



# Community Advisory Committee

Regular Meeting

April 9, 2026

**Welcome and Call to Order**

# Roll Call



# Land Acknowledgement

# Special Presentations and Introductions

# WELCOME NEW STAFF



**Brandon Lewis**

Communications Associate



**Will Weisman**

Associate Director of Finance  
Capital Investment Plan



# Items to be Withdrawn or Reordered on the Agenda

# Public Comment on non-Agenda Items

# Consent Calendar

1. Approve *March 12, 2026, 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 Regulatory and Legislative Affairs Update



# Public Comment on Consent Calendar

# Regular Agenda

**7. Finance Department Updates**

**8. Review Draft Local Development Strategy**



# Item No. 7

## Finance Department Updates



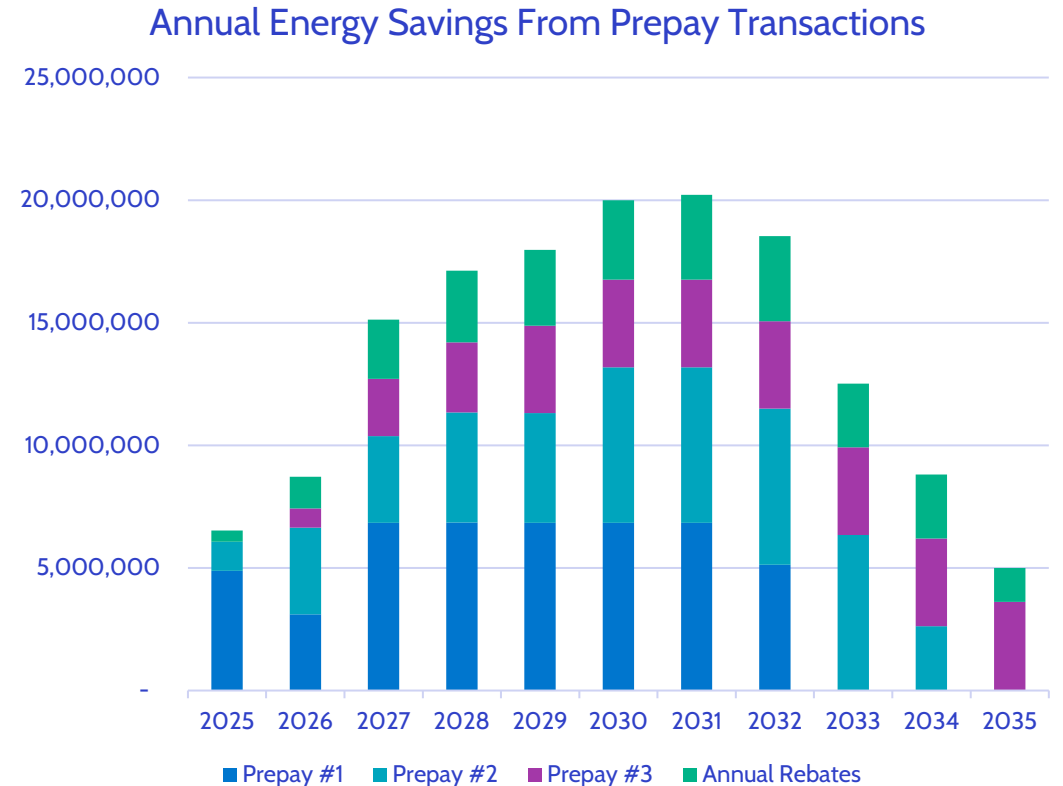
### Recommendation:

Receive and File Finance Department Updates

Presenter:  
Jeb Spengler, Senior Strategic Finance Manager


# 1. Clean Energy Prepay Bond Transaction No. 3 Update

Bond Size	\$687,215,000
Transaction Bond Rating	A3 (Moody's) - rating of Realty Income (taxable funding recipient)
Green Bond Certification	Kestrel Sustainability Benchmark 5.00 out of 5.00 Top 1% compared to all bonds scored in electric utility sector
Initial Bond Pricing Period	Savings are locked in for ~10 Years (Feb. 1, 2036)
Discount Achieved	<b>\$43,177,761 total savings</b> <b>~\$4.3 million per year in costs saved through initial period (including annual rebates)**</b>
Power Delivery Start Date	September 1, 2026



## 2. Public Credit Rating Update

 **Community Power Achieves Public ‘A’ (Stable Outlook) Credit Rating from S&P Global Ratings**

 **Financial Milestone and Strategic Objective Achieved**

On March 9, Community Power was assigned an “A” Issuer Credit Rating with a Stable Outlook from S&P Global Ratings.

 **Reputation and Stability**

The Stable Outlook signals confidence in Community Power’s prudent management and ongoing operational stability.

 **Affordability**

A public, investment-grade credit rating lowers the cost of doing business—reducing collateral, financing, and supplier risk premiums—which directly translates into lower energy procurement and financing costs and helps keep customer rates more affordable over time.

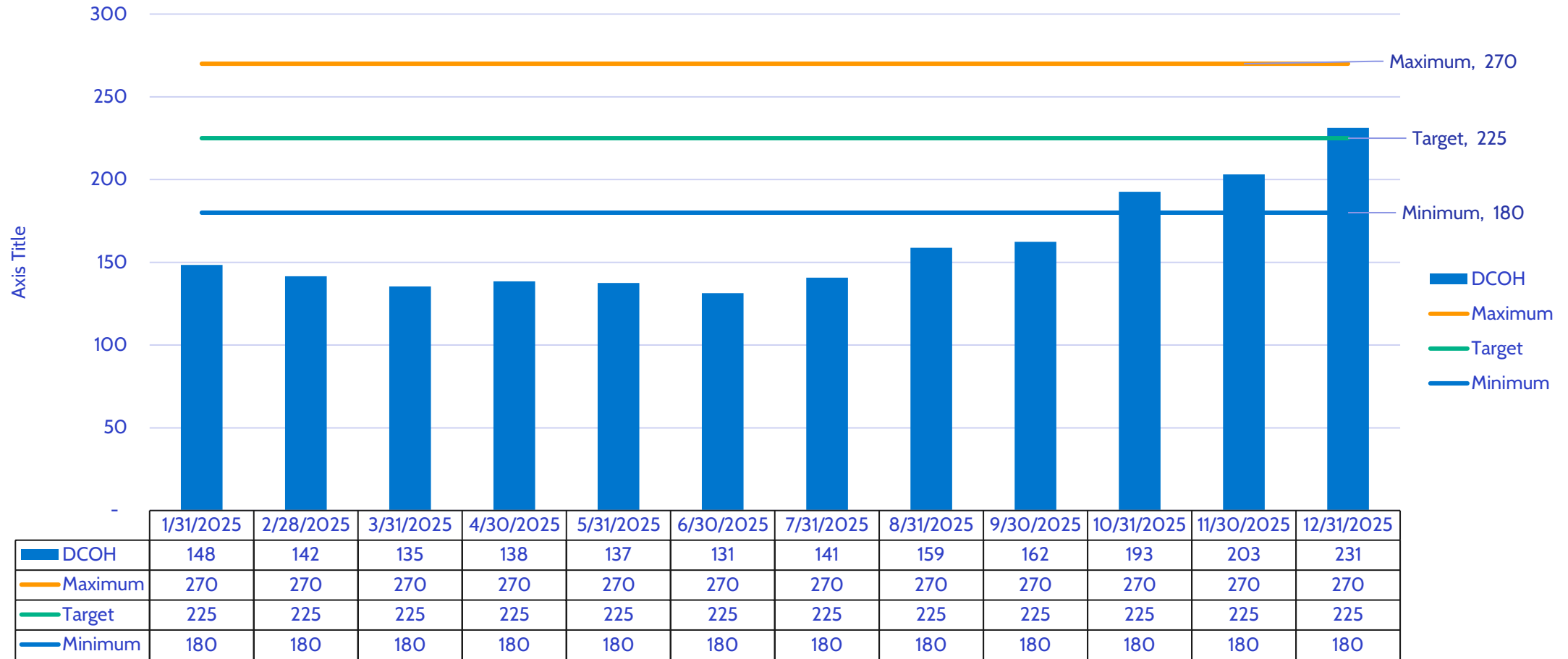
 **Industry Leadership**

The credit rating places Community Power among the highest rated community choice aggregators.



# 3. Financial Reserves Update

Rolling 12-Months Days Cash on Hand (DCOH)



# 4. Rate Stabilization Reserve (RSR) Policy

---

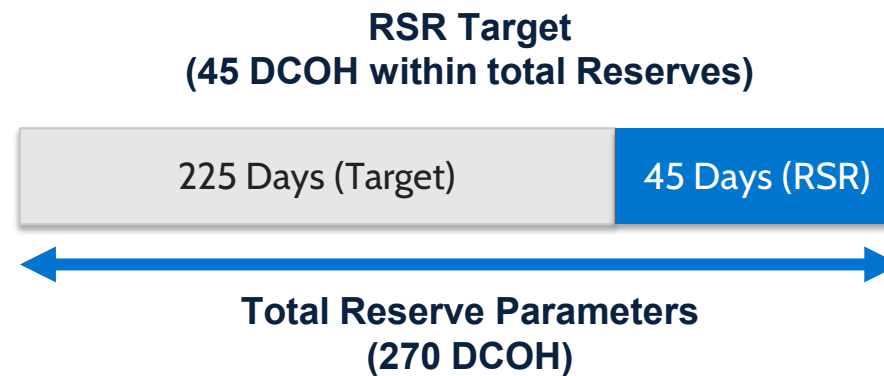
Community Power's Financial Reserves Policy provides for the funding of a **Rate Stabilization Reserve** with the use of excess reserves.

- **Core Purpose:** Allows an entity to defer the recognition of revenues in good financial years and applying those revenues to periods where they are actually needed for stabilizing customer rates or other regulatory or financial metric objectives.
- **Accounting Treatment:** Government Accounting Standards Board Statement No. 62 (GASB 62) allows for deferring the accrual of surplus revenues to be realized in a later year. Deferred revenues reduce net position by an equal amount in the period deferred and increases net position by an equal amount in the period it is realized.
- **Treatment within Reserve Calculation:** Reserves held as unrestricted cash and investments for rate stabilization purposes will continue to be included as a source of liquidity for reserve calculation purposes.
- **Board Approval and Policy:** Establishing a Rate Stabilization Reserve under GASB 62 typically requires Board approval and a formal policy. The policy outlines when and how funds can be deferred or drawn down, often with specific targets.

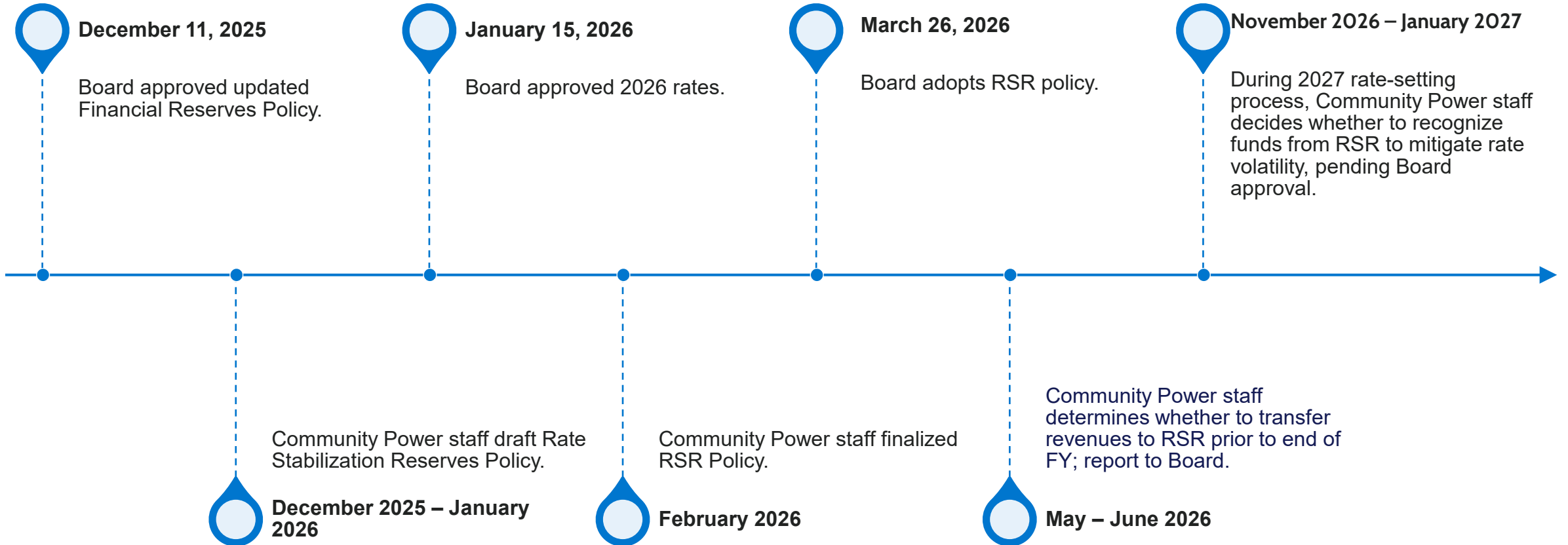


# 4. Rate Stabilization Reserve – Target Balance

- Policy allows designation up to **45 days cash on hand** as the RSR (~ \$125 million)
- Coverage provides for:
  - ~30% of modeled Market Price Benchmark volatility risk
  - ~10% of Operating Revenues
  - ~12% of Operating Expenses



# 4. Rate Stabilization Reserve - Proposed Timeline



# 5. FY 2026-27 Budget Process

 **Fiscal Responsibility.** Disciplined energy and non-energy spending.

 **Organizational Sustainability.** Prudent reserves and risk management.

 **Simplification.** Streamlined, low-burden budget submission process.

## Key Milestone Schedule

**April 23**

**Board of Directors**  
Rates update  
based on updated  
SDG&E rates

**May 21**

**FRMC**  
Department-by-  
department  
presentation

**May 28**

**Board of Directors**  
Department-by-  
department  
presentation

**June 11**

**CAC**  
Department-  
by-department  
presentation

**June 25**

**Board of Directors**  
Final review and  
potential approval

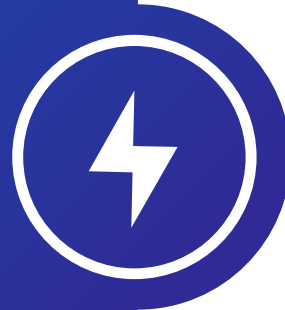


# Public Comment on Item No. 7

## Item No. 7

### Committee Members Comments or Questions

### Finance Department Updates

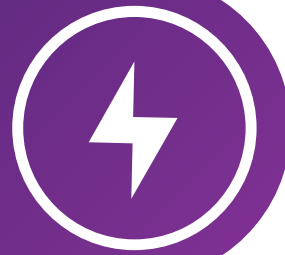


### **Recommendation:**

Receive and File Finance Department Updates

## Item No. 8

# Review Draft Local Development Strategy



## Recommendation:

Receive and File Informational Update on Draft of San Diego Community Power's Proposed Local Development Strategy.

# Local Development Strategy - Purpose

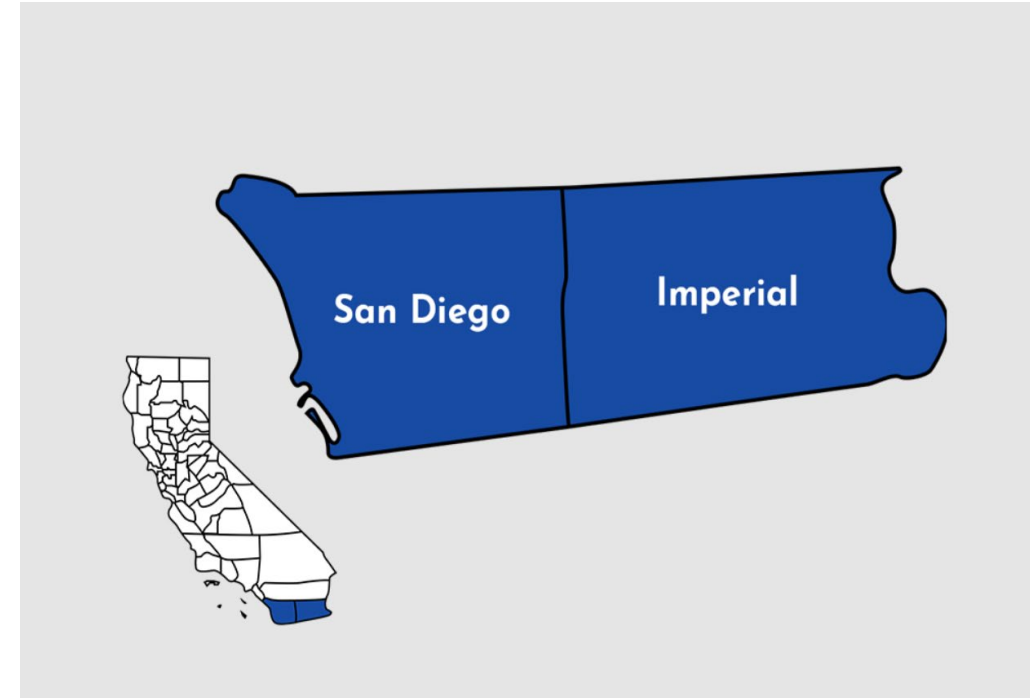
---

- Strategic goal set to procure 300 megawatts (MW) through distributed energy resources by 2035
  - 150MW through implementation of programmatic efforts (e.g. Solar Battery Savings)
  - 150MW through deployment/procurement of local renewable energy resources by Power Services team
- Local DERs support resource adequacy, reliability, and resilience closer to load
- Keeps investment, jobs, and economic benefits within Community Power communities



# Local Development Strategy – What “Local” Means

- Eligible projects must be located in:
  - San Diego County (including all 17 federally recognized Tribes)
  - Imperial County
- Includes front-of-the-meter and behind-the-meter distributed resources
- Emphasis on infill and community-scale development over greenfield



# Local Development Strategy – Vision & Guiding Principles

---

## Vision

- Advance a portfolio of local distributed energy resources that delivers clean, reliable, and affordable power while strengthening community resilience, local jobs, and regional equity

## Guiding Principles

- Transparency
- Workforce Development
- Resiliency
- Feasibility
- Ratepayer Protection
- Equity & Community Benefit
- Community Scale



# Local Development Strategy – Opportunity Areas

---

- Community Power has assessed the distributed resource landscape to identify the most viable local development opportunities and key barriers to deployment.
- Current vulnerabilities include:
  - Grid interconnection
  - Operational limitations
  - Restricted resource valuation
- Community Power has identified several opportunities to increase project viability and value:
  - Direct engagement with SDG&E on mitigation of cost prohibitive barriers to interconnection
  - Engagement on policy and advocacy with other CCA's and industry stakeholders
  - Exploring alternative wholesale procurement vehicles like behind-the-meter resources



# Local Development Strategy – Local Development Opportunity Areas (continued)

---

Sector analysis helps distinguish opportunities based on:

- Site control and real estate availability
- Load profile and energy needs
- Transaction complexity and timelines
- Resilience and community co-benefits

## Energy Proposal Evaluation Criteria (EPEC)

- The EPEC framework identifies not only a project's forecasted costs, revenue and compliance value, but also additional co-benefits that extend beyond wholesale markets and regulatory compliance. These benefits may include enhanced grid and community resilience, improved local air quality, job creation, and broader local economic development.



# Local Development Strategy – Community & Stakeholder Engagement

---

- **Protects Project Viability and Timelines**  
Early, proactive engagement reduces opposition, permitting delays, and redesign risk—particularly for community-scale and front-of-the-meter projects.
- **Aligns Projects with Community Needs**  
Engagement helps ensure projects deliver locally relevant benefits, especially in Communities of Concern and at critical facilities.
- **Supports Member Agency Coordination**  
Alignment with local planning, permitting staff, and elected officials reduces duplicative efforts and improves project predictability.
- **Builds Trust and Transparency**  
Clear communication about project purpose, impacts, and benefits strengthens public confidence in local development efforts.



# Local Development Strategy – Community & Stakeholder Engagement (continued)

---

## Developer Responsibilities

- Primary responsibility for community outreach and engagement, scaled to project size and impact
- Identify and engage affected stakeholders, including residents, businesses, community organizations, Tribal entities, and local governments
- Conduct early and ongoing outreach prior to permitting and construction milestones
- Clearly communicate project scope, timeline, benefits, and potential impacts
- Respond to community concerns and adapt project design where feasible

## Community Power Responsibilities

- Set clear engagement expectations through procurement requirements and pathways
- Provide transparency around Community Power goals, procurement processes, and evaluation criteria
- Serve as a public agency point of contact for policy, procurement, and program questions
- Facilitate introductions to appropriate Member Agency staff or stakeholders, where appropriate
- Maintain internal coordination to ensure early awareness of projects and potential issue



# Local Development Strategy – Procurement Pathways (Front-of-the-Meter)

---

## Role in Local Development Strategy

- Primary pathway for larger-scale local DERs that deliver system-wide value
- Contributes energy, capacity, and compliance attributes through CAISO markets
- Enables achievement of MW targets with fewer, higher-impact projects

## Key Attributes

- Interconnected on the utility side of the meter
- Provides wholesale market revenues and potential resource adequacy
- Offers greater economies of scale

## Key Challenge

- Viability heavily constrained by interconnection cost, timing, and deliverability potential.



# Local Development Strategy – Procurement Pathways (Behind-the-Meter)

---

## Role in Local Development Strategy

- Near-term, lower-risk pathway for accelerating local deployment
- Well suited for public agencies, schools, and C&I customers
- Supports both SDCP system needs and host-site resilience

## Key Attributes

- Located on the customer side of the meter
- Faster and more predictable interconnection outcomes
- Reduces Community Power load and resource adequacy obligation
- Batteries can provide outage resilience for host sites

## Key Challenge

- Host site constraints
- Reduced volume on transmission & distribution could have impacts on rates/cost recovery



# Local Development Strategy – Procurement Pathways (Feed-in Tariff & Solar Advantage)

---

## Feed-in Tariff (FIT)

- Streamlined option for small, community-scale front-of-the-meter renewable projects
- Standard pricing and simplified PPA; no competitive solicitation required
- Projects must meet eligibility, interconnection, and deliverability requirements

## Solar Advantage

- Community-scale solar in or near disadvantaged communities, procured via RFO
- Provides 20% bill discount for qualifying low-income customers (up to 20 years)
- 20.16 MW program cap; two RFOs completed, third planned Spring 2026



# Local Development Strategy – Procurement Pathways (Public Private Partnerships)

---

## Role in Local Development Strategy

- Tool to advance projects that may not be achievable through traditional procurement
- Particularly valuable for resilience-focused or capital-intensive projects

## Key Use Cases

- Military installations and large institutional campuses
- Rural and underserved communities
- Projects leveraging philanthropic, federal, or private capital

## Key Principles

- Clear governance, roles, and risk allocation
- Alignment with Community Power public purpose and procurement rules
- Transparency, feasibility, and deliverability remain mandatory



# Local Development Strategy – Implementation

---

## Local Development Priorities

- Engage directly with SDG&E on interconnection & deliverability
- BTM development as a near-term opportunity
- Selectively approach FTM opportunities that meet certain feasibility criteria
- Consider public private partnerships to unlock more complex opportunities

In order for Community Power to be best positioned to advance viable local development opportunities, proactive engagement is necessary. This includes, but is not limited to, the following actions:

- Assess appropriate procurement pathways early in project development
- Design and piloting new procurement pathway(s)
- Develop a “heatmap” of high priority development areas
- Educate decision makers on key project considerations and various procurement pathways
- Monitor policy, regulatory, and funding developments
- Facilitate early-stage coordination among stakeholders



# Public Comment on Item No. 8

# Item No. 8

**Committee Members  
Comments or  
Questions**

**Review Draft Local  
Development  
Strategy**



## **Recommendation:**

Receive and File Informational Update on Draft of San Diego Community Power's Proposed Local Development Strategy.

**Discussion of Potential Agenda Items  
For Board of Directors Meetings**

# **Committee Member Announcements**

**Adjournment**



SAN DIEGO  
**COMMUNITY  
POWER**

# Next Regular Community Advisory Committee Meeting June 11, 2026

[CustomerService@SDCommunityPower.org](mailto:CustomerService@SDCommunityPower.org)

