



## **AGENDA**

### **Regular Meeting Board of Directors**

**Thursday, May 28, 2026  
5:00 p.m.**

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

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

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

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

2. Written Comments. Written public comments must be submitted prior to the start of the meeting to [ClerkOfTheBoard@SDCommunityPower.org](mailto:ClerkOfTheBoard@SDCommunityPower.org). Members of the public are asked to indicate a specific agenda item when submitting comments. All written comments received prior to the meeting will be provided to members of the Board. At the discretion of the chairperson, the first 10 submitted comments shall be stated into the record of the meeting. Comments read at the meeting will be limited to the first 400 words. Comments received after the start of the meeting will be collected, sent to the members of Board and become part of the public record.

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

The public may participate using the following remote options:

Teleconference Meeting Webinar

[sdcommunitypower-org.zoom.us/j/94274587066](https://sdcommunitypower-org.zoom.us/j/94274587066)

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

## **WELCOME**

## **CALL TO ORDER**

## **ROLL CALL**

## **CLOSED SESSION**

1. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957**

Title: Chief Executive Officer

2. **CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54957.6**

Agency designated representative: General Counsel

Unrepresented employee: Chief Executive Officer

3. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957**

Title: General Counsel

**4. CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54957.6**

Agency designated representative: Assistant General Counsel  
Unrepresented employee: General Counsel

**CALL TO ORDER - OPEN SESSION**

**ROLL CALL**

**REPORT ON CLOSED SESSION**

**PLEDGE OF ALLEGIANCE**

**LAND ACKNOWLEDGMENT**

**SPECIAL PRESENTATIONS AND INTRODUCTIONS**

- Introduction of New Community Power Staff

**ITEMS TO BE ADDED, WITHDRAWN OR REORDERED ON THE AGENDA**

**PUBLIC COMMENTS**

Opportunity for members of the public to address the Board on any items not on the agenda but within the jurisdiction of the Board. Members of the public may provide a comment in either manner described above.

**CONSENT CALENDAR**

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

1. [Approve April 23, 2026, Meeting Minutes](#)
2. [Receive and File Update on Programs](#)
3. [Receive and File Update on Power Services](#)
4. [Receive and File Update on Customer Operations](#)
5. [Receive and File Update on IT and Data Analytics](#)

6. [Receive and File Update on Human Resources](#)
7. [Receive and File Update on Marketing, Public Relations, and Local Government Affairs](#)
8. [Receive and File Treasurer’s Report for Nine-Month Month Period Ending February 28, 2026](#)
9. [Adopt Resolution No. 2026-08, Appointing Chief Financial Officer, Jannies Burlingame as San Diego Community Power’s Treasurer, and authorize execution of a bond in the amount of \\$1,000,000](#)

## **REGULAR AGENDA**

The following items call for discussion or action by the Board of Directors. The Board may discuss and/or take action on any item listed below.

10. [Presentation of Draft of FY 2026-2027 Operating Budget, FY 2026-2027 Capital Budget, and FY 2027-2031 Capital Investment Plan, and Quarterly Risk Oversight Committee Report](#)

Recommendation: Receive and File preliminary draft FY 2026-27 Operating Budget, FY 2026-27 Capital Budget, and FY 2027-2031 Capital Investment Plan, and Quarterly Risk Oversight Committee Report.

11. [Update on Regulatory and Legislative Affairs](#)

Recommendation: Receive and File Regulatory and Legislative Affairs Update.

## **CHIEF EXECUTIVE OFFICER REPORT**

Community Power management may briefly provide information to the Board and the public. The Board may engage in discussion if the specific subject matter of the report is identified below, but the Board may not take any action other than to place the matter on a future agenda. Otherwise, there is to be no discussion or action taken unless authorized by law.

## **DIRECTOR COMMENTS**

Board Members may briefly provide information to other members of the Board and the public, ask questions of staff, request an item to be placed on a future agenda or report on conferences, events or activities related to Community Power business. There is to be no discussion or action taken on comments made by Directors unless authorized by law.

## **ADJOURNMENT**

The Board of Directors will adjourn until the next regular meeting scheduled for Thursday, June 25, 2026, at 5 p.m.

### **Compliance with the Americans with Disabilities Act**

Community Power Board of Directors meetings comply with the Americans with Disabilities Act. Individuals with a disability who require a modification or accommodation, including auxiliary aids or services, to participate in the public meeting may contact 888-382-0169 or [ClerkOfTheBoard@SDCommunityPower.org](mailto:ClerkOfTheBoard@SDCommunityPower.org). Requests for disability-related modifications or accommodations require varying lead times and should be provided at least 72 hours in advance of the public meeting.

### **Availability of Board Documents**

Copies of the agenda and agenda packet are available at [sdcommunitypower.org/resources/meeting-notes](https://sdcommunitypower.org/resources/meeting-notes). Late-arriving documents related to a Board meeting item are distributed to Members prior to or during the Board meeting and are available for public review as required by law. Public records, including agenda-related documents, can be requested electronically from [ClerkOfTheBoard@SDCommunityPower.org](mailto: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](mailto:ClerkOfTheBoard@SDCommunityPower.org) to arrange an appointment.



## SAN DIEGO COMMUNITY POWER

### BOARD OF DIRECTORS Regular Meeting Minutes

April 23, 2026

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

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#### WELCOME

#### CALL TO ORDER

Vice Chair Yamane called the Community Power Board of Directors regular meeting to order at 5:00p.m.

#### ROLL CALL

**PRESENT:** Vice Chair Yamane, City of National City; Director Elo-Rivera (arrived at 5:11 p.m.), City of San Diego; Director Inzunza, City of Chula Vista; Director San Antonio, City of Encinitas; Director Fisher, City of Imperial Beach; and Director Suzuki, City of La Mesa

**ABSENT:** Chair Lawson-Remer, County of San Diego

**Staff Present:** Chief Executive Officer Burns; General Counsel Tyagi; Senior Director of Data Analytics and Customer Operations Utouh; Senior Director of Finance and Risk Manglicmot; Associate Director of Strategic Partnerships Friedman; Senior Director of Power Contracts Key; Senior Local Development Manager Adam; Senior Community Engagement Manager Crespo; Clerk of the Board Hernandez; and Assistant Clerk of the Board Vences

#### PLEDGE OF ALLEGIANCE

Director Inzunza led the Pledge of Allegiance.

#### LAND ACKNOWLEDGMENT

Vice Chair Yamane acknowledged the Kumeyaay Nation and all the original stewards of the land.

## **SPECIAL PRESENTATIONS AND INTRODUCTIONS**

- Introduction of New Community Power Staff

Vice Chair Yamane welcomed new employee Will Weisman, Associate Director of Finance Capital Investment Plan, to introduce himself.

## **ITEMS TO BE ADDED, WITHDRAWN OR REORDERED ON THE AGENDA**

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

## **PUBLIC COMMENTS**

There were no public comments.

## **CONSENT CALENDAR**

1. **Approve March 26, 2026, Meeting Minutes**
2. **Receive and File Update on Programs**
3. **Receive and File Update on Power Services**
4. **Receive and File Update on Customer Operations**
5. **Receive and File Update on IT and Data Analytics**
6. **Receive and File Update on Human Resources**
7. **Receive and File Update on Marketing, Public Relations, and Local Government Affairs**
8. **Receive and File Treasurer's Report for Seven-Month Period Ending January 31, 2025**
9. **Receive and File Community Advisory Committee Monthly Update**
10. **Receive and File Update on Regulatory and Legislative Affairs**
11. **Approve Agreement Renewal with Keyes & Fox LLP for Regulatory Counsel Services through May 31, 2028, for a Total Not-to-Exceed Contract Amount of \$1,200,000**

There were no public comments on Consent Item Nos. 1-11.

Motioned by Director Inzunza and seconded by Director Suzuki to approve Consent Calendar Item Nos. 1-11. The motion carried 6/0 as follows:

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

## **REGULAR AGENDA**

### **12. Consider and Approve Appointment of Molly Hintlian to the Community Advisory Committee to fill City of Encinitas Vacancy**

Director San Antonio introduced the item and turned it over to Ms. Crespo to provide an overview of recommendation of appointment of Molly Hintlian to the Community Advisory Committee for the City of Encinitas.

Due to audio challenges, the meeting recessed at 5:08 p.m.

The meeting reconvened at 5:16 p.m.

Ms. Hintlian introduced herself and thanked the Board for the opportunity to serve.

There were no public comments on Item No. 12.

After Board member comments, motioned by Director San Antonio and seconded by Director Suzuki to approve appointment of Molly Hintlian to the Community Advisory Committee (CAC) to fill the City of Encinitas vacancy. The motion carried 6/0 as follows:

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

### **13. Approve Ten-Year Agreements with the City of San José to Sell MTR Eligible Resource Adequacy and Buy System Resource Adequacy for a total net notional of \$4,500,000**

Mr. Key provided an overview of the proposed Ten-Year Agreements with the City of San José.

There were no public comments on Item No. 13.

After Board member comments and questions, motioned by Director Inzunza and seconded by Director Suzuki to approve Ten-Year Agreements with the City of San José as follows:

- a. Sell MTR Eligible Resource Adequacy for a total of \$43,200,000 and authorize the Chief Executive Officer to execute the agreement.

- b. Buy System Resource Adequacy for a total of \$47,700,000 and authorize the Chief Executive Officer to execute the agreement.

The motion carried 6/0 as follows:

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

**14. Review and Approve 2026 Community Power Rates Adjustment, to be effective as of May 1, 2026**

Ms. Burns introduced the item and turned it over to Messrs. Utouh and Manglicmot to present the 2026 Community Power Rates Adjustment.

There were no public comments on Item No. 14.

After Board member discussion, motioned by Director Suzuki and seconded by Director San Antonio to approve rate adjustments for the PowerOn and PowerBase services, as contained in Attachment A, to go into effect as of May 1, 2026. The recommendation includes continuing to offer San Diego Community Power (Community Power) default PowerOn service electricity generation/commodity rates that are 4% cheaper compared to San Diego Gas and Electric’s (SDG&E) generation rates and PowerBase service electricity generation rates that are 10% cheaper than San Diego Gas and Electric’s generation rates. Power100 and Power100 Green-e Certified (Green-e Plus) will maintain premiums of \$0.01/kWh and \$0.02/kWh, respectively, compared to PowerOn.

The motion carried 6/0 as follows:

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

**15. Receive and File Local Development Strategy**

Ms. Burns introduced the item and turned it over to Messrs. Friedman and Adam to provide an overview of the Local Development Strategy.

There were no public comments on Item No. 15.

After Board member comments and questions, the informational update on San Diego Community Power's Local Development Strategy was received and filed.

**CHIEF EXECUTIVE OFFICER REPORT**

None.

**DIRECTOR COMMENTS**

Directors Inzunza and Suzuki thanked staff for attending the South Bay Earth Day in City of Chula Vista and the Earth Day Festival in City of La Mesa, respectively.

**ADJOURNMENT**

The meeting was adjourned at 6:18 p.m. to the next regular meeting scheduled for Thursday, May 28, 2026, at 5 p.m.

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Maricela Hernandez, MMC, CPMC  
Clerk of the Board



# SAN DIEGO COMMUNITY POWER

## Staff Report – Item 2

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To: Board of Directors

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

Via: Karin Burns, Chief Executive Officer

Subject: Update on Programs

Date: May 28, 2026

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### Recommendation

Receive and file updates on customer energy programs.

### Background

Staff will provide regular updates to the Board of Directors (“Board”) regarding the following Community Power customer energy 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.

#### Residential Programs

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

***Status:*** The program launched at the end of Q1 2026. Due to the targeted nature of the program, staff will focus on targeted outreach in partnership with community-based organizations (“CBOs”) rather than conduct a broad program launch announcement or press event.

Staff completed contract negotiations with seven CBOs in our Power Network to implement and support marketing, outreach, and educational (“ME&O”) activities and are in the final stages of contract negotiations with an additional three CBOs. Staff have been meeting with

EBD staff to discuss available tools and resources to initiate outreach in our region in summer 2026, after all Power Network contracts supporting EBD are executed.

*Next Steps:* Staff will finalize agreements with CBOs and host a kickoff meeting with ten CBO partners to launch ME&O activities and implement the program in the San Diego region.

## **Flexible Load Programs**

### ***Smart Home Flex Pilot Project***

*Status:* The evaluation of thermostat performance in year one of the Smart Home Flex pilot were inconclusive, due to a combination of mild summer temperatures and the equipment configuration of some pilot participants. After reviewing these results, staff determined that an additional year of data collection was needed to fully evaluate the pilot.

*Next Steps:* Staff are working to re-launch the thermostats program by early June 2026, while at the same time working to increase water heater enrollments in collaboration with the TECH program.

### ***EV Flex Connect Pilot Project***

*Status & Next Steps:* Please refer to [Item 2](#) of the March 2026 Board agenda packet for the most recent update on this program.

## **Solar and Energy Storage Programs**

### ***Solar Battery Savings (“SBS”) Program***

*Status:* Since full program launch in September 2025, the program has received over 1,000 applications, 672 which have been approved, and 290 of which have been installed and activated. Of the 54 contractors approved to participate in the program, 45 have submitted applications. Seventy percent of applicants are market rate customers. Seventy-one percent of projects are for new solar and storage systems (as compared to storage being added to existing solar systems).

In May 2026, staff finalized Q1 performance incentives for customers and notified customers. Community Power staff also held quarterly contractor training for newly interested contractors to participate.

*Next Steps:* Community Power is finalizing contracts for customer workshops and bill impact analysis. Customers workshops are expected in Q2 CY 2026.

### ***Solar Advantage Program (previously DAC-GT)***

*Status:* Staff have continued engagement with San Diego Gas & Electric (“SDG&E”) and the California Public Utilities Commission (“CPUC”) Energy Division regarding the Supervisory Control and Data Acquisition (“SCADA”) requirements and associated interconnection costs

under the Wholesale Distribution Access Tariff (“WDAT”), that are challenging the feasibility of Solar Advantage projects. Under CPUC program rules, Solar Advantage Program power procurement is subject to a “cost containment cap” that limits the maximum price Community Power can pay for project output; as a result, the significant interconnection and SCADA costs currently required under WDAT may challenge project eligibility, as the pricing required to recover these costs may exceed the allowable cap.

Next Steps: Staff will continue engagement with SDG&E and the CPUC Energy Division to pursue alternative solutions that reduce interconnection equipment costs and/or clarify interconnection requirements under WDAT to improve project viability. For shortlisted projects from the Solar Advantage Program’s Second Request for Offers (“RFO”), staff are evaluating whether to request a CPUC extension of the executed Power Purchase Agreement (“PPA”) Advice Letter deadline (due June 17, 2026). Concurrently, Staff are incorporating lessons learned into RFO No. 3 solicitation materials, including updates intended to convey WDAT requirements to prospective bidders and to reference SDG&E’s Rule 21 “Unit Cost Guide” for improved cost transparency.

### **San Diego Regional Energy Network (“SDREN”)**

Status: All SDREN contracts from the phased solicitations for third-party implementers have now been executed. The final contract from Phase 3 has been executed with the selected vendor:

- Market Access Program
  - Vendor: Alternative Energy Systems Consulting, Inc.
  - Contract Total: \$3,991,587 (direct implementation), \$9,006,228 (incentives)

As programs begin enrollment, the SDREN Advisory Committee will be key in providing advisement on program implementation activities (i.e., effective outreach and engagement strategies to connect with underserved and hard-to-reach communities across the region), serving as an advocate for SDREN (i.e., providing letters of support if/when necessary) and spreading awareness of program benefits through community and regional networks. The first SDREN Advisory Committee meeting took place on April 13, 2026.

In compliance with the CPUC Rolling Portfolio process for reviewing and approving portfolio administrators’ programs, SDREN submitted its 2028-2035 Strategic Business Plan and 2028-2031 Portfolio Plan Application on March 16, 2026, following approved CPUC templates and guidance. SDREN Application Materials can be found at [sdren.org/regulatory-documents](https://sdren.org/regulatory-documents).

Next Steps: For all programs, staff continue to focus on pre-launch deliverables to begin participant enrollment. Future program launch updates will be published on the SDREN website at [sdren.org](https://sdren.org), which went live on March 16, 2026.

SDREN funds are authorized by the CPUC 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). Staff report program expenditures monthly to the CPUC and these amounts are publicly available on the California Energy Data and Reporting System (CEDARS) website at <https://cedars.cpuc.ca.gov/>.

## **Fiscal Impact**

N/A

## **Attachments**

N/A

# SAN DIEGO COMMUNITY POWER

## Staff Report - Item 3

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To: Board of Directors

From: Gordon Samuel, Chief Commercial Officer

Via: Karin Burns, Chief Executive Officer

Subject: Update on Power Services

Date: May 28, 2026

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### **Recommendation**

Recommendation to receive and file update on Power Services.

### **Background**

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

### **Analysis and Discussion**

#### Commercial Operations

On May 22, 2026 Sunzia North and Sunzia South reached commercial operations and began deliveries for Community Power. Combined these projects total 150 MW of wind capacity added to Community Power's portfolio, enough to power over 70,000 homes annually.

#### Administrative Amendments

In March 2026, Community Power executed an administrative amendment to update the Power Purchase Agreements for Sunzia North and Sunzia South. These amendments corrected some settlement calculations, removed credit requirements for Community Power, and added a form of limited assignment agreement.

#### 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 a certain revenue stream against which they can finance up-front capital requirements,

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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 2028 via CPUC D.23-02-040, where the CPUC additionally ordered procurement of long lead time resources by 2028, with the potential for extension through 2031. D.25-06-019 again ordered annual procurement of new resources from 2029-2032, with a quarter coming from long lead time resources.

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 Community Power Board of Directors 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.

Going forward, staff expects 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 increasingly prioritize local distributed energy resources (DER) projects as described below.

## Local Development

### ***Local RFI***

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’s 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. Other ongoing local initiatives

include continued collaboration with member agency staff and other local agencies to identify strategic opportunities to further infill development.

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/>

### **Solar Advantage Program (previously DAC-GT)**

Status: Staff have continued engagement with SDG&E and the California Public Utilities Commission (CPUC) Energy Division regarding the Supervisory Control and Data Acquisition (SCADA) requirements and associated interconnection costs under the Wholesale Distribution Access Tariff (WDAT), that are challenging the feasibility of Solar Advantage projects. Under CPUC program rules, Solar Advantage Program power procurement is subject to a “cost containment cap” that limits the maximum price Community Power can pay for project output; as a result, the significant interconnection and SCADA costs currently required under WDAT may challenge project eligibility, as the pricing required to recover these costs may exceed the allowable cap.

Next Steps: Staff will continue engagement with SDG&E and CPUC Energy Division to pursue alternative solutions that reduce interconnection equipment costs and/or clarify interconnection requirements under WDAT to improve project viability. For shortlisted projects from the Solar Advantage Program's Second RFO, staff are evaluating whether to request a CPUC extension of the executed Power Purchase Agreement (PPA) Advice Letter deadline (due June 17, 2026). Concurrently, staff are incorporating lessons learned into RFO #3 solicitation materials, including updates intended to convey WDAT requirements to prospective bidders and to reference SDG&E's Rule 21 “Unit Cost Guide” for improved cost transparency.

### **Short-Term RPS Procurement**

Community Power staff continue to actively manage its environmental position and closely monitor the market for opportunities to optimize the renewable and carbon-free portfolios. Community Power has been evaluating solicitation offers, bilateral offers, and products that meet needs for multiple portfolios – thereby 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 resource availability in the broader Western Interconnection, lingering supply chain impacts and 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 energy market prices have been on a decline due to seasonal weather changes and increasing solar generation in the West. Markets are watching weather changes closely as a record-hot March initiated snowmelt weeks ahead of schedule and statewide snowpack is 18% of average for April 1<sup>st</sup>. With La Nina weather patterns impacting California, there is potential for a highly variable year as markets remain sensitive to extreme weather events and unexpected supply shortages. At the same time, the increasing penetration of utility-scale storage resources connected to the grid is influencing daily load patterns and pushing down peak prices. 2026 summer load and resource assessments are underway, and results of the annual analysis will give insight into the state's energy supply moving into summer and peak demand electric season.

California's electric market achieved a milestone on May 1, 2026, as the California Independent System Operator (CAISO) launched the Extended Day-Ahead Market (EDAM), where Western utilities can join to coordinate utility-scale energy resource scheduling in the day-ahead timeframe for the first time. The increased West-wide coordination strengthens reliability and lowers costs by expanding regional coordination into the day-ahead timeframe, when most electricity deliveries are planned and scheduled, to leverage the West's diverse energy resource mix and connected transmission system and to better prepare the system to meet real-time demand. Larger scale energy resource planning allows for more optimized resource commitments and transmission usage across major supply and load centers. Wider electric coordination reduces solar curtailments and reduces price volatility. Additionally, the new Day-Ahead Market Enhancements introduced a new energy product "Imbalance Reserves", which pays dispatchable resources, like batteries, to be ready for dispatch for fluctuating renewable production or changes in demand.

#### 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, and we recently had a candidate accept an offer for the Compliance and Contract Management Analyst position.

## **Fiscal Impact**

N/A

## **Attachments**

N/A





# SAN DIEGO COMMUNITY POWER

## Staff Report – Item 4

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TO: Board of Directors

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

VIA: Karin Burns, Chief Executive Officer

SUBJECT: Update on Customer Operations

DATE: May 28, 2026

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### Recommendation

Receive and file an update on various customer operations initiatives.

### Background

Staff will provide regular updates to the Board of Directors 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 May 11, 2026, Community Power is serving a cumulative total count of **969,376** 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 two 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.

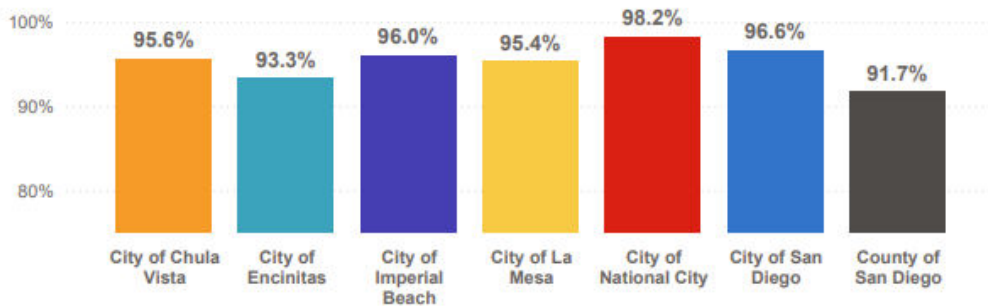
## B) Customer Participation Tracking

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.

Please note that Re-Enrollment metrics are captured and displayed through April 30, 2026.

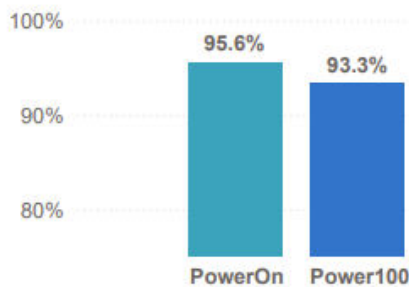
| Enrolled Accounts | Participation Rate |
|-------------------|--------------------|
| 969,376           | 95.5%              |

**Participation by Jurisdiction**

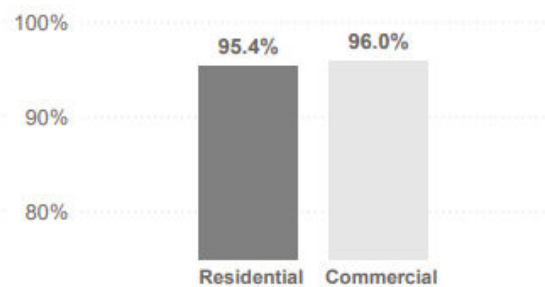


| Jurisdiction           | Service Option Default | Eligible Accounts | Enrolled Accounts | Participation Rate |
|------------------------|------------------------|-------------------|-------------------|--------------------|
| City of Chula Vista    | PowerOn                | 100,356           | 95,990            | 95.6%              |
| City of Encinitas      | Power100               | 29,052            | 27,105            | 93.3%              |
| City of Imperial Beach | PowerOn                | 10,821            | 10,389            | 96.0%              |
| City of La Mesa        | PowerOn                | 29,614            | 28,237            | 95.4%              |
| City of National City  | PowerOn                | 19,680            | 19,335            | 98.2%              |
| City of San Diego      | PowerOn                | 634,225           | 612,921           | 96.6%              |
| County of San Diego    | PowerOn                | 191,316           | 175,399           | 91.7%              |
| <b>Total</b>           |                        | <b>1,015,064</b>  | <b>969,376</b>    | <b>95.5%</b>       |

**Participation by Default Service Option**



**Residential vs Commercial Participation**

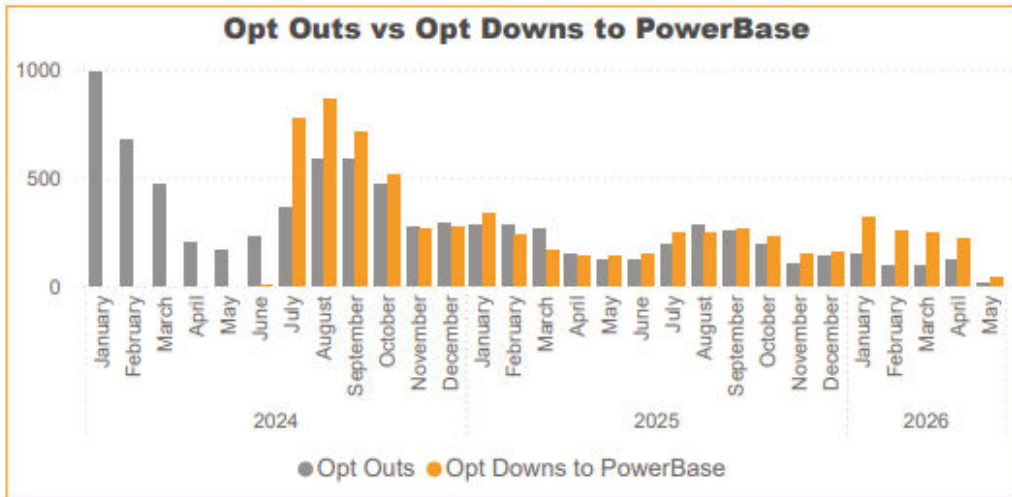


## Service Option

| PowerBase     |              | PowerOn       |                | Power100      |               | Power100 Green+ |             |
|---------------|--------------|---------------|----------------|---------------|---------------|-----------------|-------------|
| Enrolled      | <b>5,895</b> | Enrolled      | <b>929,022</b> | Enrolled      | <b>34,436</b> | Enrolled        | <b>23</b>   |
| Participation | <b>0.6%</b>  | Participation | <b>95.8%</b>   | Participation | <b>3.6%</b>   | Participation   | <b>0.0%</b> |

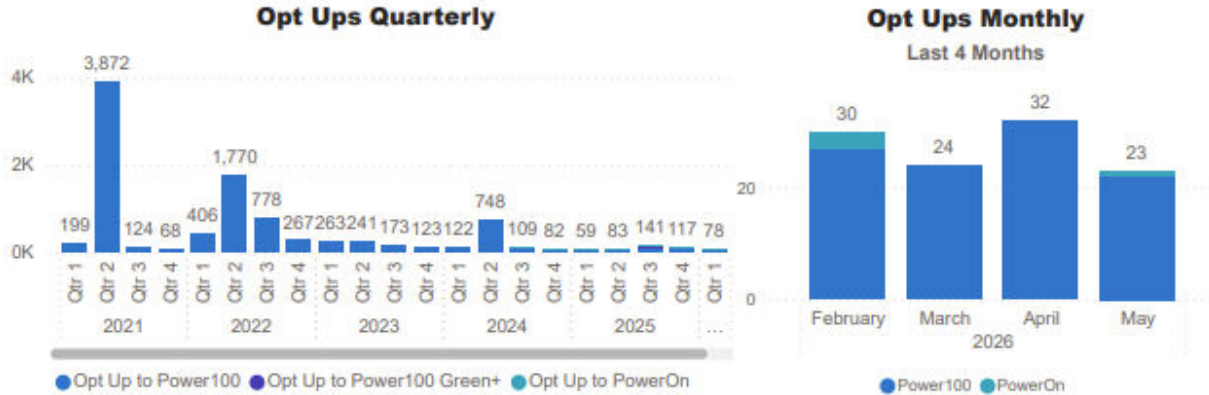
### Service Option Enrollment Summary

| 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                | 95,990            | 521                 | 0.5%         | 94,560           | 98.5%        | 909                | 0.9%        |                          |                  |
| City of Encinitas      | Power100               | 27,105            | 245                 | 0.9%         | 386              | 1.4%         | 26,474             | 97.7%       |                          |                  |
| City of Imperial Beach | PowerOn                | 10,389            | 40                  | 0.4%         | 10,286           | 99.0%        | 63                 | 0.6%        |                          |                  |
| City of La Mesa        | PowerOn                | 28,237            | 155                 | 0.5%         | 27,818           | 98.5%        | 264                | 0.9%        |                          |                  |
| City of National City  | PowerOn                | 19,335            | 72                  | 0.4%         | 19,233           | 99.5%        | 30                 | 0.2%        |                          |                  |
| City of San Diego      | PowerOn                | 612,921           | 3,277               | 0.5%         | 603,739          | 98.5%        | 5,882              | 1.0%        | 23                       | 0.0%             |
| County of San Diego    | PowerOn                | 175,399           | 1,585               | 0.9%         | 173,000          | 98.6%        | 814                | 0.5%        |                          |                  |
| <b>Total</b>           |                        | <b>969,376</b>    | <b>5,895</b>        | <b>0.6%</b>  | <b>929,022</b>   | <b>95.8%</b> | <b>34,436</b>      | <b>3.6%</b> | <b>23</b>                | <b>0.0%</b>      |



## Opt Up History

|                               |                                  |
|-------------------------------|----------------------------------|
| <b>Total Opt Ups</b><br>9,878 | <b>Opt Ups Current*</b><br>8,072 |
|-------------------------------|----------------------------------|



### Opt Ups by Jurisdiction

| Jurisdiction           | 2021         | 2022         | 2023       | 2024         | 2025       | 2026 YTD   | Total        |
|------------------------|--------------|--------------|------------|--------------|------------|------------|--------------|
| City of Chula Vista    | 710          | 175          | 61         | 49           | 31         | 5          | 1,031        |
| City of Encinitas      | 18           | 1            | 1          | 3            | 1          | 2          | 26           |
| City of Imperial Beach | 60           | 29           | 11         | 6            | 6          | 21         | 133          |
| City of La Mesa        | 155          | 120          | 19         | 12           | 8          | 1          | 315          |
| City of National City  |              |              | 12         | 24           | 2          | 1          | 39           |
| City of San Diego      | 3,316        | 2,896        | 489        | 340          | 309        | 83         | 7,433        |
| County of San Diego    | 4            |              | 207        | 627          | 43         | 20         | 901          |
| <b>Total</b>           | <b>4,263</b> | <b>3,221</b> | <b>800</b> | <b>1,061</b> | <b>400</b> | <b>133</b> | <b>9,878</b> |

### Opt Ups by Customer Class

| Customer Class | 2021         | 2022         | 2023       | 2024         | 2025       | 2026 YTD   | Total        |
|----------------|--------------|--------------|------------|--------------|------------|------------|--------------|
| Commercial     | 4,256        | 296          | 232        | 701          | 160        | 48         | 5,693        |
| Residential    | 7            | 2,925        | 568        | 360          | 240        | 85         | 4,185        |
| <b>Total</b>   | <b>4,263</b> | <b>3,221</b> | <b>800</b> | <b>1,061</b> | <b>400</b> | <b>133</b> | <b>9,878</b> |

### Opt Ups by Method

| Opt Method   | 2021         | 2022         | 2023       | 2024         | 2025       | 2026 YTD   | Total        |
|--------------|--------------|--------------|------------|--------------|------------|------------|--------------|
| CSR          | 4,232        | 1,372        | 301        | 817          | 213        | 66         | 7,001        |
| IVR          | 4            | 85           | 84         | 42           | 29         | 5          | 249          |
| Web          | 27           | 1,764        | 415        | 202          | 158        | 62         | 2,628        |
| <b>Total</b> | <b>4,263</b> | <b>3,221</b> | <b>800</b> | <b>1,061</b> | <b>400</b> | <b>133</b> | <b>9,878</b> |

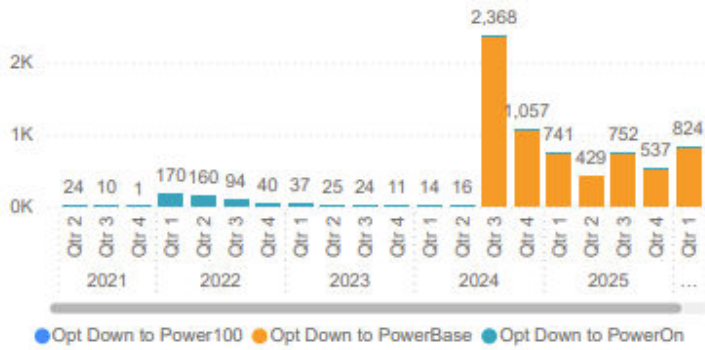
\*Current indicates the account is open with SDG&E and this opt action is their latest opt action

2026 YTD as of May 07, 2026

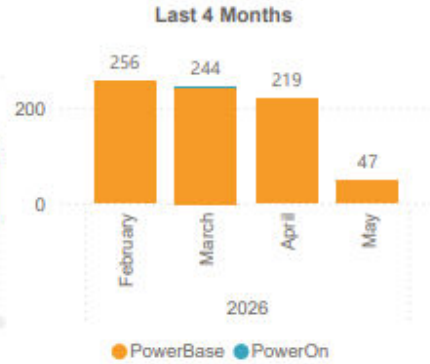
## Opt Down History

|                        |                           |
|------------------------|---------------------------|
| <b>Total Opt Downs</b> | <b>Opt Downs Current*</b> |
| 7,600                  | 6,332                     |

### Opt Downs Quarterly



### Opt Downs Monthly



### Opt Downs by Jurisdiction

| Jurisdiction           | 2021      | 2022       | 2023      | 2024         | 2025         | 2026 YTD     | Total        |
|------------------------|-----------|------------|-----------|--------------|--------------|--------------|--------------|
| City of Chula Vista    |           | 2          | 4         | 287          | 246          | 82           | 621          |
| City of Encinitas      | 35        | 429        | 74        | 150          | 109          | 50           | 847          |
| City of Imperial Beach |           | 1          |           | 31           | 18           | 5            | 55           |
| City of La Mesa        |           | 4          |           | 106          | 66           | 26           | 202          |
| City of National City  |           |            |           | 36           | 39           | 17           | 92           |
| City of San Diego      |           | 28         | 13        | 1,793        | 1,390        | 718          | 3,942        |
| County of San Diego    |           |            | 6         | 1,052        | 591          | 192          | 1,841        |
| <b>Total</b>           | <b>35</b> | <b>464</b> | <b>97</b> | <b>3,455</b> | <b>2,459</b> | <b>1,090</b> | <b>7,600</b> |

### Opt Downs by Customer Class

| Customer Class | 2021      | 2022       | 2023      | 2024         | 2025         | 2026 YTD     | Total        |
|----------------|-----------|------------|-----------|--------------|--------------|--------------|--------------|
| Commercial     | 34        | 23         | 9         | 508          | 172          | 63           | 809          |
| Residential    | 1         | 441        | 88        | 2,947        | 2,287        | 1,027        | 6,791        |
| <b>Total</b>   | <b>35</b> | <b>464</b> | <b>97</b> | <b>3,455</b> | <b>2,459</b> | <b>1,090</b> | <b>7,600</b> |

### Opt Downs by Method

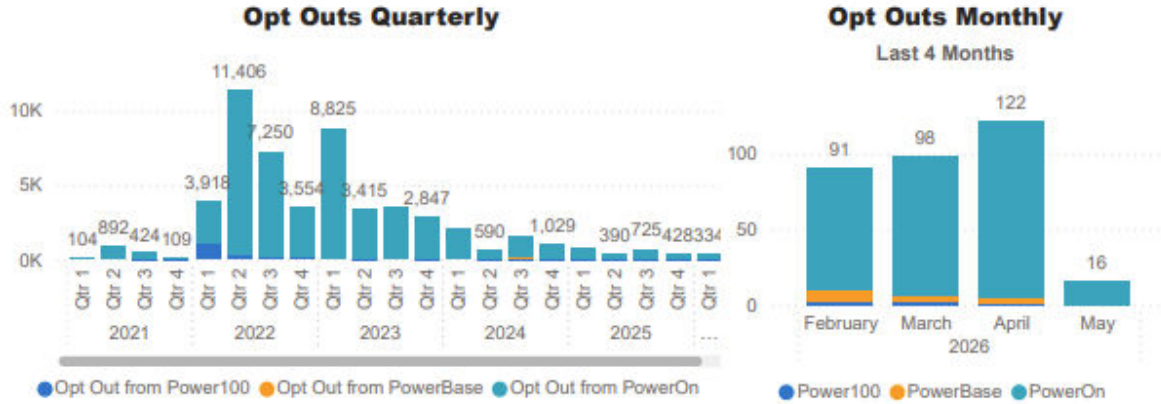
| Opt Method   | 2021      | 2022       | 2023      | 2024         | 2025         | 2026 YTD     | Total        |
|--------------|-----------|------------|-----------|--------------|--------------|--------------|--------------|
| CSR          | 31        | 311        | 65        | 2,562        | 1,531        | 534          | 5,034        |
| IVR          | 4         | 26         | 3         | 309          | 274          | 92           | 708          |
| Web          |           | 127        | 29        | 584          | 654          | 464          | 1,858        |
| <b>Total</b> | <b>35</b> | <b>464</b> | <b>97</b> | <b>3,455</b> | <b>2,459</b> | <b>1,090</b> | <b>7,600</b> |

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

2026 YTD as of May 07, 2026

## Opt Out History

|                       |                          |
|-----------------------|--------------------------|
| <b>Total Opt Outs</b> | <b>Opt Outs Current*</b> |
| 54,480                | 44,377                   |



### Opt Outs by Jurisdiction

| Jurisdiction           | 2021         | 2022          | 2023          | 2024         | 2025         | 2026 YTD   | Total         |
|------------------------|--------------|---------------|---------------|--------------|--------------|------------|---------------|
| City of Chula Vista    | 267          | 3,466         | 747           | 411          | 200          | 51         | 5,142         |
| City of Encinitas      | 66           | 1,869         | 230           | 118          | 56           | 9          | 2,348         |
| City of Imperial Beach | 32           | 343           | 99            | 60           | 17           | 10         | 561           |
| City of La Mesa        | 84           | 1,269         | 235           | 128          | 59           | 10         | 1,785         |
| City of National City  |              |               | 285           | 75           | 33           | 8          | 401           |
| City of San Diego      | 1,078        | 19,180        | 3,185         | 1,836        | 1,065        | 236        | 26,580        |
| County of San Diego    | 2            | 1             | 13,899        | 2,669        | 944          | 148        | 17,663        |
| <b>Total</b>           | <b>1,529</b> | <b>26,128</b> | <b>18,680</b> | <b>5,297</b> | <b>2,374</b> | <b>472</b> | <b>54,480</b> |

### Opt Outs by Customer Class

| Customer Class | 2021         | 2022          | 2023          | 2024         | 2025         | 2026 YTD   | Total         |
|----------------|--------------|---------------|---------------|--------------|--------------|------------|---------------|
| Residential    | 37           | 25,593        | 16,996        | 4,953        | 2,233        | 445        | 50,257        |
| Commercial     | 1,492        | 535           | 1,684         | 344          | 141          | 27         | 4,223         |
| <b>Total</b>   | <b>1,529</b> | <b>26,128</b> | <b>18,680</b> | <b>5,297</b> | <b>2,374</b> | <b>472</b> | <b>54,480</b> |

### Opt Outs by Method

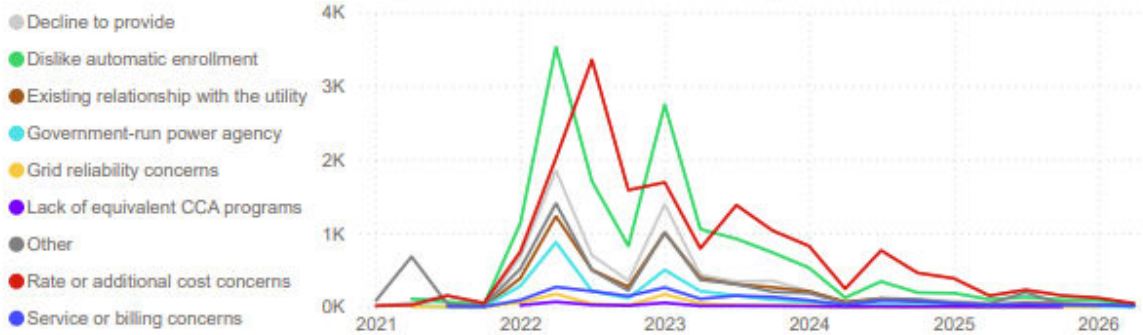
| Opt Method   | 2021         | 2022          | 2023          | 2024         | 2025         | 2026 YTD   | Total         |
|--------------|--------------|---------------|---------------|--------------|--------------|------------|---------------|
| CSR          | 1,104        | 6,963         | 4,706         | 1,653        | 703          | 170        | 15,299        |
| IVR          | 102          | 4,885         | 3,788         | 1,284        | 445          | 62         | 10,566        |
| Web          | 323          | 14,280        | 10,186        | 2,360        | 1,226        | 240        | 28,615        |
| <b>Total</b> | <b>1,529</b> | <b>26,128</b> | <b>18,680</b> | <b>5,297</b> | <b>2,374</b> | <b>472</b> | <b>54,480</b> |

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

2026 YTD as of May 07, 2026

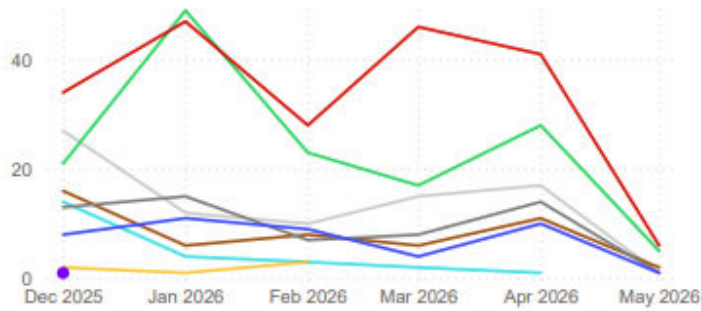
# Opt Out Reason Summary

## Opt Outs by Reason Quarterly



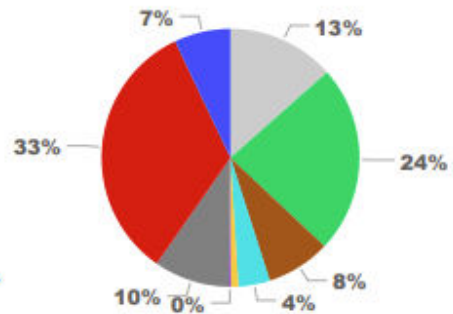
## Opt Outs by Reason Monthly

Last 6 Calendar Months



## Opt Out Reason Distribution

Last 6 Calendar Months



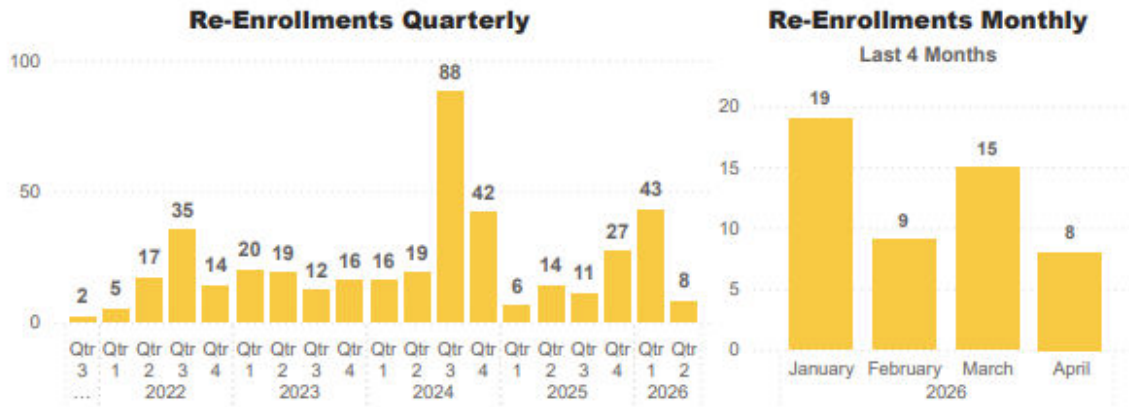
## Opt Outs by Reason Table

| Opt Out Reason                         | 2021         | 2022          | 2023          | 2024         | 2025         | 2026 YTD   | Total         |
|--|--------------|---------------|---------------|--------------|--------------|------------|---------------|
| Decline to provide                     | 228          | 3,581         | 2,518         | 465          | 256          | 55         | 7,103         |
| Dislike automatic enrollment           | 203          | 7,187         | 5,458         | 1,188        | 511          | 122        | 14,669        |
| Existing relationship with the utility | 2            | 2,388         | 1,968         | 462          | 153          | 33         | 5,006         |
| Government-run power agency            | 24           | 1,489         | 960           | 129          | 66           | 10         | 2,678         |
| Grid reliability concerns              | 7            | 293           | 252           | 20           | 7            | 4          | 583           |
| Lack of equivalent CCA programs        |              | 131           | 90            | 12           | 6            |            | 239           |
| Other                                  | 819          | 2,636         | 1,883         | 453          | 325          | 45         | 6,161         |
| Rate or additional cost concerns       | 240          | 7,705         | 4,897         | 2,296        | 918          | 168        | 16,224        |
| Service or billing concerns            | 6            | 718           | 654           | 272          | 132          | 35         | 1,817         |
| <b>Total</b>                           | <b>1,529</b> | <b>26,128</b> | <b>18,680</b> | <b>5,297</b> | <b>2,374</b> | <b>472</b> | <b>54,480</b> |

2026 YTD as of May 07, 2026

# Re-Enrollment Requests

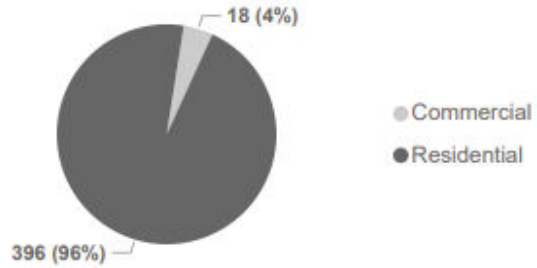
Excludes closed accounts



## Re-Enrollments by Jurisdiction

| Jurisdiction           | Accounts   |
|------------------------|------------|
| City of Chula Vista    | 28         |
| City of Encinitas      | 35         |
| City of Imperial Beach | 5          |
| City of La Mesa        | 8          |
| City of National City  | 1          |
| City of San Diego      | 252        |
| County of San Diego    | 85         |
| <b>Total</b>           | <b>414</b> |

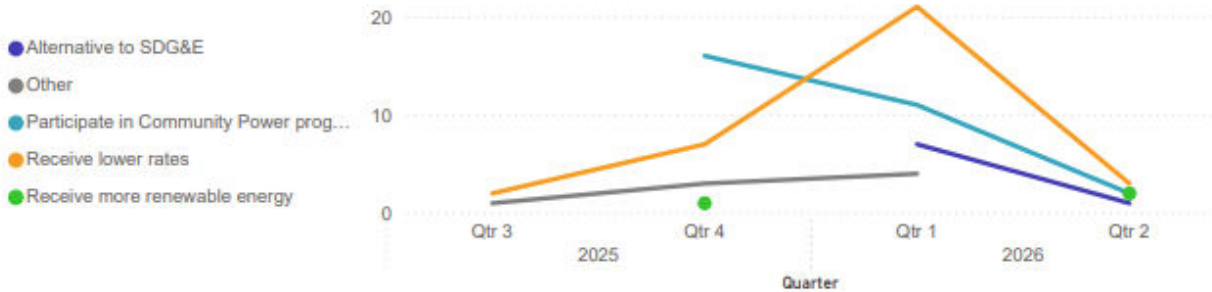
## Re-Enrollments Residential vs Commercial



2026 YTD through the end of April, 2026

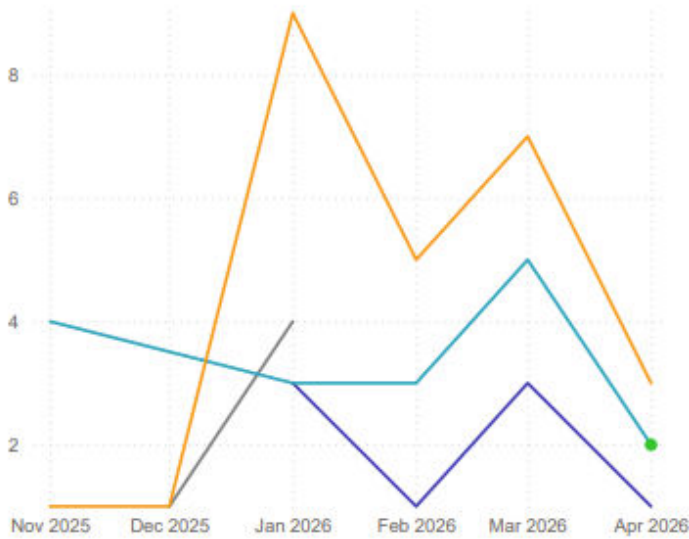
## Re-Enrollment Reason Summary\*

### Re-Enrollments by Reason Quarterly



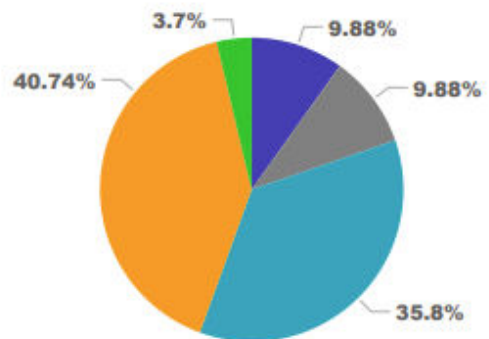
### Re-Enrollments by Reason Monthly

Last 6 Calendar Months



### Re-Enrollments Reason Distribution

Last 6 Calendar Months



### Re-Enrollment by Reason Table

| ReEnrollmentReason                     | 2025      | 2026 YTD  | Total     |
|--|-----------|-----------|-----------|
| Alternative to SDG&E                   |           | 8         | 8         |
| Other                                  | 4         | 4         | 8         |
| Participate in Community Power program | 16        | 13        | 29        |
| Receive lower rates                    | 9         | 24        | 33        |
| Receive more renewable energy          | 1         | 2         | 3         |
| <b>Total</b>                           | <b>30</b> | <b>51</b> | <b>81</b> |

Re-Enrollment Reason Functionality Implemented 09/01/2025

### C) Contact Center Metrics

As expected, calls to our Contact Center have decreased following the warm summer months that resulted in higher electric bills and have remained steady in the winter months.

The chart below summarizes contact made by customers into the Contact Center broken down by month. Contact Center Metrics are captured and displayed through April 30, 2026.



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

|  | 2021   | 2022   | 2023   | 2024   | 2025   | 2026 YTD | Total   |
|--|--------|--------|--------|--------|--------|----------|---------|
| Total Calls to IVR                         | 2,289  | 47,118 | 52,977 | 48,073 | 36,829 | 10,574   | 197,860 |
| Total Calls Connected to Agents            | 1,401  | 30,174 | 34,173 | 29,332 | 21,556 | 6,611    | 123,247 |
| Avg Seconds to Answer                      | 20.00  | 11.50  | 6.75   | 18.08  | 9.33   | 8.00     | 12.46   |
| Avg Call Duration (Minutes)                | 8.5    | 9.8    | 9.6    | 9.6    | 9.0    | 8.8      | 9.3     |
| Calls Answered Within 60 Seconds (75% SLA) | 96.23% | 95.50% | 97.57% | 91.74% | 95.85% | 97.09%   | 95.45%  |
| Abandon Rate                               | 0.57%  | 0.36%  | 0.19%  | 0.72%  | 0.43%  | 0.25%    | 0.43%   |



#### Customer Service Emails

|  | 2021 | 2022  | 2023  | 2024  | 2025  | 2026 YTD | Total |
|--|------|-------|-------|-------|-------|----------|-------|
| Emails Received                              | 272  | 2,894 | 2,116 | 1,271 | 1,170 | 366      | 8,089 |
| Emails Answered or Escalated Within 24 Hours | 257  | 2,821 | 2,107 | 1,270 | 1,170 | 364      | 7,989 |
| Completion%                                  | 94%  | 96%   | 100%  | 100%  | 100%  | 100%     | 98%   |

2026 YTD through the end of April, 2026

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 has nine (9) Dedicated Customer Service Representatives staffed at the Contact Center and one (1) Supervisor. Robust Quality Assurance (QA) procedures are firmly in place to ensure that customers are getting world-class customer experience when they contact Community Power.

## **Fiscal Impact**

N/A

## **Attachments**

N/A

## SAN DIEGO COMMUNITY POWER

### Staff Report – Item 5

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To: Board of Directors

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

Via: Karin Burns, Chief Executive Officer

Subject: Update on IT and Data Analytics

Date: May 28, 2026

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### Recommendation

Receive and file an update on IT and Data Analytics.

### Background

Community Power continues to invest in a robust in-house IT and data analytics team to support efficient, secure, and scalable operations across the organization. Recent efforts have focused on advancing technology initiatives that improve business processes, modernize core operations, and enhance decision-making, while emphasizing practical and sustainable solutions. The teams have also continued to strengthen foundational cybersecurity and data capabilities to support organizational resilience and long-term operational effectiveness.

### Analysis and Discussion

#### Information Technology

The Information Technology team has continued to manage a high volume of support activity while maintaining timely service delivery and supporting day-to-day organizational needs. During this period, the team also advanced ongoing service improvements and operational enhancements to strengthen the overall user experience and the reliability of internal technology services.

This sustained level of activity reflects the team's ability to balance ongoing support responsibilities with broader technological initiatives and continuous process improvement.

Collectively, this work demonstrates a capable and responsive function that helps the organization adapt to evolving operational needs while continuing to deliver essential services effectively.

### Cybersecurity

The transition into Q2 2026 reflects continued progress in strengthening Community Power's cybersecurity program and enhancing foundational safeguards. Building on prior assessments and ongoing operational experience, the organization implemented key improvements to cybersecurity practices, governance, and internal controls to better support secure, resilient operations. Efforts during this period also helped further standardize cybersecurity processes and reinforce a more consistent, sustainable approach to risk management and organizational preparedness.

### Data Analytics

#### Enterprise Data Platform (EDP)

Work on the Enterprise Data Platform continues to advance, with initial capabilities focused on improving data access, consistency, and internal reporting. The platform is intended to enable more efficient data sharing, strengthen data management practices, and provide a scalable foundation for future analytics use cases across the organization.

### Geospatial Data

The team has continued to evaluate geospatial tools and prepare for future use cases to support program planning, analysis, and operational insight.

### Business Intelligence (BI)

The Business Intelligence function continues to support organizational reporting needs and respond to data requests from across the agency. Current efforts remain focused on expanding reporting capabilities and delivering insights to inform planning, monitoring, and decision-making.

## **Fiscal Impact**

N/A

## **Attachments**

N/A



## SAN DIEGO COMMUNITY POWER

### Staff Report – Item 6

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To: Board of Directors

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

Via: Karin Burns, Chief Executive Officer

Subject: Update on Human Resources

Date: May 28, 2026

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### Recommendation

Receive and file the update on human resources.

### Background

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

In May, People Operations & Administration focused on closing compliance items, stabilizing payroll and onboarding processes, advancing workforce planning, and strengthening internal systems and safety infrastructure. Key deliverables included completion of payroll and benefit reconciliations, execution of promotion and merit updates, progress on critical hires and internships, completion of statutory filings, and implementation of operational improvements that reduce risk and improve organizational readiness.

Our NASH All Staff and People Leaders trainings were well attended in April. We reviewed our annual engagement survey with staff and established action items for our next meeting in June, which will continue to focus on ways to sustain our organization-wide commitments.

After an extensive search, we are pleased to inform the Board that the organization has successfully appointed Jannies Burlingame as Chief Financial Officer, representing a key milestone in strengthening SDCP’s leadership capacity and advancing its strategic priorities. Ms. Burlingame brings deep expertise in finance, audit, and risk management, along with proven executive leadership experience, exceptional communication skills, and a disciplined approach to financial stewardship grounded in long-term resilience and accountability. A Certified Public Accountant and Certified in Risk Management Assurance, she began her career at PricewaterhouseCoopers and has spent more than two decades leading finance functions across technology, clean energy, and ESG-focused organizations. Her experience spans solar,

battery storage and recycling, water desalination, and grid-scale clean power, positioning her well to support SDCP's continued growth within complex, capital-intensive, and mission-driven energy markets. Staff looks forward to leveraging her leadership to further strengthen financial oversight and support the organization's continued delivery of reliable, affordable, and sustainable energy for the communities we serve.

The Procurement Team is thrilled to welcome back Angad Kapoor as a full-time Procurement Analyst. Angad most recently worked at Community Power between July 2025 and April 2026 on a temporary status and was instrumental in developing the Non-Energy Procurement & Contracting team's active contracts database tracking and reporting system, internal and external SharePoint document management and communications site, process maps and procurement training materials, contract signature routing procedures, and more.

Prior to joining us last summer, Angad completed his MS in Business Analytics from UCSD and also worked as a Procurement Analyst for the university. Angad also has experience working as a Senior Associate Consultant - Procurement Analytics with EXL Service in New York and as a Procurement Analyst with Profax Footwear in India.

We are also excited to welcome David Dang, who is joining San Diego Community Power as an IT Systems Analyst.

David brings strong experience in business systems analysis and finance-focused platforms, with a track record of improving system performance, data reliability, and operational efficiency. In his previous role at Calpine Energy Solutions, he served as a subject-matter expert supporting financial systems and led the design and implementation of automated workflows that streamlined operations and reduced manual effort.

In addition to his technical expertise, David brings a solid foundation in leadership and disciplined execution from his service in the United States Marine Corps.

At Community Power, David will primarily focus on supporting and enhancing our CRM platform, with additional support for our ERP systems, both within the Microsoft Dynamics environment. His work will help strengthen data integrity, improve cross-functional workflows, and support program and customer-facing operations across the organization.

Current Open Positions:

Data Engineer  
Marketing and Communications Associate SDREN  
Program Manager  
Program Associate

## **Fiscal Impact**

N/A

## **Attachments**

N/A



# SAN DIEGO COMMUNITY POWER

## Staff Report – Item 7

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To: Board of Directors

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

Via: Karin Burns, Chief Executive Officer

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

Date: May 28, 2026

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### 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

Jackie Robinson YMCA Resource Fair  
Business for Good San Diego Climate Week Mixer  
Assembly District 79 Energy & Environment Advisory Board Meeting  
Day of the Child  
Transportation Justice Expo

California Clean Energy Summit  
San Ysidro STEM Fair  
Lakeside Plant the Park Day  
La Mesa Earth Day Fair  
South Bay Earth Day  
Intertribal Earth Day  
TECH Clean CA Electrify My Home Contractor Training  
Nature Day at El Toyon Elementary  
Qualcomm Earth Day Fair  
UC San Diego Earth Day Festival  
San Diego Working Waterfront Annual Dinner  
TECH Clean CA Electrify My Home Contractor Training  
City of San Diego Arbor Day  
Día de los Niños  
Ramona Earth Day Festival  
SPLASH!  
Montgomery High Kickoff  
South County Economic Development Corporation Economic Summit 2026  
San Diego Regional Economic Development Committee Meeting  
Spring Valley Day  
National City Collaborative  
Imperial Beach Collaborative  
Spirit of the Barrio  
Chula Vista Electrification Fair  
Day at the Park: Barrio Logan  
Cyclovia Encinitas  
San Diego Padres  
Nipaquay Elementary Family STEAM Night  
San Diego Equality Awards  
Olivewood Gardens and Learning Center Seedling Soirée  
Rising Voices: Youth4Climate Fundraiser  
Chula Vista Community Collaborative  
19th Annual Native American Economic Development Conference  
Escondido YMCA Youth & Family Festival  
Day at the Park: Bayfront Park

EcoFest Encinitas

### **Marketing, Communications and Outreach**

The Public Affairs team has been working on campaigns to help customers save money and electricity before heading into warmer months.

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 the Solar Battery Savings Program. 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, with a focus on opportunities for local development, providing education about legislative and regulatory affairs, and sharing information about services and programs.

### **Fiscal Impact**

N/A

### **Attachments**

N/A



# SAN DIEGO COMMUNITY POWER

## Staff Report – Item 8

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To: Board of Directors

From: Jeb Spengler, Associate Director of Strategic Finance and Procurement,  
Interim Treasurer

Via: Karin Burns, Chief Executive Officer

Subject: Treasurer’s Report for Eight-Month Period Ending February 28, 2026

Date: May 28, 2026

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### Recommendation

Receive and File Treasurer’s Report for Eight-Month Period Ending February 28, 2026.

### Background

San Diego Community Power (Community Power) prepares its accounting records on a full accrual basis under Generally Accepted Accounting Principles (GAAP) for governmental enterprise funds. Year-to-date financial statements for the eight-month period ending February 28, 2026, include budget comparisons.

The Board adopted an Investment Policy on May 25, 2023, with subsequent revisions on June 27, 2024, and August 28, 2025, to ensure the safeguarding of principal, preservation of liquidity, generation of returns, and adherence to a high standard of fiduciary care. The policy requires regular reporting to the Finance and Risk Management Committee (FRMC) via the Treasurer’s Report. As of February 28, 2026, the investment portfolio was compliant with Community Power’s Investment Policy.

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

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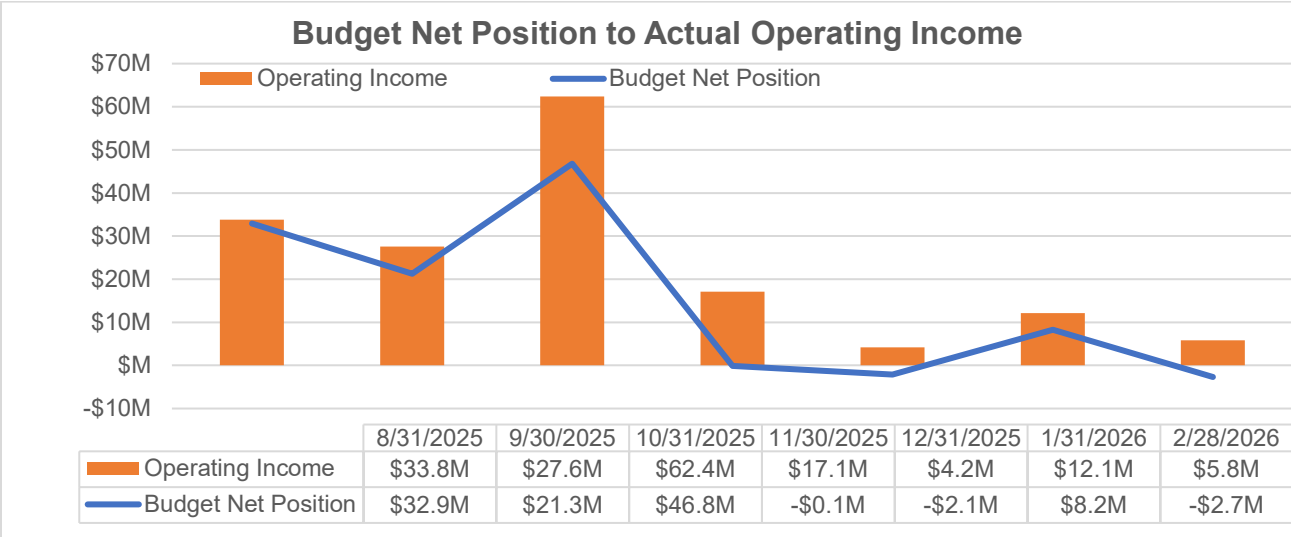
On February 26, 2026, Community Power Board of Directors (Board) approved the Amended Fiscal Year 2025-26 Operating Budget, which serves as the basis for comparison in this report.

### Analysis and Discussion

Actual financial results for the period ending February 28, 2026: \$906.8 million in net operating revenues were reported compared to \$899.9 million budgeted for the period. Community Power’s change in net position of \$199.9 million was reported year-to-date for Fiscal Year 2025-26. The following is a summary of the actual results through February 28, 2026, compared to the Fiscal Year 2025-26 Amended Budget:

- Operating revenues are \$6.9 million, or 0.8% above budget assumptions primarily due to higher retail sales resulting from warmer temperatures. Uncollectable customer accounts are lower relative to budget.
- Cost of energy is \$35.9 million, or 5.0% under budget, primarily due to lower energy costs resulting from lower renewable expenses.
- Professional Services and Consultants: \$3.2 million below budget due to lower-than-expected utilization of outside professional services.
- Personnel Costs: \$0.4 million under budget, driven by vacancies and accrued vacation.
- Non-Operating Revenues and Expenses:
  - Total investment income of \$12.9 million vs the budgeted \$12.2 million.
  - \$1.3 million in year-to-date interest and related expenses versus \$1.0 million budgeted, in line with expectations.

The chart below shows the Budgeted Net Position as compared to actual operating income through the first eight months of FY26:

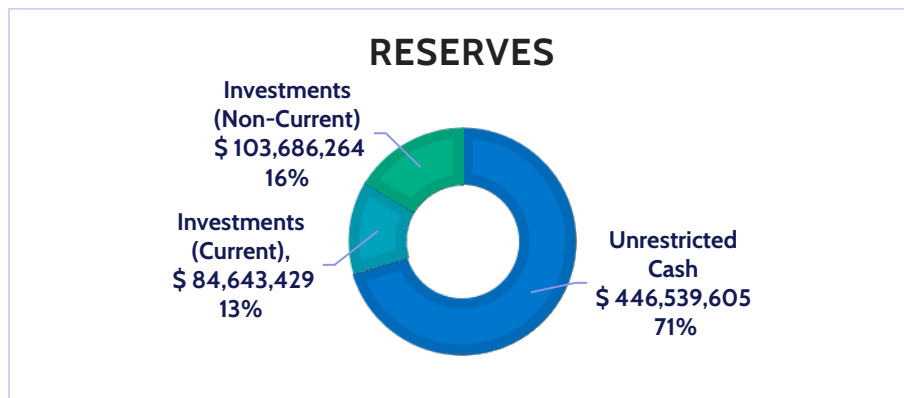
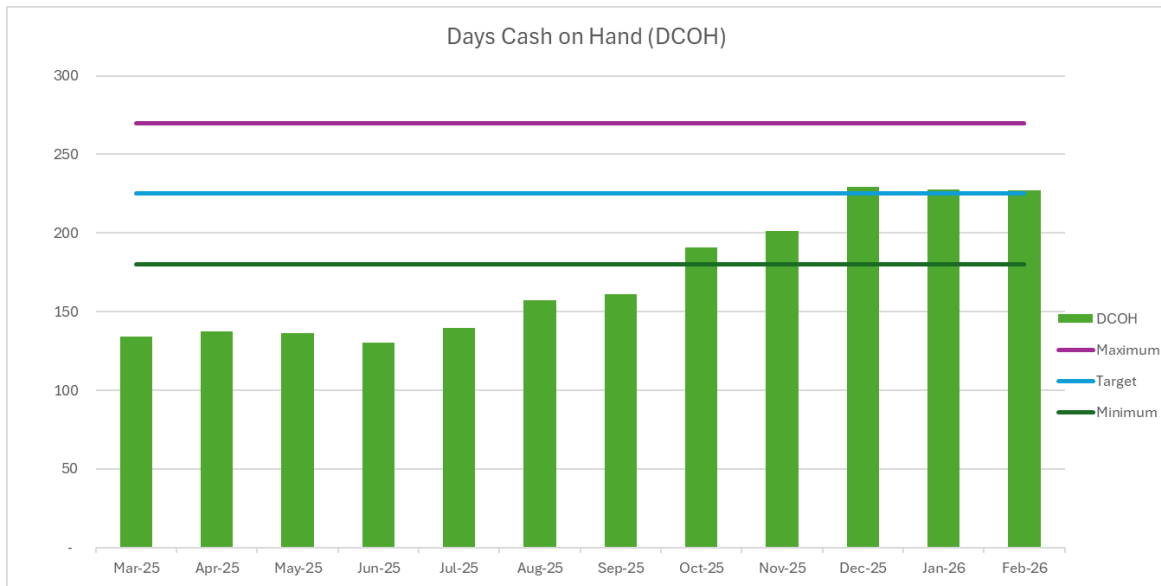


## Financial Reserves:

Under Resolution 2025-23, Community Power’s revised Financial Reserves Policy establishes a minimum reserve requirement of 180 days cash on hand and a reserve target of 225 days cash on hand. For Fiscal Year 2025-26, this target equates to approximately \$623 million, based on projected operating expenses.

Community Power reserves at the end of the period totaled \$634.9 million- or 227-days cash on hand, including \$446.5 million in unrestricted cash and \$188.3 million in investment holdings. Total available liquidity (including unrestricted cash, investment holdings, and available lines of credit) was \$857.9 million.

Presented below are charts showing Community Power’s rolling 12-month financial reserves relative to Reserve Policy thresholds, along with the composition of reserves between unrestricted cash and investments.



Presented below are the Budget to Actual results for the eight months ending February 28, 2026.

**SAN DIEGO COMMUNITY POWER  
OPERATING FUND  
BUDGETARY COMPARISON SCHEDULE  
Eight Months Ended February 28, 2026**

|  | <u>Year-to-Date</u>       |                       |   |   | <u>Annual</u>             |   |
|--|---------------------------|-----------------------|---|---|---------------------------|---|
|  | <u>Amended<br/>Budget</u> | <u>Actual</u>         | <u>Amended<br/>Budget Variance<br/>(Under) Over</u> | <u>Actual/<br/>Amended<br/>Budget %</u> | <u>Amended<br/>Budget</u> | <u>Amended<br/>Budget<br/>Remaining</u> |
| <b>REVENUES AND OTHER SOURCES</b>        |                           |                       |   |   |                           |   |
| Gross Ratepayer Revenues                 | 914,709,000               | \$ 918,186,189        | 3,477,189   | 100%                                    | 1,194,789,000             | \$ 276,602,811                          |
| Less: Uncollectible Customer Accounts    | (14,818,000)              | (13,772,793)          | 1,045,207   | 93%                                     | (19,370,000)              | (5,597,207)                             |
| Other Income                             | -                         | 2,392,306             | 2,392,306   | na                                      | -                         | (2,392,306)                             |
| Total Revenues and Other Sources         | <u>899,891,000</u>        | <u>906,805,702</u>    | <u>6,914,702</u>                                    |   | <u>1,175,419,000</u>      | <u>268,613,298</u>                      |
| <b>OPERATING EXPENSES</b>                |                           |                       |   |   |                           |   |
| Cost of Energy                           | 703,159,000               | 667,189,615           | (35,969,385)  | 95%                                     | 969,917,000               | 302,727,385                             |
| Professional Services and Consultants    | 15,609,000                | 12,443,317            | (3,165,683)   | 80%                                     | 23,414,000                | 10,970,683                              |
| Personnel Costs                          | 13,075,000                | 12,617,802            | (457,198)   | 97%                                     | 19,612,000                | 6,994,198                               |
| Marketing and Outreach                   | 1,545,000                 | 1,555,062             | 10,062  | 101%                                    | 2,317,000                 | 761,938                                 |
| General & Administrative                 | 3,098,000                 | 2,825,196             | (272,804)   | 91%                                     | 4,648,000                 | 1,822,804                               |
| Total Operating Expenses                 | <u>736,486,000</u>        | <u>696,630,992</u>    | <u>(39,855,008)</u>                                 |   | <u>1,019,908,000</u>      | <u>323,277,008</u>                      |
| Operating Income (Loss)                  | <u>163,405,000</u>        | <u>210,174,709</u>    | <u>46,769,709</u>                                   |   | <u>155,511,000</u>        | <u>(54,663,709)</u>                     |
| <b>NON-OPERATING REVENUES (EXPENSES)</b> |                           |                       |   |   |                           |   |
| Investment Income                        | 12,197,000                | 12,911,528            | 714,528   | 106%                                    | 18,295,000                | 5,383,472                               |
| Interest and Related Expenses            | (1,010,000)               | (1,272,577)           | (262,577)   | 126%                                    | (1,515,000)               | (242,423)                               |
| Transfer to Capital Investment Program   | (21,881,000)              | (21,881,000)          | -   | 100%                                    | (21,881,000)              | -                                       |
| Total Non-Operating Revenues (Expenses)  | <u>(10,694,000)</u>       | <u>(10,242,049)</u>   | <u>451,951</u>                                      |   | <u>(5,101,000)</u>        | <u>5,141,049</u>                        |
| <b>NET CHANGE</b>                        | <u>\$ 152,711,000</u>     | <u>\$ 199,932,661</u> | <u>\$ 47,221,661</u>                                |   | <u>\$ 150,410,000</u>     | <u>\$ (49,522,661)</u>                  |

# Investment Portfolio Report

Chandler Asset Management manages Community Power’s investment portfolio. As of February 28, 2026, the market value of the portfolio was \$115.7M and in compliance with Community Power’s Investment Policy. Presented below is a summary of the investment portfolio’s overall characteristics.

## PORTFOLIO SUMMARY



San Diego Community Power | Account #11293 | As of February 28, 2026

### Portfolio Characteristics

|                           |       |
|---------------------------|-------|
| Average Modified Duration | 2.55  |
| Average Coupon            | 3.80% |
| Average Purchase YTM      | 4.12% |
| Average Market YTM        | 3.65% |
| Average Credit Quality*   | AA+   |
| Average Final Maturity    | 2.99  |
| Average Life              | 2.77  |

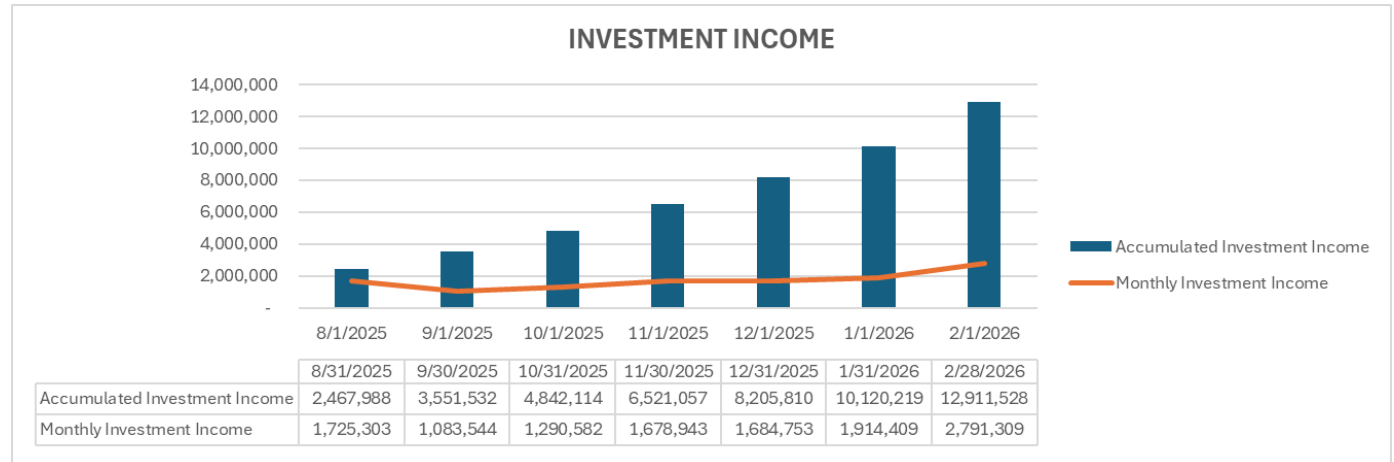
### Account Summary

|                           | End Values as of 01/31/2026 | End Values as of 02/28/2026 |
|---------------------------|-----------------------------|-----------------------------|
| Market Value              | 114,039,035.26              | 114,940,764.41              |
| Accrued Interest          | 808,639.60                  | 815,633.69                  |
| <b>Total Market Value</b> | <b>114,847,674.86</b>       | <b>115,756,398.11</b>       |
| Income Earned             | 208,576.02                  | 393,048.06                  |
| Cont./WD                  | 10,000,000.00               | 0.00                        |
| Par                       | 114,291,918.65              | 114,625,903.53              |
| Book Value                | 113,266,660.22              | 113,626,309.95              |
| Cost Value                | 113,091,760.49              | 113,427,822.78              |

### Top Issuers

|                                 |        |
|---------------------------------|--------|
| United States                   | 52.00% |
| Federal Home Loan Mortgage Corp | 11.45% |
| Chase Issuance Trust            | 1.52%  |
| Guardian Life Global Funding    | 1.31%  |
| The Home Depot, Inc.            | 1.27%  |
| Toyota Motor Corporation        | 1.22%  |
| Caterpillar Inc.                | 1.15%  |
| WF Card Issuance Trust          | 1.10%  |

The chart below presents monthly and year-to-date investment income for the first eight months of FY26.



## Contract Execution between \$50,000 and \$150,000

To ensure transparency and comply with Community Power’s Non-Energy Procurement Policy, the table below lists contracts or amendments with not-to-exceed values between \$50,000 and \$150,000 that were executed under the CEO’s authority for the month of April.

- San Diego350 for EBD Program Outreach - \$78k
- Groundwork San Diego – Chollas Creek for EBD Program Outreach - \$85k
- Good For Others Foundation Funding Agreement - \$50k

- Planet Bids - \$59k
- San Diego Football Club - \$115k

## Capital Investment Program Fund

The FY 2026-30 Capital Investment Plan contains all the individual capital projects, major equipment purchases, and major programs for the agency that are intended to span multiple years and that are considered one-time projects rather than recurring projects.

The first year of the FY 2026-30 CIP is Community Power’s capital budget shown in the Budgetary Comparison Schedule. Unspent funds are kept within the CIP and carried forward to the subsequent fiscal year. The CIP includes funding for local development feasibility studies, customer program pilot projects, member agency grants, community grants, a customer education platform, and other community-focused areas.

**CAPITAL INVESTMENT PROGRAM FUND  
BUDGETARY COMPARISON SCHEDULE  
Eight Months Ended February 28, 2026**

|  | <b>Annual<br/>Amended<br/>Budget</b> | <b>YTD Actual</b>    | <b>Amended<br/>Budget<br/>Remaining</b> |
|--|--------------------------------------|----------------------|---|
| <b>REVENUES AND OTHER SOURCES</b>            |                                      |                      |   |
| Transfer in from Operating Fund              | \$ 21,881,000                        | \$ 21,881,000        | \$ -                                    |
| Grant Revenue - SDREN                        | 31,868,547                           | 3,290,520            | (28,578,027)                            |
| Grant Revenue - CDFR Efficient Refrigeration | -                                    | 621,363              | 621,363                                 |
| Grant Revenue - DAC                          | 589,822                              | -                    | (589,822)                               |
| Total Revenue and Other Sources              | 54,339,369                           | 25,171,520           | (29,167,849)                            |
| <b>EXPENDITURES AND OTHER USES</b>           |                                      |                      |   |
| Program Expenditures                         | 54,628,369                           | 7,262,008            | \$(47,366,361)                          |
| Net increase (decrease) in fund balance      | <u>\$ (289,000)</u>                  | 17,909,512           |   |
| Fund balance at beginning of period          |                                      | 10,340,567           |   |
| Fund balance at end of period                |                                      | <u>\$ 28,250,079</u> |   |

## Customer Participation Rates

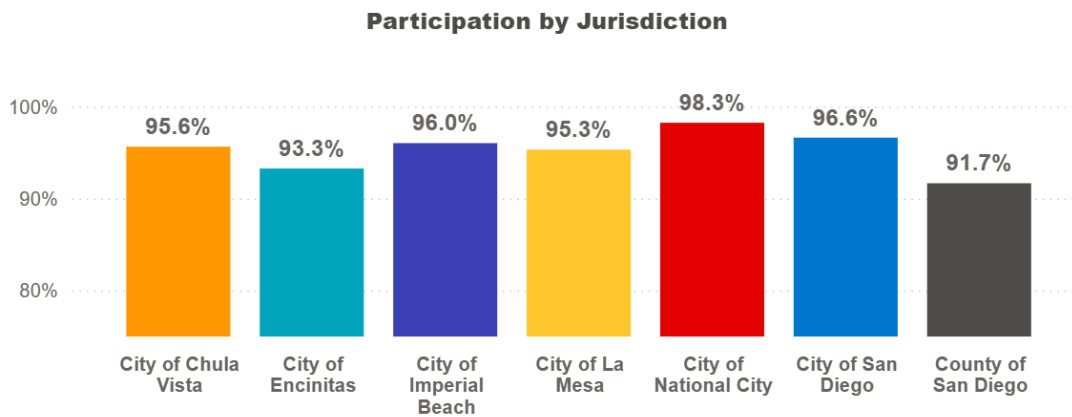
The participation rate for Community Power reflects full enrollment of current member agencies. We are reporting on the opt outs and eligible accounts associated with the phase based on those accounts that we have noticed for enrollment on a rolling basis as of the reporting month.

Presented below are the customer participation rates by jurisdiction as of April 1, 2026.

**Enrolled Accounts**  
969,072

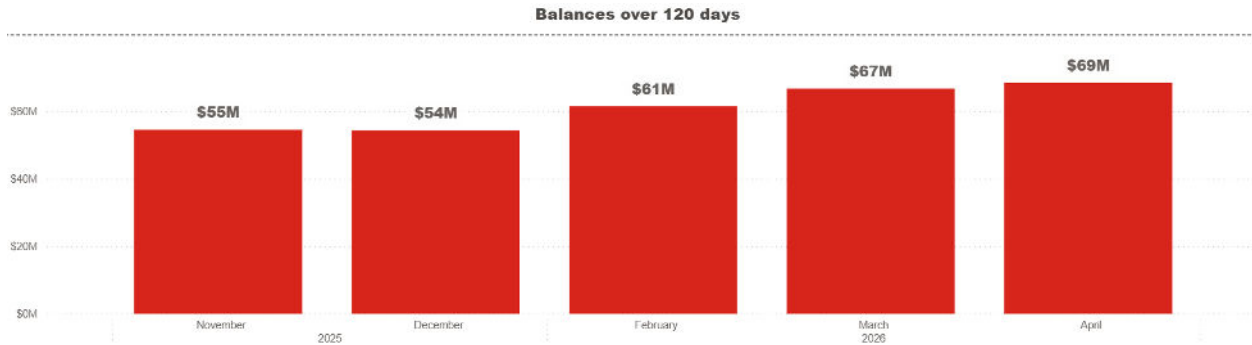
**Participation Rate**  
95.5%

### Participation

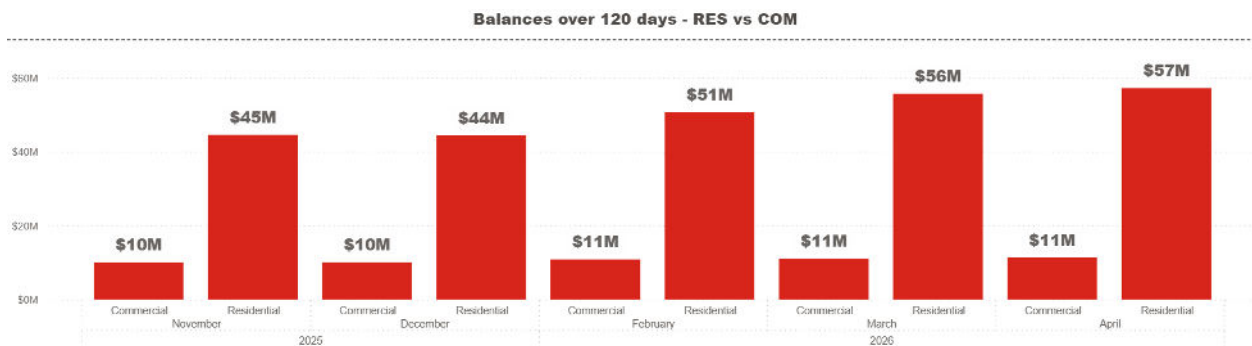


| Jurisdiction                  | Service Option Default | Eligible Accounts | Enrolled Accounts | Participation Rate |
|-------------------------------|------------------------|-------------------|-------------------|--------------------|
| <b>City of Chula Vista</b>    | <b>PowerOn</b>         | 100,332           | 95,963            | 95.6%              |
| <b>City of Encinitas</b>      | <b>Power100</b>        | 28,984            | 27,034            | 93.3%              |
| <b>City of Imperial Beach</b> | <b>PowerOn</b>         | 10,818            | 10,389            | 96.0%              |
| <b>City of La Mesa</b>        | <b>PowerOn</b>         | 29,639            | 28,256            | 95.3%              |
| <b>City of National City</b>  | <b>PowerOn</b>         | 19,681            | 19,337            | 98.3%              |
| <b>City of San Diego</b>      | <b>PowerOn</b>         | 634,093           | 612,723           | 96.6%              |
| <b>County of San Diego</b>    | <b>PowerOn</b>         | 191,304           | 175,370           | 91.7%              |
| <b>Total</b>                  |                        | <b>1,014,851</b>  | <b>969,072</b>    | <b>95.5%</b>       |

Presented below is the state of Community Power arrearages. The arrearage data below includes Community Power’s receivables aged 120+ days as of April 1, 2026.



Presented below is a breakout of Community Power’s arrearages data by residential and commercial customer class as of April 1, 2026.



## Fiscal Impact

N/A

## Committee Review

This item was presented and received and filed at the Finance and Risk Management Committee meeting of May 21, 2026.

## Strategic Plan

Consistent with the Strategic Plan objective of implementing prudent fiscal strategies to support long-term organizational sustainability.

## Attachments

A: FY 2026 Year-to-Date Period Ended February 28, 2026, Financial Statements.

**ITEM 8**  
**ATTACHMENT A**



## ACCOUNTANTS' COMPILATION REPORT

Management  
San Diego Community Power

Management is responsible for the accompanying financial statements of San Diego Community Power (a California Joint Powers Authority) which comprise the statement of net position as of February 28, 2026, and the related statement of revenues, expenses, and changes in net position, and the statement of cash flows for the eight months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, conclusion, nor provide any assurance on these financial statements.

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

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

*Maher Accountancy*

San Rafael, CA  
April 7, 2026

**SAN DIEGO COMMUNITY POWER**  
**STATEMENT OF NET POSITION**  
**As of February 28, 2026**

**ASSETS**

|  |                |
|--|----------------|
| Current assets                                       |                |
| Cash and cash equivalents - unrestricted             | \$ 446,539,605 |
| Cash and cash equivalents - restricted               | 33,257,761     |
| Accounts receivable, net of allowance                | 96,865,860     |
| Accrued revenue                                      | 46,178,107     |
| Prepaid expenses                                     | 2,945,281      |
| Other receivables                                    | 9,360,653      |
| Deposits   | 8,806,441      |
| Investments  | 84,643,429     |
| Total current assets                                 | 728,597,137    |
| Noncurrent assets                                    |                |
| Cash and cash equivalents - restricted               | 11,856,402     |
| Investments  | 103,686,264    |
| Capital assets, net of depreciation and amortization | 1,251,296      |
| Total noncurrent assets                              | 116,793,962    |
| Total assets   | 845,391,099    |

**LIABILITIES**

|                              |             |
|------------------------------|-------------|
| Current liabilities          |             |
| Accrued cost of electricity  | 92,503,469  |
| Accounts payable             | 5,072,042   |
| Other accrued liabilities    | 3,151,005   |
| State surcharges payable     | 385,156     |
| Deposits - energy suppliers  | 383,731     |
| Lease liability              | 893,837     |
| Advances from grantors       | 44,467,163  |
| Total current liabilities    | 146,856,403 |
| Noncurrent liabilities       |             |
| Deposits - energy suppliers  | 3,867,810   |
| Total noncurrent liabilities | 3,867,810   |
| Total liabilities            | 150,724,213 |

**NET POSITION**

|                                    |                |
|------------------------------------|----------------|
| Net investment in capital assets   | 357,459        |
| Restricted for security collateral | 647,000        |
| Unrestricted                       | 693,662,427    |
| Total net position                 | \$ 694,666,886 |

**SAN DIEGO COMMUNITY POWER  
STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
Eight Months Ended February 28, 2026**

|  |                       |
|--|-----------------------|
| <b>OPERATING REVENUES</b>                |                       |
| Electricity sales, net                   | \$ 904,413,396        |
| Grant revenue                            | 3,911,883             |
| Liquidated damages revenue               | 2,348,023             |
| Other income                             | 44,283                |
| Total operating revenues                 | <u>910,717,585</u>    |
| <b>OPERATING EXPENSES</b>                |                       |
| Cost of electricity                      | 667,189,615           |
| Contract services                        | 15,557,152            |
| Staff compensation                       | 13,565,564            |
| Other operating expenses                 | 8,107,460             |
| Depreciation and amortization            | 619,786               |
| Total operating expenses                 | <u>705,039,577</u>    |
| Operating income                         | <u>205,678,008</u>    |
| <b>NON-OPERATING REVENUES (EXPENSES)</b> |                       |
| Investment income                        | 12,911,528            |
| Interest expense                         | (154,814)             |
| Nonoperating revenues (expenses), net    | <u>12,756,714</u>     |
| <b>CHANGE IN NET POSITION</b>            |                       |
| Net position at beginning of year        | 218,434,722           |
| Net position at end of year              | <u>476,232,164</u>    |
|  | <u>\$ 694,666,886</u> |

**SAN DIEGO COMMUNITY POWER  
STATEMENT OF CASH FLOWS  
Eight Months Ended February 28, 2026**

**CASH FLOWS FROM OPERATING ACTIVITIES**

|  |                    |
|--|--------------------|
| Receipts from customers                                      | \$ 951,779,572     |
| Receipts from grantors                                       | 22,902,513         |
| Receipts of supplier security deposits                       | 21,855,240         |
| Receipts from wholesale sales and other operating activities | 7,292,280          |
| Payments to suppliers for electricity                        | (682,027,289)      |
| Payments for other goods and services                        | (21,981,211)       |
| Payments for deposits and collateral                         | (5,330,351)        |
| Payments for staff compensation                              | (13,601,686)       |
| Payments of state surcharges                                 | (1,790,551)        |
| Net cash provided by operating activities                    | <u>279,098,517</u> |

**CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES**

|   |                 |
|---|-----------------|
| Proceeds from bank note                                     | 19,000,000      |
| Principal payments - bank note                              | (19,000,000)    |
| Interest payments   | (89,170)        |
| Net cash provided (used) by noncapital financing activities | <u>(89,170)</u> |

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

|   |                    |
|---|--------------------|
| Lease payments  | (623,856)          |
| Purchases of capital assets                               | (553,540)          |
| Net cash used by capital and related financing activities | <u>(1,177,396)</u> |

**CASH FLOWS FROM INVESTING ACTIVITIES**

|  |                      |
|--|----------------------|
| Investment income received                                   | 10,890,195           |
| Proceeds from investment sales and maturities of investments | 4,591,012            |
| Purchase of investments                                      | (120,833,636)        |
| Net cash provided (used) by investing activities             | <u>(105,352,429)</u> |

**Net change in cash and cash equivalent**

|  |                       |
|--|-----------------------|
|  | 172,479,522           |
| Cash and cash equivalents at beginning of year | 319,174,246           |
| Cash and cash equivalents at end of year       | <u>\$ 491,653,768</u> |

**Reconciliation to the Statement of Net Position:**

|   |                       |
|---|-----------------------|
| Unrestricted cash and cash equivalents - current  | \$ 446,539,605        |
| Restricted cash and cash equivalents - current    | 33,257,761            |
| Restricted cash and cash equivalents - noncurrent | 11,856,402            |
| Cash and cash equivalents                         | <u>\$ 491,653,768</u> |

**NONCASH INVESTING ACTIVITIES**

|                                      |              |
|--------------------------------------|--------------|
| Change in fair value of investments  | \$ 1,024,429 |
| Change in interest income receivable | \$ 996,904   |

**SAN DIEGO COMMUNITY POWER**  
**STATEMENT OF CASH FLOWS (continued)**  
**Eight Months Ended February 28, 2026**

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

|  |                       |
|--|-----------------------|
| Operating income   | \$ 205,678,008        |
| Adjustments to reconcile operating income to net cash provided by operating activities |                       |
| Depreciation and amortization expense  | 619,786               |
| (Increase) decrease in:  |                       |
| Accounts receivable, net   | 19,161,363            |
| Accrued revenue  | 26,564,252            |
| Prepaid expenses   | 20,856,854            |
| Other receivables  | (4,263,758)           |
| Deposits   | 2,287,770             |
| Increase (decrease) in:  |                       |
| Accrued cost of electricity  | (9,698,697)           |
| Accounts payable   | 1,261,070             |
| Advances from grantors   | 19,211,449            |
| Other accrued liabilities  | 991,050               |
| State surcharges payable   | (149,990)             |
| Deposits - energy suppliers  | (3,420,640)           |
| Net cash provided by operating activities  | <u>\$ 279,098,517</u> |



## ACCOUNTANTS' COMPILATION REPORT

Board of Directors  
San Diego Community Power

Management is responsible for the accompanying operating fund and capital investment program fund budgetary comparison schedules of San Diego Community Power (SDCP), a California Joint Powers Authority, for the eight months ended February 28, 2026 and for determining that the budgetary basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any assurance on this special purpose budgetary comparison statement.

These special purpose statements are prepared in accordance with the budgetary basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. This report is intended for the information of the Board of Directors of SDCP.

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

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

*Maher Accountancy*

San Rafael, CA  
April 7, 2026

**SAN DIEGO COMMUNITY POWER  
OPERATING FUND  
BUDGETARY COMPARISON SCHEDULE  
Eight Months Ended February 28, 2026**

|  | <u>Year-to-Date</u>       |                       |   | <u>Annual</u>                           |                           |   |
|--|---------------------------|-----------------------|---|---|---------------------------|---|
|  | <u>Amended<br/>Budget</u> | <u>Actual</u>         | <u>Amended<br/>Budget Variance<br/>(Under) Over</u> | <u>Actual/<br/>Amended<br/>Budget %</u> | <u>Amended<br/>Budget</u> | <u>Amended<br/>Budget<br/>Remaining</u> |
| <b>REVENUES AND OTHER SOURCES</b>        |                           |                       |   |   |                           |   |
| Gross Ratepayer Revenues                 | 914,709,000               | \$ 918,186,189        | 3,477,189   | 100%                                    | 1,194,789,000             | \$ 276,602,811                          |
| Less: Uncollectible Customer Accounts    | (14,818,000)              | (13,772,793)          | 1,045,207   | 93%                                     | (19,370,000)              | (5,597,207)                             |
| Other Income                             | -                         | 2,392,306             | 2,392,306   | na                                      | -                         | (2,392,306)                             |
| Total Revenues and Other Sources         | <u>899,891,000</u>        | <u>906,805,702</u>    | <u>6,914,702</u>                                    |   | <u>1,175,419,000</u>      | <u>268,613,298</u>                      |
| <b>OPERATING EXPENSES</b>                |                           |                       |   |   |                           |   |
| Cost of Energy                           | 703,159,000               | 667,189,615           | (35,969,385)  | 95%                                     | 969,917,000               | 302,727,385                             |
| Professional Services and Consultants    | 15,609,000                | 12,443,317            | (3,165,683)   | 80%                                     | 23,414,000                | 10,970,683                              |
| Personnel Costs                          | 13,075,000                | 12,617,802            | (457,198)   | 97%                                     | 19,612,000                | 6,994,198                               |
| Marketing and Outreach                   | 1,545,000                 | 1,555,062             | 10,062  | 101%                                    | 2,317,000                 | 761,938                                 |
| General & Administrative                 | 3,098,000                 | 2,825,196             | (272,804)   | 91%                                     | 4,648,000                 | 1,822,804                               |
| Total Operating Expenses                 | <u>736,486,000</u>        | <u>696,630,992</u>    | <u>(39,855,008)</u>                                 |   | <u>1,019,908,000</u>      | <u>323,277,008</u>                      |
| Operating Income (Loss)                  | <u>163,405,000</u>        | <u>210,174,709</u>    | <u>46,769,709</u>                                   |   | <u>155,511,000</u>        | <u>(54,663,709)</u>                     |
| <b>NON-OPERATING REVENUES (EXPENSES)</b> |                           |                       |   |   |                           |   |
| Investment Income                        | 12,197,000                | 12,911,528            | 714,528   | 106%                                    | 18,295,000                | 5,383,472                               |
| Interest and Related Expenses            | (1,010,000)               | (1,272,577)           | (262,577)   | 126%                                    | (1,515,000)               | (242,423)                               |
| Transfer to Capital Investment Program   | (21,881,000)              | (21,881,000)          | -   | 100%                                    | (21,881,000)              | -                                       |
| Total Non-Operating Revenues (Expenses)  | <u>(10,694,000)</u>       | <u>(10,242,049)</u>   | <u>451,951</u>                                      |   | <u>(5,101,000)</u>        | <u>5,141,049</u>                        |
| <b>NET CHANGE</b>                        | <u>\$ 152,711,000</u>     | <u>\$ 199,932,661</u> | <u>\$ 47,221,661</u>                                |   | <u>\$ 150,410,000</u>     | <u>\$ (49,522,661)</u>                  |

**CAPITAL INVESTMENT PROGRAM FUND  
BUDGETARY COMPARISON SCHEDULE  
Eight Months Ended February 28, 2026**

|   | <u>Annual<br/>Amended<br/>Budget</u> | <u>YTD Actual</u>    | <u>Amended<br/>Budget<br/>Remaining</u> |
|---|--------------------------------------|----------------------|---|
| <b>REVENUES AND OTHER SOURCES</b>               |                                      |                      |   |
| Transfer in from Operating Fund                 | \$ 21,881,000                        | \$ 21,881,000        | \$ -                                    |
| Grant Revenue - SDREN                           | 31,868,547                           | 3,290,520            | (28,578,027)                            |
| Grant Revenue - CDFA Efficient Refrigeration Pi | -                                    | 621,363              | 621,363                                 |
| Grant Revenue - DAC                             | 589,822                              | -                    | (589,822)                               |
| Total Revenue and Other Sources                 | <u>54,339,369</u>                    | <u>25,171,520</u>    | <u>(29,167,849)</u>                     |
| <b>EXPENDITURES AND OTHER USES</b>              |                                      |                      |   |
| Program Expenditures                            | <u>54,628,369</u>                    | <u>7,262,008</u>     | <u>\$ (47,366,361)</u>                  |
| Net increase (decrease) in fund balance         | <u>\$ (289,000)</u>                  | 17,909,512           |   |
| Fund balance at beginning of period             |                                      | <u>10,340,567</u>    |   |
| Fund balance at end of period                   |                                      | <u>\$ 28,250,079</u> |   |



# SAN DIEGO COMMUNITY POWER

## Staff Report – Item 9

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TO: Board of Directors

FROM: Karin Burns, Chief Executive Officer

SUBJECT: Adopt Resolution No. 2026-08, Appointing Chief Financial Officer, Jannies Burlingame as San Diego Community Power’s Treasurer, and authorize execution of a bond in the amount of \$1,000,000.

DATE: May 28, 2026

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### Recommendation

Adoption of Resolution 2026-08, Appointing Jannies Burlingame as San Diego Community Power’s (Community Power) Treasurer, and (ii) authorize the Treasurer to execute a bond in the amount of \$1,000,000 with Community Power paying or reimbursing the Treasurer for the premium(s) of the bond.

### Background

The Joint Exercise of Powers Act (Government Code § 6500, *et seq.*) and the Community Power Joint Powers Agreement (JPA Agreement) provide that Community Power will appoint a Treasurer who will perform the duties of Treasurer and Auditor as prescribed by law and the JPA Agreement.

Specifically, Section 5.4 of the JPA Agreement provides that the Board of Directors shall appoint a Treasurer who shall function as the combined offices of Treasurer and Auditor, and that the Board may transfer responsibilities of Treasurer to any qualified person as the law allows. Government Code section 6505.6 allows a joint powers agency to appoint one of its officers or employees to the positions of Treasurer and/or Auditor. As a result of the departure of Community Power’s CFO and Treasurer, the Board adopted Resolution 2026-01 on February 26, 2026 that appointed Jeb Spengler as Community Power’s Interim Treasurer.

Additionally, Section 5.7 of the JPA Agreement requires an official bond in an amount to be fixed by the Board for officer(s)/person(s) who have charge of, handle, or have access to Community Power property.

Resolution No. 2021-3, passed and adopted at a meeting of the Board held on August 26, 2021, required the Treasurer to execute a surety bond in the amount of \$100,000, explicitly citing Gov. Code 6505.1 and JPA section 5.7.

## Analysis and Discussion

In connection with the appointment of Jannies Burlingame as Community Power's Chief Financial Officer, staff recommend that the Board appoint Ms. Burlingame to also serve as Community Power's Treasurer. Appointing the Chief Financial Officer to the Treasurer role aligns the agency's fiscal oversight and statutory treasury responsibilities under a single accountable officer and provides continuity in the administration of Community Power's financial operations.

Because the Treasurer is entrusted with custody and oversight of Community Power's funds, a financial surety bond is required to protect the agency against potential loss resulting from fraud, dishonesty, or the failure to faithfully perform the duties of the office. The surety bond provides an added layer of financial protection and risk management consistent with the Treasurer's fiduciary responsibilities.

Given Community Power's significant growth since the approval of Resolution No. 2021-3, and given the JPA requirement that officers with access to Community Power property be bonded in an amount set by the Board, staff recommend increasing the Treasurer's official bond from \$100,000 to \$1,000,000 to better align with the agency's current scale and risk profile – Community Power's expense budget was \$33.4M in 2021 and was \$1.2B in 2025.

This update maintains compliance with JPA section 5.7 and the Board's established bonding framework while remaining practical and consistent with national public-sector precedent where statutes set bond sizing formulas and caps for treasurers and similar fiduciaries (examples below); it also complements—not replaces—our existing \$2,000,000 commercial crime (employee dishonesty) coverage as an additional safeguard.

Staff anticipates obtaining a bond in the amount of \$1.0 million, with estimated annual policy premiums ranging from 2.0% to 2.5% of the bond's face value, or approximately \$20,000 to \$25,000 annually.

By comparison, other government agencies post similar bonds that are scaled to growth metrics as follows:

- **The state of North Carolina** requires a faithful performance bond for the finance officer, and states that the bond amount may not be less than the greater of \$50,000 or 10% of the unit's annually budgeted funds, up to \$1,000,000.
- **The state of Texas** law provides a clear sizing model – a county treasurer bond must be in an amount “not to exceed one-half of one percent (0.5%) of the largest amount

budgeted for general county maintenance and operations” for a fiscal year beginning during the prior term, with a minimum of \$5,000 and maximum of \$500,000.

- **The state of Wisconsin** requires municipal treasurer bonds tied to state/county taxes apportioned. If guaranteed by personal sureties, the bond is double the apportioned taxes, capped at \$500,000. If guaranteed solely by a surety company, the bond equals the apportioned taxes, capped at \$250,000.
- **California Code 6505.1**, by comparison, is set by the board and does not contemplate hardwired formulas and caps for a bond.

By adopting the attached resolution, the Board would (i) formally appoint Jannies Burlingame as Community Power’s Treasurer, to perform the functions of Treasurer and Auditor as provided by law and the JPA Agreement, and (ii) authorize the Treasurer to execute a bond in the amount of \$1,000,000 with Community Power paying or reimbursing the Treasurer for the premium(s) of the bond.

## **Fiscal Impact**

Staff estimate a \$1.0 million surety bond will carry an annual premium of approximately 2.0% to 2.5% of the bond amount, or about \$20,000 to \$25,000 per year, and this expense would be incorporated into Community Power’s administrative budget.

## **Attachment**

A: Resolution No. 2026-08, Appointing Jannies Burlingame as Community Power’s Treasurer

**ITEM 9**  
**ATTACHMENT A**

**RESOLUTION NO. 2026-08**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF SAN DIEGO COMMUNITY POWER  
APPOINTING JANNIES BURLINGAME OF SAN DIEGO  
COMMUNITY POWER AS ITS TREASURER AND  
AUTHORIZING TREASURER TO EXECUTE A BOND IN  
AMOUNT OF \$1,000,000.**

A. WHEREAS, San Diego Community Power (“Community Power”) is a joint powers agency formed and existing pursuant to the provisions of the Joint Exercise of Powers Act (Chapter 5, Division 7, Title 1 of the California Government Code) and SDCP’s Joint Powers Agreement (“JPA Agreement”); and

B. WHEREAS, Section 5.1 of the JPA Agreement provides that the Board of Directors of Community Power (the “Board”) shall appoint a Treasurer as provided in Government Code section 6505.5; and

C. WHEREAS, Section 5.4 of the JPA Agreement provides that 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 Government Code Section 6505.5; and

D. WHEREAS, Section 5.4 of the JPA Agreement also provides that the Board may transfer the responsibilities of Treasurer to any qualified person or entity as the law allows at the time; and

E. WHEREAS, Government Code Section 6505.6 provides that an agency established by a joint powers agreement may appoint one of its officers or employees to the positions of treasurer and/or auditor;

F. WHEREAS, the Board desires to appoint Jannies Burlingame, Community Power’s Chief Financial Officer, as its Treasurer, and who shall perform the duties of Treasurer and Auditor pursuant to the JPA Agreement; and

G. WHEREAS, the Board further desires to authorize the Treasurer to execute a surety bond in the amount of \$1,000,000 and for Community Power to pay or reimburse the Treasurer for the premium of the bond.

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

1. Jannies Burlingame, the Chief Financial Officer of Community Power, is hereby appointed as the Treasurer of Community Power. The Treasurer shall strictly comply with the

statutes related to the duties and responsibilities specified in Government Code Section 6505.5, and the duties and responsibilities set forth in the JPA Agreement. The Treasurer shall serve under such rules as may be established by Community Power and shall perform such duties and have such powers as Community Power may determine from time to time. Except as otherwise provided by the Board in a separate action, Ms. Burlingame will serve as Treasurer during the term of her employment as Chief Financial Officer.

2. Pursuant to Government Code section 6505.1 and Section 5.7 of the JPA Agreement, the Treasurer is hereby required to execute a surety bond in the amount of \$1,000,000. The bond shall be obtained from any good and reliable surety company authorized to do business in the State of California, subject to the approval of the Chief Executive Officer. Community Power shall pay or reimburse the Treasurer for the premium(s) of the bond.

3. This Resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED** at a meeting of the Board of Directors of San Diego Community Power held on May 28, 2026.

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Ditas Yamane, Vice Chair  
San Diego Community Power

ATTEST:

APPROVED AS TO FORM:

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Maricela Hernandez, MMC/CPMC  
Clerk of the Board/Secretary

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Veera Tyagi, General Counsel



## SAN DIEGO COMMUNITY POWER Staff Report – Item 10

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To: Board of Directors

From: Timothy Manglicmot, Senior Director of Finance and Risk  
Will Weisman, Associate Director of Finance  
Mark Alfaro, Finance Manager  
Chris Do, Senior Financial Analyst  
Kevin Bateman, Financial Analyst  
Julissa Mercedes, Financial Analyst

Via: Karin Burns, Chief Executive Officer

Subject: Presentation of Draft FY 2026-2027 Operating Budget, FY 2026-2027 Capital Budget, and FY 2027-2031 Capital Investment Plan, and Quarterly Risk Oversight Committee Report

Date: May 28, 2026

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### **Recommendation**

Receive and File preliminary draft FY 2026-2027 Operating Budget, FY 2026-2027 Capital Budget, and FY 2027-2031 Capital Investment Plan, and Quarterly Risk Oversight Committee Report.

### **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 commencement of the fiscal year. The JPA further provides that Community Power’s fiscal year runs from July 1 to June 30, unless changed by the Board.

Section 7.3.1 of the JPA requires that Community Power budgets be prepared and approved by the Board in accordance with its fiscal management policies that should include a deadline for approval.

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On July 28, 2022, the Board adopted a budget development schedule as part of the Community Power Budget Policy consistent with Table 1. This development schedule includes an annual budget review in May by the Finance and Risk Management Committee (FRMC), which occurs prior to the Community Power Board of Directors (Board) previewing the budget in May and prior to the Board potentially adopting the budget in June.

Table 1. Current Budget Development Schedule


| February  | March-April                     | May   | June   |  |
|---|---------------------------------|---|--|---|
| Develop Operating Revenue Estimate                  | Staff develop operating budgets | Strategic planning sessions with SDCP Board | Financial and Risk Management Committee Review | July 1 <sup>st</sup> Budget Implemented   |
| Develop Operating Expense Estimate                  | Baseline budget is developed    | SDCP Board Preview (Information Item)       | SDCP Board Approval                            | Mid-year budget review (February)   |
| Develop financial plan for credit rating in 3-years |                                 |   |  | Budget amendments as necessary  |

Table 2 illustrates the Draft FY 2026-2027 budget in comparison to Community Power’s budgets from prior years.

Table 2. Community Power Budget History

| Operating Budget             | Net Revenues         | Total Expenses       | Net Position         |
|------------------------------|----------------------|----------------------|----------------------|
| FY 2020-2021 Amendment       | \$26,286,909         | \$34,135,000         | <b>(\$7,848,091)</b> |
| FY 2021-2022 Amendment       | \$378,053,506        | \$342,177,063        | \$35,876,443         |
| FY 2022-2023 Amendment       | \$929,791,929        | \$772,078,709        | \$157,713,220        |
| FY 2023-2024 Amendment       | \$1,304,274,067      | \$1,070,891,284      | \$233,382,783        |
| FY 2024-2025 Amendment       | \$1,221,258,172      | \$1,187,090,169      | \$34,168,003         |
| FY 2025-2026 Amendment       | \$1,175,418,913      | \$1,025,004,360      | \$150,414,553        |
| <b>FY 2026-2027 Proposed</b> | <b>\$918,820,685</b> | <b>\$915,734,166</b> | <b>\$3,086,519</b>   |

Additionally, Community Power traditionally adopts an annual 5-year Capital Investment Plan (CIP). Community Power’s first CIP was approved on June 22, 2023, under Resolution No. 2023-24. The CIP contains all the individual capital projects; major equipment purchases and major programs for the agency that are intended to span multiple years and that are considered one-time projects rather than recurring projects. Further, the first year of the CIP represents the capital budget appropriation for the upcoming fiscal year.

On January 15, 2021, the Community Power Board approved the most recent revision to the agency’s Energy Risk Management Policy. Pursuant to Section 7.3 of the policy, the Chief Executive Officer is required to establish a Risk Oversight Committee (ROC), which is charged with overseeing compliance with the policy and reporting, at least quarterly, to the Finance and Risk Management Committee (FRMC) regarding its activities, deliberations, and any identified areas of concern. Given the ROC’s role in enforcing the Energy Risk Management

Policy and its direct connection to the active management of energy costs and net revenue—the largest component of Community Power’s operating expenditures—the presentation of the Draft FY 2026–2027 Operating Budget, FY 2026–2027 Capital Budget, and FY 2027–2031 Capital Investment Plan includes the Quarterly Risk Oversight Committee Report.

## **Analysis and Discussion**

The draft FY 2026–2027 operating budget includes net operating revenue of \$918,820,685 and total expenses of \$915,734,166, resulting in net position of \$3,086,519.

The draft FY 2026–2027 capital budget includes \$71,417,654 from a combination of internal and external sources to fund six projects. Including existing appropriations, a total of 19 active projects are proposed to be funded during the fiscal year.

The draft FY 2027–2031 capital investment plan includes 19 projects that are planned to receive funding during the five-year period, totaling \$310,756,105 in investment. The first year of the FY 2027–2031 CIP reflects the draft FY 2026–2027 capital budget. Additionally, \$21,418,314 in unspent continuing funds were appropriated by the Board in prior fiscal years and is represented as carryforward budget. Separately, the Board authorized the full appropriation of \$124,000,000 for the San Diego Regional Energy network in 2025, of which \$63,417,654 is included in the FY 2026–2027 capital budget.

The draft budget includes the key assumptions outlined below.

### **Operating Revenue**

Community Power’s net operating revenue consists primarily of revenues from sales of electricity. Assumptions regarding net operating revenue include:

- Enrollment of customers is complete from member jurisdictions in Phases 1, 2, 3 and 4.
- 95% participation rate across all jurisdictions.
- An uncollectible rate of 1.5%, as compared to 1.75% in the prior fiscal year.
- Rates that were set and approved by the Board on April 23, 2026, for the period from July 1, 2026, to December 31, 2026.
- Power Charge Indifference Adjustment (PCIA) is consistent with SDG&E Partial Supplemental Advice Letter 4791-E-A filed on March 30, 2026, for the period from July 1, 2026, to December 31, 2026.
- Generation rates are projected to decrease between 15% to 20% between calendar years 2026 and 2027 and, within the FY27 Draft Budget, for the period from January 1, 2027, to June 30, 2027.
- PCIA is expected to increase between 25% to 55% between calendar year 2026 and 2027 and, within the FY27 Draft Budget, for the period from January 1, 2027, to June 30, 2027.

- Rates and PCIA for the period from January 1, 2027, to June 30, 2027, are forecasted based on Community Power’s latest forecasted energy, resource adequacy, and renewable energy prices through April 30, 2026.
- Power100 and Power100 Green-e Certified (Green-e Plus) will maintain premiums of \$0.01/kWh and \$0.02/kWh, respectively, compared to PowerOn.
- Any further rate changes, including mid-year changes, are subject to Board discretion and approval.

**Cost of Energy** includes all the various services purchased from the power market through our counterparties to supply energy to Community Power’s customers. Assumptions regarding cost of energy include:

- Forecasts are based on contracts, long-term load, and energy forward prices through April 30, 2026.
- Open positions not yet under contract for energy are generally assumed to be closed based on the forecasted energy forward price for the period.
- The Voluntary Allocation and Market Offer (VAMO) and Modified Cost Allocation Mechanism (MCAM) contracts with San Diego Gas & Electric (SDG&E) are based on Community Power’s latest forecasted energy, resource adequacy, and renewable energy prices through April 30, 2026.

### **Operating Expenses**

Community Power’s non-energy operating expenses fall into four categories: “personnel costs”, “professional services and consultants”, “marketing and outreach”, and “general and administration.” Expense assumptions include the following:

- **Personnel** include salaries, payroll taxes, benefits, and excused absence and paid time off for staff. The recruitment strategy includes the addition of approximately five new staff members during the FY 2026-27 budget cycle, growing the agency to 108 total staff.
- **Professional Services and Consultants** include SDG&E fees, data management fees from Calpine, technical support (for rate setting, load analysis, energy scheduling, etc.), legal/regulatory services and other general contracts related to IT services, audits and accounting services.
- **Marketing and Outreach** includes expenses for mandatory notices, communication consultants, mailers, printing, sponsorships, and partnerships to inform the community of Community Power.
- **General and Administration** budget covers the cost of office space, equipment, membership dues, and other general operational costs.

## Non-Operating Expenses

Community Power's budget also includes non-operating expenses related to interest and related expenses used to finance its operations. These costs are comprised of associated interest costs as well as potential renewal fees on debt or letters of credit.

## Capital Investment Plan (CIP)

In FY 2026-2027 Community Power is continuing its Capital Investment Plan (CIP) which contains all the individual capital projects, equipment purchases, and major programs for the agency that are intended to span multiple years. The draft FY 2026-2027 operating budget proposes a one-time transfer to the CIP as a continuing fund in which any unspent funds are kept within that fund and carried forward to the subsequent fiscal year to support internally funded programs. Operating budget contributions are funded through a combination of net operating revenues and non-operating investment income as appropriate based on program restrictions. The first year of the CIP is the draft FY 2026-2027 capital budget.

For FY 2026-2027, Community Power proposes a one-time investment of \$8.0 million into the agency's Capital Investment Plan to support internally funded programs. This proposed contribution is primarily supporting the following programs:

- **Solar Battery Savings:** \$3.5 million will continue investment in Solar Battery Savings, which offers upfront and performance-based incentives for home battery systems that boost resilience and reduce grid demand.
- **Customer Pilot Programs:** \$2.5 million will support Customer Pilot Programs which represent small-scale, short-duration projects that can provide Community Power and stakeholders data on program design, technology acceptance and other information helpful for broader program delivery.
- **Distributed Energy Resources Management Systems Software Platform:** \$1.5 million will support the Distributed Energy Resources Management Systems Software Platform to support the organization's Flexible Load Strategy

## Net Income

The draft FY 2026-2027 budget results in a net position of \$3,086,519.

The following table illustrates Community Power's draft FY 2026-2027 operating budget compared to the amended budgets for FY 2024-2025 and FY 2025-2026.

Table 3. Draft FY 2026-2027 Budget compared to FY 2024-2025 and FY 2025-2026 Amended Budgets.

|  | FY25 Amended   | FY26 Amended   | FY27 Draft   |
|--|----------------|----------------|--------------|
| Gross Revenue                          | 1,243.0        | 1,194.8        | 932.8        |
| Less Uncollectible Accounts            | -21.8          | -19.4          | -14.0        |
| <b>Net Operating Revenues</b>          | <b>1,221.3</b> | <b>1,175.4</b> | <b>918.8</b> |
| Cost of Energy                         | 1,116.8        | 969.9          | 872.3        |
| Non-Energy Costs                       | 50.8           | 50.0           | 56.5         |
| <b>Subtotal Operating Expense</b>      | <b>1,167.6</b> | <b>1,019.9</b> | <b>928.9</b> |
| Investment Income                      | 0.0            | 18.3           | 23.1         |
| Debt Service                           | -1.3           | -1.5           | -1.9         |
| Capital Investment Plan (Transfer Out) | -18.2          | -21.9          | -8.0         |
| <b>Total Expenses</b>                  | <b>1,187.1</b> | <b>1,025.0</b> | <b>915.7</b> |
| <b>Net Position</b>                    | <b>34.2</b>    | <b>150.4</b>   | <b>3.1</b>   |

Amounts displayed in millions, \$

The next table illustrates Community Power's draft FY 2027-2031 Capital Investment Plan. The first year of the FY 2027-2031 Capital Investment Plan represents Community Power's FY 2026-2027 Capital Budget.

Table 4. Community Power FY 2027-2031 Capital Investment Plan

|                                    | Carry-forward | FY27 Draft   | FY28         | FY29         | FY30         | FY31         | Total         |
|------------------------------------|---------------|--------------|--------------|--------------|--------------|--------------|---------------|
| <b>External Funding</b>            |               |              |              |              |              |              |               |
| Regional Energy Network            | -             | 63.1         | 51.4         | 42           | 43.7         | 45.5         | 245.70        |
| DAC-GT                             | 0.3           | 0.3          | -            | -            | -            | -            | 0.60          |
| CDFA                               | 0.7           | -            | -            | -            | -            | -            | 0.70          |
| Equitable Building Decarbonization | 1.4           | -            | -            | -            | -            | -            | 1.40          |
| Programs Evaluation                | 0.7           | -            |              |              |              |              | 0.70          |
| <b>Total External Funding</b>      | <b>3.1</b>    | <b>63.4</b>  | <b>51.4</b>  | <b>42</b>    | <b>43.7</b>  | <b>45.5</b>  | <b>249.10</b> |
| <b>Internal Funding</b>            |               |              |              |              |              |              |               |
| Solar Battery Savings              | 10.8          | 3.5          | 10.4         | 8.3          | 8.5          | 7.6          | 49.10         |
| Pilot Programs                     | 1.8           | 2.5          |              | -            | -            | -            | 4.30          |
| Grants                             | 1.3           | -            | -            | -            | -            | -            | 1.30          |
| Flexible Load                      | 0.5           | 1.5          | -            | -            | -            | -            | 2.00          |
| IT Projects                        | 3.2           | 0.2          | -            | -            | -            | -            | 3.40          |
| Program Evaluation                 | 0.3           | 0.3          | -            | -            | -            | -            | 0.60          |
| Application Assistance             | 0.3           | -            | 0.3          | -            | -            | 0.3          | 0.90          |
| <b>Total Internal Funding</b>      | <b>17.8</b>   | <b>8.0</b>   | <b>10.7</b>  | <b>8.3</b>   | <b>8.5</b>   | <b>7.9</b>   | <b>60.9</b>   |
| <b>Total CIP Expenses</b>          | <b>21.3</b>   | <b>71.40</b> | <b>62.10</b> | <b>50.30</b> | <b>52.20</b> | <b>53.40</b> | <b>310.70</b> |

Amounts displayed in millions, \$

Carryforward amounts reflect a point in time estimate during the budget development process. These amounts are subject to change over the remainder of the fiscal year and will be updated for the adopted budget.

### Reserves

Under Resolution No. 2025-23, Community Power’s revised Financial Reserves Policy established a minimum reserve requirement of 180 days cash on hand, a reserve target of 225 days cash on hand, and a maximum reserve of 270 days cash on hand.

Additionally, pursuant to Resolution No. 2026-07, Community Power established a Rate Stabilization Reserve (RSR). Under the resolution, the Target RSR Balance may be an amount up to or equivalent to 45 Days Cash on Hand, representing the Reserves between the Target

Reserve Balance and Maximum Reserve Balance of Community Power's Financial Reserves, as defined in the Financial Reserves Policy.

Under the draft FY 2026-2027 operating budget, Community Power is projected to have an ending reserve balance of \$707.1 million- or 278-days cash on hand based on the operating expenses projected in FY 2026-2027. Staff note that based on operating expenses projected in FY 2025-2026, the ending reserve balance would have been 255 days cash on hand. Pursuant to Community Power's Reserve Policy, should fiscal year-end reserves exceed the maximum reserve balance of 270 days cash on hand, the Board may authorize excess reserve distributions at their discretion, including for Strategic Uses for a Programmatic Reserve. Staff recommend building reserves to 278-days cash on hand given the significant downside risk that staff project in calendar year 2027 and as discussed in the Risk Oversight Committee (ROC) Report discussed in the next section of the staff report.

Total projected ending liquidity (including unrestricted cash, investment holdings, and available lines of credit) for FY 2026-2027 is 368 days liquidity on hand.

### **Risk Oversight Committee (ROC) Report**

As discussed at Community Power's Board meeting on December 11, 2025, the most significant financial risk facing the agency is volatility in Market Price Benchmarks (MPBs) as they flow through the Power Charge Indifference Adjustment (PCIA) and SDG&E bundled rates.

The PCIA is intended to ensure that departing load customers pay their proportionate share of above-market costs associated with investor-owned utility legacy resources, including SDG&E contracts, so that remaining bundled utility customers are not left bearing those costs. The PCIA is recalculated annually based on the difference between an Investment Owned Utility (IOU's) actual portfolio costs and the estimated current market value of that portfolio. As a result, the PCIA materially influences Community Power's rate competitiveness and budget planning and is highly sensitive to fluctuations in market prices. Each year, the California Public Utilities Commission (CPUC) establishes a Market Price Benchmark to estimate the market value of an IOU's energy portfolio, which serves as the reference point for determining above-market costs embedded in the PCIA.

On October 1, 2025, the CPUC published SDG&E's projected MPB values for 2026, including \$39.90 per megawatt-hour for on-peak energy, \$48.48 per megawatt-hour for off-peak energy, \$11.53 per kilowatt-month for resource adequacy, and \$62.45 per megawatt-hour for renewable portfolio standard attributes. As of April 30, 2026, Community Power's projected market prices for on-peak energy, off-peak energy, and renewable resources for calendar years 2026 and 2027 are materially lower than those published benchmark values.

Declining market price benchmarks have a compounded financial impact on Community Power due to the timing mechanics of the PCIA and the Portfolio Allocation Balancing Account

(PABA). Lower MPB values increase calculated above-market costs and are reflected through the PABA true-up in 2026, which results in a higher PCIA applied to Community Power customers in 2027. At the same time, those same market conditions contribute to lower SDG&E bundled generation rates in 2027. Together, these effects place downward pressure on Community Power's relative rate position by increasing PCIA charges while reducing the competing utility rate benchmark.

Community Power's latest projections, which are incorporated into the Draft FY 2026-2027 Operating Budget, therefore reflect significant downside risk to net revenue in calendar year 2027 attributable to Market Price Benchmark volatility, the single largest financial risk factor facing the agency. This downside risk is partially mitigated within the cost of energy through (1) open energy positions that can be closed at lower projected market prices and (2) lower projected renewable prices under the VAMO contract with SDG&E. These factors are the primary drivers of the reduction in overall operating expenses reflected in the FY 2026-2027 Operating Budget.

However, energy forward price projections are still very preliminary with Community Power's projections only being through April 30, 2026. The CPUC is expected to publish updated MPBs in late September, at which time staff expect to have a much better projection for the latter half of the fiscal year. Staff also, therefore, expect to have a recommendation to fund the RSR during this time period as well, once we have better information and data.

## **Fiscal Impact**

The draft FY 2026-2027 budget is expected to result in a net position of \$3.1 million, with a resulting ending reserve balance of \$707.1 million- or 278-days cash on hand based on the operating expenses projected in FY 2026-2027.

Community Power proposes a one-time investment of \$8 million into the agency's Capital Investment Plan, which is reflected in the operating budget.

## **Committee Review**

This item was presented and received and filed at the Finance and Risk Management Committee meeting of May 21, 2026.

## **Strategic Plan**

This activity supports the strategic plan goal for Financial Stability and to practice fiscal strategies to promote long-term organizational stability. Specifically, this action supports the strategic goals of (1) obtaining a public investment grade credit rating by November 2027, and

(2) building reserves by \$150M to maintain a reserve target of at least 180 Days Cash On Hand by December 2027.

## **Attachments**

A: Draft FY 2026-27 Operating Budget, FY 2026-2027 Capital Budget, and FY 2027-2031 Capital Investment Plan

**ITEM 10**  
**ATTACHMENT A**



**FY 2026-2027 Operating Budget**  
**FY 2026-2027 Capital Budget**  
**FY 2027-2031 Capital Investment Plan**

**for the period**

**July 1, 2026**

**through**

**June 30, 2027**

**TABLE 1: DRAFT FY2026-2027 BUDGET**

**San Diego Community Power  
Draft FY 2026-27 Budget  
Supplemental Details**

|   | FY 2024-25       | FY 2025-26       | FY 2026-27      | % of Net |
|---|------------------|------------------|-----------------|----------|
|   | Amended Budget   | Amended Budget   | Proposed Budget | Revenues |
| <b>OPERATING REVENUES</b>                       |                  |                  |                 |          |
| Gross Ratepayer Revenues                        | \$ 1,243,010,863 | \$ 1,194,789,046 | \$ 932,812,878  |          |
| (Less Uncollectible Customer Accounts)          | \$ (21,752,690)  | \$ (19,370,133)  | \$ (13,992,193) |          |
| <b>Net Operating Revenues</b>                   | \$ 1,221,258,172 | \$ 1,175,418,914 | \$ 918,820,685  | 100.0%   |
| <b>COST OF ENERGY</b>                           |                  |                  |                 |          |
| Cost of Energy                                  | \$ 1,116,836,549 | \$ 969,916,628   | \$ 872,343,026  |          |
| <b>Total Cost of Energy</b>                     | \$ 1,116,836,549 | \$ 969,916,628   | \$ 872,343,026  | 94.9%    |
| <b>Gross Net Position</b>                       | \$ 104,421,623   | \$ 205,502,285   | \$ 46,477,659   | 5.1%     |
| <b>OPERATING EXPENSES</b>                       |                  |                  |                 |          |
| Professional Services and Consultants           |                  |                  |                 |          |
| Data Management                                 | \$ 14,569,264    | \$ 13,819,264    | \$ 12,912,595   |          |
| SDG&E Fees                                      | \$ 3,435,746     | \$ 3,835,746     | \$ 3,456,000    |          |
| Technical Support                               | \$ 2,098,333     | \$ 2,264,333     | \$ 3,015,235    |          |
| Legal/Regulatory                                | \$ 2,138,000     | \$ 1,226,200     | \$ 1,576,200    |          |
| Other Services                                  | \$ 2,104,999     | \$ 2,268,835     | \$ 2,915,831    |          |
| <b>Total Prof. Svcs. Costs</b>                  | \$ 24,346,342    | \$ 23,414,378    | \$ 23,875,861   | 2.6%     |
| Personnel Costs                                 |                  |                  |                 |          |
| Salaries  | \$ 14,988,227    | \$ 15,298,873    | \$ 19,284,224   |          |
| Benefits (retirement/health)                    | \$ 2,549,522     | \$ 3,811,399     | \$ 4,210,527    |          |
| Payroll Taxes                                   | \$ 1,030,146     | \$ 498,938       | \$ 640,131      |          |
| <b>Total Personnel Costs</b>                    | \$ 18,567,895    | \$ 19,609,209    | \$ 24,134,882   | 2.6%     |
| Strategic Communications and Community Outreach |                  |                  |                 |          |
| Printing  | \$ 1,107,143     | \$ 693,263       | \$ 640,865      |          |
| Memberships                                     | \$ 1,201,450     | \$ 1,000,700     | \$ 214,790      |          |
| Strategic Communications and Community Outreach | \$ 670,000       | \$ 622,500       | \$ 1,577,500    |          |
| <b>Total Mrktg and Outreach Costs</b>           | \$ 2,978,593     | \$ 2,316,463     | \$ 2,433,155    | 0.3%     |
| General and Administration                      |                  |                  |                 |          |
| Other G & A                                     | \$ 3,637,905     | \$ 2,824,997     | \$ 4,223,983    |          |
| Cal CCA Dues                                    | \$ 460,000       | \$ 555,000       | \$ 555,000      |          |
| Rent  | \$ 744,264       | \$ 935,784       | \$ 935,784      |          |
| Insurance                                       | \$ 67,592        | \$ 331,414       | \$ 384,161      |          |
| <b>Total G &amp; A Costs</b>                    | \$ 4,909,761     | \$ 4,647,195     | \$ 6,098,928    | 0.7%     |
| <b>Net Operating Expenses</b>                   | \$ 50,802,591    | \$ 49,987,246    | \$ 56,542,826   | 6.2%     |
| <b>Total Operating Expenses</b>                 | \$ 1,167,639,140 | \$ 1,019,903,874 | \$ 928,885,852  | 101.1%   |
| <b>Operating Income (Loss)</b>                  | \$ 53,619,033    | \$ 155,515,040   | \$ (10,065,167) | -1.1%    |
| <b>NON-OPERATING REVENUES (EXPENSES)</b>        |                  |                  |                 |          |
| Investment income                               | \$ -             | \$ 18,294,938    | \$ 23,101,021   |          |
| Interest and Related Expenses                   | \$ (1,276,000)   | \$ (1,514,825)   | \$ (1,949,335)  |          |
| Transfer to Capital Investment Program          | \$ (18,200,000)  | \$ (21,880,600)  | \$ (8,000,000)  |          |
| <b>Total Non-Operating Revenues (Expenses)</b>  | \$ (19,476,000)  | \$ (5,100,487)   | \$ 13,151,686   | 1.4%     |
| <b>CHANGE IN NET POSITION</b>                   | \$ 34,143,033    | \$ 150,414,553   | \$ 3,086,519    | 0.3%     |

# Proposed Budget Overview

## *Budget-in Brief*

The Draft FY 2026-2027 Operating Budget continues full enrollment from Phases 1, 2, 3 and 4 for all ratepayers, inclusive of net-energy metering customers, from Community Power's member jurisdictions within the San Diego region representing 8.3 million MWH of retail load in the fiscal year.

Energy costs represent the largest component of Community Power's budget. Current projections reflect a year-over-year decline in energy costs driven by lower market price assumptions associated with Market Price Benchmark (MPB) volatility. The Draft FY 2026-2027 Operating Budget therefore reflects lower cost of energy assumptions due to the ability to close open energy positions at reduced prices and lower projected renewable prices under the VAMO contract with SDG&E.

At the same time, lower forward market prices are driving a more significant reduction in projected ratepayer revenue. As reflected through the Power Charge Indifference Adjustment (PCIA) and SDG&E bundled rates, MPB volatility remains the most significant financial risk to Community Power. Recent declines in market prices are expected to reduce revenues year-over-year as higher PCIA charges coincide with lower competing utility rates. As a result, both revenues and energy costs are projected to decline year-over-year, with energy cost reductions only partially offsetting anticipated revenue pressure.

Because current market price projections are based on data available through April 30, 2026, and remain preliminary, updated Market Price Benchmarks from the California Public Utilities Commission (CPUC) later in the year are expected to provide greater clarity on second-half fiscal year impacts and inform future reserve funding recommendations.

The Draft FY 2026-2027 Operating Budget additionally contains prudently-managed and modest growth in non-energy operating budget categories. As Community Power has scaled to full enrollment, the agency is thoughtfully and prudently managing staffing levels by adding 5 staff to grow from 103 to 108 total staff. In FY 2026-2027, Community Power is expected to have a generally comparable operating budget and staffing levels compared to its peer Community Choice Aggregators (CCA) of similar customer and load size, while supporting a broader portfolio of customer programs and strategic initiatives.

By the end of FY 2026-2027, Community Power's reserves are expected to grow to its maximum reserve level of 270 days cash on hand, mostly as a function of a lower operating expense base in FY 2026-2027. Based on operating expenses projected in FY 2025-2026, the ending reserve balance would have been 255 days cash on hand. Actual cash reserves are projected to remain at a consistent level with the prior fiscal year, which should allow Community Power to navigate the volatile energy market and maintain its investment-grade credit rating.

Lastly, this budget continues to include the Community Power Capital Investment Plan (CIP) that contains one-time revenue and one-time expenses for programs and projects over multi-year periods, including one-time investments from the operating budget to the CIP. The first year of the FY 2027-2031 CIP comprises the FY 2026-2027 capital budget, which proposes an investment of \$8 million from the operating budget to support the CIP. This bolsters an overall project portfolio, including external funding sources, of \$71.4 million for the fiscal year.

## Draft Budget

The Community Power Draft FY 2026-2027 (FY2027) Budget is presented in further detail in the following pages. The table below summarizes the revenue and expense budgets proposed for FY2027 in comparison to the FY2025 and FY2026 Amended Budgets.

**TABLE 2: OPERATING BUDGET OVERVIEW**

|                                   | FY25 Amended   | FY26 Amended   | FY27 Draft   |
|-----------------------------------|----------------|----------------|--------------|
| Gross Revenue                     | 1,243.0        | 1,194.8        | 932.8        |
| Less Uncollectible Accounts       | -21.8          | -19.4          | -14.0        |
| <b>Net Operating Revenues</b>     | <b>1,221.3</b> | <b>1,175.4</b> | <b>918.8</b> |
| Cost of Energy                    | 1,116.8        | 969.9          | 872.3        |
| Non-Energy Costs                  | 50.8           | 50.0           | 56.6         |
| <b>Subtotal Operating Expense</b> | <b>1,167.6</b> | <b>1,019.9</b> | <b>928.9</b> |
| Interest Income                   | 0.0            | -18.3          | -23.1        |
| Debt Service                      | 1.3            | 1.5            | 1.9          |
| CIP                               | 18.5           | 21.9           | 8.0          |
| <b>Total Expenses</b>             | <b>1,187.4</b> | <b>1,025.0</b> | <b>915.7</b> |
| <b>Net Position</b>               | <b>33.9</b>    | <b>150.4</b>   | <b>3.1</b>   |

Amounts displayed in millions, \$

# Operating Revenue

Community Power’s main source of revenue is from the retail sale of electricity to its customers. Revenue budgeted for FY 2026-2027 reflects a full fiscal cycle of retail sales to our commercial and industrial customer base and retail sales to our residential customer base. Generally, retail sales are calculated based on customer load (i.e. customer energy usage) multiplied by the associated rate class of the customer.

Additional assumptions for net operating revenue include:

- Enrollment of customers is complete from member jurisdictions in Phases 1, 2, 3 and 4.
- 95% participation rate across all jurisdictions.
- An uncollectible rate of 1.5%, as compared to 1.75% in the prior fiscal year.
- Rates that were set and approved by the Board on April 23, 2026, for the period from July 1, 2026, to December 31, 2026.
- Power Charge Indifference Adjustment (PCIA) is consistent with SDG&E Partial Supplemental Advice Letter 4791-E-A filed on March 30, 2026, for the period from July 1, 2026, to December 31, 2026.
- Generation rates are projected to decrease between 15% to 20% between calendar years 2026 and 2027 and, within the FY2027 Draft Budget, for the period from January 1, 2027, to June 30, 2027.
- PCIA is expected to increase between 25% to 55% between calendar year 2026 and 2027 and, within the FY2027 Draft Budget, for the period from January 1, 2027, to June 30, 2027.
- Rates and PCIA for the period from January 1, 2027, to June 30, 2027, are forecasted based on Community Power’s latest forecasted energy, resource adequacy, and renewable energy prices through April 30, 2026.
  - a. Power100 and Power100Green+ (Green-e® certified) service plans will maintain premiums of \$0.01/kWh and \$0.02/kWh, respectively, compared to PowerOn.
- Any further rate changes, including mid-year changes, are subject to Board discretion and approval.

The following table summarizes the revenues for FY2027 Draft Budget compared to the FY2025 and FY2026 Amended Budgets. Note that Gross Revenue and Less Uncollectible Accounts are based on projected numbers from rate setting that was approved by the Board on January 15, 2026.

**TABLE 3: OPERATING REVENUE BY BUDGET LEVEL 2**

|                               | <b>FY25 Amended</b> | <b>FY26 Amended</b> | <b>FY27 Proposed</b> |
|-------------------------------|---------------------|---------------------|----------------------|
| Gross Revenue                 | 1,243.0             | 1,194.8             | 932.8                |
| Less Uncollectible Accounts   | -21.8               | -19.4               | -14.0                |
| <b>Net Operating Revenues</b> | <b>1,221.3</b>      | <b>1,175.4</b>      | <b>918.8</b>         |

Amounts displayed in millions, \$

## Operating Expenses

Expenses in the Community Power Operating Budget fall into five budget level 2 categories: cost of energy, personnel costs, professional services and consultants, marketing and outreach, and general and administration.

- **Cost of Energy** – Cost of Energy includes all the various services purchased from the power market through our suppliers. This includes purchased energy, capacity (Resource Adequacy), renewables, CAISO fees and other miscellaneous power market expenses.
- **Personnel** – Personnel costs include salaries, payroll taxes, benefits, and excused absence and paid time off for staff. In addition, costs include assumptions from the Board adopted compensation policy including potential merit and cost-of-living increases.
- **Professional services and consultants**
  - Legal/Regulatory Services – Community Power retains legal counsel to assist with the complex aspects of the regulatory, compliance, power supply contract negotiations and its general legal needs. This line item will also allow for the retention of both a state and federal lobbyist to support Community Power’s legislative and regulatory efforts.
  - Technical Support – Community Power engages consultants to assist with, policies, load analysis, and a scheduling coordinator. After electric power is scheduled for delivery to customers and consumed by those customers, the actual electric consumption must be trued up against the forecasted and scheduled energy. This true-up occurs through the settlement process. Settlements also entail addressing several other market and regulatory requirements. As Community Power grows its internal staff, it will look to continue to in-house portions of this service.
  - Other Services – Community Power contracts or plans to contract for Audit services (data and financial), Accounting services, and other services as needed. Community Power continues to examine if these services are more cost effective or efficient to bring in-house. As Community Power expands its in-house functions, Community Power expects a reduction in the related professional services support areas.
  - SDG&E Service Fees – Service fees paid to SDG&E consist of a charge of a fixed fee per account per month. The fees cover SDG&E’s costs associated with meter reading, additional data processing, and bill coordination as mandated and regulated by the CPUC. There are also numerous small fees associated with data requests.

- Data Management – Broad scope of services that includes all “back office” billing data validation, bill coordination with SDG&E, call center services and billing technical support, customer enrollment database management, move- in/move-out services, customer research for enrollment support, and many support functions related to data reporting.
- **Strategic Communications and Community Outreach** – Strategic Communications and Community Outreach involves promoting Community Power services and engaging with the community through campaigns, public relations, events, and educational programs to increase awareness, drive customer enrollment, and build positive relationships. It also includes outreach to underserved communities to ensure equitable access to Community Power’s clean, renewable energy services.
- **General and Administration** – General and Administration costs include leasing office space, industry fees, or memberships (e.g., CalCCA dues), equipment and software, as well as other general operational costs including Board and Committee expenses, Board stipends, staff travel or professional development, team building, etc.

The table below summarizes the expenses for the FY2027 Draft Budget compared to the FY2025 and FY2026 Amended Budgets.

**TABLE 4: OPERATING EXPENSES BY BUDGET LEVEL 2**

|   | FY25 Amended   | FY26 Amended   | FY27 Draft   |
|---|----------------|----------------|--------------|
| Cost of Energy                                  | 1,116.8        | 969.9          | 872.3        |
| Professional Services and Consultants           | 24.3           | 23.4           | 23.9         |
| Personnel Costs                                 | 18.6           | 19.6           | 24.1         |
| Strategic Communications and Community Outreach | 3.0            | 2.3            | 2.4          |
| General and Administration                      | 4.9            | 4.7            | 6.1          |
| <b>Subtotal Operating Expenses</b>              | <b>1,167.6</b> | <b>1,019.9</b> | <b>928.9</b> |
| Interest Income                                 | 0.0            | -18.3          | -23.1        |
| Debt Service                                    | 1.3            | 1.5            | 1.9          |
| Capital Investment Program (Transfer Out)       | 18.2           | 21.9           | 8.0          |
| <b>Subtotal Non-Operating Expenses</b>          | <b>19.5</b>    | <b>5.1</b>     | <b>13.2</b>  |
| <b>Total Expenses</b>                           | <b>1,187.1</b> | <b>1,025.0</b> | <b>915.7</b> |

Amounts displayed in millions, \$

***Non-Operating Revenues (Expenses)***

Non-operating revenue represents interest income earned on cash reserves. Non-operating expenses represent interest paid on borrowed funds under the bank credit facility maintained by Community Power used to finance a portion of its operations. Expenses also include other bank-related fees (i.e., letter of credit issuance fees, renewal fees, etc.).

### ***Community Power Capital Investment Program (CIP)***

The CIP for FY 2027-2031 outlines the individual capital projects, major equipment purchases, and major programs for the agency that are intended to span multiple years. Contributions are considered one-time in nature and do not reflect future funding commitments. The first year of the FY 2027-2031 CIP is Community Power's proposed capital budget for the upcoming fiscal year.

The Draft FY 2026-2027 Capital Budget totals \$71.4 million, and the Draft FY 2027-2031 CIP totals \$310.7 million over the outlook period. The total CIP includes \$21.3 million in unspent continuing funds which were appropriated by the Board in prior fiscal years and is reflected as carryforward budget. Carryforward amounts are point-in-time estimates during the budget development process and will be updated for the adopted budget. In addition to carryforward funds, the Draft FY 2026-2027 Capital Budget includes \$63.1 million for the San Diego Regional Energy Network, recoverable through the California Public Utilities Commission, which was authorized by the Board in January 2025. Specifically, in January 2025, the Board approved, accepted and appropriated \$124.3 million in funds for the San Diego Regional Energy Network, and \$63.1 million of those previously authorized funds are expected to be expended in FY 2026-2027.

The Draft FY 2026-2027 operating budget proposes an \$8.0 million transfer from operations into the CIP. This transfer is funded by a combination of net-operating revenue and non-operating investment income based on the nature of the project or program being funded. In contrast to the operating budget, these contributions are carried forward to subsequent fiscal years within the CIP, where they remain until expended or reappropriated through subsequent action. The draft operating contribution primarily supports the following programs:

- **\$3.5 million, Solar Battery Savings:** Community Power's Residential Solar Battery Savings Program is designed to help single-family homeowners in Community Power's service territory invest in clean energy and support the grid by installing solar and battery storage in their homes or complement an existing solar system with a new battery system. The program provides two financial incentives for participating customers: an upfront incentive to minimize the initial cost of the battery system and a performance incentive for a daily discharge of the battery (during a specified dispatch window during on-peak periods) to maximize benefits for the customer and the grid.
- **\$2.5 million, Customer Pilot Programs:** Pilot programs are small-scale, short-duration projects (6–18 months) that can provide Community Power and stakeholders data on program design, technology acceptance and other information helpful for broader program delivery. Pilot programs support Community Power staff's ability to properly and efficiently design and implement programs. Additionally, pilot programs can cover all customer segments (e.g., commercial residential) and a variety of technologies or activities (e.g., managed charging for electric vehicles, energy efficiency).

- **\$1.5 million, Distributed Energy Resources Management Systems Software Platform:** Central to Community Power's Flexible Load Strategy is the selection and implementation of a Distributed Energy Resource Management System (DERMS). A DERMS is a software platform that incorporates various data points, such as weather, market/price data and customer preferences, to optimize the operation of distributed energy resources (DERs) in support of various grid services. Once operational, this system will allow Community Power to help customers reduce usage during high-cost on-peak periods, while managing portfolio-wide power procurement and resource adequacy costs and risk.

**TABLE 5: DRAFT FY 2026-2027 CAPITAL BUDGET**

|                                    | Carryforward | FY27 Authorized Budget | FY27 Draft Appropriation |
|------------------------------------|--------------|------------------------|--------------------------|
| Operating Transfer In              | 18.2         |                        | 8.0                      |
| Regional Energy Network            | -            | 63.1                   | -                        |
| DAC-GT                             | 0.3          | 0.3                    | -                        |
| CDFA                               | 0.7          | -                      | -                        |
| Equitable Building Decarbonization | 1.4          | -                      | -                        |
| Other                              | 0.7          | -                      | -                        |
| <b>Total</b>                       | <b>21.3</b>  | <b>63.4</b>            | <b>8.0</b>               |

Amounts displayed in millions, \$

**TABLE 6: DRAFT FY 2026-2027 CAPITAL INVESTMENT PLAN**

|                                    | Carryforward <sup>[1]</sup> | FY27        | FY28        | FY29        | FY30        | FY31        | Total        |
|------------------------------------|-----------------------------|-------------|-------------|-------------|-------------|-------------|--------------|
| <b>External Funding</b>            |                             |             |             |             |             |             |              |
| Regional Energy Network            | -                           | 63.1        | 51.4        | 42.0        | 43.7        | 45.5        | 245.7        |
| DAC-GT                             | 0.3                         | 0.3         | -           | -           | -           | -           | 0.6          |
| CDFA                               | 0.7                         | -           | -           | -           | -           | -           | 0.7          |
| Equitable Building Decarbonization | 1.4                         | -           | -           | -           | -           | -           | 1.4          |
| Programs Evaluation                | 0.7                         | -           | -           | -           | -           | -           | 0.7          |
| <b>Subtotal</b>                    | <b>3.1</b>                  | <b>63.4</b> | <b>51.4</b> | <b>42.0</b> | <b>43.7</b> | <b>45.5</b> | <b>249.1</b> |
| <b>Internal Funding</b>            |                             |             |             |             |             |             |              |
| Solar Battery Savings              | 10.8                        | 3.5         | 10.4        | 8.3         | 8.5         | 7.6         | 49.1         |
| Pilot Programs                     | 1.8                         | 2.5         | -           | -           | -           | -           | 4.3          |
| Grants                             | 1.3                         | -           | -           | -           | -           | -           | 1.3          |
| Flexible Load                      | 0.5                         | 1.5         | -           | -           | -           | -           | 2.0          |
| IT Projects                        | 3.2                         | 0.2         | -           | -           | -           | -           | 3.4          |
| Program Evaluation                 | 0.3                         | 0.3         | -           | -           | -           | -           | 0.6          |
| Application Assistance             | 0.3                         | -           | 0.3         | -           | -           | 0.3         | 0.9          |
| <b>Subtotal</b>                    | <b>18.2</b>                 | <b>8.0</b>  | <b>10.7</b> | <b>8.3</b>  | <b>8.5</b>  | <b>7.9</b>  | <b>61.6</b>  |
| <b>Total CIP Expenses</b>          | <b>21.3</b>                 | <b>71.4</b> | <b>62.1</b> | <b>50.3</b> | <b>52.2</b> | <b>53.4</b> | <b>310.7</b> |

Amounts displayed in millions, \$

<sup>[1]</sup> The carryforward amount reflects actual financial data through January 31, 2026.

Carryforward amounts will be updated for the adopted budget and will be reconciled until the close of fiscal year 2025-2026

## Operating Expenses by Department

The table below summarizes the Draft FY2027 Operating Budget expenses by department. All personnel costs including fringe benefits are included in the Operations department. The Power Services department includes Cost of Energy in their Expenses.

**TABLE 7: OPERATING EXPENSES BY DEPARTMENT**

|                                    | FY25 Amended   | FY26 Amended   | FY27 Draft   |
|------------------------------------|----------------|----------------|--------------|
| Power Services                     | 1,118.9        | 972.0          | 875.3        |
| Executive                          | 0.2            | 0.1            | 0.4          |
| Operations                         | 20.7           | 20.9           | 24.3         |
| Finance                            | 2.1            | 2.8            | 5.0          |
| Customer Operations                | 19.3           | 18.5           | 17.2         |
| IT and Data Analytics              | 1.4            | 1.5            | 2.0          |
| Public Affairs                     | 1.8            | 1.7            | 1.8          |
| Programs                           | 0.0            | 0.0            | 0.0          |
| Regulatory and Legislative Affairs | 0.7            | 0.5            | 0.5          |
| Human Resources and Administration | 0.7            | 0.9            | 1.0          |
| Legal                              | 1.8            | 1.0            | 1.4          |
| <b>Total Operating Expenses</b>    | <b>1,167.6</b> | <b>1,019.9</b> | <b>928.9</b> |

Amounts displayed in millions, \$

## Personnel by Department

The table below summarizes the projected personnel for the Draft FY2027 Operating Budget and the full-time equivalent (FTE) personnel in the FY2025 and FY2026 Amended Operating Budgets. While personnel may be authorized, they must be filled. Detailed information showing filled and proposed FTE transfers by department is included in the following personnel by department section below. The personnel budget is included within the Operations department.

**TABLE 8: PERSONNEL BY DEPARTMENT**

|                                    | FY25 Amended | FY26 Amended | FY27 Proposed |
|------------------------------------|--------------|--------------|---------------|
| Power Services                     | 16.0         | 15.0         | 16.0          |
| Executive                          | 5.0          | 5.0          | 5.0           |
| Operations                         | 5.0          | 6.0          | 6.0           |
| Finance                            | 9.0          | 13.0         | 13.0          |
| Customer Operations                | 8.0          | 6.0          | 7.0           |
| IT and Data Analytics              | 9.0          | 16.0         | 16.0          |
| Public Affairs                     | 12.0         | 11.0         | 13.0          |
| Programs                           | 12.0         | 16.0         | 17.0          |
| Regulatory and Legislative Affairs | 5.0          | 5.0          | 5.0           |
| Human Resources and Administration | 4.0          | 7.0          | 7.0           |
| Legal                              | 2.0          | 3.0          | 3.0           |
| <b>Total FTEs</b>                  | <b>87.0</b>  | <b>103.0</b> | <b>108.0</b>  |

# Budget by Department

## Power Services

### Budget Highlights

- The cost of energy, the largest cost in Community Power’s budget, has decreased from \$969.9 million to \$872.3 million.
- The largest drivers reducing energy costs are market decreases to forward prices for energy which allows Community Power to close open energy positions at a lower cost. Additionally, lower forward prices for renewables drove down projected costs from Community Power’s Voluntary Allocation Market Offer (VAMO) contract with SDG&E.
  - b. Open positions for energy, resource adequacy, and renewable energy for FY 2026-2027 are priced at the forward energy curves as of April 30, 2026.
  - c. The FY 2026-2027 figures include long-term power-purchase agreements that are online or expected to be online during the fiscal year.
- The SDG&E VAMO contract is priced at Community Power’s latest CPUC Market Price Benchmark (MPB) projections as of April 30, 2026, which is markedly lower than the CPUC MPB from September 2026.
- The SDG&E Modified Cost Allocation Mechanism contract is similarly priced at Community Power’s latest CPUC MPB projection which has increased slightly since September 2026.
- Power Services proposes adding one position for a Load Forecast Manager.

### Department Positions

|                | FY25 Amended | FY26 Amended | FY27 Draft |
|----------------|--------------|--------------|------------|
| Power Services | 16.0         | 15.0         | 16.0       |

TABLE 9: POWER SERVICES POSITIONS

## Executive

### Budget Highlights

- Executive budget has increased by \$280,000 to support leadership and manager development, research projects, strategic planning and affordability efforts.

### Department Positions

|           | FY25 Amended | FY26 Amended | FY27 Draft |
|-----------|--------------|--------------|------------|
| Executive | 5.0          | 5.0          | 5.0        |

**TABLE 10: EXECUTIVE POSITIONS**

## **Operations**

### Budget Highlights

- The Operations department includes the Chief Executive Officer, Chief Operating Officer, Clerk of the Board, Office of Strategic Initiatives, and Project Management Office.
- Decreased funding for travel costs across the agency.
- Operations budget increases are largely due to personnel costs for proposed positions and for positions from last fiscal year being actualized over an entire fiscal year.
- Healthcare costs increased as rates have increased since last year in addition to increased healthcare costs to support newly hired positions.
- Accrued PTO has increased as additional staff has been hired and as staff tenure has increased annual PTO earnings.
- Payroll taxes have increased as Community Power has completed Section 218 enrollment and has adjusted the resulting Federal Insurance Contributions Act (FICA) federal payroll tax.
- Utilities for office space have increased consistent with recent burn rates and as Community Power has hired additional staff.

### Department Positions

|            | FY25 Amended | FY26 Amended | FY27 Draft |
|------------|--------------|--------------|------------|
| Operations | 5.0          | 6.0          | 6.0        |

**TABLE 11: OPERATIONS POSITIONS**

## **Finance**

### Budget Highlights

- Bank service fees within Other G&A increased by approximately \$1.4M, reflecting an updated utilization factor, higher transaction volume and program scale.
  - d. Accounting services increased consistent with the annual escalation clause in the contract with Maher Accountancy, with additional pass-through costs as SDCP utilizes

more software resources, and with anticipated use of the contingency given usage in FY 2025-2026.

- Finance proposes to contribute an additional \$217,500 into the Enterprise Resource Planning project and an additional \$60,000 for ongoing operating costs to maintain the software.
- Licenses for Microsoft Dynamics 365 were included as Community Power’s Enterprise Resource Planning project reaches substantial completion and ongoing licensing fees are included.

Department Positions

|         | FY25 Amended | FY26 Amended | FY27 Draft |
|---------|--------------|--------------|------------|
| Finance | 9.0          | 13.0         | 13.0       |

**TABLE 12: FINANCE POSITIONS**

## Customer Operations

### Budget Highlights

- Customer Operations manages contact center operations, supports key accounts and provides analytical insights to guide rate setting, forecasting and customer service enhancements.
- Calpine Energy Solutions budget saw a \$0.9 million reduction to reflect per-account billing agreement consistent with the agreement approved by the Board on March 26, 2026.
- The Calpine Energy Solutions professional services agreement remains Community Power's largest non-energy contract and provides significant data management separate from the IT and Data Analytics department.
  - e. San Diego Gas and Electric Service Fees had nominal reduction consistent with burn rates from FY 2025-2026.
- The Neyenesch Printers contract was reduced as Community Power is pursuing more electronic delivery channels reducing paper mail volumes.
- The Financial Credit Network budget had a small increase assuming a modest recovery for expected collections.
- Customer Operations proposes adding one position, Rates Analyst, to provide additional support needed for the shift to dynamic rates pursuant to SDG&E's 2026 Demand Flex Rate Application proceeding and Community Power's California Energy Commission Load Management Standards plan, large load rate design, and other improvements and innovations in rate design to better serve our various customer classes. Positions between the FY2025 Amended budget and FY2026 Amended budget also included a reclassification of positions to the IT and Data Analytics department.

### Department Positions

|                     | FY25 Amended | FY26 Amended | FY27 Draft |
|---------------------|--------------|--------------|------------|
| Customer Operations | 8.0          | 6.0          | 7.0        |

**TABLE 13: CUSTOMER OPERATIONS POSITIONS**

## IT and Data Analytics

### Budget Highlights

- Budget has increased largely due to expenses associated with maintaining ongoing costs for the Enterprise Data Platform, Customer Relationship Management system and artificial intelligence exploration.
- AI Managed Services for AI enablement and implementation is included as an ask for this fiscal year.

### Department Positions

|                       | FY25 Amended | FY26 Amended | FY27 Draft |
|-----------------------|--------------|--------------|------------|
| IT and Data Analytics | 9.0          | 16.0         | 16.0       |

TABLE 14: IT AND DATA ANALYTICS

## Public Affairs

### Budget Highlights

- Continued outreach to educate the community of the benefits of community choice and to encourage awareness of our mission, our programs, our rates, and our community activities.
  - f. Public Affairs proposes adding two positions, Outreach Manager and SDREN Outreach Associate, the latter which would be supported by the SDREN budget.

### Department Positions

|                | FY25 Amended | FY26 Amended | FY27 Draft |
|----------------|--------------|--------------|------------|
| Public Affairs | 12.0         | 11.0         | 13.0       |

TABLE 15: PUBLIC AFFAIRS POSITIONS

## Programs

### Budget Highlights

- g. An additional \$8 million has been allocated to CIP projects including Solar Battery Savings, Distributed Energy Resource Management System (DERMS), various pilot programs, Enterprise Resource Planning, and the EV Load Growth study.
- h. Programs proposes to add one position, a Senior Program Associate, to support the DERMS as the technical lead.

### Department Positions

|          | FY25 Amended | FY26 Amended | FY27 Draft |
|----------|--------------|--------------|------------|
| Programs | 12.0         | 16.0         | 17.0       |

TABLE 16: PROGRAMS POSITIONS

## Regulatory and Legislative Affairs

### Budget Highlights

- i. Budget remains the same as FY2026 with a transition of Federal Lobbyist services to the Public Affairs budget as a part of the LEAN Membership.

### Department Positions

|                    | FY25 Amended | FY26 Amended | FY27 Draft |
|--------------------|--------------|--------------|------------|
| Regulatory Affairs | 5.0          | 5.0          | 5.0        |

TABLE 17: REGULATORY AND LEGISLATIVE AFFAIRS POSITIONS

## Human Resources and Administration

### Budget Highlights

- The budget had very nominal increases to account for talent acquisition and supporting employee professional development.
- Increased budget for a Human Resources Intern.

### Department Positions

|                 | FY25 Amended | FY26 Amended | FY27 Draft |
|-----------------|--------------|--------------|------------|
| Human Resources | 4.0          | 7.0          | 7.0        |

**TABLE 18: HUMAN RESOURCES POSITIONS**

## *Legal*

### Budget Highlights

- Budget increases to support necessary external counsel to bolster regulatory counsel and other outside counsel to support strategic initiatives and other internal goals.
- Additional support for Legal staff to attend mandatory training and conferences.

### Department Positions

|       | <b>FY25 Amended</b> | <b>FY26 Amended</b> | <b>FY27 Draft</b> |
|-------|---------------------|---------------------|-------------------|
| Legal | 2.0                 | 3.0                 | 3.0               |

**TABLE 19: LEGAL POSITIONS**

# Significant Budget Adjustments

The following section summarizes the most significant changes between the FY 2025-2026 Amended Budget and the FY 2026- 2027 Draft Budget across the operating budget, capital budget, and Capital Investment Plan (CIP). These adjustments reflect the combined impact of evolving market conditions, including lower energy price assumptions and associated revenue changes, as well as targeted investments in staffing, programs, and strategic initiatives. The table below highlights key year-over-year changes in major revenue, expense, and capital categories to provide a consolidated view of the primary drivers shaping Community Power’s financial outlook for FY 2026-27.

| Adjustment                                   | Description   | Department          | FTE Increases | Expenses    | Revenues        |
|--|---|---------------------|---------------|-------------|-----------------|
| <b>Operating Revenues</b>                    |   |                     |               |             |                 |
| Gross Ratepayer Revenues Decrease            | Generation rates are projected to decrease between 15% to 20% and PCIA is expected to increase between 25% and 55% between calendar years 2026 and 2027, driving down operating revenue and resulting from lower projected forward market prices. | Finance             | –             | –           | (\$256,598,228) |
| Uncollectible Adjustment                     | Reduced uncollectible allowance assumptions from 1.75% to 1.5% in alignment with uncollectible data through April 30, 2026.   | Finance             | –             | –           | +5,377,940      |
| <b>Operating Expenses</b>                    |   |                     |               |             |                 |
| <b>Professional Services and Consultants</b> |   |                     |               |             |                 |
| Data Management Decrease                     | Calpine Energy Solutions budget saw a \$0.9 million reduction to reflect per-account billing agreement consistent with the agreement approved by the Board on March 26, 2026.   | Customer Operations | –             | (\$906,669) | –               |
| SDG&E Fees Decrease                          | San Diego Gas and Electric Service Fees had nominal reduction consistent with burn rates from FY 2025-26 and pursuant to the SDG&E fee schedule outlined in SDG&E Electric Rule 27 and Schedule CCA.  | Customer Operations | –             | (\$379,746) | –               |
| Scheduling Coordinator Decrease              | Lower usage anticipated with Tenaska Power Services as Community Power unbundled services and added new vendors for short-term load forecasting and asset optimization.   | Power Services      | –             | (\$131,000) | –               |
| Printing Decrease                            | Reduction in expected printing costs under the professional services agreement with Neyenesch Printers due to the optimization of electronic delivery channels by reducing paper mail volumes.  | Customer Operations | –             | (\$104,560) | –               |

|  |  |                       |   |             |   |
|--|--|-----------------------|---|-------------|---|
| Incremental Load Forecast Services Decrease    | Moved budget from Tenaska to Yes Energy.   | Power Services        | - | (\$100,000) | - |
| Renewable Energy Storage Optimization Increase | Pursuant to the master-services agreement with Ascend Analytics approved by the Board in December 2025, to deploy advanced battery optimization software, ensuring clean energy grid reliability during peak demand. This cost is based on the number of online projects, which increased by 8 (~1GW of capacity) in 2026. | Power Services        | - | +\$695,000  | - |
| Regulatory Counsel Increase                    | Increase in legal support for regulatory proceedings before the CPUC consistent with the contract approved by the Board in April 2026.   | Legal                 | - | +\$250,000  | - |
| AI Managed Services Increase                   | AI Managed Services for AI enablement and implementation to expand functionality and potential productivity within the agency.   | IT and Data Analytics | - | +\$200,000  | - |
| Accounting Services Increase                   | Accounting services increased consistent with the annual escalation clause in the contract with Maher Accountancy, approved by the Board in January 2025, with additional pass-through costs as SDCP utilizes more software resources, and with anticipated use of the contingency given prior usage in FY 2025-2026.      | Finance               | - | +\$175,842  | - |
| Direct Access Managed Service Increase         | Remaining not-to-exceed expected to be spent in FY2027, pursuant to contract with Aspen Environmental Group approved by the Board in October 2025.   | IT and Data Analytics | - | +\$160,00   | - |
| Long-Term Load Forecasting Increase            | Remaining not-to-exceed expected to be spent in FY2027, pursuant to contract with Aspen Environmental Group approved by the Board in October 2025.   | Power Services        | - | +\$125,000  | - |
| <b>Personnel Costs</b>                         |  |                       |   |             |   |
| Healthcare Increase                            | Updated with the most current premiums and factors in inflation for the upcoming renewal cycle. Also factors in additional hires.  | Operations            | - | +\$557,478  | - |
| Accrued PTO Increase                           | PTO accrual has increased as staff tenure increases and as PTO balances increase.  | Operations            | - | +\$520,648  | - |
| Retirement Payout Increase                     | Retirement contributions have increased pursuant to Community Power retirement benefits as additional staff are hired.   | Operations            | - | +\$294,406  | - |
| FICA Increase                                  | FICA payroll taxes have increased as additional staff are hired and in alignment with Community Power's Section 218 election.  | Operations            | - | +\$149,000  | - |

|  |   |                     |   |               |   |
|--|---|---------------------|---|---------------|---|
| Cost-Recoverable Salary and Benefits                     | Updated salary budget for cost-recoverable positions from mid-year review.  | Operations          | – | (\$1,186,612) | – |
| Lodging  | Reduced agency-wide staff travel in the upcoming fiscal year.   | Operations          | – | (\$111,552)   | – |
| Community Engagement Manager                             | Supports expansion of community partnerships and engagement strategy.   | Public Affairs      | 1 | +\$159,000    | – |
| Load Forecast Manager                                    | Improves forecasting accuracy for procurement and planning decisions.   | Power Services      | 1 | +\$159,000    | – |
| Senior Program Associate (DERMS Technical Lead)          | Provides technical leadership for DERMS implementation and grid integration.  | Programs            | 1 | +\$110,400    | – |
| SDREN Outreach Associate (Cost Recoverable)              | Expands outreach capacity tied to externally funded SDREN programs.   | Public Affairs      | 1 | +\$110,400    | – |
| Rates Analyst  | Strengthens rate design and financial sustainability analysis.  | Customer Operations | 1 | +\$110,400    | – |
| <b>Strategic Communications and Community Outreach</b>   |   |                     |   |               |   |
| Strategic Communications and Community Outreach Increase | Consolidates previously separate communications, marketing, outreach and engagement functions into a single category to better reflect how work is executed through targeted activities that include customer education campaigns, community events, partnerships with community-based organizations, media relations, digital communications (e.g. website, social media, newsletters), and multilingual outreach. The increased year-over-year budget supplements current budget activities and contracts to improve customer awareness and participation in Community Power's expanding portfolio of programs, including new pilots. | Public Affairs      | – | +116,692      | – |
| <b>General Administration</b>                            |   |                     |   |               |   |
| Bank Service Fees Increase                               | Increase reflects an updated utilization factor for unused credit, higher transaction volume and program scale.   | Finance             | – | +\$1,353,852  | – |
| <b>Non-Operating Revenues (Expenses)</b>                 |   |                     |   |               |   |
| <b>Investment Income</b>                                 |   |                     |   |               |   |
| Investment Income Increase                               | Additional investment income is anticipated as Community Power has grown its reserve balance consistent with the reserve policy adopted by the Board in December 2025.  | Finance             | – | (\$4,806,083) | – |
| <b>Interest and Related Expenses</b>                     |   |                     |   |               |   |

|  |  |          |   |              |   |
|--|--|----------|---|--------------|---|
| Interest and Related Expenses Increase | Forecasted additional interest based on latest projections for interest rates and assuming \$30.0 million usage of the Community Power line-of-credit.   | Finance  | - | +\$434,510   | - |
| <b>Capital Investment Plan (CIP)</b>   |  |          |   |              |   |
| CIP – DERMS Platform                   | Central to Community Power's Flexible Load Strategy is the Distributed Energy Resource Management System (DERMS) platform. The DERMS platform allows Community Power to help customers reduce usage during high-cost on-peak periods, while managing portfolio-wide power procurement and resource adequacy costs and risk. Funding supports annual platform fees and service for the remainder of the Board-approved contract, including a 20% contingency.         | Programs | - | +\$1,500,000 | - |
| CIP – Solar + Storage Incentives       | Community Power's Residential Solar Battery Savings Program is designed to help our single-family homeowners and support the grid by installing solar and battery storage and offset high-cost on-peak consumption. Funding will support incentives for an additional ~675 program participants.   | Programs | - | +\$3,532,500 | - |
| CIP – Customer Pilot Programs          | Provides dedicated funding for customer-facing pilot initiatives that test new program concepts. These pilots will primarily support customer segments and technologies not targeted in the initial tranche of Pilot Program funds allocated in FY 2023-2024 (e.g., Commercial, Non-Residential, Multi-Family, Renters, Commercial Fleets) and continue to focus on peak load shifting.  | Programs | - | +\$1,900,000 | - |
| CIP – ERP System                       | The Enterprise Resource Planning (ERP) project aims to implement an ERP system for Community Power to streamline budgeting, enhance reporting, manage procurement and contracts and improve overall operational efficiency. Additional funding is an enhancement to the original ERP contract with PS Hummingbird approved by the Board in January 2026, and would allow Finance to add a priority module for procurement and contracts in the upcoming fiscal year. | Finance  | - | +\$217,500   | - |
| CIP – BYOD Pilot                       | Funds the continuation of the Smart Home Flex Pilot Project for an additional year. The continuation of the pilot is expected to allow an additional 5,000 participants. Funding is primarily for participation incentives, seasonal performance incentives and device fees.   | Programs | - | +\$600,000   | - |

|  |  |          |   |            |                  |
|--|--|----------|---|------------|------------------|
| CIP – EV Load Study                              | Funds a study to assess electric vehicle (EV) load growth potential and better understand how increasing EV adoption may impact system demand. This analysis will inform future infrastructure planning and program design by identifying expected load impacts and helping the organization plan for evolving customer energy needs.  | Programs | - | +\$250,000 | -                |
| CIP – Regional Energy Network (External Funding) | The SDREN includes the rollout and execution of 10 programs during FY2027 and will deliver a portfolio of energy efficiency programs across residential, commercial, and public sectors, providing direct customer benefits through technical assistance, incentives, and equipment installations to reduce energy use, lower customer bills, and improve building performance. The program includes offerings such as single-family and multifamily energy upgrades, small-business support (including efficient refrigeration and energy coaching), and targeted outreach to underserved and Tribal communities, alongside broader strategies that support electrification, demand response, and distributed energy resource deployment. All activities will be cost-recoverable through CPUC funds and include funding for nine staff and overhead support. | Programs | - | -          | +\$63,117,653.66 |
| CIP – DAC-GT (External Funding)                  | The Disadvantaged Communities Green Tariff (DAC-GT) program enables income-qualified residential customers in DACs who may be unable to install solar panels on their roof to benefit from utility-scale clean energy and receive a 20% bill discount. Funding is external, originates from state Greenhouse Gas (GHG) Auction Proceeds and Public Purpose Program funds, and funds program administration for program year 2026.  | Programs | - | -          | +\$300,000       |



# SAN DIEGO COMMUNITY POWER

## Staff Report – Item 11

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To: Board of Directors

From: Jack Clark, Chief Operating Officer  
Patrick Welch, Associate Director of Legislative Affairs  
Stephen Gunther, Regulatory Manager  
Aisha Cervantes-Cissna, Senior Policy Manager  
Dean Kinports, Senior Strategic Policy Manager

Via: Karin Burns, Chief Executive Officer

Subject: Update on Regulatory and Legislative Affairs

Date: May 28, 2026

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### Recommendation

Receive and file the update on regulatory and legislative affairs.

### Background

Staff provide regular updates to the Board of Directors regarding Community Power's regulatory and legislative engagement. For this meeting, staff will provide a quarterly presentation during the Board meeting.

### Analysis and Discussion

#### A) Regulatory Updates

##### *San Diego Gas & Electric (SDG&E) Energy Resource Recovery Account (ERRA) proceedings*

Energy Resource Recovery Account (ERRA) proceedings are used to determine investor-owned utilities' (IOU) fuel and purchased power costs which can be recovered in rates. The annual forecast proceeding is to review the forecasted costs that SDG&E will incur to procure energy resources in the coming year. Based on these forecasts, the California Public Utilities

Commission (CPUC) approves rates that allow utilities to recover costs from customers. An annual ERRA compliance proceeding reviews SDG&E's compliance in the preceding year regarding energy resource contract administration, least-cost dispatch, fuel procurement, and the ERRA balancing account.

### *SDG&E 2023 ERRA Compliance Case*

On May 5, 2026, the CPUC issued a [Final Decision](#) in SDG&E's 2023 ERRA Compliance Case. Notably, the Final Decision was revised from the Proposed Decision ([see the March 26 staff report to the Board of Directors on page 102](#)) finding that there is insufficient record to determine the party or parties that should be responsible for the stranded costs from SDG&E's Green Tariff Shared Renewables programs. While this does not address the issue and delays a resolution to a future decision, Community Power and Clean Energy Alliance (CEA) had advocated against the Proposed Decision's finding that those stranded costs be collected from all customers, including Community Power's, therefore this revision avoids that unfavorable outcome, at least for the time being.

### *SDG&E 2024 ERRA Compliance Case*

On May 8, 2026, Community Power and CEA jointly filed opening briefs on SDG&E's 2024 ERRA Compliance Case, making the following recommendations to the CPUC:

- The Commission should order SDG&E to correct its accounting for resource adequacy (RA) it retained as a buffer during its 2024 solicitations and did not subsequently make available to the market.
- The Commission should expeditiously take up the issue of Bundled Procurement Plan revisions to ensure that there are prescriptive standards by which it can evaluate SDG&E's Excess RA sales activities.
- The Commission should find that SDG&E's plan to correct the Power Charge Indifference Adjustment (PCIA) vintage assignment for remaining impacted New Premises is reasonable.

Reply briefs are due May 29, 2026.

### ***Power Charge Indifference Adjustment (PCIA)***

#### *Track 2: Opening Testimony on Energy Division Staff Report*

On May 12, 2026, parties filed opening testimony on the CPUC Energy Division's [staff report](#) in Track 2 of the *Rulemaking to Update and Reform Energy Resource Recovery Account (ERRA) and Power Charge Indifference Adjustment (PCIA) Policies and Processes (R.25-02-005)*. Track 2 addresses the valuation of banked pre-2019 renewable energy credits (RECs) and how that

valuation is applied to investor-owned utility (IOU) bundled customers and departed load customers, like those of community choice aggregators (CCAs), such as Community Power.

On May 12, 2026, Brian Dickman of NewGen Strategies prepared direct testimony on behalf of Community Power's trade association, the California Community Choice Association (CalCCA), making the following recommendations:

- The Commission should adopt CalCCA's proposal to value Pre-2019 Banked RECs at the current-year Renewables Portfolio Standard (RPS) Market Price Benchmark (MPB) when used for Current Bundled Customer RPS compliance, with the resulting value credited to the PCIA vintage subaccount corresponding to the year the RECs were generated.
- None of Staff's four options should be adopted.
- If the Commission determines that Pre-2019 Banked RECs should not be valued at the current-year RPS MPB, and should not be allocated to load serving entities, any alternative methodology adopted should reflect the compliance value of those RECs, i.e., the value Staff itself identifies as the appropriate basis for valuation. CalCCA proposes that if its RPS MPB or allocation proposals are not adopted, the Commission consider valuing Pre-2019 Banked RECs using a weighted formula.
- The Commission's decision on how to value Pre-2019 Banked RECs has no bearing on the Joint IOUs' ability to use those RECs for RPS compliance.

Opening testimony was also filed by the Joint IOUs and rebuttal testimony is due May 22, 2026.

### *Track 3: Procedural Update*

On May 5, 2026, the Administrative Law Judge of the *Rulemaking to Update and Reform Energy Resource Recovery Account (ERRA) and Power Charge Indifference Adjustment (PCIA) Policies and Processes* (R.25-02-005) sent a procedural update via email about anticipated upcoming events in Track 3 of the proceeding, including issuing a ruling setting the dates and times for a Track 3 Planning Workshop. The workshop will be split over three days: June 8, morning of June 9, and June 15.

### ***Green Access Programs Application***

On April 7, 2026, the CPUC issued a [Proposed Decision](#) addressing implementation issues for the California Renewables Portfolio which includes a new Community Renewable Energy (CRE) Tariff, the modified Green Tariff, the Disadvantaged Communities Green Tariff (DAC-GT), and program reporting.

Community Power jointly filed [opening comments](#) with five other community choice aggregators (the Joint CCAs) regarding the proposed design of the CRE program and tariff. The Joint CCAs argued that the Proposed Decision must be revised to:

- Explain how the customer bill discount under the CRE program is expected to be calculated and recovered considering that the state and federal funding earmarked for providing customer bill credits have been revoked.
- Address how the Renewable Market Adjusting Tariff (ReMAT) framework will be updated to accommodate technology types and pricing for all CRE-eligible resources.
- Clarify the discussion regarding CCA participation to (1) specify that CCAs may file implementation plans within 180 days and (2) acknowledge that CCAs may start and end their participation in the program at any time.
- Commit to identifying and quantifying the full value of community renewable resources in future proceedings.
- Include references to the Community Solar Green Tariff (CSGT) program, as one CCA continues to administer its CSGT program in accordance with D.24-05-065.

Several other parties questioned the viability of the CRE program given its reliance on ReMAT without additional funding or value streams for community scale projects. The Proposed Decision was initially scheduled to be heard at the CPUC's May 14 voting meeting but has been held by President Reynolds until the June 11 voting meeting for further review.

### ***Rulemaking to Improve California Climate Credit***

On May 1, 2026, the CPUC issued the [Decision](#) ordering immediate improvements to the California Climate Credit to Lower Electric and Gas Bills. The Decision adopts immediate, interim changes to the California Climate Credit to improve near-term customer bill affordability, particularly during high-bill months, while longer-term reforms are considered in later phases of the proceeding. Residential electric Climate Credits will now be issued in August and September, beginning in 2026 (instead of April and October). The Decision also requires the IOUs to submit "visual examples of updated communications, including mockups of email messages, sample bills, and/or any other utility communications that include or refer to the Climate Credit by name" as part of its outreach plan compliance report. The Commission also issued a ruling setting a workshop for May 18 to discuss scheduling and planning in the next phase of the proceeding to consider broader changes to the residential Climate Credit.

### ***Rulemaking to Update Distribution Level Interconnection Rules and Regulations***

On April 30, 2026, parties filed opening [comments](#) on the [Scoping Memo and Ruling](#) requesting input on advancing consideration of modifications to Rule 21 screens and timelines. Across utilities, Community Choice Aggregators (CCAs), distributed energy resources (DER) developers, clean energy trade associations, and consumer advocates, there is broad consensus that Rule 21 interconnection delays are constraining DER deployment, particularly

for storage, non-export systems, electric vehicle (EV) bidirectional charging, and mid-sized projects. CalCCA [recommends](#) modifying the Screen Q to reduce unnecessary transmission-level study delays and supports financial penalties for investor-owned utilities that miss interconnection timelines. Reply comments are due May 29, 2026. The CPUC Energy Division will also hold workshops, as needed, to discuss priority of the remaining issues.

### ***Consolidated Energy Efficiency Business Plan Applications Proceeding***

On March 16, 2026, all Energy Efficiency Portfolio Administrators - including Community Power for the San Diego Regional Energy Network (SDREN) - filed Business Plan Portfolio Applications (BPAs) with the CPUC, consisting of a 4-year Portfolio Plan (budget request) and 8-year strategic Business Plan.

On April 15, the CPUC consolidated all 13 BPAs (including [SDREN's](#)) into one proceeding and set deadlines of May 1 (protests/responses to BPAs) and May 18 (replies to protests/responses) to define the proceeding's scope. Protests formally object to applications; responses provide input without objection.

Community Power, on behalf of SDREN, filed a May 1 protest (Attachment A) requesting the CPUC to:

- Exclude SoCalGas' proposed equity definition changes
- Broaden fuel-switching scope beyond PG&E's propane-only proposal
- Include and modify integrated demand-side management (IDSM) to avoid excluding non-IOU Portfolio Administrators
- Defer PG&E/SCE proposals on increased reporting and reduced REN funding

SDREN also supported including in scope:

- Updates to REN criteria, equity definitions, and performance metrics
- Electrification/decarbonization strategies
- Process streamlining
- Evaluation of statewide programs and REN contributions to codes & standards
- Stakeholder engagement reforms.

Community Power will provide an update on the replies and any additional status changes in next month's agenda packet.

### ***SDG&E's Application to Withdraw from Regional Energy Efficiency Administration***

On May 1, 2026, SDG&E and the Public Advocates Office (PAO) filed the [Joint Motion of SDG&E and PAO for Adoption of Settlement Agreement](#) (Motion). The purpose of settlement is to seek to resolve disputes voluntarily, saving parties and the CPUC significant legal and administrative costs. SDG&E and PAO provided an opportunity for other parties to join the

settlement agreement one week prior to its filing; however, no additional parties joined. The terms of the settlement are as follows:

- Term 1: Those who join the settlement agree that SDG&E's Application is reasonable in light of the whole record, consistent with law, in the public interest and should be approved.
- Term 2: SDG&E shall also withdraw from its administration of its regional codes and standards program.
- Term 3: New, expanded, or incremental energy efficiency programs and associated budgets authorized after adoption of the settlement agreement with SDG&E's territory shall meet IOU-specific performance requirements.
- Term 4: Settling parties shall submit a joint filing outside the withdrawal proceedings to propose that the Commission expedite consideration of applying IOU-specific performance requirements to all energy efficiency Portfolio Administrators throughout the state.

Comments on the Motion are due June 1 and a summary of those comments will be summarized in next month's staff report.

### ***Order Instituting Rulemaking on California Advanced Electric Rate Design***

The CPUC issued an [Order Instituting Rulemaking on California Advanced Electric Rate Design](#) on April 10, 2026. The Rulemaking will establish advanced rate design policies to update residential and non-residential rate structures so that rates more accurately reflect cost causation, send efficient price signals, address affordability concerns, and support reliability, electrification, and environmental justice. The proceeding builds on and aims to close gaps from the Demand Flexibility Rulemaking (R.22-07-005) and responds to new statutory directives related to data centers (Senate Bill 57) and industrial electrification/process heat recovery (Assembly Bill 2109). Comments on the Rulemaking are due on May 11 and reply comments are due on May 21.

### ***Order Instituting Rulemaking to Modernize the Electric Grid for a High Distributed Energy Resource (DER) Future***

Parties filed [comments and reply comments](#) on the [ruling setting the scope for Phase 2 of the High DER Rulemaking](#) to develop a DER orchestration framework for the investor-owned utility (IOU) Distribution System Operators (DSOs) on April 20. Parties generally agree that DER orchestration could deliver significant ratepayer value by improving utilization of existing distribution assets and deferring costly grid upgrades, but there is sharp disagreement over governance, sequencing, cost recovery, and market structure. CalCCA filed [comments](#) and [reply comments](#) recommending that the CPUC build a robust record before adopting foundational DSO principles, which should include nondiscriminatory access, competitive neutrality, independent oversight, optimization of existing grid capacity, and fair compensation before selecting any specific governance structure. The CPUC will hold a

workshop on May 21 to discuss proposed application process, including discussion of guiding principles, technical requirements, and other foundational elements necessary for DER orchestration.

### ***SDG&E Application for Demand Flex Rate***

On April 30, 2026, the CPUC issued an [Assigned Commissioner's Scoping Memo and Ruling](#) setting the scope and schedule to review SDG&E's application for Approval of Demand Flexibility Rates. The Scoping Memo identifies key issues for Commission review, including rate design reasonableness, compliance with CPUC and California Energy Commission (CEC) load-management requirements, cost recovery of the proposed \$11.3 million implementation costs, whether the proposed rate causes cost shifts to customers that do not enroll in the proposed rate, and data sharing obligations with CCAs. SDG&E's supplemental and amended testimony will be due on June 1 and intervenor testimony is due September 11.

### **B) State Legislative Activities Update**

#### ***Update on Legislation Community Power is Supporting or Opposing***

Community Power is monitoring 147 bills that impact energy policy or local government operations. Under the Board approved [Policy Platform](#), Community Power is currently supporting eight bills that are advancing in the legislative process. Each of the bills has received enough votes to pass out of either the Senate Committee on Energy, Utilities & Communications or the Assembly Committee on Utilities & Energy, as well as the fiscal committees in their respective legislative chambers.

- [AB 1761 \(Rogers\)](#): Sponsored by the California Community Choice Association (CalCCA), this bill supports customer affordability by requiring IOUs to automatically provide underlying power charge indifference adjustment (PCIA) data to Community Power's reviewing representative – to maintain protections of market sensitive data – with each PCIA filing. This improved process and transparency will allow Community Power to better forecast costs, protect ratepayers from sudden rate changes, and increase confidence that ratepayers are paying their fair share—not more. The bill is coauthored by Assembly Member Chris Ward and the chair of the Assembly Committee on Utilities & Energy, and is supported by many other entities, including California State Association of Counties, Supervisor and Community Power Board Chair Lawson-Remer, and the City of National City. It is opposed by SDG&E and Southern California Edison.
- [SB 1138 \(Padilla\)](#): Also sponsored by CalCCA, this is a common-sense, affordability-focused reform that corrects an oversight from the implementation of the newly implemented slice of day (SOD) resource adequacy (RA) program at the CPUC. The bill directs the CPUC to allow Community Power to trade its load obligations on an hourly

basis, helping to optimize its portfolio while continuing to meet SOD's rigorous RA standards. Had hourly trading been in effect in 2025, it could have saved Community Power customers an estimated \$10.8 million, equivalent to roughly a 1% rate decrease. The bill is coauthored by Assembly Member Ward and does not have any opponents, but the CPUC recently estimated that the bill would cost \$8.6 million annually to implement, a steep state fiscal impact.

- [AB 2111 \(Papan\)](#): Sponsored by Sonoma Clean Power, this bill will update CPUC resource modelling efforts to ensure the right amount of transmission is built in the right places, to promote resource diversity, and to prevent against unnecessary ratepayer costs based on fixed assumptions. By updating the CPUC's resource inputs, the bill will inform the CAISO's annual transmission planning process and help ensure that new transmission lines are built in a manner so entities like Community Power have opportunities to access diverse renewable energy and storage projects that can be delivered through the California Independent System Operator's (CAISO) transmission system.
- [AB 2369 \(Rogers\)](#): Also sponsored by Sonoma Clean Power, this bill originally would have implemented a solution to a regulatory structure that prevents certain generating resources – like solar – from being counted as a viable charging resource for batteries. This would have reduced ratepayer costs. Recent amendments to the bill narrowed it considerably and the bill now focuses on ensuring that the CPUC's transmission modelling accounts for the reliability contribution of energy only generating resources. This is important to management of Community Power's energy portfolio.
- [AB 2313 \(Berman\)](#): This bill creates a Gas Distribution Service Line Replacement Alternatives Program to offer monetary incentives to adopt alternatives that do not require connection to the gas system, such as switching to electric appliances, thereby promoting deep decarbonization. Under a prior version of the bill supported by Community Power, funding would have come from costs approved for gas line replacement. The bill was amended on April 27, however, in a manner that narrows the cost-recovery mechanism and creates potential for non-participating customers in a gas replacement pilot program to shoulder some costs. While Community Power continues to support the bill, the support reflects an encouragement to ensure that non-participating customers are not subject to unreasonable or disproportionate cost impacts.
- [AB 2493 \(Petrie-Norris\)](#): This bill helps ensure timely transmission project delivery, guard against unnecessary ratepayer costs and will help optimize California's resource market by ensuring there is sufficient transmission capacity in a timely manner. This bill addresses a key barrier to timely project interconnection and cost-effectiveness by empowering the CPUC to order remedial actions when transmission projects are delayed.

- [SB 868 \(Wiener\)](#): This bill will help accelerate deep decarbonization, promote local development, and strengthen community resilience, while keeping affordability and equity at the center of the clean energy transition by clarifying how customers can use portable solar generation devices (i.e. balcony solar).

Community Power was also supporting one bill that was held under submission by the Assembly Committee on Appropriations. [AB 2389 \(Irwin\)](#) would have extended an existing property tax exclusion for solar and storage up to 10 kilowatts (kW) for non-public sector entities and of any size for public agencies. The bill would extend it through January 1, 2031. A prior version of the bill allowed for system sizes of up to 2 megawatts (MW). Extending the property tax exclusion for behind the meter solar and storage, albeit in a limited scope, supports Community Power's continued work with its customers and member public agencies to meet both programmatic and distributed wholesale procurement goals by avoiding new project costs. This is especially important considering the federal solar and tax credit ending on December 31, 2025, under H.R. 1, the One Big Beautiful Bill Act. The bill is no longer moving forward this legislative session.

Community Power has also adopted one oppose and one oppose unless amended position:

- [AB 2508 \(Hoover\)](#): This bill, which was held under submission by the Assembly Committee on Appropriations, would have eliminated collection of public purpose program charges that support the San Diego Regional Energy Network (and other energy efficiency portfolios) and would appropriate non-existent state funds for the same purposes. Community Power joined a coalition of twelve other organizations to oppose the bill. In its opposition, the coalition makes the following points:
  - Energy efficiency programs are crucial for reliability and affordability. The cheapest electron is the one we never have to buy at all.
  - Energy efficiency programs provide direct bill savings to individual customers. A CPUC report from 2025 found that energy efficiency programs reduce "retail rates through lower energy prices and avoided capacity, transmission, and distribution costs."
  - Stable funding is needed to continue to realize the benefits of energy efficiency.
- [AB 2383 \(Zbur\)](#): This bill, which was recently approved by the Assembly Committee on Appropriations, will assert CPUC oversight over CCA contracts with data centers. Consistent with the position of CalCCA, Community Power's oppose unless amended letter argues that that Community Power's governing board is best positioned to work with the community and customers to design rates, contract terms, and programs that fit their needs. A CPUC regulated contract structure, as envisioned by the bill on the other hand, will reduce flexibility, add administrative complexity and costs, and impair Community Power's ability to deliver customer value and meet local community

commitments. Community Power respectfully urges the author of the bill to consider amendments that 1) remove the CPUC from the process for CCA's, and 2) affirm the ability of CCA governing boards to establish contract terms for large load facilities consistent with their long-standing governance model under California law.

Community Power's bill position letters can be found on the Legislative Priorities webpage: <https://sdcommunitypower.org/legislative-priorities/>

### C) Federal Activities Update

#### ***Community Power attended a Washington DC advocacy event organized by the Community Choice Energy Alliance (CCEA), the re-branded national trade association of CCAs***

Community Power was joined by other CCAs from California, Ohio, Massachusetts, and New Hampshire during the advocacy event from April 20-22. The focus of the fly-in was to meet with leaders on Capitol Hill to introduce and educate them about the CCA model and to highlight very high-level policy priorities. CCAs have not historically had a broad presence at the federal level, and the trip was a beneficial opportunity to educate policy makers. Community Power staff participated in the following meetings:

- Advisors to Commissioners of the Federal Energy Regulatory Commission
- The Office of Electricity in the U.S. Department of Energy
- Staff to the Senate Energy & Natural Resources Committee, the House Ways & Means Committee, and the House Energy & Commerce Committee
- The energy advisor to the House Minority Leader
- The offices of Representatives Scott Peters and Mike Levin
- Other CCA staff also met with the Office of the Senate Minority Leader, as well as various other congressional offices

Main topics covered in the meetings included:

- ***CCAs as a resource.*** CCAs serve nearly 12 million residential, commercial, and industrial electricity customers in California, Illinois, Massachusetts, New Hampshire, New Jersey, New York, Ohio, and Rhode Island. CCAs allow municipalities and counties to act on behalf of their residents to purchase power as a single large customer, offering an alternative to the incumbent utility's resource mix. CCAs are available to provide information, resources, and market expertise as well as provide input on how legislation and regulatory policies can protect energy affordability, drive progress in the clean energy transition, and empower local communities.
- ***Ensure permitting certainty.*** Lack of permit certainty, bureaucratic delays, overlapping agency jurisdictions, and inconsistent review standards add years and hundreds of millions of dollars in costs to energy projects. CCAs urged Congress to pass legislation

that provides a predictable federal permitting framework that enables timely investment in critical energy infrastructure.

- ***Preventing cost shifts and keeping rates low for existing customers when accommodating new data center loads.*** CCAs are finding novel ways to prevent cost shifting and keep rates low for existing customers even as they expand to accommodate large loads like data centers. CCAs urged FERC and Congress to promote fair and competitive market rules where supply-side and demand-side resources are valued fairly, enabling CCAs to deploy diversified portfolios, including renewables, storage, demand flexibility, and virtual power plants—to meet reliability requirements at the lowest reasonable cost to customers.
- ***Energy reliability, affordability, and innovation. CCAs are deeply committed to energy affordability.*** One of the reasons communities choose to establish a CCA program is to achieve competitive rates – in fact, CCA rates are an average of 2-25% lower than the incumbent utility baseline. CCAs urged the adoption of funding for low-income programs and support for deployment of programs that transition to a flexible, reliable and affordable energy system. CCAs also urged the preservation of energy tax credits and tax-exempt municipal financing, both of which make energy more affordable.

## Strategic Plan

The activities detailed in this staff report demonstrate Community Power’s Legislative and Regulatory Advocacy, and show progress for the following strategic plan goals: advocating for public policies that advance Community Power’s organizational priorities; educating and engaging policymakers to ensure policies are consistent with Community Power’s regulatory and legislative policy platform; sponsoring and supporting legislation consistent with Community Power’s policy platform, mission, vision, values and needs; advocating for regulatory outcomes and leveraging opportunities consistent with the policy platform, mission, vision, values, and needs; and actively participating in trade associations, organizations and coalitions of which we are a member to advance the policy platform.

## Fiscal Impact

N/A

## Attachments

- A: Protest of San Diego Community Power on Behalf of the San Diego Regional Energy Network (to Energy Efficiency Business Plan Applications)

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Application of Association of Bay Area Governments (CPUC ID 941) for Approval of the Bay Area Regional Energy Network 2028-2031 Portfolio Plan and 2028-2035 Business Plan.

Application 26-03-009

And Related Matters.

Application 26-03-010  
Application 26-03-011  
Application 26-03-012  
Application 26-03-013  
Application 26-03-014  
Application 26-03-015  
Application 26-03-017  
Application 26-03-018  
Application 26-03-019  
Application 26-03-020  
Application 26-03-021  
Application 26-03-028

**PROTEST OF SAN DIEGO COMMUNITY POWER  
ON BEHALF OF THE SAN DIEGO REGIONAL ENERGY NETWORK**

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May 1, 2026

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## SUMMARY OF RECOMMENDATIONS

- ¥ The Commission<sup>1</sup> should reject SoCalGas's proposed modifications to the Equity definitions.
- ¥ The Commission should modify PG&E's fuel-switching proposal to allow fuel switching from all non-regulated fuels.
- ¥ The Commission should defer consideration of PG&E and SCE's proposals to apply cost-effectiveness requirements to RENs, and should instead pursue the near- and long-term accountability measures described in Section II.C below.
- ¥ The Commission should modify PG&E's IDSM proposal to prevent excluding non-IOU PAs from pursuing load-shifting activities.
- ¥ The Commission should specifically incorporate the recommendations listed in Section III within the scope of policy issues to be considered in this proceeding.

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<sup>1</sup> Acronyms and defined terms used in this Summary of Recommendations are defined within the body of this Protest.

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Application of Association of Bay Area Governments (CPUC ID 941) for Approval of the Bay Area Regional Energy Network 2028-2031 Portfolio Plan and 2028-2035 Business Plan.

Application 26-03-009

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Application 26-03-018  
Application 26-03-019  
Application 26-03-020  
Application 26-03-021  
Application 26-03-028

**PROTEST OF SAN DIEGO COMMUNITY POWER  
ON BEHALF OF THE SAN DIEGO REGIONAL ENERGY NETWORK**

In accordance with Rule 2.6 of the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”), San Diego Community Power (“SDCP”), on behalf of the San Diego Regional Energy Network (“SDREN”), hereby submits this consolidated protest in the above-captioned proceeding.

All portfolio administrators (“PAs”) advanced proposals for new or modified energy efficiency (“EE”) policy through their 2028-2031 Portfolio Plan and 2028-2035 Business Plan applications. SDREN appreciates the PAs’ thoughtful recommendations and looks forward to engaging in more depth with these topics throughout the course of this proceeding. Through its preliminary analysis of PAs’ recommendations, SDREN identified several proposals related to

Equity definitions, fuel switching, regional energy network (“REN”) accountability, and integrated demand-side management (“IDSM”) that necessitate upfront rejection or modification. SDREN further identified numerous promising proposals that warrant additional comment and development in the instant proceeding. SDREN respectfully requests that the Commission reject, modify, and set proposals for consideration as described herein.

## I. SDREN’S INTEREST

SDCP is a Community Choice Aggregator (“CCA”) serving the cities of Chula Vista, Encinitas, Imperial Beach, La Mesa, National City, and San Diego, as well as the unincorporated areas of San Diego County. SDCP is a load serving entity (“LSE”), and its customers are categorized as unbundled customers.

SDCP is also the lead administrator for SDREN, which serves the entirety of San Diego County and was authorized by the Commission in Decision 24-08-003.<sup>2</sup> SDREN aspires to be a regional leader in helping communities invest in strategies that advance decarbonization.<sup>3</sup> SDREN’s portfolio of programs is designed to complement SDG&E offerings and make inroads into communities to reduce greenhouse gas emissions, achieve equity, drive market transformation, and provide value to ratepayers.<sup>4</sup> At a fundamental level, SDREN’s priority is programming that best meets the needs of San Diego communities.

SDREN submitted its Application for Approval of its 2028-2031 Portfolio Plan and 2028-2035 Business Plan alongside other PAs on March 16, 2026.<sup>5</sup> The Commission subsequently

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<sup>2</sup> !"#"\$%"&'(), Decision (“D.”) 24-08-003 (Aug. 1, 2024).

<sup>3</sup> # Application (“A.”) 26-03-019, et al., Exh. SDREN-01: \*+\*, -\*+. /#01&231(41#0(' %' %5#\*+\*, -\*+. 6# 7894%"99#0(' %#: "924 ; 1%), pp. 60:26-27 – 61:1 (Mar. 16, 2026).

<sup>4</sup> <5. at 1:19-21.

<sup>5</sup> !"" A.26-03-019, ==>>(4?' 241%# 13# !' %# @4"\$1# A1 ; ; 8%42)# 01B"&# 31&# ==>>&1C' (# 13# 2D"# !' %# @4"\$1# E"\$41% '(#F%"&\$)#G"2B1&H#IA0 J A#<@# J -K++/-FL#\*+\*, -\*+. /#01&231(41#0(' %' %5#\*+\*, -\*+. 6# 7894%"99#0(' % (Mar. 16, 2026).

consolidated each authorized and prospective PAs’ applications into a single proceeding.<sup>6</sup> Each of the PAs’ applications set for consideration in this consolidated proceeding set forth larger EE policy recommendations for Commission consideration. Several of these recommendations suggest targeted changes to the Commission’s regional energy network (“REN”) policy,<sup>7</sup> while others pertain to broader policy issues that impact all PAs. Accordingly, SDREN has a real, present, tangible, and pecuniary interest in ensuring the Commission has a thorough and complete record by which it can evaluate these policy recommendations.

**II. THE COMMISSION SHOULD REJECT OR MODIFY SEVERAL POLICY RECOMMENDATIONS RELATED TO EQUITY DEFINITIONS, FUEL SWITCHING, INTEGRATED DEMAND SIDE MANAGEMENT, AND REN ACCOUNTABILITY.**

In investigating PAs’ proposals for new or modified EE policy, SDREN identified several recommendations that necessitate rejection or modification to avoid unintended consequences or to deepen the impact of the suggested policy change. Accordingly, SDREN respectfully requests that the Commission refrain from adopting specific policy considerations prior to exploring certain issues via the policy track of the instant proceeding. In some instances, SDREN recommends that the Commission to omit certain recommendations and proposals from further consideration in this proceeding, as detailed below.

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<sup>6</sup> A.26-03-009, et al., =5 ; 4%492& '24C"# M'B# N85\$"09# E8(4%\$# A1%91(45 '24%\$# 0&1?"54%\$9# '%5# A1%34& ; 4%\$#P4% '(#@ '2"9#21#P4("#0&12"9290#E"9>1%9"9# '%5#E">(4"9 (Apr. 15, 2026).

<sup>7</sup> !""Q#"R\$R, A.26-03-017, Exh. PG&E-1: 0 ' ?434?#S '9# '%5#F("2&4?#A1 ; > '%)#F% "&\$)#F334?4"%?)#\*+\* , - \*+ .6#7894%"99#0(' % #' %5#\*+\* , -\*+ .6#01&231(41#0(' % #0&">'&"5#: "924 ; 1% ) , pp. 11-3 – 11-10 (Mar. 16, 2026); 9""# '(91, A.26-03-010, Exh. SCE-01: @4&"?2#: "924 ; 1% )#13#!182D"&#A '(431&%4'#F5491%#A1 ; > '%)#4%#!8>>1&2# 13#429#=>>(4?'241%#31&#=>>&1C'(#13#429#F% "&\$)#F334?4"%?)#\*+\* , -\*+ . /#01&231(41#0(' % #' %5#\*+\* . \*-\*+ .6#7894%"99# 0(' % , pp. 129-136 (Mar. 16, 2026).

**A.1 The Commission Should Decline to Adopt Southern California Gas Company’s Recommendations for Changes to Equity Definitions.**

In its Chapter 11 policy recommendations, Southern California Gas Company (“SoCalGas”) proposes a simplified, geography-based eligibility framework to identify Equity customers across the underserved, hard-to-reach (“HTR”), and disadvantaged communities (“DAC”) categories.<sup>8</sup> Specifically, SoCalGas recommends that the Commission apply HTR treatment of local governments that meet certain geographic criteria to public school districts, state facilities, and federal facilities.<sup>9</sup> SoCalGas further requests that the Commission align HTR and underserved definitions with the DAC model.<sup>10</sup> While SDREN supports inclusion of streamlining and updating Equity definitions in the scope of this consolidated proceeding, the Commission should decline to adopt, and exclude from further deliberation, SoCalGas’s specific recommendations.

First, applying and/or extending HTR treatment of local governments to the entities SoCalGas suggests would have the inadvertent impact of limiting the number of local governments that can qualify as HTR. Currently, only local governments that fall within a U.S. Office of Management and Budget (“OMB”) metropolitan statistical area qualify as HTR. This excludes many rural communities due to the county-level granularity of the OMB indicator. Other indicators, such as the U.S. Department of Agriculture Rural Urban Commuting Areas (“RUCA”), are more accurate tools that are capable of identifying rural communities within counties.

Second, aligning HTR and underserved definitions with the DAC model could risk leaving behind vulnerable customers who are most in need of EE and electrification services. More detail

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<sup>8</sup> A.26-03-018, Exh. SCG-01: 0&">'&"5#@4&"?2#: "924 ; 1%)#1%#7"D' (3#13#!182D"&%#A' (431&%4'#S '9# A1 ; >'%)#I\*+\*, -\*+. /#01&231(41#0(' %# ' %5\*+ . \*- \*+. 6#7894%"99#0(' %L, pp. 248:26-29 – 249:1-30 (Mar. 16, 2026).

<sup>9</sup> <5. at 248-249.

<sup>10</sup> <5.

is needed to evaluate how vulnerable customers in non-DAC communities would be treated under SoCalGas's proposed policy change.

In sum, SDREN generally supports Commission consideration of updates to the relevant Equity definitions that would expand access to EE and electrification opportunities to vulnerable communities. However, SoCalGas's specific recommendations are likely to result in unintended consequences. SDREN respectfully requests that the Commission reject SoCalGas's proposal in favor of other proposals related to revisions of the Commission's Equity definitions, as described in Section III.A below.

**B.1 The Commission Should Broaden PG&E's Recommendation Related to Fuel Switching.**

Pacific Gas & Electric Company ("PG&E") requests that the Commission modify its existing policy to allow for the use of EE funds for propane-to-electric fuel switching incentives.<sup>11</sup> SDREN supports fuel switching from , "(non-regulated fuels to regulated fuels—not just propane. This is because many vulnerable customers rely on other non-regulated fuels such as wood and charcoal, or do not report any fuel use.

SDREN reserves the right to comment further on whether all regulated fuels should be available at the same incentive levels, but generally recommends that the Commission broaden this policy recommendation to allow incentives and programs for non-regulated fuel users that will facilitate fuel switching. As such, SDREN respectfully requests that the Commission include this broadened recommendation within the scope of this proceeding for further party comment.

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<sup>11</sup> A.26-03-017, Exh. PG&E-1 at 11-15:17-27 – 11-16:1-20.

**C.! The Commission Should Leverage Existing Tools to Measure REN Performance, Defer Consideration of PG&E and SCE’s REN Accountability Recommendations Until Other Reform Efforts Have Been Completed, and Pursue Other PAs’ Longer-Term Recommendations.**

Multiple parties advanced recommendations for new or modified REN policy, particularly as it relates to REN accountability. SDREN supports Commission use of accountability measures as applied to RENs and shares the priority of affordability as detailed by other PAs. To effectively carry out these goals, SDREN recommends that the Commission defer consideration of PG&E and Southern California Edison Company’s (“SCE”) recommended application of investor-owned utility (“IOU”) cost-effectiveness requirements to REN PAs. Instead, the Commission should: 1) effectuate near-term REN accountability through the use of existing tools, 2) allow for ongoing cost-effectiveness reforms and the development of new accountability measures to conclude before adopting new mandates, and 3) take steps to balance the need for near-term performance improvement while working towards long-term changes.

**1.! The Commission Should Effectuate Near-Term REN Accountability Using Existing Tools.**

REN accountability for the purposes of preserving affordability is an important topic for Commission consideration. While RENs are not subject to the same cost-effectiveness requirements as IOU PAs, it is important to note that the Commission has already invested significant time and resources in the development of robust metrics (e.g., bill savings, unique value metrics (“UVMs”), and 100+ indicators) to assess REN performance in the near term. Leveraging these existing tools is an effective and efficient way to ensure REN accountability while preserving RENs’ ability to carry out their intended purpose.

For example, SDREN’s Application proposes lifecycle bill savings as its primary UVM, and all PAs are required to report bill savings. The Commission should use UVMs and PAs’

reported bill savings – in addition to the other 100+ metrics PAs report – to determine portfolio performance in the near term. Additionally, the existing PAs continue to work on the development of Equity and Market Support Goal Constructs, which the Commission explicitly indicated were to be used for the purposes of REN accountability.<sup>12</sup> Once complete, these Goal Constructs will serve as another effective tool that the Commission can leverage in the near-term to measure REN performance.

Beyond the existing metrics applied to RENs and those actively in development, the Tri-County Regional Energy Network (“3C-REN”) requests that the Commission initiate a process to apply Equity and Market Support indicators, including non-energy benefits (“NEBs”) and social costs, as well as awareness, knowledge, attitude, and behavior (“AKAB”) metrics as complementary tools for evaluation of REN portfolios. These metrics carry meaningful weight as compared to traditional cost-effectiveness metrics, and SDREN recommends that the Commission thoroughly evaluate use of these metrics as another effective means to measure REN performance.

**2.1 The Commission Should Defer Consideration of PG&E and SCE’s REN-Related Recommendations, and Should Pursue Longer-Term Development of New REN Accountability Metrics.**

Both PG&E and SCE put forward similar proposals that ultimately seek to limit REN budgets based on application of threshold cost-effectiveness requirements.<sup>13</sup> Since the inception of RENs, the Commission has consistently maintained its policy of not applying cost-effectiveness requirements to RENs based both on their intended purposes and the characteristics of their programming.<sup>14</sup> Nonetheless, SDREN agrees that increased accountability is prudent to ensure ratepayers are receiving as much value as possible from their investments into EE programs.

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<sup>12</sup> D.23-06-055, p. 71 (Jul. 3, 2023).

<sup>13</sup> !"" Exh. PG&E-1 at 11-3 – 11-10.

<sup>14</sup> !"" D.12-11-015, p. 37 (Nov. 15, 2012) (declining to apply cost-effectiveness requirements to RENs “because the size of the REN portfolios is smaller, and because the RENs are inherently designed to

While SDREN supports the longer-term development of additional accountability measures tailored to the unique REN role (as described below), the Commission should defer consideration of PG&E and SCE’s specific recommendations. Adoption of these recommendations would constitute a major shift in the Commission’s REN framework, which is premature and likely to result in inefficiencies and duplication of efforts given major efforts that are concurrently underway to modify or reform cost-effectiveness methodologies (e.g., Equity and Market Support Goal Constructs, Equity Segment NEBs Study, etc.). The Commission should allow these efforts to conclude before adopting wholesale overhauls to the REN framework. Moreover, the Commission should abstain from adoption of PG&E’s and SCE’s recommendations until broader cost-effectiveness reform has taken place.

SDREN strongly supports longer-term Commission efforts to develop accountability measures that preserve RENs’ ability to carry out their unique role. SDREN specifically supports several PAs’ proposals to effectuate this outcome. First, the Southern California Regional Energy Network (“SoCalREN”) recommends that the Commission adopt a REN Total Benefit Metric as an accountability mechanism, which is to be determined through a NEBs calculator.<sup>15</sup> The Northern California Rural Regional Energy Network (“NREN”) elevates this proposal, recommending that SoCalREN initiate a stakeholder workgroup for feedback and to include RENs

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take on filling gaps in the other larger portfolios or serving the needs of hard-to-reach customer segments/markets that will be naturally less cost-effective to serve”); 9””# ’(91#45. at 19 (“...many of the REN program plans address hard to reach market segments that are generally more expensive than average to deliver. REN proposals should not be punished for that, because, if successful, their pilot approaches could lead to breakthroughs for more cost-effective solutions in the future”); D.19-12-021, p. 82 (Dec. 12, 2019) (“because RENs are designed to fill gaps and serve hard-to-reach customers, and because their portfolios are smaller, their program offerings are likely to be naturally less cost-effective than the larger portfolios of the utilities”).

<sup>15</sup> !”” A.26-03-015, Exh. SCR-01: !182D”&#A ’(431&%4’#E”\$41% ’(#F%”&\$)#G”2B1&H#F%”&\$)#F334?4”%?)#\*+\*, -\*+. 6#!2& ’2”\$4?#7894%”99#0(’%#’%5#\*+\*, -\*+. /#01&231(41#0(’%#0&”>’&”5#: ”924 ; 1%), pp. 77-78 (Mar. 16, 2026).

in the testing and development of the NEBs calculator.<sup>16</sup> The REN Total Benefit Metric shows great promise, and SDREN supports NREN’s recommendations for a stakeholder workgroup and REN participation in the testing and development of the NEBs calculator.

In addition to the REN Total Benefit Metric, numerous PAs proposed additional reforms. SDREN specifically supports the following:

- ¥ Central California Rural Regional Energy Network (“CCR REN”): Strengthen the Total Resource Cost test’s (“TRC”) participant benefits estimation methodology and adopt a participant NEB adder.<sup>17</sup> In pursuing this policy recommendation, SDREN recommends that the Commission consider whether the Vermont model of a 15% adder remains an appropriate amount, or whether that figure (as originally developed in 2012) warrants updating.
- ¥ Marin Clean Energy (“MCE”): Exclude participant costs from cost-effectiveness tests.<sup>18</sup>
- ¥ MCE: Incorporate NEBs in EE portfolios as more metrics become available.<sup>19</sup> Importantly, MCE’s NEBs recommendation speaks to at least two ongoing efforts that will help the Commission accurately incorporate NEBs into the EE portfolio. The first is the ongoing development of the Commission-directed Equity Segment NEBs Study (to be completed in 2026), which employs robust methodologies to calculate and assign dollar amounts to various social, economic, and environmental benefits. As a result of this process, PAs will begin reporting on NEB indicators in their Q1 2028 quarterly reports. Second, MCE notes

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<sup>16</sup> A.26-03-013, Exh. NREN-1: \*+\*, #01&231(41#0('%'%5#\*+.\*-.\*+.6#7894%"99#0('%, p. 125 (Mar. 16, 2026).

<sup>17</sup> A.26-03-020, Exh. CCR-01: \*+\*, -.\*+./#01&231(41#0('%'%5#\*+.\*-.\*+.6#7894%"99#0('%, pp. 1-155 – 1-158 (Mar. 16, 2026).

<sup>18</sup> A.26-03-014, Exh. MCE-01: : "924 ; 1%)#13#T' &4%#A(''%#F%"&\$)#E"\$' &54%\$#429#\*+\*, -.\*+./#F%"&\$)#F334?4"%?)#01&231(41#0('%'%5#\*+.\*-.\*+.6#F%"&\$)#F334?4"%?)#7894%"99#0('%, pp. 172-174 (Mar. 16, 2026).

<sup>19</sup> <5. at 193-196.

the California Energy Commission’s (“CEC”) current proceeding to evaluate non-energy impacts. SDREN concurs that the Commission should coordinate with the CEC on this complementary effort to optimize resource sharing and minimize duplication of effort.

**3.1 To Reconcile the Need for Near-Term Improvements with the Need for Longer-Term Reforms, the Commission Should Hold a Workshop to Optimize Cost-Effectiveness within Current Framework!"**

To advance longer-term, comprehensive reforms while simultaneously addressing immediate pressure to improve performance under the current CET framework, SDREN recommends that the Commission address EE cost-effectiveness matters in Rulemaking (“R.”) 25-04-010, in alignment with its response to the March 2025 State Auditor’s Report. Specifically, SDREN recommends that the Commission hold an Energy Division-led workshop (with consultant support) in R.25-04-010 to educate stakeholders on the mechanics of current cost-effectiveness tests, strategies for optimizing cost-effectiveness in program design within the current framework, and strategies to adapt programs to increase cost-effectiveness. The workshop should explore concrete options to reform the Commission’s cost-effectiveness framework. A Commission-led workshop is key to ensure a broader number of intervenors and stakeholders have an opportunity to participate in and benefit from the workshop as compared to California Energy Efficiency Coordinating Committee (“CAEECC”) processes.

It is imperative that this workshop address the tension between the need to improve performance under the current CET framework in the near-term while developing longer-term reforms. SDREN recommends that the workshop specifically include the following:

- ¥ A panelist who can provide level-setting context that summarizes the National Standard Practice Manual and the methodologies used to calculate TRC, Program Administrator Cost, Ratepayer Impact Measure, and others.

- ¥ A panelist, such as an implementer, who can speak to case studies and tangible strategies to design cost-effective programs and portfolios.
- ¥ A Portfolio Administrator (or Administrators) who can speak to implementing corrective actions and adaptively managing programs and their portfolio to successfully increase the cost-effectiveness of their programs and portfolio.
- ¥ A panelist (or panelists) who can speak to strategies and options to reform the current Commission cost effectiveness methodology per the recommendations in the State Auditor’s Report, such as integrating non-energy benefits into cost-effectiveness calculations. The Commission may wish to incorporate other reforms as proposed by other PAs into this discussion.

**D.1 The Commission Should Slightly Modify PG&E’s IDSM Recommendation to Avoid Excluding Non-IOU PAs from Load-Shifting Activities.**

PG&E recommends that the Commission allow PAs to continue using EE funds for load shifting. SDREN agrees that continuation and expansion of IDSM in EE portfolios is the next step to maximize the benefits of EE. However, SDREN opposes the latter half of PG&E’s recommendation.

As proposed, PG&E’s recommendation would have the inadvertent negative impact of limiting administration of load shifting programs to IOUs. While IOUs can seek authorization of their demand response (“DR”) portfolios through DR applications, there is currently no regulatory mechanism outside of the EE portfolio by which REN and CCA PAs may administer load shifting programs. Accordingly, SDREN requests that the Commission decline to adopt PG&E’s proposal as-is, and instead evaluate the following alternative recommendations:(

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<sup>20</sup> A.26-03-017, Exh. PG&E-1 at 11-17:14-24 – 11-18:1-4.

¥ “Allow PAs to continue use of EE funding for ongoing load shifting that reduces peak consumption for the 2028-2031 portfolio period ~~—or until the Commission authorizes load shifting program activities in another proceeding [...]~~”

¥ “Allow PAs to continue use of EE funding for ongoing load shifting that reduces peak consumption for the 2028-2031 portfolio period – or, in the case of IOUs only, until the Commission authorizes load shifting program activities in another proceeding [...]

### **III.! The Commission Should Set Several Important Policy Recommendations for Consideration in the Policy Track of this Consolidated Proceeding.**

Numerous PAs proposed new or modified EE policy recommendations that are likely to result in positive improvements in portfolio performance, accessibility, and overall efficiency. SDREN specifically supports inclusion of the recommendations described below in the scope of this proceeding for further Commission evaluation.

#### **A.! The Commission Should Include Several Recommendations Related to the REN Criteria, Equity Definitions, and Accessibility Within the Scope of this Proceeding.**

Pursuant to Energy Division’s request, SDREN hereby incorporates its 2025 Annual Report recommendation to add USDA RUCA census tracts to the definition of “underserved.”<sup>21</sup> SDREN respectfully requests that the Commission include this specific recommendation within the scope of policy recommendations it intends to consider in this proceeding. SDREN advanced this recommendation as an SDREN-specific proposal, but welcomes Commission consideration of its application statewide. Should the Commission decline to apply this recommendation to all PAs more broadly, SDREN intends to continue implementation of this proposal as an SDREN-specific modification to the underserved definition as described in its 2025 Annual Report.

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<sup>21</sup> For a more in-depth description of this recommendation, see San Diego Regional Energy Network’s 2025 Annual Report, pp. 22-26 (Apr. 14, 2026) (accessible on CEDARS).

SDREN further supports the following proposals for deliberation in this consolidated application proceeding:

- ¥ 3C-REN: Clarify inclusion of DACs, HTR, and underserved communities into the REN criteria.<sup>22</sup>
- ¥ 3C-REN: Expand HTR definition to include all multifamily properties and medical baseline customers.<sup>23</sup>
- ¥ Inland Regional Energy Network (“I-REN”): Re-evaluate HTR geographic criteria.<sup>24</sup>
- ¥ I-REN: Examine challenges with workforce standards for non-residential projects as the current requirements create barriers for disadvantaged workers.<sup>25</sup>
- ¥ SoCalGas: Add medical baseline customers into the HTR definition.<sup>26</sup>
- ¥ SoCalREN: Allow minor remediations in EE programs and add a remediation adder.<sup>27</sup>
- ¥ NREN: Address equity gaps in deemed measures.<sup>28</sup>
- ¥ NREN: Allow rebates higher than incremental cost gaps.<sup>29</sup>

**B.1 The Commission Should Evaluate Targeted Updates to Cost-Effectiveness and Evaluation Metrics.**

SDREN elevated the need for Net-to-Gross (“NTG”) reform in Chapter 11 of its Application, as did numerous other PAs with varying levels of nuance. SDREN recommends that the Commission specifically include the following related topics for consideration within the consolidated application proceeding:

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<sup>22</sup> A.26-03-011, Exh. 3C-REN-01 at 215-218.  
<sup>23</sup> <5. at 219-222.  
<sup>24</sup> A.26-03-028, Exh. I-REN-01 at 180-182.  
<sup>25</sup> <5. at 165-172.  
<sup>26</sup> A.26-03-018, Exh. SCG-01 at 248.  
<sup>27</sup> A.26-03-015, Exh. SCR-01 at 81-82.  
<sup>28</sup> A.26-03-013, Exh. NREN-01 at 119-122.  
<sup>29</sup> <5. at 122-124.

- ¥ Bay Area Regional Energy Network (“BayREN”): Direct a study on the appropriate NTG treatment for equity segment participants.<sup>30</sup>
- ¥ CCR REN: Reconcile Preponderance of Evidence (“POE”) and NTG assumptions for custom and accelerated replacement/retirement projects.<sup>31</sup>
- ¥ SCE: Assume a NTG of 1.0 and disallowing discounting of program savings until programs are evaluated.<sup>32</sup>
- ¥ SCE: Adopt a default NTG of 1.0 for custom projects.<sup>33</sup>
- ¥ SoCalREN: Establish a NTG value of 1.0 for all custom projects that satisfy POE requirements.<sup>34</sup>

**C.! The Commission Should Consider Modifications to the IDSM Framework.**

While many underserved and hard-to-reach customers still need “traditional” EE services, SDREN believes that we are in an era where the timing of EE savings matters just as much as the volume. To optimize EE, EE programming should be integrated with other demand side management initiatives. The Commission recognized this value in D.23-06-055, which allowed PAs to seek authorization for IDSM frameworks and programs via Advice Letter (“AL”). As highlighted in the numerous PAs’ applications, there is an opportunity to continue and streamline the incorporation of IDSM into current and future PA portfolios. SDREN specifically supports consideration of the following recommendations within this consolidated application proceeding:

- ¥ 3C-REN: Allow approval of IDSM programs via business plan applications (“BPAs”) instead of ALs.<sup>35</sup>

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<sup>30</sup> A.26-03-009, Exh. BAYREN-01 at 235-241.  
<sup>31</sup> A.26-03-020, Exh. CCR-01 at 1-164 – 1-165.  
<sup>32</sup> A.26-03-010, Exh. SCE-01 at 158-161.  
<sup>33</sup> <5. at 161.  
<sup>34</sup> A.26-03-015, Exh. SCR-01 at 80-81.  
<sup>35</sup> A.26-03-11, Exh. 3C-REN at 234-236.

¥ BayREN: Affirm approval of IDSM from ALs extends through the 2028-2035 BPA period.

¥ MCE: Explicitly authorize IDSM for 2028-2031 and beyond.<sup>36</sup>

In addition to administrative efficiency, SDREN recommends that any authorization mechanism allow for continuous program administration without undue delays that could reduce market demand for IDSM.

**D. The Commission Should Consider Several Recommendations Related to Fuel Switching, Electrification, and Decarbonization Pathways.**

Several PAs elevated policy recommendations related to fuel switching. SDREN encourages the Commission to evaluate fuel switching of , "(unregulated fuels, not just propane. The following figure highlights the need for fuel switching to apply to all non-regulated fuels, demonstrating that San Diego County reports use of unregulated fuels beyond propane.

! '\$%&( ' ) 'San Diego County, 2024 ACS 1-Year Estimates Detailed Tables, House Heating Fuel'<sup>37</sup>

| Label                                       | San Diego County, California |                 |
|---|------------------------------|-----------------|
|   | Estimate                     | Margin of Error |
| ▼ Total:                                    | 1,185,092                    | ±6,462          |
| Utility gas                                 | 631,976                      | ±10,750         |
| Bottled or tank gas (propane, butane, etc.) | 39,589                       | ±3,282          |
| Electricity                                 | 418,647                      | ±9,253          |
| Fuel oil, kerosene, etc.                    | 911                          | ±498            |
| Coal or coke                                | 0                            | ±225            |
| Wood  | 6,344                        | ±1,458          |
| Solar energy                                | 31,252                       | ±3,468          |
| Other fuel                                  | 1,611                        | ±795            |
| No fuel used                                | 54,762                       | ±5,878          |

<sup>36</sup> A.26-03-014, Exh. MCE-01 at 196-197.

<sup>37</sup> Figure 1 captures data for single-family homes, multifamily apartments, mobile homes, other occupied residential housing units. Similarly granular data is not available for commercial buildings.

Beyond fuel switching, SDREN encourages the Commission to elevate the specific policy recommendations for further deliberation:

- ¥ Peninsula Clean Energy (“PCE”): Establishment of “right sizing” as a guiding principle for electrification.<sup>38</sup>
- ¥ PCE: Allow for standalone low-global warming potential (“GWP”) measures under the EE portfolio.<sup>39</sup>
- ¥ SoCalREN: Allow EE programs to support small battery storage systems for rural and HTR customers impacted by PSPS events.<sup>40</sup> In elevating this recommendation, SDREN encourages the Commission to request stakeholder feedback on whether only rural and HTR customers should be eligible for these storage systems, or whether these systems should be made available to other vulnerable communities.

SDREN reserves the right to comment further on the extent to which fuel switching to natural gas should be allowed should the Commission elevate fuel switching for discussion in the instant proceeding or in R.25-04-010.

**E.1 The Commission Should Pursue Policy Updates that Streamline Regulatory, Technical, Reporting, and Administrative Processes.**

PAs recommended a wide variety of recommendations to streamline and improve regulatory, technical, reporting, and administrative processes within the Commission’s EE administrative framework. SDREN encourages the Commission to evaluate the following recommendations:

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<sup>38</sup> A.26-03-021, Exh. PCE-01 at 10-14 – 10-18.

<sup>39</sup> <5. at 10-9 – 10-11.

<sup>40</sup> A.26-03-019, Exh. SCR-01 at 81.

- ¥ PG&E and SoCalGas: Streamline and improve the California Database for Energy Efficient Resources processes and measure package reviews.<sup>41</sup>
- ¥ MCE: Reform Evaluation, Measurement, and Verification (“EM&V”) requirements to facilitate easier PA and stakeholder review of EM&V studies.<sup>42</sup>
- ¥ 3C-REN and CCR REN: Streamline and adjust the POE requirements.<sup>43</sup>
- ¥ CCR REN: Update the EE policy manual to capture policy changes and reflect differences among PA types.<sup>44</sup>
- ¥ CCR REN: Modernize EE planning and reporting by integrating and automating existing data systems.<sup>45</sup>
- ¥ MCE: Streamline CEDARS and improve customer navigation of programs.<sup>46</sup>
- ¥ San Diego Gas & Electric Company (“SDG&E”): Revise the timelines for True-Up Advice Letters and the 4-year rolling portfolio application.<sup>47</sup>
- ¥ SoCalREN: Establish streamlined and transparent custom project review approval timelines.<sup>48</sup>

**F.1 The Commission Should Include SoCalREN and 3C-REN’s Recommendations for Statewide Programs for Consideration in this Proceeding.**

SDREN identified six policy recommendations specific to statewide programs throughout the PAs’ various applications. SDREN specifically supports SoCalREN’s proposal for an annual

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<sup>41</sup> A.26-03-017, Exh. PGE-01 at 11-20 – 11-21.

<sup>42</sup> A.26-03-014, Exh. MCE-01 at 190-193.

<sup>43</sup> A.26-03-011, Exh. 3C-REN-01 at 230-234.

<sup>44</sup> A.26-03-020, Exh. CCR-01 at 1-154.

<sup>45</sup> <5. at 1-161 – 1-163.

<sup>46</sup> A.26-03-014, Exh. MCE-01 at 188-190.

<sup>47</sup> A.26-03-012, Exh. SDGE-01 at KO-11-3 – KO-11-4.

<sup>48</sup> A.26-03-015, Exh. SCR-01 at 79.

EM&V study to assess the efficacy and reach of existing statewide programs.<sup>49</sup> SDREN also generally supports 3C-REN’s recommendation as it relates to needing to balance the EE portfolio to avoid overreliance on statewide Codes and Standards (“C&S”), particularly in light of the recent CEC study finding that actual compliance rates with code are ~30%.<sup>50</sup> SDREN reserves the right to comment on the other statewide policy recommendations throughout this proceeding.

**G.! The Commission Should Deliberate Several Updates to Governance, Oversight, and Stakeholder Processes.**

Within this category of policy recommendations, SDREN supports both PG&E and SDG&E’s recommendations to re-examine and reform CAEECC by converting CAEECC to a fully virtual format, electing for bi-annual instead of quarterly meetings, direct stakeholder engagement with PAs in lieu of formal consults, and Energy Division-led workshops in lieu of CAEECC-led annual and semi-annual workshops.<sup>51</sup> SDREN concurs that it would be prudent for the Commission to evaluate CAEECC’s role for the purposes of determining whether other processes would better achieve objectives set for CAEECC.

**IV.! CATEGORIZATION OF PROCEEDING, ISSUES TO BE CONSIDERED, NEED FOR HEARINGS, AND PROPOSED PROCEDURAL SCHEDULE.**

SDREN hereby incorporates its recommendations as to categorization, the need for hearings, and the proposed procedural schedule set forth in its Application. SDREN does not object to the proposed scope set forth by any PA applicants.

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<sup>49</sup> <5. at 82.

<sup>50</sup> !"" California Energy Commission Docket 24-BDST-05, “California Energy Code Compliance Gap Analysis” (Jul. 29, 2025). Accessible at:#

<sup>51</sup> !"" A.26-03-017, Exh. PGE-01 at 11-11 – 11-12; A.26-03-012 at Exh. SDGE-01 at KO-11-1.

**V. CONCLUSION**

SDREN greatly appreciates the Commission’s continued support of meaningful and beneficial EE programming and looks forward to working with the Commission and other stakeholders to further develop the policy recommendations described herein. SDREN respectfully requests that the Commission adopt the recommendations for the scope of policy issues to be considered as set forth in the Summary of Recommendations.

Respectfully submitted,

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May 1, 2026

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## 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.

**IDSMD – 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.

**LTTP – 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.