stream against which they can finance up-front capital requirements, so each long-term PPA or ESSA that SDCP signs with a developing facility will underpin a new, incremental project.

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. Long-term ESSAs allow SDCP to shift more energy supply into peak demand hours as well as provide reliability and resource adequacy benefits.

In addition, the California Renewable Portfolio Standard (RPS), as modified in 2015 by Senate Bill 350, requires that SDCP provide 65% of its RPS-required renewable energy from contracts of at least ten years in length. The California Public Utilities Commission (CPUC) also required each Load Serving Entity (LSE) in California to make significant long-term purchase commitments for resource adequacy from new, incremental facilities in D.21-06-025 and subsequent mid-term reliability decisions.

SDCP will pursue long-term contracts for renewable energy and resource adequacy supply predominantly via competitive solicitations processes. These will be similar to solicitations run in 2022 (Long-Term California RPS-Eligible Renewable Energy RFP) and

2023 (Long-Term California RPS-Eligible Renewable Energy RFP Request for Offers for Standalone Storage) as well the Local Renewable Energy and Energy Storage RFI.

In each of these solicitations, SDCP Staff and the Energy Contract Working Group (ECWG) have used the Energy Proposal Evaluation Criteria (EPEC) that was reviewed by the board of directors in March 2022 for the purposes of evaluating and scoring each potential project or transaction.

Upon receipt of submissions or proposals from the participating project developers and energy suppliers, SDCP staff evaluates each project based on the EPEC and prepares a summary of offers for initial review with SDCP's ECWG. Part of this initial review typically involves development of a "short-list" of contracts with which the ECWG authorizes Staff to enter into negotiations for a PPA or ESSA contract. Assuming that Staff and shortlisted developer(s) are able to agree to mutually agreeable contracts consistent with terms authorized by the ECWG, Staff then takes the contracts to the SDCP board for approval and authorization to execute.

Staff now proposes to revise the EPEC, for purposes of future evaluation of long-term, wholesale contracts for purchase of renewable energy and capacity.

ANALYSIS AND DISCUSSION

The purpose of a defined evaluation criteria is not only to provide SDCP Staff, Committees, and the Board a consistent and transparent method via which to evaluate all proposed transactions within a given solicitation but also to communicate to potential participants, prior to the solicitation, SDCP's preferences with respect to energy and capacity resource acquisition and to encourage developers and suppliers to pursue development opportunities that best align with SDCP's stated priorities.

Based on learnings from solicitations SDCP has administered since inception, Staff proposes the following changes:

1. For each of the six evaluation criteria, set consistent rating options of high (A), medium+ (B), medium- (C), neutral (D) or low (F).
2. For the Project Location criterion, include in the high (A) rating projects in San Diego or Imperial County without requiring import rights (or located in CAISO) and in the medium+ (B) rating project In Imperial County but that require import rights.
3. For the Quantitative Value criterion, add the timeline and expectations of ability to achieve Full Capacity Deliverability Status to the factors reviewed in rating.
4. For the Project Development Review criterion, add deliverability to the project development related factors reviewed in rating.

5. For the Community Benefits criterion:
 - a. Adjust the high (A) rating to only include projects that have set up, or committed to, a community benefit fund that benefits SDCP customers.
 - b. Create the medium+ (B) rating for projects located within a DAC, COC, or REDZ, that have committed to, but have not yet completed, Community Outreach to demonstrate Community Benefits. This will allow for differentiation of high (A) and medium+ (B) based on a community benefit fund and status of community outreach.
 - c. Adjust the low (F) rating to factor in wholesale energy projects above 20 MW that are located within 1,500 feet of residential property.
6. For the Workforce Development criterion:
 - a. Adjust the high (A) rating to only include projects that have executed, or have committed to executing, a Project Labor Agreement (PLA).
 - b. Adjust the medium+ (B) rating to include projects without a PLA, but that have local hire commitments and commits to 50% or more union labor.
 - c. Adjust the medium- (C) rating to include projects that can demonstrate they meet the requirements of the Inflation Reduction Act (“IRA”)
 - d. Adjust the low (F) rating to include projects that do not meet one or all of prevailing wage, skilled and trained workforce, and local hire commitments instead of demonstrating they will not meet all three.
7. For the Environmental Stewardship criterion:
 - a. Adjust the high (A), medium+ (B) and medium- (C) ratings to clarify that previously developed land includes agricultural land no longer suitable for farming.
 - b. Adjust the high (A) rating to include projects that beneficially impact and reduce air pollution within communities that have been disproportionately impacted by the existing generating fleet.
 - c. Adjust the medium+ (B) rating to allow for projects not on current or previously developed land, but that beneficially impact and reduces air pollution within communities that have been disproportionately impacted by the existing generating fleet.
 - d. Adjust the medium- (C) rating to include projects not on current or previously developed land, but that demonstrate additional societal, economic, water-saving, or environmental benefits beyond the climate and GHG reduction benefits of renewable energy.
 - e. Adjust the Low (F) rating to include projects that have not conducted feasibility study of the project’s environmental impacts.

For reference, an illustrative example of how SDCP will summarize and present the evaluation of potential transactions under this revised EPEC is included below. Note the summary has been revised to include project’s capacity and the capacity price, if applicable.

Example Evaluation Summary:

↓ Added Columns ↓

Project	Location	Generation Price	Capacity Price	Generation Capacity (MW)	Storage Capacity (MW)	COD	Project Location	Price / Value	Dev Score	Community Benefits	Workforce Dev	Enviro
SDCP A	SD County	\$2.00	\$1.00	100	100	1/1/24	High (A)	High (A)	High (A)	Med+ (B)	High (A)	Med+ (B)
SDCP B	Orange County	\$1.50	\$1.50	200	100	1/1/24	Med+ (B)	High (A)	High (A)	High (A)	Med+ (B)	Med- (C)
SDCP C	SD County	\$2.25	\$2.05	50	50	1/1/25	High (A)	High (A)	Med+ (B)	Med- (C)	High (A)	Med- (C)
SDCP D	Imperial County	\$2.00	\$2.10	20	20	1/1/24	High (A)	High (A)	High (A)	Med- (C)	High (A)	Neutral (D)
SDCP E	SD County	\$3.00	\$3.50	75	75	1/1/25	High (A)	Med- (C)	Med- (C)	Neutral (D)	Med- (C)	Neutral (D)
SDCP F	Riverside County	\$3.50	\$3.45	20	0	1/1/25	Med+ (B)	Med+ (B)	High (A)	Med- (C)	Med+ (B)	Neutral (D)
SDCP G	Imperial County	\$4.00	\$4.10	50	50	1/1/24	Med+ (B)	Low (F)	Med- (C)	Low (F)	Neutral (D)	Neutral (D)
SDCP H	SD County	\$3.75	\$2.15	100	0	1/1/24	High (A)	Low (F)	High (A)	Neutral (D)	Med- (C)	Low (F)



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SDCP intends that the EPEC will continue to be updated as SDCP grows and evolves, and it may be modified on a solicitation-by-solicitation basis to reflect specific goals of targeted procurement efforts.

COMMITTEE REVIEW

The EPEC revisions were reviewed with SDCP's Energy Contract Working Group (ECWG), the Community & Equity Ad-Hoc committee of SDCP's Community Advisory Committee, and SDCP Community Advisory Committee.

FISCAL IMPACT

There is no direct fiscal impact of adoption of this EPEC. Consistent and quantitative evaluation of potential energy resource value and risk per this EPEC will allow SDCP to reduce energy supply related costs to the benefit of SDCP customers.

ATTACHMENTS

None.

ITEM 17

ATTACHMENT B



Inclusive and Sustainable Workforce Policy

Purpose

The purpose of this Policy is to further the purposes of San Diego Community Power (“SDCP”) Joint Powers Agreement, including: (1) demonstrating quantifiable economic benefits to the region, including prevailing wage jobs and local workforce development; (2) supporting a stable, skilled, and trained workforce; and (3) promoting supplier and workforce diversity including returning veterans and those from communities of concern.

SDCP intends that this Policy will be updated as SDCP grows and becomes more established.

Policy

1. Inclusive Workforce

- a. SDCP Staff – To help enable a diverse and inclusive staff, SDCP will:
 - i. Engage in broad outreach in communities of concern, while adhering to SDCP’s Non-Discrimination Pledge, to ensure a diverse pool of candidates for open positions;
 - ii. Provide fair compensation and benefits that aligns with regional market indicators for compensation levels for each position;
 - iii. Be transparent about these practices and lessons learned; and
 - iv. Provide contact information for staff who can answer questions about this Policy.
- b. Supply Chain (Goods and Services) – SDCP’s commitment to inclusion also extends to its supply chain. Where and from whom SDCP purchases goods and services have important consequences for businesses, customers, and their communities. Where appropriate, an inclusive supply chain is an important driver for successful delivery of SDCP’s services to its customers, and of fair and equitable economic development generally. Where appropriate, and consistent with applicable law and other SDCP policies, including but not limited to its Procurement Policy, to support a diverse and inclusive supply chain, SDCP will strive to:
 - i. Use local businesses and provide fair compensation in the purchases of services and supplies;
 - ii. Proactively seek services from local businesses and from businesses that are taking steps to protect the environment;
 - iii. Engage in efforts to reach communities of concern, to ensure an inclusive pool of potential suppliers;
 - iv. Collect information from vendors and project developers on their status as a woman, minority, disabled veteran, and/or LGBT

- business enterprise (see Section 3 below; Cal. Pub. Util. Code § 366.2(m));
 - v. Encourage reporting from project developers and vendors on inclusivity in business staff (see Section 3 below);
 - vi. Be transparent about these practices and lessons learned; and
 - vii. Provide contact information for staff who can answer questions about this Policy.
- c. Inclusive Business Practices – In representing the communities that make up San Diego Community Power, SDCP will endeavor to ensure that its services and information are accessible to everyone. Therefore, SDCP will strive to:
- i. Provide information on SDCP’s services in multiple languages commonly spoken in SDCP’s service area (including mailers, tabling materials, customer service, call center, workshops and outreach events, advertisements, and other means of customer engagement);
 - ii. Conduct marketing and outreach in diverse communities to increase awareness of SDCP’s services and programs;
 - iii. Attend multi-cultural community events with multi-lingual materials and speakers; and
 - iv. Share information about activities and initiatives that promote inclusion, access, and diverse engagement in the community.
- d. Non-Discrimination Pledge – SDCP will not discriminate, and will require its contractors to not discriminate on the basis of race, gender, gender expression, gender identity, religion, national origin, ethnicity, sexual orientation, age, or disability in the solicitation, selection, hiring, or treatment of subcontractors, vendors, or suppliers. Contractor shall provide equal opportunity for subcontractors to participate in subcontracting opportunities.

2. Sustainable Workforce

- a. PPAs – San Diego Community Power will encourage the submission of information from respondents to any bidding and/or RFP/RFQ process regarding planned efforts by project developers and their contractors to:
- i. Employ workers and use businesses from San Diego and Imperial County;
 - ii. Employ properly licensed contractors and California certified electricians;
 - iii. Utilize local apprentices, particularly graduates of San Diego and Imperial County pre-apprenticeship programs;

- iv. Pay workers the prevailing wage rates for each craft, classification and type of work performed;
- v. Display a poster at jobsites informing workers of prevailing wage requirements;
- vi. Provide workers compensation coverage to on-site workers; and
- vii. Support and use of State of California approved apprenticeship programs.

To the extent the above items are required by applicable law, SDCP shall include such requirements in its bid invitations, RFPs/RFQs, agreements, and other applicable documents.

- b. Owned Generation – *[Reserved – section will be updated to support the purposes described in this Policy once programs are further developed. This will include similar components as 2.a above including prevailing wage and inclusion of a licensed and trained workforce.]*
- c. Feed-in-Tariffs – SDCP will encourage construction contractors or subcontractors to its Feed-In Tariff program to utilize local businesses, local apprenticeship programs, fair compensation practices including proper assignment of work to crafts that traditionally perform the work, and the use of a skilled and trained workforce.

Moreover, SDCP will require contractors and subcontractors performing work on any SDCP Feed-In Tariff project to pay at least the prevailing rate of wages. To the extent these items are required by applicable law, SDCP shall include such requirements in its applications, agreements, and other applicable documents.

- d. Energy Efficiency/Programs – *[Reserved – section will be updated to support the purposes described in this Policy once programs are further developed. This will include similar components as 2.a above including prevailing wage and inclusion of a licensed and trained workforce.]*
- e. Union Neutrality - SDCP will remain neutral regarding whether its employees choose to join or support labor unions and will not interfere with decisions by its contractors' and suppliers' employees about whether to join or support labor unions.

- 3. Reporting on Diverse Business Enterprises and Inclusive and Sustainable Workforces – Pursuant to California Public Utilities Code section 366.2(m), vendors and project developers under contract with SDCP shall be required to report on their status as women, minority, disabled veteran, and/or LGBT

business enterprises, as defined in Public Utilities Code section 8282. Reporting shall occur within one (1) month of contract execution and every January during the term of the contract, or as otherwise required by the California Public Utilities Commission. In addition, vendors and project developers shall report on the number of women, minority, disabled veteran employees performing work for SDCP and the workforce level of these groups which may include administrative assistants, technicians, and executive staff.

4. Legal Compliance – In the event that the application of this Policy to a specific SDCP project or program is limited or proscribed pursuant to applicable state or federal law, or as a condition of the receipt of state or federal funds, such law or funding condition shall control. In addition, any information collected or received under this Policy shall be used only in a manner consistent with applicable law and SDCP policies.

SAN DIEGO COMMUNITY POWER

Staff Report – Item 18

To: Board of Directors

From: Jack Clark, Chief Operating Officer
Laura Fernandez, Senior Director of Regulatory and Legislative Affairs

Via: Karin Burns, Chief Executive Officer

Subject: Update on Regulatory and Legislative Affairs

Date: November 20, 2025

Recommendation

Receive and file the update on regulatory and legislative affairs.

Background

Staff provide regular updates to the Board of Directors regarding Community Power's regulatory and legislative engagement.

Analysis and Discussion:

A) Regulatory Updates

Integrated Resource Planning

Ruling on Transmission Planning Process and Recommended Procurement

On September 30, 2025, the California Public Utilities Commission (CPUC) issued an Administrative Law Judge (ALJ) [Ruling](#) within the new Integrated Resource Planning (IRP) proceeding inviting comments on proposed electricity resource portfolios for use in the California Independent System Operator's (CAISO) 2026-2027 Transmission Planning Process (TPP) and on staff's analysis on the need for additional incremental reliability procurement.

The electricity resource portfolios transmitted by the CPUC to the CAISO for TPP analysis form the basis for the CAISO's consideration of transmission need in the ten-year and 15-year planning horizon. The Ruling outlines the modeling assumption updates and recommends a base case portfolio and sensitivity portfolio.

Table 3. Selected Resources in Recommended 2026-2027 TPP Base Case Portfolio (GW)

Resource Type	2026	2028	2031	2036	2041	2045
Natural Gas	-	-	-	-	-	-
Geothermal	0.1	0.3	1.2	3.4	3.4	3.4
Geothermal (enhanced)	-	-	-	1.7	1.7	1.7
Biomass	-	-	-	-	-	-
In-State Wind	0.3	0.8	2.0	2.6	4.8	7.7
Out-of-State Wind	1.4	2.9	5.5	7.0	17.0	19.0
Offshore Wind	-	-	-	2.9	4.5	4.5
Solar	4.0	15.0	35.9	47.5	53.7	68.5
Li-ion Battery (4 hr)	3.9	6.7	6.8	6.8	6.8	6.8
Li-ion Battery (8 hr)	0.2	1.0	10.0	13.2	13.2	18.6
Location-Constrained Storage (12 hr)	-	-	1.6	5.4	5.4	5.4
Generic LDES (12 hr)	-	-	-	-	-	-
Generic LDES (24 hr)	-	-	-	0.5	0.5	0.5
Generic LDES (100 hr)	-	-	-	-	-	-
Shed Demand Response	-	-	-	-	-	-
Gas Capacity Not Retained	(1.3)	(1.7)	(1.7)	(1.7)	(1.7)	(1.7)

Table 5. Selected Resources in Limited Wind Sensitivity (GW)

Resource Type	2026	2028	2031	2036	2041	2045
Natural Gas	-	-	-	-	-	-
Geothermal	0.1	0.6	1.2	3.4	4.7	5.6
Geothermal (enhanced)	-	-	-	3.6	3.6	3.6
Biomass	-	-	-	-	-	-
In-State Wind	0.3	0.8	0.9	0.9	2.5	2.5
Out-of-State Wind	1.4	2.5	4.0	4.0	5.1	5.1
Offshore Wind	-	-	-	-	-	-
Solar	4.0	15.0	37.5	48.6	67.6	83.2
Li-ion Battery (4 hr)	3.9	6.7	6.8	6.8	6.8	6.8
Li-ion Battery (8 hr)	0.2	1.0	12.1	17.7	17.7	26.9
Location-Constrained Storage (12 hr)	-	-	1.6	5.7	7.5	7.5
Generic LDES (12 hr)	-	-	-	-	-	-
Generic LDES (24 hr)	-	-	-	-	-	-
Generic LDES (100 hr)	-	-	-	-	-	-
Shed Demand Response	-	-	-	-	-	-
Gas Capacity Not Retained	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)

CPUC staff also did an analysis on reliability needs on the electric system between 2028 and 2032 in response to significant forecasted load growth, federal policies raising the costs of certain resources, and the fact that many more projects are available than are being procured by load serving entities (LSE). Based on staff's analysis, this Ruling proposes that the CPUC order an additional 1,500 MW of incremental procurement for each year in the 2029-2032 timeframe with a cumulative procurement of 6,000 MW. The Ruling proposes that the allocation of need to each LSE should be based on each LSE's share of the managed peak on the electric system as of the resource adequacy (RA) program year 2026, in the same basic manner as the procurement requirements were allocated under the mid-term reliability Decisions (21-06-035 and D.23-02-040). Similarly, the Ruling proposes that compliance and enforcement processes also mirror those under the mid-term reliability orders.

On October 22, 2025, more than 60 parties filed opening comments in response to this Ruling and the specific questions posed. Community Power worked with its trade association, the California Community Choice Association (CalCCA), to file extensive [comments](#), which included, but were not limited to, the following:

- Recommendations on the TPP portfolios
 - Consider load forecasting uncertainties related to data centers and electrification.
 - Focus the base case on identifying the portfolio of least regrets.
- Recommendations on the Procurement Order
 - Ad-hoc procurement orders are not the most effective mechanism for bringing new resources online to address reliability, and the Commission should prioritize the development of the Reliable and Clean Power Procurement Program (RCPPP).
 - Order procurement of 2,000 MW for the first tranche (2029-2030) and 2,000 MW for the second tranche (2031-2032), then re-evaluate in 2027
 - Allow for flexible compliance methods.
 - Utilize Slice-of-Day accounting (not 24-hour obligations, only identified reliability hours) for consistency with the Resource Adequacy framework.
 - Take measures to ensure that a LSE's net position is not revealed to potential sellers.
 - Use Midterm Reliability (MTR) Decisions' baseline (i.e., excess MTR procurement can count).
 - Work via the Tracking Energy Development (TED) task force to ensure that resources that have been procured can achieve their commercial operation date.

Parties filed reply comments on October 31, 2025, including [CalCCA](#).

Scoping Memo and Ruling

On October 28, 2025, the CPUC issued a [Scoping Memo and Ruling](#) outlining the issues to be addressed in the IRP proceeding (for additional background, please see the August 2025 regulatory update to the Board of Directors on page 242).

Notably, the Ruling establishes May 5, 2026, as the date for LSEs, including Community Power, to file their individual IRPs. Additional issues outlined in the Scoping Memo include:

- Near-term reliability procurement need determination
- 2026-2027 Transmission Planning Process (TPP) portfolio development
- Filing requirements for individual load serving entity (LSE) IRPs
- Consideration of individual LSE IRPs
- Development of Preferred System Plan (PSP) portfolio
- Future TPP portfolio recommendations

- Long-term local procurement planning and related reliability analysis
- Updates to Investor-Owned Utility Bundled Procurement Plans
- Ongoing monitoring, compliance, and enforcement of prior procurement orders
- Coordination with the Department of Water Resources on Central Procurement Entity procurement of long-lead time resources
- Potential Implementation of Reliable and Clean Power Procurement Program (RCPPP)

Resource Adequacy

On October 15, 2025, the CPUC issued an [Order Instituting Rulemaking](#) establishing a new Resource Adequacy (RA) proceeding ([R.25-10-003](#)), establishing RA procurement obligations for the 2027 compliance year, and considering program reform.

The Preliminary Scoping Memo outlines the initial set of issues that will be considered during this proceeding. Once a prehearing conference is held, a formal Scoping Memo and Ruling will confirm the issues to be addressed. The preliminary issues are as follows:

1. Adoption of Local Capacity Requirements (LCR) for 2027-2029 and 2028-2030;
2. Adoption of Flexible Capacity Requirements (FCR) for the 2027 and 2028 RA compliance years;
3. Modifications to the planning reserve margin for the 2028 and 2029 compliance years, including the annual Loss of Load Expectation study;
4. Accreditation methodologies for Long-Duration Energy Storage;
5. Addressing the refined unforced capacity (UCAP) framework proposal;
6. Consideration of Energy Division's analysis of solar and wind resource accreditation;
7. Consideration of findings from Energy Division's evaluation of transactability issues within the slice-of-day framework;
8. Consideration of the zero dollar bid requirement for Reliability Capacity Up/Reliability Capacity Down products and Imbalance Reserve products;
9. Coordination with the IRP proceeding on the development of the RCPMP and any RA program refinements to align the programs; and
10. High priority refinements to the RA program, limited to five issues per party in comments.

The Commission anticipates that two tracks will be needed to consider system, flexible, and local capacity requirements, and modifications to the RA program. Comments on the OIR are due November 4, 2025, and reply comments are due November 14. A prehearing conference is scheduled for November 17, 2025.

SDG&E Energy Resource Recovery Account (ERRA) Forecast

The purpose of the ERRA Forecast proceeding is to review the forecasted costs that SDG&E will incur to procure energy resources (fuel for power plants, purchased power, and

greenhouse gas (GHG) Costs & Allowance Revenues) in the coming year. Based on these forecasts, the CPUC approves rates that allow utilities to recover these costs from customers.

SDG&E 2026 ERRA Forecast Case

On October 3, Community Power and Clean Energy Alliance (CEA) filed an [opening brief](#) requesting that the Commission expeditiously grant CalCCA's Application for Rehearing of the Decision Adopting Changes to the Calculation of the Resource Adequacy Market Price Benchmark (RA MPB) and not require SDG&E to true-up its 2025 RA MPB. SDG&E argued in their [opening brief](#) to use surplus REC's generated and banked in years prior to 2019 to cover a shortfall in the REC's it needs to meet its minimum Retained Renewable Portfolio Standard (RPS) requirement in 2026, and proposes to value those REC's at zero; this is a proposal that SDG&E did not raise in prepared testimony and an issue which they agreed to waive hearings on. Community Power and CEA filed a [reply brief](#) on October 10, requesting the Commission reject SDG&E's surplus banked REC proposal as their proposal was introduced in briefing and had no meaningful record development to support it. On October 15, SDG&E submitted the October Update proposing adjustments to the ERRA/Power Charge Indifference Adjustment (PCIA) inputs for the January 1, 2026 consolidated rate change, including refreshed Portfolio Market Value and market benchmarks. The update will result in an increase of 18.94% in system average commodity rates and an increase of 11.92% in system average total rates compared to current effective rates as of October 1. For unbundled customers, SDG&E's October Update states that its system average delivery plus PCIA rates will increase 4.7 cents per kWh, or 25.5%. SDG&E also states that the total bundled system average rate will increase 4.2 cents per kWh, or 11.9%. On October 30, Community Power and Clean Energy Alliance (CEA) filed [comments](#) on SDG&E's October Update, protesting SDG&E's banked Renewable Energy Credits (REC) proposal because it denies departed load customers their fair share of value of REC's used to benefit bundled customers. Reply comments are due November 7.

SDG&E Energy Resource Recovery Account (ERRA) Compliance

The purpose of the ERRA Compliance proceeding is to review SDG&E's actual energy procurement performance in the previous year against their approved forecast for that year. Any difference between the forecasted costs and the actual costs is tracked in a balancing account. This mechanism ensures that customers ultimately pay for the actual costs incurred by SDG&E.

SDG&E 2024 ERRA Compliance Case

On October 14, the CPUC issued a [Scoping Memo and Ruling](#) to establish a procedural schedule, provide a list of issues, and determine the need for a hearing regarding SDG&E's 2024 ERRA compliance application.

The scoping issues established for this proceeding are as follows:

- Whether SDG&E administered and managed its own generation resources prudently and in compliance with applicable rules and requirements.
- Whether SDG&E administered and managed its contracts for resources in accordance with the contract provisions and otherwise applicable rules.
- Whether SDG&E complied with its Bundled Procurement Plan (BPP). This includes whether it administered overall RA procurement consistent with its BPP, and whether SDG&E made a reasonable attempt to sell excess RA.
- Whether SDG&E achieved least-cost dispatch of resources, and whether SDG&E administered its demand response programs to minimize costs to its ratepayers.
- Whether the entries recorded in SDG&E's accounts are correctly stated and in compliance with Commission directives.
- Whether SDG&E's Greenhouse Gas Compliance Instrument procurement was consistent with applicable standards and in compliance with SDG&E's Commission approved procurement plan.
- Whether the entries in SDG&E's Greenhouse Gas Revenue Balancing Account and Greenhouse Gas-related entries in other ERRRA sub-accounts are accurate, and whether SDG&E met its burden of proof regarding its claim for these entries.
- Whether SDG&E's calculation of unrealized volumetric sales and unrealized revenues resulting from Public Safety Power Shutoff events in 2024 is correctly stated and in compliance with Commission directives.
- Whether there are any safety issues raised by this application.

Next steps in the proceeding include:

- Intervenor Direct Testimony due December 12, 2025
- Rebuttal Testimony due February 13, 2026
- Opening Briefs due April 10, 2026
- Reply Briefs due May 1, 2026

Self-Generation Incentive Program (SGIP)

The CPUC issued a [Proposed Decision](#), which addresses a number of programmatic and policy issues regarding the Self Generation Incentive Program. Of particular note, the PD approves an exemption to the requirement to participate in a qualifying demand response program for all residential low-income customers applying to the Residential Solar and Storage Equity budget. This requirement had in effect previously barred customers of community choice aggregators, such as Community Power and CEA, from participating in SGIP. The PD also established a process to return unallocated funds to customers, modifies program rules to reduce administrative burden, and allows for more flexibility for project completion. The PD has been held for consideration until the November 20 CPUC meeting.

Rulemaking on Demand Response

On September 18, the CPUC opened an [Order Instituting Rulemaking \(OIR\) to evaluate and enhance the consistency, predictability, reliability, and cost-effectiveness of demand response resources](#). The Commission will accomplish this enhancement by updating the demand response guiding principles, policies, and data system and process requirements. Concurrently, Energy Division staff also released a staff proposal on [Guiding Principles for Demand Response in California](#). The staff proposal proposes updated guiding principles to make California demand response a dependable, standardized and affordable grid resource that aligns with state goals. The framework emphasizes predictability and reliability for planning and operations; common valuation, metrics and data/communications standards, and; demonstrable cost-effectiveness with measurable system and ratepayer benefits. Opening comments are due on November 13 and reply comments are due December 1.

Rulemaking to Improve and Update Electric Rule 21

On August 20, the CPUC opened a [Rulemaking to Update and Improve Electric Tariff Rule 21](#) for the IOUs and small/multi-jurisdictional electric utilities. Rule 21 governs distribution-level interconnection of distributed energy resources (DERs) such as solar, storage, EV charging, and DER management systems. The need for updating Rule 21 is driven by the adoption of new technology configurations, especially related to battery storage and electric vehicles. These developments call for additional updates and improvements to interconnection requirements to preserve the safety and reliability of the grid, promote greater transparency and certainty around interconnection processes for customers and developers, and to responsibly contain costs for all ratepayers that use the electric grid. [CalCCA](#) and other [parties](#) filed opening comments on October 20. Parties generally agree that interconnection timeline and benchmarks need revisions, although SDG&E states no changes are needed. Reply comments are due November 10.

SDG&E Off-Cycle Business Plan Proceeding

On November 3, 2025, the CPUC issued a [revised Scoping Ruling](#) which changes the procedural schedule. Previously, the CPUC planned to issue two proposed decisions: one in November 2025 addressing the legal permissibility of SDG&E withdrawing from regional energy efficiency program administration, and another in June 2026 on policy and factual issues within SDG&E's application. The November 3rd Scoping Ruling reorganizes the proceeding such that a single proposed decision will be issued on legal permissibility, policy issues, and factual issues in June 2026. This date will be shifted to July 2026 in the event more deliberation of factual issues is necessary via evidentiary hearings.

Long-Term Gas Planning Proceeding

Per [Senate Bill 1221](#), by July 1, 2026, the CPUC is required to designate priority neighborhood decarbonization zones. The CPUC is currently determining implementation details in the long-term gas planning proceeding (Rulemaking 24-09-012). Community Power is jointly participating in the long-term gas planning proceeding with several other Community Choice Aggregators (CCAs).

On October 16, the Assigned Commissioner issued a [Second Amended Scoping Ruling](#) regarding gas system planning modifying the Scoping Memos and Rulings issued on [January 31](#) and on [April 21](#). The Second Amended Scoping Memo: (1) establishes a Phase 3 of the proceeding to address Senate Bill 1221 activities for the establishment of a pilot program to address cost-effective decarbonization projects in priority decarbonization zones; (2) outlines questions open for comments related to the pilot program; (3) updates the proceeding schedule; and (4) suspended consideration of Phases 1 and 2 until Q3 of 2026. Comments on questions related to the pilot program are due by December 3 and reply comments are due by December 17.

Clean Energy Financing Proceeding

On Friday, October 31, 2025, the CPUC released a [proposed decision](#) approving Southern California Edison's Tariff On-Bill (TOB) Pilot while denying proposals from SDG&E, SoCalGas, and Silicon Valley Clean Energy (SVCE). SDG&E's pilot proposal was denied due to high cost of administration, low participation targets, and exclusion of renters.

Launched in August 2020, CPUC Rulemaking (R.) 20-08-022 explored new clean-energy financing tools. The proceeding evolved through multiple milestones: the [original Order Instituting Rulemaking](#) (August 2020), Scoping Memos ([March 2021](#) and [November 2021](#)), workshops and proposal filings (April–June 2022), and an [interim decision](#) (D.23-08-026, August 2023) that directed utilities to jointly refine TOB pilots consistent with Inclusive Utility Investment (IUI) principles. The [Joint TOB Proposal](#), filed in May 2024, defined TOB as a utility investment mechanism that provides up-front capital for energy-efficiency and electrification upgrades, recovered through a fixed, location-based tariff tied to the meter rather than the customer - ensuring transferability, affordability, and protections for under-resourced participants.

As part of this effort, the CPUC convened a TOB Working Group and Equity Committee to refine program design, customer protections, and equitable participation strategies. Community Power participated actively in the Equity Committee, which was charged with identifying barriers to access for low-income, renter, and disadvantaged community customers, and developing recommendations to ensure the pilot addressed affordability,

transparency, and consumer protection concerns. The committee's findings were incorporated into the Joint TOB Proposal and informed key eligibility, marketing, and data-tracking requirements to promote equitable outcomes across service territories.

The proposed decision establishes the first CPUC-approved TOB pilot to test site-tied, bill-neutral decarbonization investments for disadvantaged and rental customers. Community Power does not plan to file comments in the interest of minimizing customer bill impacts. The earliest the proposed decision will be voted on is at the November 4, 2025, Commission Voting Meeting.

Smart Meter Decision Petition for Modification Requesting SDG&E to Continue to Provide Real-Time Data to Customers

On October 15, the CPUC issued a [Decision](#) denying the petition for modification submitted by Clean Energy Alliance, Community Power, and Mission:data. The decision denies the petition based on procedural grounds, citing the fact that it was not submitted within one year of the original decision, and the petitioners were not parties to the original proceeding. The decision also notes that since ZigBee technology is becoming decreasingly prevalent in SDG&E territory, it is reasonable to end support of the technology. On September 8, Community Power filed [joint comments](#) with Clean Energy Alliance, and Mission:Data asking the CPUC to reject the proposed decision and urging the CPUC to issue a revised decision, raising concerns regarding significant legal and factual errors as well as a violation of due process.

Rulemaking to Consider Improvements to the California Climate Credit

On October 31, the CPUC issued a [Ruling](#) setting the prehearing conference for November 21 to determine the scope, schedule, and parties to the proceeding. The [rulemaking](#) will consider ways to improve the effectiveness of the California Climate Credit for supporting customer affordability. The California Climate Credit is delivered as a twice-per-year lump-sum bill credit automatically provided to all bundled and unbundled residential electric customers and certain qualifying small business electric customers. Qualifying industrial customers receive California Industry Assistance annually from the same Cap-and-Trade Program funds. The CPUC will explore whether they should modify the Climate Credit eligibility, allocation, implementation, and distribution for these funds. CalCCA filed [comments](#) on September 16. The comments support the proposed scope and recommend incorporating AB 1207 requirements, formally setting policy objectives and priorities, and developing a tool or rubric to evaluate bill impacts from party proposals. [CalCCA](#) and other Parties filed reply comments October 7, which generally support parties' positions outlined in the opening comments.

B) State Legislative Activities Update

None. Please refer to the October 23 staff report for outcomes on the 2025 legislative session. The Legislature reconvenes for the 2026 session on January 5.

C) Federal Activities Update

None. Please refer to the October 23 staff report for the latest updates on federal activities.

Fiscal Impact

The Community Advisory Committee received and filed this update at their November 13 meeting.

Fiscal Impact

N/A

Attachments

N/A

Glossary

AB – Assembly Bill: An Assembly Bill is a piece of legislation that is introduced in the Assembly. In other words, the Assembly (rather than the Senate) is the bill's house of origin in the Legislature. In California, it is common for legislation to be referred to by its house of origin number even after it becomes law. However, because bill numbers “reset” and start again from 1 in each legislative session, it is less confusing to include chapter and statute information when referring to a bill that has become law; for example, SB 350 (Chapter 547, Statutes of 2015).

AL - Advice Letter: An Advice Letter is a request by a California Public Utilities Commission (CPUC) jurisdictional entity for Commission approval, authorization or other relief.

ALJ – Administrative Law Judge: ALJs preside over CPUC cases to develop the evidentiary record and draft proposed decisions for Commission action.

ARB – Air Resources Board: The California Air Resources Board (CARB or ARB) is the “clean air agency” in the state government of California. CARB is charged with protecting the public from the harmful effects of air pollution and developing programs and actions to fight climate change.

AReM – Alliance for Retail Energy Markets: AReM is a not-for-profit corporation that advocates for continued development of successful customer choice in retail energy markets and provides a focused voice for competitive energy retailers and their customers in select public policy forums at the state level. It represents direct access providers such as Constellation NewEnergy and Direct Energy.

BayREN – Bay Area Regional Energy Network: BayREN offers regionwide energy programs, services and resources to members of the public by promoting energy efficient buildings, reducing carbon emissions and building government capacity.

CAISO – California Independent System Operator: CAISO is a nonprofit public benefit corporation that oversees the operation of the California bulk electric power system, transmission lines and electricity market generated and transmitted by its members (approximately 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 the Federal Energy Regulatory Commission (FERC) and governed by a five-member governing board appointed by the governor.

CalCCA – California Community Choice Association: CalCCA is a statewide association, made up of Community Choice Aggregators (CCAs), that represents the interests of California's community choice electricity providers.

CALSEIA – California Solar Energy Industries Association: CALSEIA represents more than 200 companies doing solar-related business in California, including manufacturers, distributors, installation contractors, consultants and educators. Members' annual dues support professional staff and a lobbyist who represents the common interests of California's solar industry at the Legislature, Governor's Office and state and local agencies.

CALSLA – California City-County Street Light Association: CALSLA is a statewide association representing cities, counties and towns before the CPUC that is committed to maintaining fair and equitable streetlight electricity rates and facilities charges and disseminating streetlight-related information.

CAM – Cost Allocation Mechanism: CAM is the cost recovery mechanism to cover procurement costs incurred in serving the central procurement function.

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.

CARE – California Alternative Rates for Energy: CARE is a state program for low-income households that provides a 30% discount on monthly energy bills and a 20% discount on natural gas bills. It is funded through a rate surcharge paid by all other utility customers.

CBE – Communities for a Better Environment: CBE is an environmental justice organization that was founded in 1978. The mission of CBE is to build people's power in California's communities of color and low-income communities to achieve environmental health and justice by preventing and reducing pollution and building green, healthy and sustainable communities and environments.

CCA – Community Choice Aggregator: A community choice aggregator, sometimes referred to as community choice aggregation, is an entity of local governments that procure power on behalf of their residents, businesses and municipal accounts from an alternative supplier while still receiving transmission and distribution service from their existing utility provider. CCAs are an attractive option for communities that want more local control over their electricity sources, more green power than is offered by the default utility, and/or lower electricity prices. By aggregating demand, communities gain leverage to negotiate better rates with competitive suppliers and choose greener power sources.

CCSF – City and County of San Francisco: The City and County of San Francisco often engage in joint advocacy before the CPUC. San Francisco operates CleanPowerSF, a CCA.

CEC – California Energy Commission: The CEC is the primary energy policy and planning agency for California, whose core responsibilities include advancing state energy policy, achieving energy efficiency, investing in energy innovation, developing renewable energy, transforming transportation, overseeing energy infrastructure and preparing for energy emergencies.

CEE – Coalition for Energy Efficiency: CEE is a nonprofit composed of U.S. and Canadian energy-efficiency administrators working together to accelerate the development and availability of energy-efficient products and services.

CLECA – California Large Energy Consumers Association: CLECA is an organization of large, high-load factor industrial customers located throughout the state; its members are in the cement, steel, industrial gas, pipeline, beverage, cold storage, food packaging and mining industries and their electricity costs comprise a significant portion of their costs of production. Some members are bundled customers, others are Direct Access (DA) customers, and some are served by Community Choice Aggregators (CCAs); a few members have onsite renewable generation.

CPUC – California Public Utility Commission: The CPUC is a state agency that regulates privately owned electric, natural gas, telecommunications, water, railroad, rail transit and passenger transportation companies, in addition to authorizing video franchises.

C&I – Commercial and Industrial: C&I customers are business customers who generally consume much higher volumes of electricity and gas. Many utilities segment their C&I customers by energy consumption (small, medium and large).

CP – Compliance Period: A Compliance Period is the time period to become Renewables Portfolio Standard (RPS) compliant, set by the California Public Utilities Commission (CPUC).

DA – Direct Access: Direct Access is an option that allows eligible customers to purchase their electricity directly from third-party providers known as Electric Service Providers (ESPs).

DA Cap: The DA Cap is 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.

DACC – Direct Access Customer Coalition: DACC is a regulatory advocacy group composed of educational, governmental, commercial and industrial customers that utilize direct access for all or a portion of their electrical energy requirements.

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

DA Waitlist: The DA Waitlist consists of 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: “Disadvantaged communities” refers to the areas throughout California that most suffer from a combination of economic, health and environmental burdens. These burdens include poverty, high unemployment, air and water pollution and the presence of hazardous wastes as well as high incidences of asthma and heart disease. One way that the state identifies these areas is by collecting and analyzing information from communities statewide. CalEnviroScreen, an analytical tool created by the California Environmental Protection Agency (CalEPA), combines different types of census tract-specific information into a score to determine which communities are the most burdened or “disadvantaged.”

DASR – Direct Access Service Request: DASR is a request submitted by C&I customers to become direct access eligible.

Demand: Demand refers to 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 DER is 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: Distribution refers to 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.

DR – Demand Response: DR is 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.

DRP – Distributed Resource Plans: Distributed Resource Plans are required by statute and intended to identify optimal locations for the deployment of distributed resources.

DWR – Department of Water Resources: DWR is the state agency charged with managing California's water resources, systems and infrastructure in a responsible, sustainable way.

ECR – Enhanced Community Renewable: ECR is an IOU (Investor-Owned Utility) program that reflects the "Community Solar" model of renewable energy purchasing. Customers sign up to purchase a portion of a local solar project directly from a developer at a level that meets at least 25% and up to 100% of their monthly electricity demand. The customer pays the developer for the subscribed output and receives a credit on their utility bill that reflects their enrollment level.

ED – Energy Division: The CPUC's Energy Division develops and administers energy policy and programs to serve the public interest, advise the Commission and ensure compliance with Commission decisions and statutory Mandates.

EE – Energy Efficiency: Energy Efficiency refers to the use of less energy to perform the same task or produce the same result. Energy-efficient homes and buildings use less energy to heat and cool and run appliances and electronics, and energy-efficient manufacturing facilities use less energy.

ELCC – Effective Load Carrying Capacity: ELCC is 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 that 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 Pacific Gas and Electric (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 that can be recovered in rates. The utilities do not earn a rate of return on these costs and recover only 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.

ES – Energy Storage: Energy Storage is the capture of energy produced at one time for use at a later time to reduce imbalances between energy demand and energy production.

ESA – Energy Storage Agreement: An ESA refers to a battery services contract, a capacity contract, demand response contract or similar agreement.

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

EV – Electric Vehicle: An EV is a vehicle that uses one or more electric motors for propulsion.

FCR – Flexible Capacity Requirements: “Flexible capacity need” is defined as the quantity of resources needed by the CAISO to manage grid reliability during the greatest three-hour continuous ramp in each month. Resources will be considered as “flexible capacity” if they can sustain or increase output or reduce ramping needs during the hours of “flexible need.” FCR means the flexible capacity requirements established for LSEs by the CPUC pursuant to the CPUC decisions.

GHG – Greenhouse gas: Water vapor, carbon dioxide, tropospheric ozone, nitrous oxide, methane and chlorofluorocarbons (CFCs) are gases that cause the atmosphere to trap heat radiating from the earth. The most common GHG is carbon dioxide.

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

GTSR – Green Tariff Shared Renewables: The GTSR program enables customers to receive 50 to 100 percent of their electricity demand from renewable sources. The GTSR program has two components: the Green Tariff (GT) component and the Enhanced Community Renewables (ECR) component. Through GT, a customer may pay the difference between their current generation charge and the cost of procuring 50 to 100 percent renewables. With ECR, a customer agrees to purchase a share of a community renewable (typically solar) project directly from a developer and in exchange will receive a credit from their utility for the customer’s avoided generation procurement.

GWh – Gigawatt-hour: This is 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.

ICA – Integration Capacity Analysis: The enhanced integrated capacity and locational net benefit analysis quantify the capability of the system to integrate Distributed Energy Resources (DERs) within the distribution system. Results are dependent on the most limiting element of the various power system criteria such as thermal ratings, power quality, system protection limits and safety standards of existing equipment.

IDER – Integrated Distributed Energy Resources: A CPUC proceeding that aims to more effectively coordinate the integration of demand-side resources in order to better meet customer and grid needs, while enabling California to attain its greenhouse gas reduction goals.

IDSM – Integrated Demand-Side Management: This is an approach that joins together all the resources utilities have at their disposal to plan, generate and supply electricity in the most efficient manner possible.

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

IMD – Independent Marketing Division: Under state law, IOUs are prohibited from lobbying or marketing on community choice unless the IOU forms an independent marketing division funded by shareholders rather than ratepayers. SDG&E and its parent company Sempra were permitted by the CPUC to create such an independent marketing division, which allowed SDG&E to lobby against plans to create a CCA program.

IOU – Investor-Owned Utility: An IOU is a private electricity and natural gas provider, such as SDG&E, PG&E or SCE, which are the three largest IOUs in California.

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

kW – Kilowatt: This is a measure of power where power (watts) = voltage (volts) x amperage (amps) and 1 kW = 1,000 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.

LCE – Lancaster Choice Energy: LCE is the CCA that serves the City of Lancaster, California.

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

LNBA – Locational Net Benefits Analysis: This is a cost-benefit analysis of distributed resources that incorporates location-specific net benefits to the electric grid.

Load: Load refers to 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: Load-serving Entities 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.

LTPP – Long-Term Procurement Rulemaking: This is an “umbrella” proceeding to consider, in an integrated fashion, all of the CPUC’s electric procurement policies and Programs.

MCE – Marin Clean Energy: MCE was the first CCA in California and began serving customers in 2010. It serves customers in Contra Costa, Marin, Napa and Solano counties in Northern California.

MEO – Marketing Education and Outreach: This is a term generally used to describe various strategies to inform customers, such as to motivate consumers to take action on energy efficiency or conservation measures and change their behavior.

MW – Megawatt: A megawatt hour (Mwh) is equal to 1,000 Kilowatt hours (Kwh) or 1,000 kilowatts of electricity used continuously for one hour.

MWH – Megawatt-hour: This is a measure of energy.

NAESCO – National Association of Energy Service Companies: NAESCO is an advocacy and accreditation organization for energy service companies (ESCOs). Energy service companies contract with private and public-sector energy users to provide cost-effective energy efficiency retrofits across a wide spectrum of client facilities.

NBC – Non-Bypassable Charge: Non-Bypassable Charges are fees that are paid on every kilowatt-hour of electricity that is consumed from the grid. These charges can be used to fund things like energy assistance programs for low-income households and energy efficiency programs. These charges apply even if customers buy grid-supplied power from an outside power company such as a CCA.

NDA – Non-Disclosure Agreement: An NDA is a contract by which one or more parties agree not to disclose confidential information that they have shared with each other.

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

NRDC – Natural Resources Defense Council: NRDC is a nonprofit international environmental advocacy group.

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.

OIR – Order Instituting Rulemaking: An OIR is 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.

OSC – Order to Show Cause: OSC is an order requiring an individual or entity to explain, justify or prove something.

ORA – Office of Ratepayer Advocates: The ORA is an independent consumer advocate within the CPUC, now called the Public Advocates Office.

PA – Program Administrator (for EE Business Plans): IOUs and local government agencies can be authorized to implement CPUC-directed energy efficiency programs.

PCE – Peninsula Clean Energy Authority: PCE is the CCA serving San Mateo County and all 20 of its cities and towns as well as the City of Los Banos.

PCC1 – RPS Portfolio Content Category 1: RPS Portfolio Content Category 1 includes bundled renewables where the energy and Renewable Energy Certificate (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: RPS Portfolio Content Category 2 includes bundled renewables where the energy and Renewable Energy Certificate (REC) are from out of state and not dynamically scheduled to a CBA.

PCC3 – RPS Portfolio Content Category 3: RPS Portfolio Content Category 3 includes Unbundled Renewable Energy Certificate (REC).

PCIA or "exit fee" – Power Charge Indifference Adjustment: The 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: The PCL is 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 (Chapter 313, Statutes of 2009) and SB 1305 (Chapter 796, Statutes of 1997).

PD – Proposed Decision: A PD is a procedural document in a CPUC Rulemaking 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.

PG&E – Pacific Gas & Electric: PG&E is the IOU that serves 16 million people over a 70,000-square-mile service area in Northern California.

PHC – Prehearing Conference: A PHC is a CPUC hearing to discuss the scope of a proceeding, among other matters. Interested stakeholders can request party status during these conferences.

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

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

PRP – Priority Review Project: These are transportation electrification pilot projects approved by the CPUC pursuant to SB 350 (Chapter 547, Statutes of 2015).

PRRR – Progress on Residential Rate Reform: Pursuant to a CPUC decision, the IOUs must submit to the CPUC and other parties periodic updates on the progress of their efforts to assist customers with residential rate design changes related to rate reform, including tier collapse and transition to a default time of use rate.

PUC – Public Utilities Code: The PUC is a California statute that contains 33 divisions; the range of topics within this code includes natural gas restructuring, private energy producers, telecommunication services, and specific municipal utility districts and transit authorities; the primary statute for governance of utilities as well as CCAs in California.

PURPA – Public Utilities Regulatory Policy Act: The PURPA is a federal statute passed in 1978 by Congress in response to the 1973 energy crisis to encourage fuel diversity via alternative energy sources and to introduce competition into the electric sector. It was intended to promote energy conservation (reduce demand) and promote greater use of domestic energy and renewable energy (increase supply).

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

RAM – Renewables Auction Mechanism: This is a procurement program the investor-owned utilities (IOUs) may use to procure RPS eligible generation. The IOUs may use RAM to satisfy authorized procurement needs, for example, system Resource Adequacy needs, local Resource Adequacy needs, RPS needs, reliability needs, Local Capacity Requirements, Green Tariff Shared Renewables needs and any need arising from commission or legislative mandates.



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

RES-BCT – Renewables Energy Self-Generation Bill Credit Transfer: This program enables local governments and universities to share generation credits from a system located on one government-owned property with billing accounts at other government-owned properties. The system size limit under RES-BCT is 5 MW, and bill credits are applied at the generation-only portion of a customer's retail rate.

RFO – Request for Offers: This is a competitive procurement process used by organizations to solicit the submission of proposals from interested parties in response to a scope of services.

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

SB – Senate Bill: A Senate Bill is a piece of legislation that is introduced in the Senate. In other words, the Senate, rather than the Assembly, is the house of origin in the Legislature for the Legislation.

SBP – Solar Billing Plan: The Solar Billing Plan, also known as the Net Billing Tariff or NEM 3.0, is the new method of compensating customer-sited renewable energy self-generation, intended to promote grid reliability and incentivize solar and battery storage.

SCE – Southern California Edison: SCE is the large IOU that serves the Los Angeles and Orange County area.

SCP – Sonoma Clean Power Authority: SCP is the CCA serving Sonoma County and surrounding areas in Northern California.

SDG&E – San Diego Gas & Electric: SDG&E is the IOU that serves San Diego County and owns the infrastructure that delivers Community Power energy to our customers.

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

SUE – Super User Electric: This is an electric surcharge intended to penalize consumers for excessive energy use.

SVCE – Silicon Valley Clean Energy: SVCE is the CCA serving the communities in Santa Clara County.

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

TE – Transportation Electrification: For the transportation sector, electrification means replacing fossil fuels with electricity as the means of powering light-duty vehicles and medium- and heavy-duty trucks and buses. The primary goal is to reduce greenhouse gas (GHG) emissions and, ultimately, contribute to mitigating the effects of climate change on the planet.

Time-of-Use (TOU) Rates: TOU Rates refers to 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, mid-peak, 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.

TM – Tree Mortality: This is a term that refers to the death of forest trees and provides a measure of forest health. In the context of energy, as part of the Governor’s Tree Mortality Emergency Proclamation, the CPUC is tasked with utilizing its authority to extend contracts and take actions to authorize new contracts on bioenergy facilities that receive feedstock from high hazard zones.

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

Unbundled RECs: Unbundled RECs are 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 Virtual Power Plant is 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.

VAMO – Voluntary Allocation, Market Offer: VAMO is the process for SDG&E to allocate a proportional share of its renewable portfolio to Community Power and other LSEs within the service territory.