



AGENDA

Regular Meeting Community Advisory Committee

Thursday, December 4, 2025
5:30 p.m.

Don L. Nay Port Administration Training Room
3165 Pacific Highway, San Diego, CA 92101

Alternate Location:
7354 Eads Avenue, San Diego, CA 92037

The meeting will be held in person at the above date, time and location(s). Community Advisory Committee (CAC) members and members of the public can attend in person. Under certain circumstances, CAC members may attend and participate virtually in the meeting, pursuant to the Brown Act (Gov. Code § 54953). As a convenience, San Diego Community Power provides a Microsoft Teams 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 Teams teleconference option, the meeting will continue unless otherwise required by law (such as when a CAC 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 CAC on any agenda item. When providing comments, it is requested that name and city of residence are provided for the record. Members of the public are requested to address their comments to the CAC as a whole through the chairperson. Comments may be provided in one of the following manners:

1. **Oral comments during meeting.** Anyone attending in person who wishes to address the CAC is asked to complete a speaker's card and present it to the clerk of the Board. To provide remote comments during the meeting, join the Teams meeting by electronic device or dial-in number. When participating in a Microsoft Teams meeting by electronic device, use the "Raise Hand" feature. This will notify the moderator that a members 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 address CAC members when called upon. When participating in the meeting using the Teams dial-in number, press *5 to raise your hand and *6 to unmute microphone. Comments will be limited to three minutes.

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

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

The public may participate using the following remote options:

[Microsoft Teams](#)

Meeting ID: 261 215 241 717 7

Dial in by phone

469-262-1739

Phone conference ID: 565 317 75#

Press *5 to raise hand and *6 to unmute

WELCOME

ROLL CALL

PLEDGE OF ALLEGIANCE

LAND ACKNOWLEDGMENT

SPECIAL PRESENTATIONS AND INTRODUCTIONS

- Introduction of new Community Power staff

ITEMS TO BE WITHDRAWN OR REORDERED ON THE AGENDA

PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

This is an opportunity for members of the public to address the CAC on any items not on the agenda but within the subject jurisdiction of the CAC. 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 CAC member requests a specific item 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 November 13, 2025, CAC Regular Meeting Minutes
2. Receive and File Update on Marketing, Public Relations, and Local Government Affairs
3. Receive and File Update on Customer Operations
4. Receive and File Update on Programs
5. Receive and File Update on Power Services
6. Receive and File Update on Regulatory and Legislative Affairs

REGULAR AGENDA

The following items call for discussion or action by the CAC.

7. Fiscal Year End 2024-25 Performance Review

Recommendation: Receive and File Fiscal Year End 2024-25 Performance Review.

8. Proposed Updates to the Financial Reserves Policy

Recommendation: Receive and File Presentation on Proposed Updates to the Financial Reserves Policy.

9. Update on SDG&E's 2026 Projected Rates

Recommendation: Receive and File SDG&E's 2026 Projected Rates Update.

DISCUSSION OF POTENTIAL AGENDA ITEMS FOR BOARD OF DIRECTORS MEETINGS

The CAC may bring items to the attention of the Board for consideration at a Board meeting using either of the following:

1. **Standing CAC Report.** The CAC report may be a standing item on the Board agenda, in which the CAC chairperson, chief executive officer (CEO) or designated staff reports on updates related to a recent CAC meeting. Consistent with the Brown Act, items raised during the standing CAC report may not result in extended discussion or action by the CAC unless agendaized for a future meeting.
2. **Suggesting Board agenda items.** The CAC may suggest agenda items for Board consideration by communicating with the CAC chairperson and the designated Community Power staff before and/or after a regular CAC meeting. If suggested during a regular meeting, there shall be no discussion or action by the CAC unless the item has been included on the CAC agenda. To be added to a Board meeting agenda, items must have the approval of the Community Power chief executive officer and the chairperson of the Board of Directors. If approval is provided, staff must be given at least five business days before the date of the Board meeting to work with the CAC to draft any memos and materials necessary.

COMMITTEE MEMBER ANNOUNCEMENTS

Committee members may briefly provide information to other members and the public. There is to be no discussion or action taken on comments made by committee members unless authorized by law.

ADJOURNMENT

The Community Advisory Committee will adjourn until the next regular meeting scheduled for Thursday, February 12, 2026, at 5:30 p.m.

Compliance with the Americans with Disabilities Act

Community Power committee 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 a 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 Committee Documents

Agenda-related materials are available at sdcommunitypower.org/resources/meeting-notes. Late-arriving documents related to a CAC meeting item are distributed to the members prior to or during the CAC 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

COMMUNITY ADVISORY COMMITTEE

Regular Meeting Minutes

November 13, 2025

Don L. Nay Port Administration Training Room
3165 Pacific Highway, San Diego, CA 92101

WELCOME

Vice Chair Montero-Adams called the regular meeting to order at 5:30 p.m.

ROLL CALL

PRESENT: Vice Chair Montero-Adams, City of San Diego; Secretary Pike and Committee Member Andersen, County of San Diego (Unincorporated); Committee Members Sclafani and Gonzalez, City of Chula Vista; Committee Member Emerson; City of National City; Committee Member Sumner, City of La Mesa (arrived at 5:31 p.m.); Committee Member Hammond, City of Encinitas (via Zoom Teleconference; arrived at 5:35 p.m.); and Committee Member Hoyt, City of Imperial Beach

ABSENT: Chair Harris, City of La Mesa; Committee Member Vasilakis, City of San Diego; and Committee Member Castañeda, City of National City

VACANT: Seat 7, City of Encinitas and Seat 10, City of Imperial Beach

Staff Present: Chief Operating Officer Clark; Assistant General Counsel Laity; Senior Manager Strategic Partnerships Friedman; Associate Director of Legislative Affairs Welch; Senior Policy Manager Cissna (via Zoom Teleconference); Senior Strategic Policy Manager Kinports; Regulatory Manager Gunther; Senior Program Manager Lomeli; Program Manager Zook; Senior Manager Community Engagement Crespo; Clerk of the Board Hernandez and Assistant Clerk of the Board Vences

PLEDGE OF ALLEGIANCE

Vice Chair Montero-Adams led the Pledge of Allegiance.

LAND ACKNOWLEDGMENT

Vice Chair Montero-Adams acknowledged the Kumeyaay Nation and all the original stewards of the land.

SPECIAL PRESENTATIONS AND INTRODUCTIONS

- **Introduction of new Community Power staff**

Vice Chair Montero-Adams welcomed new employees, Anna Laprise, Senior Origination Associate 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 COMMENT FOR ITEMS NOT ON THE AGENDA

There were no public comments.

CONSENT CALENDAR

1. **Approve October 9, 2025, CAC Regular Meeting Minutes**
2. **Receive and File Update on Marketing, Public Relations, and Local Government Affairs**
3. **Receive and File Update on Customer Operations**
4. **Receive and File Update on Programs**
5. **Receive and File Update on Power Services**
6. **Approve 2026 Meeting Schedule**
7. **Recommend Board adoption of Resolution No. 2025-__, approving proposed revisions to the existing Renewable Energy Self-Generation Bill Credit Transfer Tariff**

There were no public comments on Consent Item Nos. 1-7.

Motioned by Committee Member Andersen and seconded by Secretary Pike to approve Consent Item Nos. 1-7. The motion carried 9/0 by Roll Call Vote as follows:

AYES: Vice Chair Montero-Adams, Secretary Pike, Committee Members Sclafani, Gonzalez, Hammond, Hoyt, Andersen, Sumner and Emerson
NOES: None
ABSTAINED: None
ABSENT: Chair Harris, Committee Members Castañeda and Vasilakis

REGULAR AGENDA

8. Informational Update on Battery Energy Storage Systems

Mr. Friedman introduced the item and turned it over to Jason Anderson, CleanTech representative, to provide the Battery Energy Storage Systems update.

There were no public comments on Item No. 8.

After Committee Member questions, discussion and comments, the update on the Battery Energy Storage Systems was received and filed.

9. Update on Regulatory and Legislative Affairs

Messrs. Welch, Gunther, Kinports and Ms. Cissna provided the update on Regulatory and Legislative Affairs.

There were no public comments on Item No. 9.

After Committee Member questions and comments, the update on Regulatory and Legislative Affairs was received and filed.

10. Update on Smart Home Flex Project

Mr. Lomeli provided an update on Smart Home Flex Project.

There were no public comments on Item No. 10.

After Committee Member questions and comments, the update on the Smart Home Flex Project was received and filed.

11. Update on California Energy Commission Grant Agreement EPC-25-015

Ms. Zook provided an update on California Energy Commission Grant Agreement EPC-25-015

There were no public comments on Item No. 11.

After Committee Member questions and comments, the update on the California Energy Commission Grant Agreement EPC-25-015 was received and filed.

12. Creation of a 2026 CAC Work Plan Ad-Hoc Committee

Ms. Crespo provided an overview of the Creation of a 2026 CAC Work Plan Ad-Hoc Committee, outlining ad-hoc committee procedures.

Ms. Laity provided guidance on the procedures for creating Ad-Hoc Committees.

There were no public comments on Item No. 12.

Motioned by Secretary Pike and seconded by Committee Member Sclafani to approve the creation of a 2026 Community Advisory Committee (CAC) Work Plan Ad-Hoc Committee and appoint CAC volunteers. The motion carried by seven affirmative votes with two abstentions by Roll Call Vote as follows:

AYES: Vice Chair Montero-Adams, Secretary Pike, Committee Members Sclafani, Gonzalez, Hammond, Hoyt and Sumner

NOES: None

ABSTAINED: Committee Members Anderson and Emerson

ABSENT: Chair Harris, Committee Members Castañeda and Vasilakis

13. Creation of a Community Power Plan Review Ad-Hoc Committee

Ms. Crespo provided an overview of the Community Power Plan Review Ad-Hoc Committee, outlining ad-hoc committee procedures.

Ms. Laity provided guidance on the procedures for creating Ad-Hoc Committees.

There were no public comments on Item No. 13.

Motioned by Committee Member Sumner and seconded by Secretary Pike to approve the creation of a Community Power Plan Review Ad-Hoc Committee and appoint CAC volunteers. The motion carried by seven affirmative votes with two abstentions by Roll Call Vote as follows:

AYES: Vice Chair Montero-Adams, Secretary Pike, Committee Members Sclafani, Gonzalez, Hammond, Hoyt and Sumner

NOES: None

ABSTAINED: Committee Members Anderson and Emerson

ABSENT: Chair Harris, Committee Members Castañeda and Vasilakis

14. Creation of a Distributed Energy Resources/Local Infill Ad-Hoc Committee

Ms. Crespo provided an overview of the Creation of a Distributed Energy Resources/Local Infill Ad-Hoc Committee, outlining ad-hoc committee procedures.

Vice Chair Montero-Adams announced that Chair Harris requested that he be nominated to participate in Community Power Plan Review Ad-Hoc Committee.

Secretary Pike asked staff to provide a memo describing Ad-Hoc Committees.

Ms. Laity provided guidance on the procedures for creating Ad-Hoc Committees.

There were no public comments on Item No. 14.

Motioned by Secretary Pike and seconded by Committee Member Sumner to approve the creation of a Distributed Energy Resources/Local Infill Development Plan Ad-Hoc Committee and appoint CAC volunteers. The motion carried by eight affirmative votes with one abstention by Roll Call Vote as follows:

AYES: Vice Chair Montero-Adams, Secretary Pike, Committee Members Sclafani, Gonzalez, Hammond, Hoyt, Sumner and Emerson

NOES: None
ABSTAINED: Committee Member Anderson
ABSENT: Chair Harris, Committee Members Castañeda and Vasilakis

DISCUSSION OF POTENTIAL AGENDA ITEMS FOR BOARD OF DIRECTORS MEETINGS

None.

COMMITTEE MEMBER ANNOUNCEMENTS

Committee Member Sumner provided a report on the summarized actions from the October 23 Board meeting.

Vice Chair Montero-Adams volunteered himself to attend the November 20, 2025, BOD meeting and take notes and report back in December.

Committee Member Emerson requested additional information regarding Item No. 22 on the October 23 Board meeting agenda regarding Approval of an Amended and Restated Energy Storage Service Agreement for the Chula Vista Energy Center 2.

ADJOURNMENT

The Community Advisory Committee meeting adjourned at 7:57 p.m. to a regular meeting scheduled for Thursday, December 4, 2025, at 5:30 p.m.

Sandra Vences
Assistant Clerk of the Board

SAN DIEGO COMMUNITY POWER

Staff Report – Item 2

To: Community Advisory Committee

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: December 4, 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

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
Chula Vista Library
San Diego Green Drinks: B Local San Diego
National City Farmers Market
California Solar & Storage Association San Diego Chapter

Thanksgiving Grocery Giveaway and Resource Fair
UCSD Climate Careers
Boys & Girls Club of South County Feed the Kids & Families
MAAC Senior Food Distribution
Surfrider Pacific Beach Cleanup
National City District 3 Neighborhood Thanksgiving
Party 4 the Planet
Holiday Tree Lighting at Pier Plaza
Chula Vista Community Collaborative
National City Collaborative
A Kimball Holiday
Fallbrook Community Forum

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.

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 3

TO: Community Advisory Committee

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: December 4, 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 November 20, 2025, Community Power is serving a cumulative total count of **964,539** 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 and Contact Center metrics are captured and displayed only through October 31, 2025.

B) Customer Participation Tracking

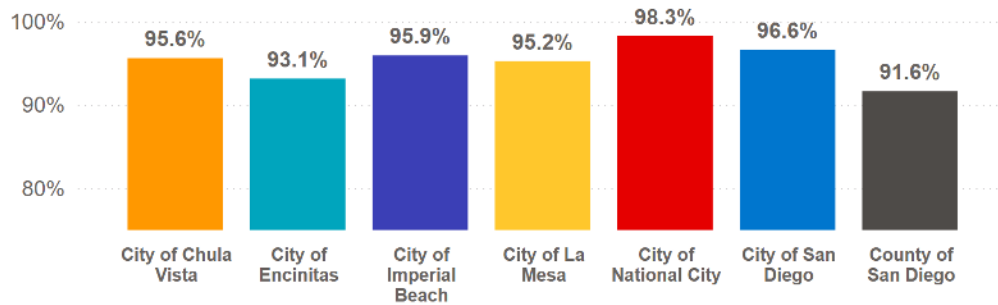
The below charts summarize customer participation by member agency as well as metrics for their elections into San Diego Community Power's four (4) available service options:

**Enrolled
Accounts**
964,539

**Participation
Rate**
95.5%

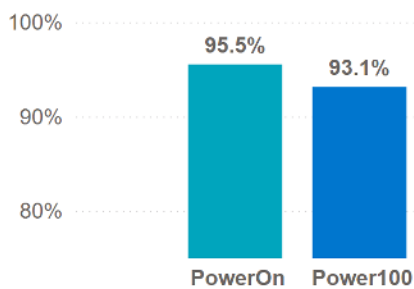
Participation

Participation by Jurisdiction

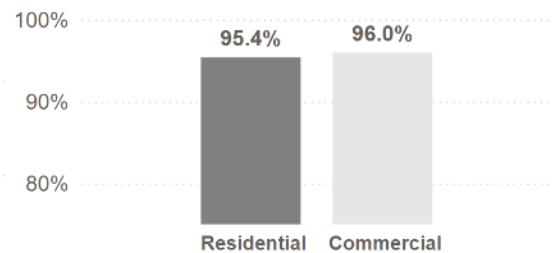


Jurisdiction	Service Option Default	Eligible Accounts	Enrolled Accounts	Participation Rate
City of Chula Vista	PowerOn	99,738	95,357	95.6%
City of Encinitas	Power100	28,941	26,958	93.1%
City of Imperial Beach	PowerOn	10,821	10,382	95.9%
City of La Mesa	PowerOn	29,598	28,191	95.2%
City of National City	PowerOn	19,559	19,220	98.3%
City of San Diego	PowerOn	630,833	609,370	96.6%
County of San Diego	PowerOn	191,019	175,061	91.6%
Total		1,010,509	964,539	95.5%

Participation by Default Service Option



Residential vs Commercial Participation

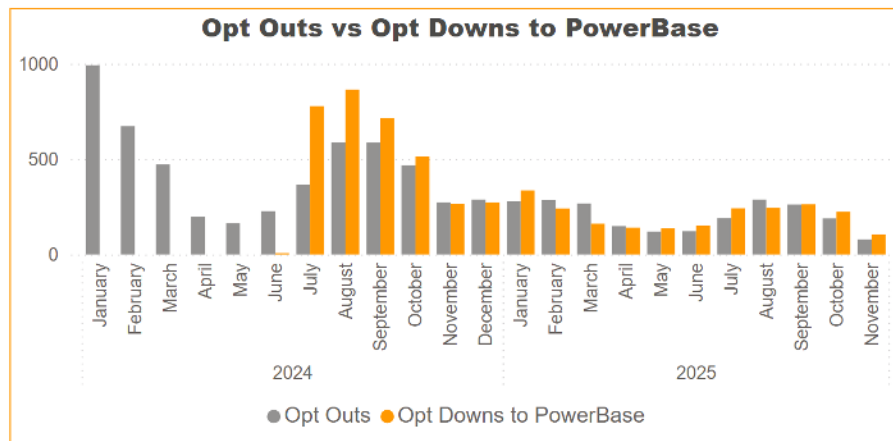


Service Option

PowerBase		PowerOn		Power100		Power100 Green+	
Enrolled	4,932	Enrolled	925,211	Enrolled	34,372	Enrolled	24
Participation	0.5%	Participation	95.9%	Participation	3.6%	Participation	0.0%

Service Option Enrollment Summary

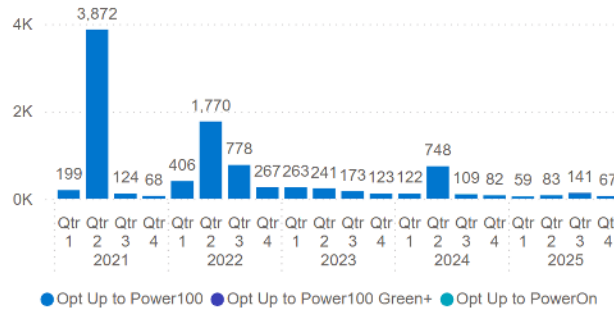
Jurisdiction	Service Option Default	Enrolled Accounts	Power Base Enrolled	Power Base %	PowerOn Enrolled	PowerOn %	Power 100 Enrolled	Power 100%	Power100 Green+ Enrolled	Power100 Green+%
City of Chula Vista	PowerOn	95,357	458	0.5%	93,985	98.6%	914	1.0%		
City of Encinitas	Power100	26,958	195	0.7%	398	1.5%	26,365	97.8%		
City of Imperial Beach	PowerOn	10,382	37	0.4%	10,263	98.9%	82	0.8%		
City of La Mesa	PowerOn	28,191	140	0.5%	27,786	98.6%	265	0.9%		
City of National City	PowerOn	19,220	60	0.3%	19,130	99.5%	30	0.2%		
City of San Diego	PowerOn	609,370	2,630	0.4%	600,802	98.6%	5,914	1.0%	24	0.0%
County of San Diego	PowerOn	175,061	1,412	0.8%	172,847	98.7%	802	0.5%		
Total		964,539	4,932	0.5%	925,211	95.9%	34,372	3.6%	24	0.0%



Opt Up History

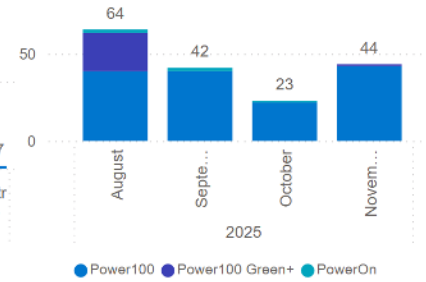
Total Opt Ups	Opt Ups Current*
9,695	8,108

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	26	1,021
City of Encinitas	18	1	1	3	1	24
City of Imperial Beach	60	29	11	6	6	112
City of La Mesa	155	120	19	12	7	313
City of National City			12	24	1	37
City of San Diego	3,316	2,896	489	340	271	7,312
County of San Diego	4		207	627	38	876
Total	4,263	3,221	800	1,061	350	9,695

Opt Ups by Customer Class

Customer Class	2021	2022	2023	2024	2025 YTD	Total
Commercial	4,256	296	232	701	144	5,629
Residential	7	2,925	568	360	206	4,066
Total	4,263	3,221	800	1,061	350	9,695

Opt Ups by Method

Opt Method	2021	2022	2023	2024	2025 YTD	Total
CSR	4,232	1,372	301	817	193	6,915
IVR	4	85	84	42	25	240
Web	27	1,764	415	202	132	2,540
Total	4,263	3,221	800	1,061	350	9,695

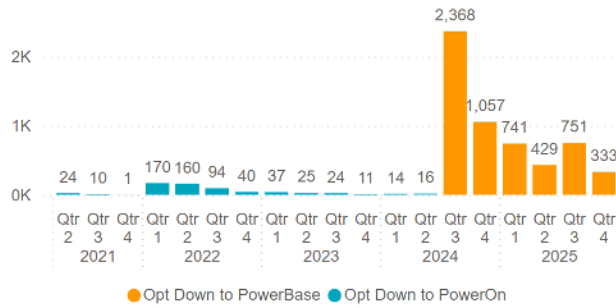
*Current indicates the account is open with SDG&E and this opt action is their latest opt action

2025 YTD as of November 20, 2025

Opt Down History

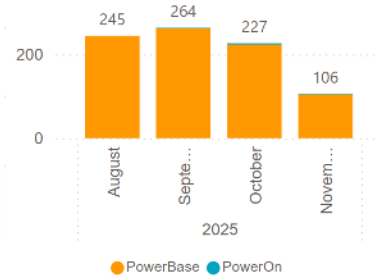
Total Opt Downs	Opt Downs Current*
6,305	5,417

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	238	531
City of Encinitas	35	429	74	150	99	787
City of Imperial Beach		1		31	16	48
City of La Mesa		4		106	62	172
City of National City				36	36	72
City of San Diego		28	13	1,793	1,259	3,093
County of San Diego			6	1,052	544	1,602
Total	35	464	97	3,455	2,254	6,305

Opt Downs by Customer Class

Customer Class	2021	2022	2023	2024	2025 YTD	Total
Commercial	34	23	9	508	164	738
Residential	1	441	88	2,947	2,090	5,567
Total	35	464	97	3,455	2,254	6,305

Opt Downs by Method

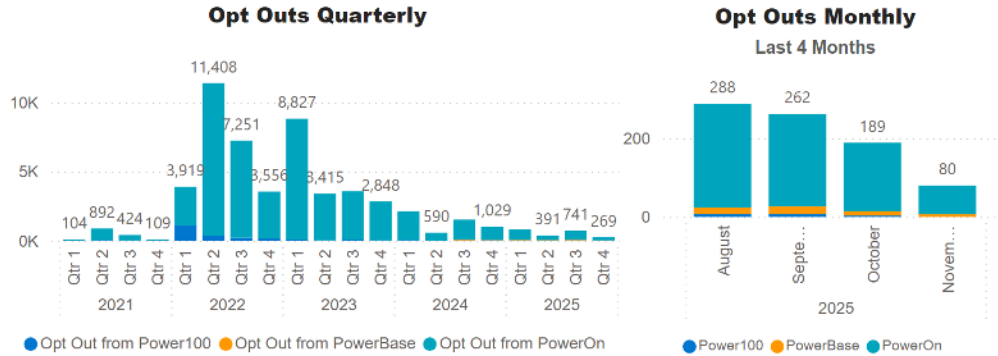
Opt Method	2021	2022	2023	2024	2025 YTD	Total
CSR	31	311	65	2,562	1,430	4,399
IVR	4	26	3	309	246	588
Web		127	29	584	578	1,318
Total	35	464	97	3,455	2,254	6,305

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

2025 YTD as of November 20, 2025

Opt Out History

Total Opt Outs	Opt Outs Current*
53,875	44,903



Opt Outs by Jurisdiction

Jurisdiction	2021	2022	2023	2024	2025 YTD	Total
City of Chula Vista	267	3,466	747	411	193	5,084
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	56	1,772
City of National City			285	75	31	391
City of San Diego	1,078	19,185	3,185	1,836	1,004	26,288
County of San Diego	2	1	13,902	2,669	879	17,453
Total	1,529	26,134	18,683	5,297	2,232	53,875

Opt Outs by Customer Class

Customer Class	2021	2022	2023	2024	2025 YTD	Total
Commercial	1,492	535	1,684	344	118	4,173
Residential	37	25,599	16,999	4,953	2,114	49,702
Total	1,529	26,134	18,683	5,297	2,232	53,875

Opt Outs by Method

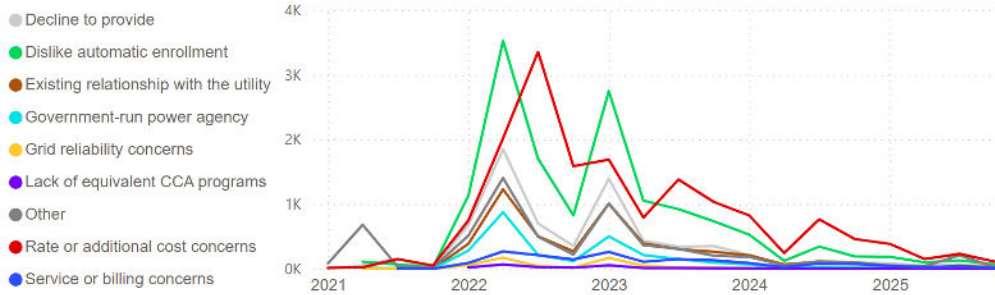
Opt Method	2021	2022	2023	2024	2025 YTD	Total
CSR	1,104	6,963	4,706	1,653	659	15,085
IVR	102	4,886	3,789	1,284	423	10,484
Web	323	14,285	10,188	2,360	1,150	28,306
Total	1,529	26,134	18,683	5,297	2,232	53,875

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

2025 YTD as of November 20, 2025

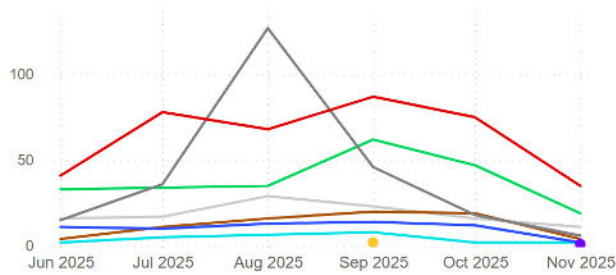
Opt Out Reason Summary

Opt Outs by Reason Quarterly



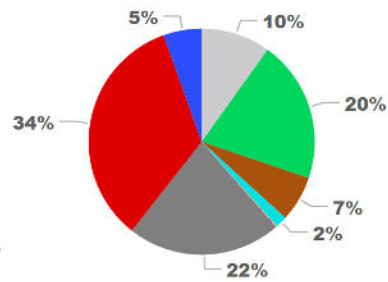
Opt Outs by Reason Monthly

Last 6 Calendar Months



Opt Out Reason Distribution

Last 6 Calendar Months



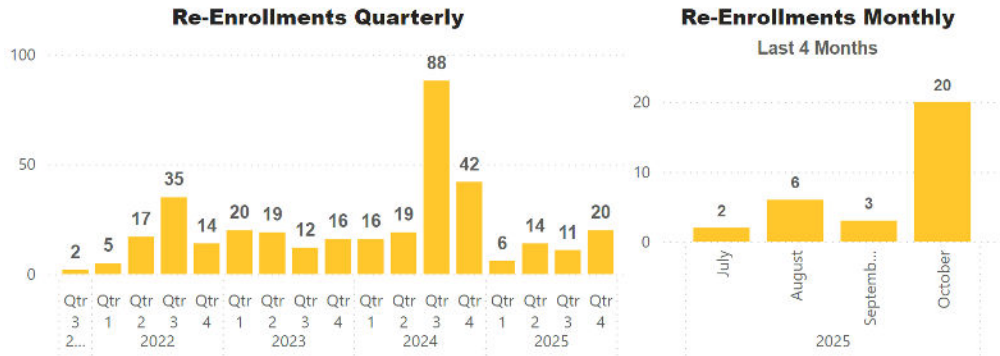
Opt Outs by Reason Table

Opt Out Reason	2021	2022	2023	2024	2025 YTD	Total
Decline to provide	228	3,583	2,519	465	228	7,023
Dislike automatic enrollment	203	7,187	5,458	1,188	482	14,518
Existing relationship with the utility	2	2,389	1,968	462	137	4,958
Government-run power agency	24	1,490	961	129	52	2,656
Grid reliability concerns	7	293	252	20	4	576
Lack of equivalent CCA programs		131	90	12	6	239
Other	819	2,636	1,884	453	323	6,115
Rate or additional cost concerns	240	7,707	4,897	2,296	879	16,019
Service or billing concerns	6	718	654	272	121	1,771
Total	1,529	26,134	18,683	5,297	2,232	53,875

2025 YTD as of November 20, 2025

Re-Enrollment Requests

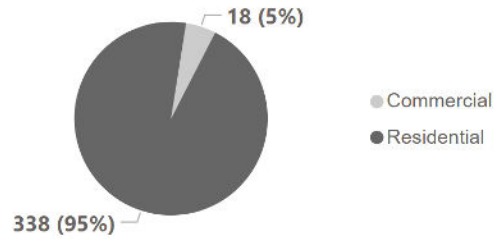
Excludes closed accounts



Re-Enrollments by Jurisdiction

Jurisdiction	Accounts
City of Chula Vista	24
City of Encinitas	32
City of Imperial Beach	4
City of La Mesa	7
City of National City	1
City of San Diego	213
County of San Diego	75
Total	356

Re-Enrollments Residential vs Commercial

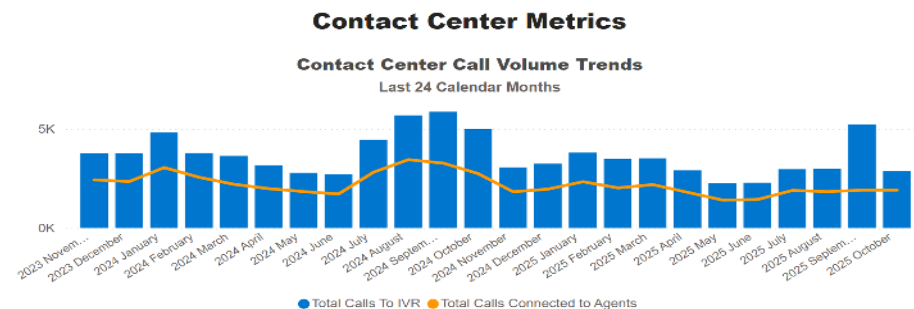


2025 YTD through the end of October, 2025

C) Contact Center Metrics

Please note that Contact Center Metrics are captured and displayed through October 31, 2025. As expected, calls to our Contact Center reached peak volume in the month of September in 2025 as customers received higher bills for increased usage, especially for bill periods covering the month of August due to quite a few hot days during that month. 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	32,231	182,688
Total Calls Connected to Agents	1,401	30,174	34,173	29,332	18,689	113,769
Avg Seconds to Answer	20.00	11.50	6.75	18.08	9.80	12.98
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%	95.57%	95.26%
Abandon Rate	0.57%	0.36%	0.19%	0.72%	0.45%	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	912	7,465
Emails Answered or Escalated Within 24 Hours	257	2,821	2,107	1,270	912	7,367
Completion%	94%	96%	100%	100%	100%	98%

2025 YTD through the end of October, 2025

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 4

To: Community Advisory Committee

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

Via: Karin Burns, Chief Executive Officer

Subject: Update on Programs

Date: December 4, 2025

Recommendation

Receive and file update on customer energy programs.

Background

Staff will provide regular updates to the Community Advisory Committee (“CAC”) 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

Efficient Refrigeration Pilot Project

Status: The Efficient Refrigeration Pilot aims to serve a total of 30 participants. As of November 14, 2025, 28 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: Staff continue to work with Los Angeles County (“LA County”) and their implementation partners to prepare for the launch of the EBD DI Program. At a November 18, 2025 coalition meeting, Staff learned that the Program launch date has been pushed to the end of Q1 2026 due to unforeseen delays at the State level. Staff continue to collaborate with the Public Affairs and Outreach team to contract with community-based organizations (“CBOs”) in our Power Network to implement and support marketing, outreach, and educational (“ME&O”) activities in preparation of the launch of the EBD DI Program.

Next Steps: Staff will continue to work with LA County and the Area Coordinator for San Diego to successfully implement the EBD DI Program in San Diego and make our residents aware of the program through CBOs.

Flexible Load Programs

Smart Home Flex Pilot Project

Status & Next Steps: Please refer to Item 4 of the October 2025 CAC staff report for the most recent update on this program.

EV Flex Connect Pilot Project

Status: Staff continue to work with their V1G software partner to increase participant enrollment and implement load shifting strategies in the EV Flex Connect pilot. Following recent enrollments of Net Energy Metering and Net Billing Tariff customers, Pilot participation now totals over 220. Staff is assessing additional program changes, including expanded vehicle OEM eligibility.

At the November 2025 meeting, the Community Power Board of Directors adopted a resolution authorizing the Chief Executive Officer to execute EPC-25-015 with the California Energy Commission and to negotiate and execute any amendments, extensions, or renewals of the agreement; accept, appropriate, and expend the EPC-25-015 funds in an amount not to exceed \$693,611; and to negotiate and execute agreements with third parties, including PNNL, to implement EPC-25-015 or use of funds in accordance with applicable policies.

Next Steps: Staff will implement program changes to drive additional enrollments and continue to assess load shifting strategies. Staff will also begin contracting with PNNL on its scope of work for the CEC grant and execute data sharing agreements with the other project partners.

Solar and Energy Storage Programs

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. To date, the program received over 380 applications, of which 210 have already been approved. Of the 51 contractors approved to participate in the program, 43 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 59% compared to 41% 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 & Next Steps: Please refer to [Item 4](#) of the November 2025 CAC staff report for the most recent update on this program.

San Diego Regional Energy Network (“SDREN”)

Status: Staff continue activities required for the successful launch of SDREN programs with a focus on procurement. As of November 14, 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 continue to 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 Phase 2 contracts to be executed in December 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 5

To: Community Advisory Committee

From: Gordon Samuel, Chief Commercial Officer

Via: Karin Burns, Chief Executive Officer

Subject: Update on Power Services

Date: December 4, 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. After consultation with the ECWG, Community Power Board of Directors has approved a portfolio of PV PPAs and energy storage and service agreements and is 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 the 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 6

To: Community Advisory Committee

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: December 4, 2025

Recommendation

Receive and file the update on regulatory and legislative affairs.

Background

Staff provide regular updates to the Community Advisory Committee regarding Community Power's regulatory and legislative engagement.

Analysis and Discussion

A) Regulatory Updates

Resource Adequacy

On November 4, 2025, Community Power's trade association, the California Community Choice Association (CalCCA), filed [opening comments](#) on the California Public Utilities Commission's (CPUC) [Order Instituting Rulemaking](#) (OIR) establishing a new Resource Adequacy (RA) proceeding ([R.25-10-003](#)), establishing RA procurement obligations for the 2027 compliance year, and considering program reform. For additional background on the new OIR, please see the [November 2025 regulatory update](#) to the Community Advisory Committee on page 62.

CalCCA's comments made the following recommendations:

- Address RA slice-of-day (SOD) transactability issues, as scoped in the OIR, with a modified schedule to allow parties to file updated proposals following the release of the Energy Division report on transactability issues in Q1 2026;
- Include load forecasting issues within the scope to improve processes with the California Energy Commission (CEC) to increase transparency, collaboration, and

certainty in the demand forecast, adjustment, and allocation processes, especially considering the emergence of new data centers and other large loads in the forecast;

- Clarify how local RA central procurement entities are intended to use the aggregated results of LSEs' local RA data request responses in their procurement decisions;
- Consider within this proceeding updates to the Commission's requirements for showing maximum import capacity to align with the SOD framework; and
- Include demand response, distributed energy resources, and microgrid counting rules within the scope of this proceeding.

CalCCA filed [reply comments](#) on November 14, and a prehearing conference was held on 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 November 10, the CPUC issued a [Proposed Decision](#) approving SDG&E's 2026 ERRA Forecast. The decision adopts SDG&E's updated 2026 revenue requirement forecast of \$824.1 million which is \$701.8 million higher than its currently effective revenue requirement of \$122.3 million. The PD notes that the 2025 forecast revenue requirement authorized in Decision 24-12-040 is significantly lower primarily due to the application of investment tax credits and changes in market price benchmarks in comparison to the 2026 forecast.

In its Opening Brief, SDG&E forecasted that it would need to use banked Renewable Energy Certificates (RECs) to meet its 2026 RPS requirement despite initially anticipating that it would not need to use any banked RECs.

Community Power along with Clean Energy Alliance (the Joint CCAs) previously objected to SDG&E's potential use of pre-2019 banked RECs and its proposal to value pre-2019 banked RECs at \$0. The PD concludes that the Joint CCAs were not able to fully litigate SDG&E's potential use of pre-2019 banked RECs. As a result, the PD requires SDG&E to first utilize post-2018 banked RECs to meet any RPS shortfall in 2026. Use of post-2018 banked RECs is not a contested issue, and SDG&E does not claim to have insufficient post-2018 banked RECs to fill its 2026 RPS requirement.

Comments on the Proposed Decision were filed on November 17. The [Joint CCA Opening Comments](#) express support for the PD as written, but suggests that in the alternative, the Commission could revise the PD to provide longer-term definitive guidance as to the use and treatment of banked RECs. In other words, the Commission could: 1) order SDG&E to prioritize the use of Post-2018 Banked RECs, valuing them at the full, current RPS Adder MPB, until

those RECs are exhausted (which, with a similar RPS shortfall as that of 2026, could last SDG&E more than 20 years); or 2) conclusively resolve the valuation of Pre-2019 Banked RECs in this proceeding (and across each IOU's Erra Forecast proceeding) by requiring SDG&E to apply a credit at the current RPS Adder MPB to the PCIA vintage corresponding to the year the Pre-2019 Banked REC was generated.

SDG&E continues to argue in [Opening Comments](#) that the PD should be revised to allow SDG&E to use pre-2019 banked RECs valued at zero dollars for 2026 RPS compliance.

Reply comments are due November 24.

SDG&E Cost of Capital 2026 Proceeding

On November 14, the CPUC issued a [Proposed Decision](#) (PD) establishing the 2026 ratemaking cost of capital for PG&E, SoCalGas, SCE, and SDG&E and closing this consolidated proceeding.

Across the board, the PD rebuffs SDG&E's positions and supports the outcomes recommended by Community Power in this proceeding.

Although SDG&E requested a Return on Equity (ROE) of 11.25%, the PD sets the ROE at 9.88%, which is not only significantly closer to the ROEs proposed by intervenors and national averages, but also well below SDG&E's current authorized ROE of 10.23%

SDG&E requested a cost of capital/rate of return (ROR) of 8.19%. Community Power supported a ROR of up to 7.16%. The PD sets the ROR at 7.39%.

SDG&E's current capital structure authorization is 52.00% common equity, 2.75% preferred equity, and 45.25% long-term debt. SDG&E requested a capital structure of 54% common equity, 0% preferred equity, and 46% long-term debt. The PD maintains the currently authorized capital structure. The PD notes that the capital structures proposed by PG&E and SDG&E should not be adopted because they do not sufficiently balance ratepayer interests with the intention to maintain an investment grade rating and attract capital. The PD also notes it is not beneficial to ratepayers for SDG&E to reduce its preferred equity to 0.00% and increase its long-term debt and common equity.

Comments are due December 4, reply comments are due December 9, this decision may be heard as early as the Commission's meeting on December 18.

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

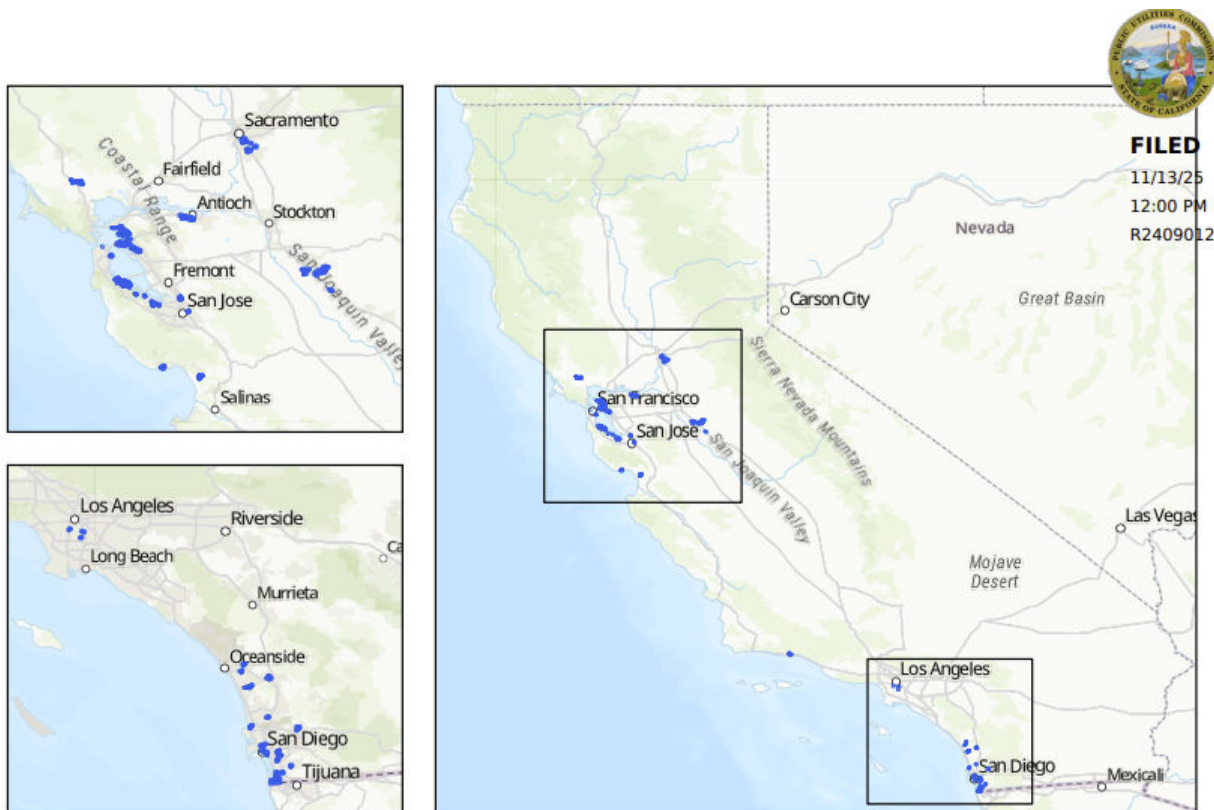
proceeding such that a single proposed decision will be issued on legal permissibility, policy issues, *and* factual issues in June 2026. This date will be shifted to July 2026 in the event more deliberation of factual issues is necessary via evidentiary hearings.

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 November 13, 2025, the California Public Utilities Commission issued a [Proposed Decision \(PD\)](#) designating *initial* (emphasis added) priority neighborhood decarbonization zones (PNZs). *The PD has no effect until it is passed at a CPUC voting meeting which will happen no sooner than December 18th.*

This PD designates the initial PNZs and provides both a map showing their locations and a table listing the census tracts included. There are 31 census tracts listed for San Diego (see last five pages of the [census tract list](#)).



California State Parks, Esri, TomTom, Garmin, FAO, NOAA, USGS, Bureau of Land Management, EPA, NPS, USFWS, California State Parks, Esri, TomTom, Garmin, FAO, NOAA, USGS, EPA, USFWS

Initial SB 1221 Neighborhood Decarbonization Zones, 2025

Last Update: 11/07/2025

Created by: CPUC Energy Division: Building Decarbonization Section, Gas Policy & Reliability Section

Within 15 days of approval at a CPUC business meeting, PG&E, SoCalGas, and SDG&E must update the maps they submitted on July 1, 2025, to incorporate the initial PNZs; no initial PNZs are designated within Southwest Gas's service territory. All four utilities - PG&E, SoCalGas, SDG&E, and Southwest Gas - are further ordered to engage community partners across diverse locations, gather feedback on local equity considerations, and host at least one SB 1221 information session in each of their service areas by March 15, 2025. Opening comments, limited to 15 pages, are due December 3, 2025, and reply comments, limited to 5 pages, are due December 8, 2025. Initial considerations for comments include the Commission's use of supportive community partners to narrow down census tracts.

The Joint CCA WG in which Community Power participates will be filing comments on the PD; a summary of filed comments will be included in the next staff report.

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 December 4, 2025, Commission Voting Meeting.

B) State Legislative Activities Update

None. The Legislature is on Interim Study Recess and reconvenes for the 2026 legislative year on January 5.

C) Federal Activities Update

On November 12, Congress passed a Continuing Resolution to re-open the government through January 30, 2026. The House of Representatives is now resuming its business after being out of session for seven weeks during the shutdown.

House Energy and Commerce Committee Holds Appliance Efficiency Mark Up

The committee held a markup – a key step in the Congressional process during which committees debate the bill and offer amendments – on several energy efficiency-related bills on Nov 19. They marked up the following:

- [H.R. 3699](#), Energy Choice Act (Rep. Langworthy): this would prohibit state or local governments from implementing, adopting, or enforcing any law, regulation, ordinance, building code, or policy that directly or indirectly prohibits or limits access to an energy service based on the type or source of energy that is sold.
- [H.R. 4758](#), Homeowner Energy Freedom Act (Rep. Goldman): this would repeal the following sections of the Inflation Reduction Act:
 - Section 50122, establishing a new high efficiency electric home rebate program;
 - Section 50123, establishing the home energy efficiency contractor training grants; and
 - Section 50131, to provide financial assistance to states and localities to adopt certain energy conservation building codes.
- [H.R. 4626](#), Don't Mess with My Home Appliances Act (Rep. Allen): this would amend the Energy Policy and Conservation Act (EPCA) to reform the Department of Energy's (DOE's) procedures for issuing energy efficiency standards. The legislation would prohibit DOE from prescribing any new or amended energy efficiency standards for a product that is not technologically feasible and economically justified. The bill defines a minimum threshold for energy or water savings that must be achieved to justify a new regulation and establishes several new factors that DOE must consider, including the cost to low-income households and the full lifecycle costs associated with requiring consumers to purchase a new qualifying appliance.

House Natural Resources Committee Markup of Environmental Review Reform Legislation

The committee on November 20 marked up [H.R. 4776](#), the Standardized Permitting and Expediting Economic Development (SPEED) Act (Rep. Westerman). The bipartisan bill is intended to speed up reviews and limit legal challenges under the National Environmental Protection Act (NEPA). The changes would apply to a wide range of energy projects on federal lands, including fossil fuel and electric transmission projects. The bill would do the following:

- Shorten permitting timelines and reduce the frequency of litigation
- Simplify the analysis required by NEPA documents

- Establish a 150-day deadline for filing claims in court and establish a new standard of review.

Infrastructure permitting reform will likely continue to be a focus of the Congress.

Federal Energy Regulatory Commission Asked to Launch Rulemaking on Large Loads

On Oct. 23, U.S. DOE Secretary Chris Wright directed the Federal Energy Regulatory Commission (FERC) to launch a rulemaking process to reduce the time it takes for large loads, including data centers and manufacturers, to connect to the transmission system. The Secretary [urged](#) FERC to clarify and standardize rules for the interconnection procedures for large electricity consumers based on 14 principles for reform, including incentivizing co-locating large load and generation facilities where practicable, prioritizing interconnection for facilities that agree to flexible consumption or generation, and imposing requirements to deter speculative projects to improve the accuracy of energy demand forecasts.

The request is spurred by a growth in the deployment of data centers to support the boom in artificial intelligence technology. Data centers are forecasted to increase electricity demand in the near and long-term. It also sets up a potential discussion on the dividing line between federal and state authority on energy policy. States typically regulate the interconnection process since it is a matter of interstate commerce. The National Association of Regulatory Utility Commissioners adopted a [resolution](#) urging FERC to ensure their efforts on large load interconnections preserve state authority. FERC was requested to issue a rule by April 30, 2026.

Fiscal Impact

N/A

Attachments

N/A



SAN DIEGO COMMUNITY POWER

Staff Report – Item 7

To: Community Advisory Committee

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

Via: Karin Burns, Chief Executive Officer

Subject: Fiscal Year End 2024-25 Performance Review

Date: December 4, 2025

Recommendation

Receive and File: Fiscal Year End 2024-25 Performance Review.

Background

San Diego Community Power (Community Power) maintains its accounting records on a full accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) as applicable to governmental enterprise funds. Community Power has prepared its year-end audited financial statements for the twelve-month period ended June 30, 2025, along with budgetary comparisons.

Additionally, on May 25, 2023, the Community Power Board of Directors (Board) adopted the Community Power Investment Policy, which was subsequently revised on June 27, 2024 and on August 28, 2025. The objectives of the Investment Policy are to (1) safeguard the principal of investment funds, (2) meet the liquidity needs of Community Power, (3) achieve a return on funds invested, and (4) exercise a high standard of care on investment funds. The Investment Policy additionally includes provisions for regular reporting to the Financial and Risk Management (FRMC) through the Treasurer's Report.

On February 27, 2025, the Board approved an amendment to the FY 2024-25 Operating Budget to adjust total net operating revenues upward to \$1,221.3 million and total expenses upward to \$1,187.1 million, and a budgeted net position of \$34.2 million.

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.

Sorren CPAS P.C. (Sorren) conducted the audit for FY 2024-25. Sorren is a firm with experience auditing CCAs and other local government entities. The FY 2024-25 Financial Audit marks the 5th consecutive clean report with satisfactory outcomes.

The Board officially Received and Filed the Fiscal Year 2024-25 Financial Audit at the November 20, 2025, Board meeting.

Analysis and Discussion

Staff have consistently demonstrated good stewardship over rate-payer funds. Community Power finished its fiscal year end, as of June 30, 2025, with the change in net position of \$100.8 million raising the cumulative net position to \$476.2 million. The FYE outcome compares favorably to the \$34.2 million net position budgeted for the period.

The following is a summary of Community Power's financial performance for FY 2024-25:

Item	Actuals	Budget	Difference (\$)
Operating Revenue			
Total Operating Revenues	\$1,243,031,946	\$1,221,258,173	\$21,773,773
Expenditures			
Cost of Energy	\$1,101,545,238	\$1,116,836,549	(\$15,291,311)
Non-Energy Expenses	\$53,668,137	\$69,002,590	(\$15,334,453)
Subtotal Operating Expense	\$1,155,213,375	\$1,185,839,139	(\$30,625,764)
Nonoperating Revenues			
Investment Income	\$13,467,273	\$0	
Interest Expense	\$436,062	\$1,276,000	(\$839,938)
Nonoperating Revenues	\$13,031,211	(\$1,276,000)	
Net Position	\$100,849,782	\$34,143,034	\$66,706,748

The FY2024-25 performance was highlighted by:

- Operating revenues finishing 1.8% over budget driven by lower-than budgeted uncollectibles, lower-than budgeted PowerBase participation, and higher-than expected load usage in the June 2025 summer month.
- Non-Energy expenses finished 22.2% under budget contributing \$15.3 million in savings to the net position. Non-Energy savings came from the following:
 - Professional services and contracts savings of \$6.1 million
 - Personnel cost saving of \$2.9 million.
 - General and Administrative savings of \$1.8 million
 - Marketing and Outreach savings of \$1.0 million
 - Timing of the launch of capital investment plan programs/projects contributed \$3.5 million
- Cost of energy finished 1.4% under budget, contributing \$15.3 million in savings to the net position. Savings were primarily driven by:
 - Renewables – Savings driven by CPUC market price benchmarks lower-than-forecasted resulting in \$15.6 million in SDG&E Voluntary Allocation Market Offer (VAMO) savings.
 - Resource Adequacy and Day-Ahead Load Costs – Renewable savings were partially offset by higher-than budgeted resource adequacy costs to close short positions and by day-ahead load costs being higher-than budgeted.
- Unbudgeted non-operating income of \$13.0 million generated from the investment income net of \$0.4 million in interest expenses.
 - Interest expenses were budgeted at \$1.3 million; \$0.9 million in savings were generated by reducing the costs associated with dollar amounts of outstanding standby letters of credit posted as collateral.

The above highlights are reflective of good stewardship and staff's diligence in identifying opportunities to reduce non-energy costs as well as implementing a sound investment strategy of diversifying investments focused on high-investment grade debt instruments yielding returns above 4%. Investment income will be conservatively budgeted at a 3% return for the upcoming budget development cycle.

Although overall fiscal performance for the period was favorable, Community Power continues to be exposed to various risks factors, including financial risks, operational risks, and regulatory risks. These risk factors reiterate the importance of maintaining a reserve level that supports Community Power's strategic goal to build a sustained, financially stable organization.

Fiscal Impact

N/A

Strategic Plan

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

Attachments

N/A

SAN DIEGO COMMUNITY POWER

Staff Report – Item 8

TO: Community Advisory Committee

FROM: Dr. Eric W. Washington, Chief Financial Officer/Treasurer
Tim Manglicmot, Director of Finance
Jeb Spengler, Senior Strategic Finance Manager

VIA: Karin Burns, Chief Executive Officer

SUBJECT: Proposed Updates to the Financial Reserves Policy

DATE: December 4, 2025

Recommendation

Receive and file presentation on Proposed Updates to the Financial Reserves Policy.

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 4.6.2 of the JPA specifies that the Community Power Board of Directors (Board) shall adopt an annual budget prior to the start of the fiscal year, which runs from July 1 to June 30.

Section 3.2.12 of the JPA specifies that the Community Power Board of Directors adopt rules, regulations, policies, bylaws, and procedures governing the operation of Community Power. Additionally, section 4.5.5 of the JPA states that one of the general purposes of the Board is to set policy.

Even further, section 5.10.2.c of the JPA states that one of the primary purposes of the Finance and Risk Management Committee (FRMC) is to review and recommend to the Board financial policies and procedures to ensure, among other things, “rules and regulations governing investment of surplus funds” and “selection and designation of financial institutions for deposit” of funds.

Reserve Policy

On June 24, 2021, the Board originally reviewed and approved Community Power's Financial Reserves Policy. Subsequently, on February 24, 2022, the Board approved the first revision to the Financial Reserves Policy.

On June 27, 2024, the Board reviewed and approved a second revision to the Financial Reserves Policy that updated the financial reserve goal from 90-days cash on hand to 180-days cash on hand in alignment with reserve goals set by the Board.

Finally, on October 23, 2025, the Board reviewed and approved a third revision to the Financial Reserves Policy that added the inclusion of investments within the definition of "Days Cash on Hand", in accordance with Government Code sections 53600 et. seq. and Community Power's Investment Policy for the purpose of calculating Financial Reserves.

Staff is proposing a fourth revision to the Reserve Policy that is intended to be brought to the Board during the December meeting. This staff report outlines the proposed revisions and the reasons supporting those changes.

Strategic Plan Goals

Directly related to the Financial Reserve Policy, on June 23, 2022, the Board approved Community Power's Mission, Vision, Core Values and Goals for 2023-2027. The key focus areas and goals included:

- Adopt plan to increase reserves to \$175 million by October 2023 and \$360 million by October 2025, which represented 90-days cash on hand and 180-days cash on hand, respectively when the policy was approved.
- Develop Rate Stabilization Reserve of \$70 million to mitigate power cost fluctuations and economic downturns.

Subsequently, on March 27, 2025, the Board approved Community Power's Strategic Plan Goals for FY 2026- 2028 which reaffirmed the reserve goals:

- Build reserves by \$150 million to maintain a reserve target of at least 180-days cash on hand by December 2027
- Develop Rate Stabilization Reserve of \$70 million to mitigate power cost fluctuations and economic downturns

Rate Setting and FY 2025-26 Operating Budget

On February 7, 2025, the Board approved Community Power's 2025 rates which were designed to serve the needs of Community Power's customers by being lower than SDG&E's, and, critically related, allowed for the accrual of reserves to make it highly likely that Community Power could meet its strategic goal of 180-days cash on hand.

Subsequently, on June 26, 2025, the Board approved Community Power's FY 2025-26 Operating Budget which stated that by the end of FY 2025–2026, Community Power was likely to achieve its strategic goal of having 180 days' cash on hand, which would equip Community Power to earn and maintain a public credit rating.

Finally, on November 20, 2025, staff reported Community Power's Treasurer's Report for the period ending August 31, 2025, which reflected \$439.9 million in unrestricted cash and investments and a Fiscal Year 2025-26 year-end reserve target of \$498.5 million. The Treasurer's Report reflected that Community Power met 88% of its 180-days cash on hand reserve goal target through that period.

As part of Community Power's efforts to strengthen its overall risk management capabilities, staff performed a comprehensive reserve analysis in which staff recommend amending this financial reserve goal to protect the agency against market fluctuations and other risks and provide customers with greater pricing stability.

Analysis and Discussion

Since 2024, Community Power has undertaken a series of strategic initiatives to strengthen its risk management capabilities. These efforts include engaging specialized risk consultants, deploying advanced analytics platforms, and forming a multi-department risk team to systematically identify, assess, and quantify the full spectrum of financial, operational and regulatory risks facing the organization.

Through this comprehensive risk management framework, Community Power conducted a bottom-up risk analysis, leveraging both internal data and market intelligence to evaluate the likelihood and impact of key risk factors such as market price volatility, energy costs, customer participation rates, and operational contingencies. The quantification of these risks revealed that the financial exposures – especially those related to market price benchmark volatility and unforeseen events – necessitate a higher reserve threshold to ensure the agency's resilience and ability to meet its obligations under adverse conditions. This holistic approach, validated by peer benchmarking and credit rating agency criteria, demonstrates that raising the reserve target is both prudent and essential for maintaining financial stability, supporting a strong credit profile, and aligning with industry best practices.

The following summarizes the specific risk management strategies and reserve validation processes implemented by Community Power.

Risk Management

Multi-Department Risk Team. Community Power has a risk management team composed of subject-matter experts and leaders across Community Power's senior leadership and business units. Supported by GB Endeavors LLC and bolstered by the cQuant Analytics Platform, this

Multi-Department Risk Team plays a critical role in alerting the organization to financial, operational, and regulatory risks.

cQuant Energy Risk Management. On August 3, 2024, Community Power entered into a professional services agreement with cQuant.IO Inc. cQuant.io access provides its cQuant Analytics Platform, which enables Community Power to access and use a variety of models, including econometric, statistical, mathematical, problem solving, and logistical models. Additionally, cQuant.io provides custom software development services to Community Power. With the cQuant Analytics Platform, Community Power is now able to run several price simulation models that consume internal data combined with the most up-to-date market data available to generate robust financial projections, a critical function needed to analyze market risks to inform reserve targets.

Risk Consultant. On August 7, 2024, Community Power entered into a professional services agreement with GB Endeavors LLC. Through this agreement, Community Power onboarded an expert risk consultant to help in enhancing a business-specific risk structure and model similar to Silicon Valley Clean Energy, a community choice aggregator with an established and robust risk framework, and in alignment with American Public Power Association best practices.

Reserve Quantification

Community Power used a Bottom-up Approach to first identify risks posed to the agency, resulting in a risk register to document and track these risks. Subsequently, Community Power evaluated the likelihood and impact of the identified risks based on data informed by various sources. By quantifying the impact levels associated with these risks, Community Power could identify mitigation strategies such as reserves or insurance to directly address these risks.

Through this exercise, Community Power staff recommends that the risks identified in the table below should be mitigated through reserves. These risks provide contingencies and emergency funding to ensure financial stability in the short term while allowing Community Power to identify longer-term mitigation strategies.

Category (Uncertainty)	Risk	Coverage Level	Reserve Level (Millions)
Market Price Benchmark Volatility*	PCIA & Generation Rate “Snapback Event”	100%	\$420.1
Energy Costs and Retail Revenue*	Wholesale, Load and Open Position Volatility	100%	\$244.7
Load*	Participation Rate Drops to 86%	100%	\$51.1
Uncollectible Accounts*	Increase in uncollectible customer account balances from 1.75% to 5%	100%	\$36.0
Prepay Savings Loss	Prepay savings loss due to unforeseen event	100%	\$11.8
Operations	Legal Loss	100%	\$5.0
Operations	Force Majeure or Cybersecurity Event	100%	\$1.8
* Risk categories may fluctuate marginally due to changes in market conditions		Total	\$770.5
		DCOH	278

Through the reserve quantification exercise, staff recommends the establishment of three reserve thresholds:

- a. **Minimum Reserve Balance:** Community Power will strive to ensure a minimum reserve balance sufficient to cover at least 180 days cash on hand – a threshold widely recognized as an industry best practice among community choice aggregators, public power utilities and credit rating agencies. This minimum level provides the agency with the ability to meet essential obligations and maintain short-term financial stability while aligning with industry standards and supporting a strong credit profile. Maintaining balances below the minimum balance threshold could threaten the agency’s ability to address an unexpected risk event and/or establish and maintain an investment grade credit rating.
- b. **Target Reserve Balance:** Community Power will strive to maintain a target reserve balance sufficient to cover at least 225 days cash on hand. The Target Reserve Balance provides sufficient reserves for typical fluctuations in market volatility. This target level ensures the agency’s ability to absorb unexpected cost increases or revenue shortfalls without immediate negative impacts on operations, credit rating, or customer rates. Additionally, the target reserve balance is considered sufficient to cover normal cyclical fluctuations to market price benchmark volatility resulting from fluctuations to PCIA and SDG&E rates.

- c. **Maximum Reserve Balance:** Community Power will strive to build reserves sufficient to cover no more than 270 days cash on hand, unless specifically authorized by the Board. The Maximum Reserve Balance provides sufficient reserves for significant fluctuations in market volatility or unforeseen circumstances in alignment with the reserve quantification exercise.

In alignment with the validation of the reserve target and given that certain risk categories are subject to marginal fluctuation due to market conditions, staff are proposing a maximum reserve balance of 270 days cash on hand rather than the 278 days cash on hand in the reserve quantification exercise.

Primary Risk Factors

Market Price Benchmark Volatility. The largest risk factor to Community Power is Market Price Benchmark Volatility through the Power Charge Indifference Adjustment (PCIA) and SDG&E rates. As background, PCIA is a fee established by the California Public Utilities Commission (CPUC) to ensure fairness when customers leave an investor-owned utility (IOU) for a Community Choice Aggregator (CCA) or Direct Access provider. IOUs make long-term power purchase commitments to serve their customers; when some customers depart, the IOU still pays for those contracts. The PCIA recovers the above-market costs of those legacy contracts from departing customers so remaining utility customers aren't left with the financial burden. It's recalculated annually based on the difference between the IOU's portfolio costs and current market value, it significantly affects CCA rate competitiveness and budgeting, and it fluctuates significantly based on market-price volatility.

The CPUC uses a Market Price Benchmark (MPB) as an annual reference price that estimates the current market value of an IOU's energy portfolio. It's used to calculate the PCIA by comparing the IOU's actual portfolio costs to this benchmark, ensuring departing customers pay their fair share of above-market costs.

MPBs from 2021, in particular, are considered to be historically lower than average, particularly for resource adequacy and renewable energy. Even further, the 'actual' 2021 MPBs were considered by the CPUC to be the actual, final market prices from 2021. The 2021 MPBs therefore represent real market prices that have already occurred and therefore have a higher probability of occurring in future periods. The recommended reserve level represents the difference between Community Power's net position given the 2021 market price benchmark volatility and Community Power's net position to cover its cost of service excluding the impacts of market price benchmark volatility.

Energy Costs and Retail Revenue. Community Power also faces significant risks from the combined effects of historically low customer demand and declining energy market conditions. Extended periods of mild summer weather can significantly reduce demand, leading to weaker retail revenues. At the same time, if wholesale energy prices fall below the

levels of contracted fixed-price positions, those contracts become “out of the money” and generate financial losses. For this risk to materialize, both suppressed demand and sustained soft market pricing would need to occur simultaneously, leaving the portfolio exposed to margin erosion from both volume and price pressures.

Decrease in Customer Participation Rates. In reviewing other community choice aggregators, the distribution of participation rates ranges from 86% to 98%. Certain events such as sustained negative sentiment toward Community Power can trigger opt-outs and – given that the low end of the participation-rate range is 86% – it’s possible that Community Power’s participation rate could drop to 86% as well.

Other factors considered. Community Power considered a wide range of risks to the agency through its risk register. However, several of these risks were either considered to be unquantifiable, such as impacts from regulatory reform, or to not require reserves given that Community Power could have sufficient time to address the risk through operational changes. Additionally, other risks to Community Power were addressed through other means, such as through insurance.

Validating the Reserve Target

The validation of Community Power’s reserve targets is grounded in a comprehensive, multi-pronged approach that integrates risk analysis, peer benchmarking, and credit rating agency metrics. Starting with the bottom-up risk analysis, Community Power has evaluated risk exposures across revenue, expenses, and other operational threats such as natural disasters. This analysis is complemented by a peer analysis, which compares Community Power’s reserve policy and financial metrics to other CCAs and regional public utilities. The benchmarking reveals that most peer organizations set reserve targets between 90 and 270 days cash on hand, with Community Power’s proposed targets aligning with the industry practice. Community Power, in particular, is proposing to set its maximum reserve balance at 270 days cash on hand rather than using the 278 days cash on hand as calculated in its reserve quantification exercise. Financial audit comparisons further highlight the need for reserve strengthening, with Community Power’s 2024 and 2025 calculations at 101 and 115 DCOH, respectively, and below the recommended range. Regional comparisons with other southern California public power agencies such as Burbank, Los Angeles Department of Water and Power, and Anaheim reinforce the appropriateness of the proposed thresholds, as these entities also recommend minimums of 90 – 150 days cash on hand and ranges up to 240.

In addition to peer benchmarking, Community Power’s reserve strategy is validated against credit rating agency criteria specific to public power and community choice aggregators. Moody’s, S&P, and Fitch each provide credit rating frameworks that emphasize the importance of liquidity. Moody’s AAA rating suggests maintaining cash in excess of 250 days, while S&P’s “Very Strong” and “Extremely Strong” assessments require minimums of 150 and over 270 days, respectively. Fitch views liquidity lasting more than 90 days as having a neutral effect on ratings, while liquidity below this limit is considered “weak” and carries greater risk. National

medians, as reported by Fitch Ratings, further support these targets, with AA-rated entities holding a median of 296 days cash on hand and A+ at 165 days cash on hand.

Collectively, these analyses confirm that Community Power's reserve thresholds of 180-270 days cash on hand are not only consistent with best practices among peer organizations and regional utilities but also align with the investment grade credit criteria of three nationally recognized credit rating agencies and national public utility medians data.

Reserve Policy Language Revisions

Community Power is updating the language in the financial reserve policy to reflect the holistic risk analysis and validation approach described above. Key updates include the following revisions:

- **Clearer Definition of "Reserves:"** The definition of "reserves" is being updated to align with available liquid assets (unrestricted cash & investment balances) that would be available quickly if needed for emergencies. The previous definition of Reserves included Restricted balances and nonliquid assets that would not be available in an emergency.
- **Updated Reserve Target Thresholds:** the policy now includes the three benchmark thresholds as described above.
- **Reserves Below the Minimum Balance:** The Board should ensure that reserves do not drop below the Minimum Reserve Balance unless determined by the Board and voted on to be necessary to address a critical need.
- **Reserves above the Maximum Balance:** The Board may evaluate opportunities for strategic investments, programmatic reserves, or other purposes as authorized by the Board.
- **Reserves between the Target Balance and Maximum Balance:** The Board may authorize the use of Reserves between the Target Reserve Balance and Maximum Reserve Balance to be designated as Rate Stabilization Reserves. Rate Stabilization Reserves allow Community Power to defer revenues in years of strong financial results for use in future years when financial results are weaker or stressed.

Community Power staff will return with a specific Rate Stabilization Reserves policy for the Board to consider in the first quarter of 2026.

Fiscal Impact

If Community Power were to increase the target threshold balance from 180 days cash on hand to 225 days cash on hand, annual investment earnings on reserves balances would be anticipated to grow by \$5.0 million annually at an assumed investment rate of 4.00%, reflecting the current approximate yield to maturity of Community Power's investment portfolio.

Maintaining higher liquidity also supports a stronger credit profile, which can lead to more favorable terms with counterparties, lower borrowing costs and improved access to capital markets and bank products.

Strategic Plan

This supports Community Power's strategic plan goal of building reserves to a reserve target of at least 180 days cash on hand by December 2027 and the Development of a Rate Stabilization Reserve to mitigate power cost fluctuations and economic downturns.

Attachments

A: Draft of Fourth Revision to the Financial Reserves Policy

B: Draft Redline Version of Fourth Revision to the Financial Reserves Policy

ITEM 8

ATTACHMENT A

POLICY	FINANCIAL RESERVES	ORIGINAL ADOPTION DATE:	JUNE 24, 2021
APPROVAL DATE		RESOLUTION NO.	

PURPOSE AND SCOPE

San Diego Community Power (“Community Power” or “agency”) will maintain Financial Reserves (Reserves) as described in this policy.

DEFINITIONS

- **Days cash on hand:** Unrestricted cash, cash equivalents, and investments unencumbered by legal agreements and not earmarked for specific purposes x 365 / (budgeted operating expenses for the current fiscal year)
- **Reserves:** Unrestricted cash, cash equivalents, and investments unencumbered by legal agreements and not earmarked for specific purposes. Any Reserves that are designated by the Board of Directors as Rate Stabilization Reserves are included in the total Reserves calculation and reserve thresholds.
- **Reserve Event:** An occurrence that necessitates the use of Reserves to preserve Community Power’s financial stability or to address risk factors. Reserve Events may include, but are not limited to:
 - Volatility in energy costs, market price benchmarks, and energy sales (load)
 - An increase in uncollectable customer accounts due to an unforeseen event
 - Need to stabilize customer rates
 - Ensuring sufficient working capital, including funding for strategic capital projects
 - Covering unanticipated expenditures
- **Rate Stabilization Reserves:** A type of reserve intended to provide budget stabilization for the organization while mitigating financial impacts and cost of energy to customers due to cyclical cost of energy fluctuations. It is intended to reduce rate shocks while maintaining compliance with financial covenants.

POLICY**A. Reserves Balance Thresholds**

Community Power's Reserves policy establishes three key thresholds:

Minimum Reserve Balance: Community Power will strive to ensure a minimum reserve balance sufficient to cover at least 180 days cash on hand. This minimum level provides the agency with the ability to meet essential obligations and maintain financial stability.

Target Reserve Balance: Community Power will strive to maintain a target reserve balance sufficient to cover at least 225 days cash on hand. The Target Reserve Balance provides sufficient reserves for typical fluctuations in market volatility. This target level ensures the agency's ability to absorb unexpected cost increases or revenue shortfalls without immediate negative impacts on operations, credit rating, or customer rates.

Maximum Reserve Balance: Community Power will strive to build reserves sufficient to cover no more than 270 days cash on hand, unless specifically authorized by the Board. The Maximum Reserve Balance provides sufficient reserves for significant fluctuations in market volatility or unforeseen circumstances.

B. Purpose and Intent of Reserves Balance Thresholds:

The Board shall determine the contribution to Reserves at least annually, with the goal of maintaining balances between the Target Reserve Balance and Maximum Reserve Balance. However, to the extent fiscal year end reserves fall between the Minimum and Maximum Reserve Balances, no immediate Board action is required.

If Reserves are below the Minimum Reserve Balance:

The Board should ensure that Reserves do not drop below the Minimum Reserve Balance unless determined by the Board to be necessary to address a Reserve Event. The Minimum Reserves Balance is essential to maintain operational requirements and credit worthiness by providing reserves sufficient to meet basic threats of risk.

Should Community Power's Reserves fall below the Minimum Reserve Balance, a plan to restore Reserves to the Minimum Reserve Balance shall be included in subsequent budget and rate discussions to return to the Minimum Reserve Balance as soon as practicable.

If Reserves are above the Maximum Reserve Balance:

If Fiscal Year End Reserves are above the Maximum Reserve Balance, the Board may evaluate opportunities for strategic investments, programmatic reserves, or other purposes as authorized by the Board.

C. Permissible Use of Reserves:

- The Board may authorize the use of Reserves for any Reserve Event.
- The Board may authorize the use of Reserves between the Target Reserve Balance and Maximum Reserve Balance to be designated as Rate Stabilization Reserves. Rate Stabilization Reserves allows Community Power to defer revenues in years of strong financial results for use in future years when financial results are weaker or stressed. This strategy would enable Community Power to address spikes in energy costs or other variable costs through the use of the Rate Stabilization Reserves and mitigating or avoiding substantial rate increases for customers.

D. Conditions for Use of Reserves

- Temporary reductions in Reserves for cash flow purposes to even out the expected peaks or dips in revenues and expenditures are normal cyclical occurrences to be expected during the fiscal year, and do not constitute a use of reserves. Transfers to and from Reserves to account for such temporary cash flow fluctuations is within the discretion of the Chief Financial Officer.
- The Chief Executive Officer (“CEO”) will have the discretion to authorize the use of reserves during the fiscal year up to the lesser of 10% of the year’s total budgeted costs, or \$100 million, for the following purposes:
 1. Cover increases in power supply expenses due to spikes in costs and/or due to higher customer demand;
 2. Meet any margin or collateral posting requirements under energy supply contracts; and
 3. Provide resources to meet emergency expenditures.
- Any use of the reserves under the CEO’s authority shall be reported to the Board at the next regularly scheduled meeting.
- Any further use of reserves as necessary or desirable, must be recommended by the CEO to the Board for approval of such use.

E. Reserve Review and Reporting

Reserves and annual contributions will be reviewed on an annual basis as part of Community Power’s budget process. Reserves will also be reviewed at the completion of Community Power’s annual audit to reconcile the Reserve balance. The results will be reported to the Board as part of the year-end financial report presentation.

F. Excess Reserve Distribution

If Fiscal Year End reserves exceed the Maximum Reserve Balance, the Board may authorize excess reserve distributions at their discretion, including for the following purposes:

- **Strategic Uses:** Use excess funds for capital projects, financing programs, paying down existing debt, rate reductions, or other strategic purposes.
- **Programmatic Reserve:** Use excess funds to establish a contingency for programs and projects. Specifically, this Reserve could fund unforeseen and unexpected needs such as cost overruns, local leveraging or matching for external funds, or other programmatic needs as required.

G. Policy Review

Community Power staff will complete a periodic review of this Financial Reserve Policy.

PRIOR VERSIONS

DATE	ACTION	RESOLUTION NO.	POLICY NO.
6/24/21	ADOPTION	N/A	2020-04
02/24/2022	FIRST REVISION	N/A	F21_001
06/27/2024	SECOND REVISION	N/A	F21_001
10/23/2025	THIRD REVISION	2025-20	F21_001

RELATED POLICIES

Investment Policy – Resolution No. 2025-08

ITEM 8

ATTACHMENT B

POLICY	FINANCIAL RESERVES	ORIGINAL ADOPTION DATE:	JUNE 24, 2021
APPROVAL DATE	10/23/2025	RESOLUTION NO.	2025-20

PURPOSE AND SCOPE

San Diego Community Power (“Community Power”) or “agency”) will maintain Financial Reserves (Reserves) as described in this policy to:

- Meet Community Power’s strategic objectives
- Secure, maintain, and/or improve a standalone investment grade credit rating
- Secure favorable terms with vendors, including power producers
- Satisfy working capital requirements
- Adhere to contractual covenants
- Provide funds to cover unanticipated expenditures
- Support rate stability

Policy Guidelines:

Community Power’s financial reserve goal is to secure 180-days of cash on hand.

The contribution to Reserves is determined through Community Power’s annual budget process as defined in the agency’s Budget Policy and/or Community Power’s rate setting process as defined in the agency’s Rate Development Policy. To the extent Community Power is able to meet operational expenses and maintain competitive rates, Community Power will establish rates and adopt budgets with the goal of building and maintaining Reserves at or above the 180-days of cash on hand target level.

DEFINITIONS

- **Days cash on hand:** unrestricted Unrestricted cash, cash equivalents, and investments unencumbered by legal agreements and not earmarked for specific purposes x 365 / (budgeted operating expenses for the current fiscal year)
- **Reserves:** Net position
- **Use of Unrestricted cash, cash equivalents, and investments unencumbered by legal agreements and not earmarked for specific purposes. Any Reserves:** A projected or estimated reduction in the amount of reserves by the end of a fiscal year below the sum of the balance of the reserves at the commencement of the fiscal year plus the projected addition to the Reserves in the budget for the current fiscal year:

~~**Reserve Review:** Reserves and annual contributions will be reviewed on an annual basis as part of Community Power's budget process. Reserves will also be reviewed at the completion of Community Power's annual audit to reconcile the Reserve balance.~~

~~**Reserve Distribution:** If reserves exceed the 180-days of cash on hand target level established in this policy, that are designated by the Board may authorize reserve distributions as follows:~~

- ~~• **Strategic Uses:** Use excess funds for capital projects, financing programs, paying down existing debt, rate reductions, or other strategic purposes.~~
- ~~• **Stabilization Reserve:** Use excess funds to fund aof Directors as Rate Stabilization Reserves are included in the total Reserves calculation and reserve thresholds.~~
- ~~• **Reserve Reserve. A Stability Reserve mitigates****Event:** An occurrence that necessitates the use of Reserves to preserve Community Power's financial and cost of energy stability or to address risk factors. Reserve Events may include, but are not limited to:~~
 - ~~• Volatility in energy costs, market price benchmarks, and energy sales (load)~~
 - ~~• An increase in uncollectable customer accounts due to an unforeseen event~~
 - ~~• Need to stabilize customer rates~~
 - ~~• Ensuring sufficient working capital, including funding for strategic capital projects~~
 - ~~• Covering unanticipated expenditures~~
- ~~• **Rate Stabilization Reserves:** A type of reserve intended to provide budget stabilization for the organization while mitigating financial impacts and cost of energy to customers due to cyclical cost of energy fluctuations and. It is intended to reduce rate shocks and may maintain while maintaining compliance with financial covenants.~~

POLICY

A. Reserves Balance Thresholds

Community Power's Reserves policy establishes three key thresholds:

Minimum Reserve Balance: Community Power will strive to ensure a minimum reserve balance sufficient to cover at least 180 days cash on hand. This minimum level provides the agency with the ability to meet essential obligations and maintain financial stability.

Target Reserve Balance: Community Power will strive to maintain a target reserve balance sufficient to cover at least 225 days cash on hand. The purpose Target Reserve Balance provides sufficient reserves for typical fluctuations in market volatility. This target level ensures the agency's ability to absorb unexpected cost increases or revenue shortfalls without immediate negative impacts on operations, credit rating, or customer rates.

Maximum Reserve Balance: Community Power will strive to build reserves sufficient to cover no more than 270 days cash on hand, unless specifically authorized by the Board. The Maximum Reserve Balance provides sufficient reserves for significant fluctuations in market volatility or unforeseen circumstances.

B. Purpose and Intent of Reserves Balance Thresholds:

The Board shall determine the contribution to Reserves at least annually, with the goal of maintaining balances between the Target Reserve Balance and Maximum Reserve Balance. However, to the extent fiscal year end reserves fall between the Minimum and Maximum Reserve Balances, no immediate Board action is required.

If Reserves are below the Minimum Reserve Balance:

The Board should ensure that Reserves do not drop below the Minimum Reserve Balance unless determined by the Board to be necessary to address a Reserve Event. The Minimum Reserves Balance is essential to maintain operational requirements and credit worthiness by providing reserves sufficient to meet basic threats of risk.

Should Community Power's Reserves fall below the Minimum Reserve Balance, a plan to restore Reserves to the Minimum Reserve Balance shall be included in subsequent budget and rate discussions to return to the Minimum Reserve Balance as soon as practicable.

If Reserves are above the Maximum Reserve Balance:

If Fiscal Year End Reserves are above the Maximum Reserve Balance, the Board may evaluate opportunities for strategic investments, programmatic reserves, or other purposes as authorized by the Board.

C. Permissible Use of Reserves:

- The Board may authorize the use of Reserves for any Reserve Event.
- The Board may authorize the use of Reserves between the Target Reserve Balance and Maximum Reserve Balance to be designated as Rate Stabilization Reserves. Rate Stabilization Reserves allows Community Power to defer revenues in years of this reserve strong financial results for use in future years when financial results are weaker or stressed. This strategy would be to provide budgetary stabilization and not to serve as an alternative funding source for new programs. enable Community Power to address spikes in energy costs or other variable costs through the use of the Rate Stabilization Reserves and mitigating or avoiding substantial rate increases for customers.
- ~~Programmatic Reserve: Use excess funds to establish a contingency for programs and projects. Specifically, this Reserve could fund unforeseen and unexpected needs such as cost overruns, local leveraging or matching for external funds, or other programmatic needs as required.~~

D. Conditions for Use of Reserves

- Temporary reductions in Reserves for cash flow purposes to even out the expected peaks or dips in revenues and expenditures are normal cyclical occurrences to be expected during the fiscal year, and do not constitute a use of reserves. Transfers to and from Reserves to account for such temporary cash flow fluctuations is within the discretion of the ~~CEO~~ Chief Financial Officer.
- The Chief Executive Officer ("CEO") will have the discretion to authorize the use of reserves during the fiscal year up to the lesser of 10% of the year's total budgeted costs, or \$100 million, for the following purposes:
 1. Cover increases in power supply expenses due to spikes in costs and/or due to higher customer demand;
 2. Meet any margin or collateral posting requirements under energy supply contracts; and
 3. Provide resources to meet emergency expenditures.
 - Any further use of reserves as necessary or desirable, must be recommended by CEO to the Board for approval of such use.
- Any use of the reserves under the CEO's authority shall be reported to the Board at the next regularly scheduled meeting.
- Any further use of reserves as necessary or desirable, must be recommended by the

CEO to the Board for approval of such use.

E. Reserve Review and Reporting

Reserves and annual contributions will be reviewed on an annual basis as part of Community Power's budget process. Reserves will also be reviewed at the completion of Community Power's annual audit to reconcile the Reserve balance. The results will be reported to the Board as part of the year-end financial report presentation.

F. Excess Reserve Distribution

If Fiscal Year End reserves exceed the Maximum Reserve Balance, the Board may authorize excess reserve distributions at their discretion, including for the following purposes:

- **Strategic Uses:** Use excess funds for capital projects, financing programs, paying down existing debt, rate reductions, or other strategic purposes.
- **Programmatic Reserve:** Use excess funds to establish a contingency for programs and projects. Specifically, this Reserve could fund unforeseen and unexpected needs such as cost overruns, local leveraging or matching for external funds, or other programmatic needs as required.

G. Policy Review:

Community Power staff will complete a periodic review of this Financial Reserve Policy ~~to ensure that the policy meets the needs of the organization.~~

PRIOR VERSIONS

DATE	ACTION	RESOLUTION NO.	POLICY NO.
6/24/21	ADOPTION	N/A	2020-04
02/24/2022	FIRST REVISION	N/A	F21_001
06/27/2024	SECOND REVISION	N/A	F21_001
<u>10/23/2025</u>	<u>THIRD REVISION</u>	<u>2025-20</u>	<u>F21_001</u>

RELATED POLICIES

Investment Policy – Resolution No. 2025-08

SAN DIEGO COMMUNITY POWER

Staff Report - Item 9

To: Community Advisory Committee

From: Jack Clark, Chief Operating Officer
Lucas Utouh, Senior Director of Data Analytics & Customer Operations
Aaron Lu, Rates and Strategy Manager
Pete Polonsky, Senior Rates Analyst

Via: Karin Burns, Chief Executive Officer

Subject: Update on SDG&E's 2026 Projected Rates

Date: December 4, 2025

Recommendation

Receive and file an update on SDG&E's 2026 projected rates.

Background

As San Diego Community Power (Community Power) prepares to develop and propose rates for 2026, it is critical to understand current San Diego Gas and Electric (SDG&E) bundled commodity/generation and the Power Charge Indifference Adjustment (PCIA) rates – as both SDG&E bundled generation and PCIA rates play a role in the Community Power rate setting process, particularly as it relates to Community Power's competitiveness. Community Power's Board of Directors last adjusted Community Power commodity/generation rates on February 7, 2025, and those rates came into effect retroactively on February 1, 2025. SDGE's 2026 electric rates, if and when finalized on December 31, 2025, are expected to inform Community Power's 2026 rate setting which Community Power staff anticipate bringing to the Board in January of 2026.

Analysis and Discussion

Rate Development Process

The Community Power Board of Directors is responsible for setting the electric generation rates for Community Power's customers. The Chief Executive Officer is responsible for developing proposed rates that are sufficient to recover operational expenses, for the Board

to consider before finalization. For Community Power to be fiscally sustainable, the final approved rates should, at a minimum, meet the annual revenue requirements developed by Community Power, including any reserves or coverage requirements set forth in policy and/or loan covenants/debt service. The Board has the flexibility to consider rate adjustments, provided that the overall revenue requirement is achieved. In alignment with the Rate Development Policy, adopted by the Board of Directors on November 17, 2022,¹ Community Power considers the following objectives in its rate setting framework:

- Cost Recovery,
- Reserves,
- Rate Competitiveness and Customer Value,
- Rate Stability,
- Equity Among Customers,
- Rate Structure Simplicity and Comparability,
- Transparency,
- Avoidance of Cost Shifting, and
- Cost of Service.

Additionally, per previous Board direction, staff will, if possible, recommend rates that remain competitive with SDG&E service.

It is important to note rates are made up of several components, only one of which Community Power has control over (i.e., Community Power's generation rate). The chart below is an example of a current rate tariff composition for a residential customer on TOU-DR-1 to illustrate the various components that affect rates and make up a total customer bill.² Staff tracks the changes to the PCIA rate, as it is the above market cost of power associated with SDG&E's portfolio that both SDG&E's bundled customers and Community Power's customers, who have departed SDG&E's generation service, pay and can affect Community Power's competitiveness. "Above-market cost" refers to expenditures for generation resources that cannot be fully recovered through sales of these resources at current market prices.

¹ See <https://sdcommunitypower.org/wp-content/uploads/2023/02/2022-12-Rate-Development-Policy.pdf>.

² See https://www.sdge.com/sites/default/files/SDCP_SDGE%20JRC%2006.01.2025_Final.pdf for Community Power and SDG&E's Joint Rate Comparisons, which provide this table for each tariff.

Time of Use – TOUDR1-Residential

Residential: TOUDR1	SDG&E 41.4% Renewable	SDCP PowerBase 45% Renewable	SDCP PowerOn 51.1% Renewable + 4.3% Carbon Free	SDCP Power100 100% Renewable
Generation Rate (\$/kWh)	\$0.14979	\$0.15783	\$0.16094	\$0.17094
PCIA (\$/kWh)	\$0.00211	-\$0.01364	-\$0.01364	-\$0.01364
SDG&E Delivery Rate (\$/kWh)	\$0.26381	\$0.26378	\$0.26378	\$0.26378
Franchise Fees (\$/%)	\$0.00308	\$0.00308	\$0.00308	\$0.00308
Total Electricity Cost (\$/kWh)	\$0.41880	\$0.41106	\$0.41416	\$0.42416
Average Monthly Bill (\$)	\$142.81	\$140.17	\$141.23	\$144.64

Average Monthly Usage: 341 kWh

Rate Development Timeline

Community Power, like most Community Choice Aggregators (CCAs), usually adjusts rates annually and/or in response to utility rate adjustments. SDG&E is expected to adjust their rates twice in early 2026. The first rate adjustment is regularly planned January 1, 2026 consolidated rate adjustment, and the second rate adjustment is expected to occur on April 1, 2026 to incorporate rate design changes approved by the California Public Utilities Commission (CPUC) within SDG&E's General Rate Case (GRC) Phase 2.

The currently planned schedule for Community Power's 2026 rate setting is as follows:

- October 14, 2025: SDG&E filed its 2026 Energy Resource Recovery Account (ERRA) Forecast Update.
- November 17, 2025: SDG&E filed its advice letter for Preliminary Consolidated Filing to Implement January 1, 2026 Electric Rates.
- December 2025: Community Power staff will brief the committees and Board of Directors on SDG&E's 2026 projected generation and PCIA rate changes.
- December 31, 2025: SDG&E is expected to file its advice letter for Final Consolidated Filing to Implement January 1, 2026 Electric Rates.
- January 1, 2026: SDG&E's expected effective date of implementation of its delivery and generation rates as well as the PCIA.
- January 15, 2026: Community Power Board adopts 2026 rates, effective retroactively on January 1, 2026.

- March 1, 2026: SDG&E is expected to file the advice letter on its GRC Phase 2 rate design changes, including time-of-use adjustments and the creation of a new medium commercial customer class.
- March 2026: Community Power Board adopts GRC Phase 2 rate design changes, effective on April 1, 2026.
- April 1, 2026: SDG&E and Community Power implement GRC Phase 2 rate design changes.

2026 Bundled Generation & PCIA Rate Projections

Based on SDG&E's most recent November Preliminary Consolidated Filing to Implement January 1, 2026 Electric Rates, the projected bundled system average generation rates are expected to increase by 12.11% on January 1, 2026. SDG&E attributes bundled system average generation rate increases in 2026 primarily to decreased credits and revenues from lower market values, as well as a lower sales forecast.

2026 SDG&E bundled generation rate change projections are articulated in the table below.

Customer Class	SDG&E Avg. Commodity Rate (\$/kWh)			SDG&E Avg. Commodity Rate Change (%)	
	10/1/2025 (Current Effective)	1/1/2026 (Oct. ERRRA Update)	1/1/2026 (Nov. Prelim)	10/1/2025 - 1/1/2026 (Oct. ERRRA Update)	10/1/2025 - 1/1/2026 (Nov. Prelim)
Residential	0.15777	0.18929	0.17168	19.98%	8.82%
Small Commercial	0.13478	0.16134	0.15071	19.71%	11.82%
M/L C&I	0.16156	0.19444	0.19096	20.35%	18.20%
Agricultural	0.11424	0.13634	0.12773	19.35%	11.81%
Lighting	0.10341	0.12408	0.11745	19.99%	13.58%
System Total	0.15515	0.18453	0.17394	18.94%	12.11%

Based on SDG&E's filings, Community Power is expected to see an increase in PCIA rates for all vintages relevant to its customers, including Vintage Year 2020 (Phase 1 & 2 customers), Vintage Year 2021 (Phase 3 customers), and Vintage Year 2022 (Phase 4 customers).

If SDG&E's ERRRA Forecast and Update are approved by the CPUC before this year ends, SDGE's projected bundled generation and PCIA rate changes are expected to be effective on January 1, 2026.

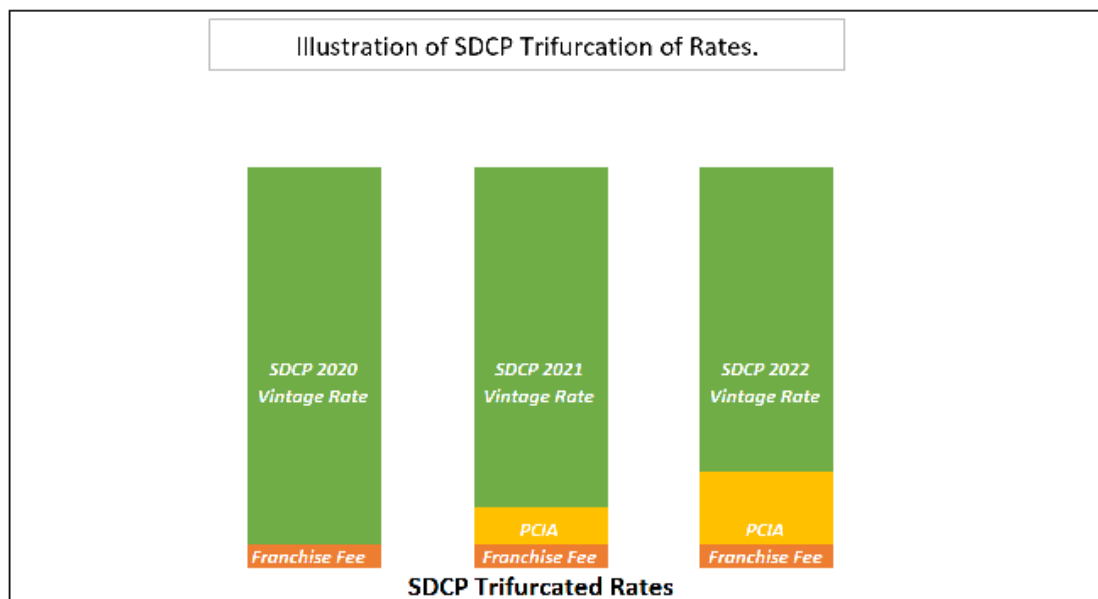
Rate Development Mechanics

In accordance with SDG&E's definition of load transfer from bundled service to Community Power's service per Schedule CCA-CRS, Community Power Phase 1 and 2 customers' Vintage Year is 2020, Phase 3 customers' Vintage Year is 2021, and Phase 4 customers' Vintage Year is 2022. Vintaging denotes the year during which SDG&E recognizes the transition of Community Power customers from bundled service into Community Power service and creates a mechanism for the assessment of the PCIA rate.

Next Steps

Staff will continue to monitor all updates from SDG&E and CPUC throughout the remainder of the year and into 2026 to be able to better analyze and recommend rate changes that are reflective of all the inputs articulated in CPUC's decision(s). Staff expect to present rates to the Community Power Board for adoption at the January 15, 2026 meeting that both meet the revenue and prudent reserve needs of Community Power as well as maintain value for our customers.

As a result of the material deltas expected between PCIA rates for Vintage Years 2020, 2021, and 2022, staff will also recommend the Board to continue to trifurcate three sets of rates. This trifurcation will maintain a fair, equitable, and balanced rate structure that does not create winners and losers across our customers with differing vintage years as illustrated below:



After SDG&E files its March 1, 2026 advice letter relating to rate design adjustments including time-of-use and customer class changes, staff will brief Community Power's committees and request the Board to adopt the appropriate rate design updates, so Community Power rates continue to be aligned with SDG&E's to improve the overall customer experience.

Fiscal Impact

N/A

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

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.