

Board of Directors

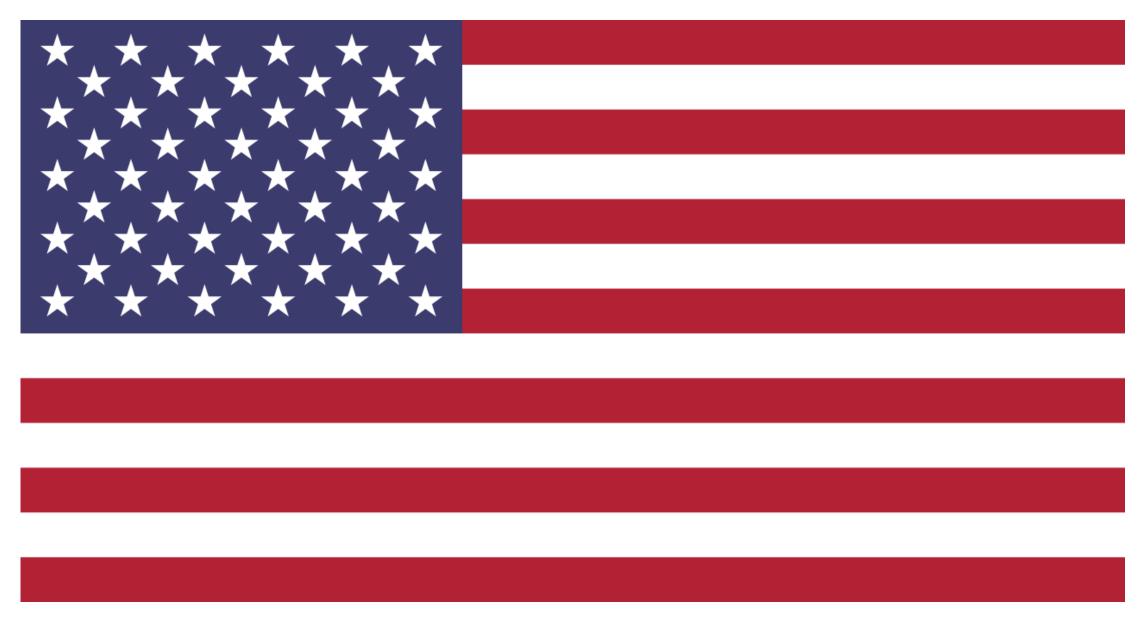
Regular Meeting

September 22, 2022











WELGOME

SDCP Welcomes You!

Kenny Key

Senior Contract Manager, Power Services **Tacko Diaite-Koumba**

Senior Settlements Manager, Power Services Jen Lebron

Director of Public Affairs

Alyson Scurlock Program Associate Tessa Tobar

Program Associate

THANK YOU

Thank You for Your Service Megan Wiegelman





Consent Agenda

- 1. Approval of Findings to Continue Holding Remote/Teleconference Meetings Pursuant to Assembly Bill 361
- 2. Approval of March 24, 2022, April 28, 2022, May 26, 2022 and June 23, 2022 Meeting Minutes.
- 3. Approval of SDCP New Representative and Alternate to the La Mesa Environmental Sustainability Commission.
- 4. Resolution Appointing SDCP Secretary
- 5. Receive and File Treasurer's Report for Fiscal Yearend Period Ending June 30, 2022
- 6. Receive and File Treasurer's Report for Period Ending July 31, 2022
- 7. Receive and File Community Advisory Committee (CAC) Monthly Report
- 8. Update on Back Office Operations

Regular Meeting Agenda

Regular Agenda Items:

- 9. Update on Regulatory and Legislative Affairs
- 10. Update on Marketing and Public Relations After-Action Report on September Heatwave Event
- 11. Update on Community Power Plan
- 12. Approval of Resolution 2022-10 Providing Signatory Authority to the Chief Financial Officer and Managing Director, Power Services
- 13. Approval and Authorization of CEO to enter into Master Power Purchase Agreement and associated short Term Sales Confirmation for purchase of renewable energy from PG&E

Update on Regulatory and Legislative Affairs

Recommendation:

Receive and file the update on regulatory and legislative affairs.



Update on Regulatory and Legislative Affairs

Governor's Climate Proposals Turn into Bills

- <u>AB 1279</u>: Codifies statewide carbon neutrality goal by 2045. Bill awaits Governor's signature.
- <u>AB 2133</u>: Increases the 2030 GHG reduction target from 40% to 55% below 1990 levels. Bill failed.
- <u>SB 1137</u>: Establish setback of 3.2k feet between new oil well and homes, schools, or parks; pollution controls for existing oil wells within 3.2k feet. Bill awaits Governor's signature.
- <u>SB 1020</u>: Creates interim targets for the state's 2045 goal of 100%. Bill awaits Governor's signature.
- SB 905: Framework for carbon removal, capture, and sequestration. Bill awaits Governor's signature.



Credit to CalMatters



Update on Regulatory and Legislative Affairs

SB 846: Diablo Canyon Nuclear Power Plant (DCNPP)

- Passed by the Governor on Sept 2, 2022.
- It extends the life of DCNPP by additional 5 years to up to 2030.
- Provides \$1.4bn in loans to PG&E and directs it to seek federal funding and approvals in order to secure the extension of DCNPP.
- Customers will also be responsible for costs incurred in both decommissioning and extending the life of DCNPP.
 - The CPUC will determine the amount charged to customers of all load serving entities (LSEs) via nonbypassable charges.
- More expected in the new year from the legislature.



Credit to San Diego Union Tribune



Update on Regulatory and Legislative Affairs

Inflation Reduction Act (IRA) of 2022: Update

- Staff continues to track the implementation of the IRA.
 - SDCP has joined a group of CCAs which will monitor developments.
 - It is anticipated that meetings and workshops will be set up by state and federal agencies to begin the implementation of the funds.
 - Our lobbyist is tracking how the IRA will funnel through Sacramento and the California State Treasurer's Green Bank.

REWIRING AMERICA

YOUR SAVINGS CALCULATOR

How much money will you get with the Inflation Reduction Act?

Credit to Rewiring America



Update on Regulatory and Legislative Affairs

Disadvantaged Communities and Community Solar Green-Tariff Programs

- Staff will submit a Tier 3 Implementation Advice Letter in the first half of October 2022.
- DAC-GT:
 - CARE/FERA eligible residential customers in DACs will receive 100% renewable energy and 20% off their bills.
- CSGT:
 - Same as DAC-GT and requires projects to be close to community it serves. Allows for project sponsor(s) to benefit from the 20% bill discount.
- Approval is expected in January, and program design will begin then. Actual service will begin once projects are secured and come online.



Credit to GRID Alternatives



Recommendation:

Receive and file the update on regulatory and legislative affairs.



Update on Marketing and Public Relations – After-Action Report on September Heatwave Event

Recommendation:

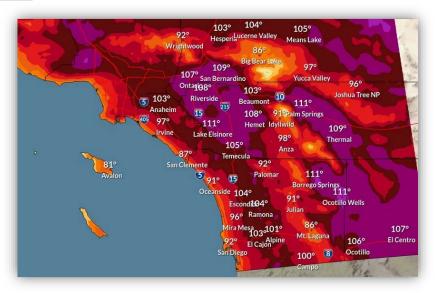
Receive and file the update on Marketing and Public Relations – After-Action Report on September Heatwave Event



After-Action Report on September Heatwave Event

Record heat, energy use pushes grid to the brink

- Sept.1 through Sept. 9 marked one of the longest and most intense heatwaves in California history.
- The California Independent System Operator (CAISO) set a single day record for energy demand of over 52,000 megawatts 55% higher than average September peak demand.
- California was able to avoid rolling blackout due to steps taken to prepare for extreme heat weather events and collaboration at the state and local levels.



Credit to National Weather Service



After-Action Report on September Heatwave Event

State Preparedness

- Gov. Gavin Newsom's July 2021 Emergency Proclamation led to improving supply conditions through grid hardening investments, such as battery storage.
- Gov. Newsom's "Extreme Heat Action Plan" aimed to:
 - Implement a public health monitoring system to identify heat illness early and monitor trends;
 - Accelerate readiness and protection of communities most affected by extreme heat;
 - Protect vulnerable populations through codes, standards and regulations;
 - Increase public awareness to reduce risks posed by extreme heat.



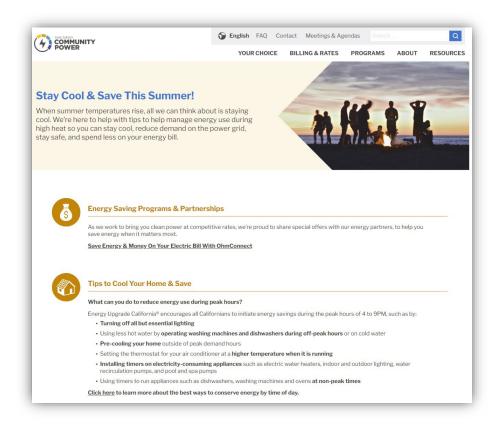
Credit to California Office of Planning and Research



After-Action Report on September Heatwave Event

San Diego Community Power Preparedness

- SDCP updated its "Summer Readiness" webpage in July.
- Social media channels, such as Instagram, Facebook and Twitter were used to share information about how to prepare for extreme heat events.
- The partnership with Ohm Connect encourages customers to use smart thermostats and plugs to shift their usage through incentive-based programming.





After-Action Report on September Heatwave Event

Coordinated messaging curbs usage

- CAISO and the Governor's office led twice-daily calls with all Load Sharing Entities, such as SDCP.
- Coordinated, innovative messaging helped Californians curb their use.
- California used its emergency alert system for the first time for an extreme heat weather event.
 - Energy use dipped 2,000 megawatts within an hour.





After-Action Report on September Heatwave Event

SDCP takes action

- SDCP shared this information with local stakeholders, including board members, the community advisory committee and the media.
- Social media was used to spread the word to broader audiences.
- SDCP started a #casuallycool challenge to encourage agencies and businesses to turn up their thermostats while allowing employees to dress down for the day.





After-Action Report on September Heatwave Event

What's next?

- SDCP was well positioned for the heatwave, but the full financial impacts will not be known until December.
- Over the next several months, SDCP will develop an action plan for the next extreme heat weather event.





Recommendation:

Receive and file the update on Marketing and Public Relations – After-Action report on September Heatwave event



Update on Community Power Plan

Recommendation:

Receive and file the update on the Community Power Plan



Project Team Introductions



Heather Rosenberg

Associate Principal – Resilience Skills Leader

Arup US, Inc.



Joan Isaacson

Principal – Public Involvement and Facilitation

Kearns & West



Community Power Plan Overview

Community Power Plan

Decision-making framework to guide SDCP's program strategy, selection and development of local programs for the next five years based on community input.



Community Power Plan

Community Needs Assessment

- Focus on hearing the values, goals, needs, and priorities of our community and stakeholders (internal and external)
- Identify what energy programs and information the community has access to and how to bridge the gaps
- Ensures that SDCP's programmatic offerings and strategies align with:
 - 1. Values, goals, needs, and priorities of the community; and
 - 2. Organizational goals and priorities.





Timeline

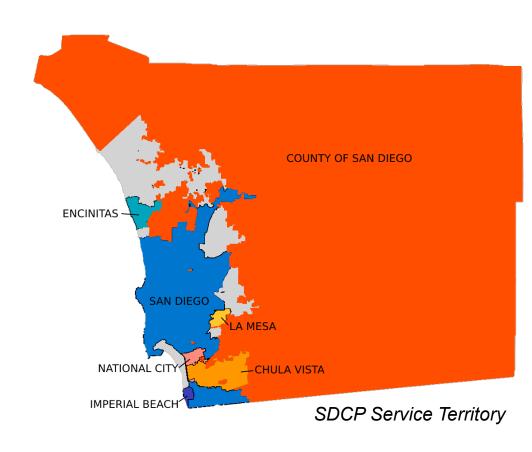
Survey **Draft Assess** community to Engage Report back to Community programs and Power Plan with community determine the community draft CPP most prioritized presented for members on findings document public comment issues **Listening Sessions** Database of Co-hosted with possible Community-wide community-based (222) programs Reporting Survey organizations results of Interest groups survey & Community Ranked list of Listening priorities and General public programs Sessions program **Community Power Plan** that meet interest Businesses needs Q3 2022 Q3 & Q4 2022 Q4 2022 Q1 2023



Community Engagement

Community Engagement Strategy

- Informed by best practices learned from community leaders and member agency staff
- Key focus was on facilitating participation from Communities of Concern, and equitable and inclusive engagement
- Partnership with local community-based organizations and stakeholders who work directly with community members
- Aimed to foster open and transparent communication about how community member input will be used to inform the Community Power Plan





Community Engagement Methods

Initial engagement serves two purposes:

- Inform community needs assessment
- Inform community needs survey questions

Community-Based Organization Partnerships

- Six listening sessions with nearly 200 community members with compensation to organizations and participants
- Trusted source for survey distribution and event partnership
- Reporting back community needs assessment results

















Community-Based Organization Partnerships





Project New Village Co-Hosted Listening Session



Community Engagement Methods (cont'd)

Unincorporated San Diego County Pop-Up Events

 Engaged over 100 community members at six pop-up events in partnership with County of San Diego Libraries

Interest Group Interviews

 Focused conversations with stakeholders from six interest groups working with/serving community members

Business, Key Account, and Public Listening Workshops

 Five listening workshops with over 40 participants from local businesses, key accounts, and the general public

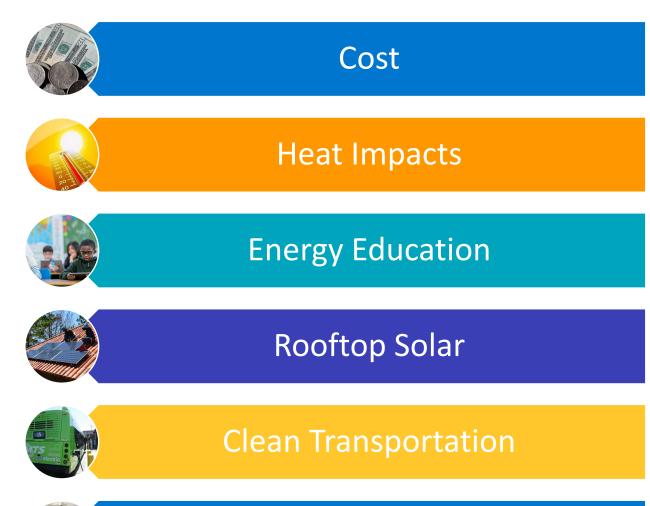


Borrego Springs





Community Engagement Initial Findings





Inadequate or Failing Infrastructure

Internal Organizational Engagement

Internal Organizational Engagement Methods

Board Member Interviews

Individual conversations with Board members

SDCP Staff Workshop

Two-hour workshop with SDCP Executive Team and Directors/Managers from all departments

SDCP Community Advisory Committee Workshop

One-hour workshop with 13 CAC members during regularly scheduled meeting



Internal Engagement Initial Findings



Fiscally Responsible



Equity



Energy Education



Community Presence



Transparency and Trust



Distributed Energy Resources

Next Steps

Next Steps

Community Needs Survey

- Community-wide needs assessment survey
- Over 1,700 responses as of 9/20/22

Survey Promotion

- Power Content Label mailer sent to over 600,000 customers
- Email to over 160,000 Padres subscribers
- Email campaigns to Board, CAC, community-based organizations, member agencies, and business organizations with media kit
- Targeted paid social media campaign with multilingual ads
- Tabling events with multilingual informational flyers





Next Steps

Community needs survey is now live at:

SDCommunityPower.org/survey

- Please share with your friends, neighbors, family, and colleagues!
- Available in three languages:
 - English
 - Spanish
 - Filipino (Tagalog)
- Survey will close on October 15, 2022





Timeline

Survey **Draft Assess** community to Engage Report back to Community programs and Power Plan with community determine the community draft CPP most prioritized presented for members on findings document public comment issues **Listening Sessions** Database of Co-hosted with possible Community-wide community-based (222) programs Reporting Survey organizations results of Interest groups survey & Community Ranked list of Listening priorities and General public programs Sessions program **Community Power Plan** that meet interest Businesses needs Q3 2022 Q3 & Q4 2022 Q4 2022 Q1 2023



Recommendation:

Receive and file the update on the Community Power Plan



Approval of Resolution 2022-10 Providing Signatory Authority to the Chief Financial Officer and Managing Director, Power Services

Recommendation:

Approve Resolution 2022-10Providing Signatory Authority to the Chief Financial Officer and Managing Director, Power Services.



Signature Authority

San Diego Community Power

Energy Risk Management Policy

San Diego Community Power

Delegated Contract Authority Policy

Purnosa:

It is in the interest of San Diego Community Power ("SDCP") to establish administrative contracting procedures that facilitate efficient business operations for SDCP.

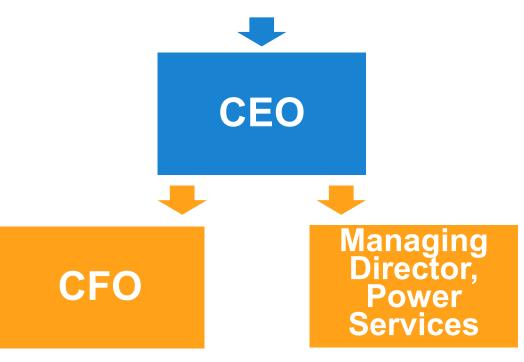
Policy

- 1. The CEO is authorized as follows without prior Board approval:
 - a. To execute contracts of up to \$125,000 for goods and services; provided, however, that all new contracts in excess of \$50,000 shall be reported at the next regular Board meeting. This authorization does not include power supply or wholesale energy services. SDCP shall comply with all legal requirements apolicable to the award of the contract. If any.
 - To increase the aggregate contract price of Board-approved non-energy contracts by no more than 10% of the original contract price over the life of the contract
 - c. To delegate signature authority for purchases of goods or services to other SDCP senior staff members up to the amount of \$50,000. Such delegation shall be memorialized in a written instrument signed by the CEO and maintained by SDCP.
- 2. Prior to signing any contracts requiring the expenditure of money, the individual signing shall ensure: (1) that all contract expenses have been budgeted for in the current SDCP budget; (2) that adequate funds have been appropriated by the Board; (3) that such funds are unexpended, unnenumbered, and sufficient to pay the expenses of the contract, and (4) that the contract has been reviewed and approved as to form and content by the General Counsel or his/her designee.
- 3. For any contracts, whether Board-approved or executed under delegated authority, the CEO is further authorized to exercise all rights and powers specified under the contract as belonging to SDCP, including but not limited to, changes in original scope, authorization of subcontractors, amendments (provided that the amendment shall be consistent with the limits in this Policy), assignment, insurance, termination, and to perform other acts related to the delivery of non-energy goods and services under the contract. Exception: For scope changes to Board-approved contracts, any core programmatic changes of more than 25% of the original scope shall be approved by the Board.

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Signature Authority

Application of Signature Authority



The resolution applies only in the absence of the CEO.



Revision Date

Recommendation:

Approve Resolution 2022-10 Providing Signatory Authority to the Chief Financial Officer and Managing Director, Power Services.



Approval and Authorization of CEO to enter into Master Power Purchase Agreement and associated Short Term Sales Confirmation or purchase of renewable energy from PG&E

Recommendation:

Approve and Authorization of CEO to enter into Master Power Purchase Agreement and associated Short Term Sales Confirmation or purchase of renewable energy from PG&E



Item 13 CPUC Decision 18-12-003 (December 21, 2018)

- Established a methodology for calculating a non-bypassable charge for costs associated with certain tree mortality biomass energy procurement.
- The decision required that Pacific Gas and Electric Company ("PG&E") make available for sale the bundled RPS-eligible energy and associated Renewable Energy Credits ("REC") generated by PG&E's Tree Mortality Power Purchase Agreements in order to establish a REC value to include in the non-bypassable charge calculation.
- PG&E issued its 2022 Tree Mortality Non-Bypassable Charge Bundled RPS Energy Sale Solicitation on July 29, 2022 to solicit bids.



Item 13Facility and Contract Information

- Facility Information:
 - Burney Forest Products
 - Burney, CA (50 miles northeast of Redding, CA)
 - Wood-waste fueled biomass renewable energy generation facility
 - Nameplate capacity: 29 MW
 - Estimated Annual Generation: ~200,000 MWh/year
- Contract Summary:
 - Start Date: 11/1/2022
 - Term: 5 years
 - Structure: Index-plus renewable premium
 - Price: Confidential



Credit to forestry.trimble.com



Item 13 Staff Analysis

- This agreement provides SDCP an opportunity to meet near-term renewable energy needs at fixed, competitive prices while enabling SDCP to continue longer-term procurement and development efforts that will result in construction of new renewable generation facilities during and after conclusion of the term of this agreement.
- Staff and PG&E have since been negotiating an EEI Cover sheet and the Short Term Sales
 Confirmation associated with PG&E's Tree Mortality NBC renewable energy sales, templates of
 which are attached hereto and presented for your approval.
- The price and structure of this agreement would result in both value and cost certainty to SDCP and its customers.



Recommendation:

Approve and Authorization of CEO to enter into Master Power Purchase Agreement and associated Short Term Sales Confirmation or purchase of renewable energy from PG&E







2022 Zero Energy Summit

The ZE Summit, sponsored by Green.Org, brough together people committed to creating a sustainable future for our global community.

We moderated a panel entitled: Climate Action Agents - Programs and Technologies Making a Difference Now.

Panelists included the **Port of San Diego**, one of our own
Power100 Champions- the **San Diego Int'l Airport**; and the **California Air Resources Board**.



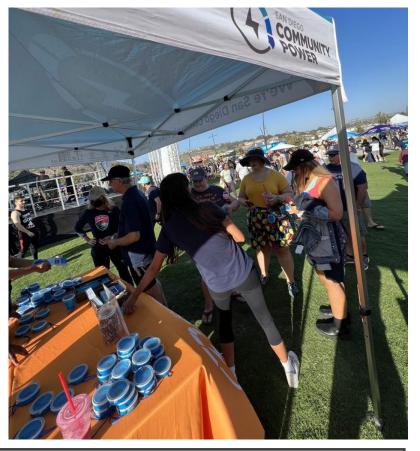


California Green Summit & Live Stream











SD Wave Fan Fest - Snapdragon Stadium

SDCP participated in the largest National Women's Soccer League event in history – over 32,000 tickets sold & 10,000+ reach for Fan Fest!

Upcoming Event Sponsorships



As Title Sponsor, this free, annual, family-friendly event celebrates more than 13 years of bringing together eco-minded businesses and organizations with over 2,000 North County residents in a fun, interactive atmosphere.



Sponsoring the Climate Action Campaign Conference - **NEXUS**: exploring solutions at the intersection of climate, housing, transportation, energy, and health justice, co-hosted by San Diego State University's Associated Students Green Love.

















Board of Directors

Next Regular Meeting

Thursday, October 27, 2022

