

Board of Directors Meeting Agenda

September 17, 2020, 2 p.m.

City of Carlsbad | Virtual Meeting

Per State of California Executive Order N-29-20, and in interest of public health and safety, we are temporarily taking actions to prevent and mitigate the effects of the COVID-19 pandemic by holding Clean Energy Alliance Joint Powers Authority meetings electronically or by teleconferencing. All public meetings will comply with public noticing requirements in the Brown Act and will be made accessible electronically to all members of the public seeking to observe and address the Clean Energy Alliance Joint Powers Authority Board of Directors. The meetings can be watched via livestream at www.carlsbadca.gov. You can participate in the meeting by e-mailing your comments to the Secretary at secretary@thecleanenergyalliance.org prior to commencement of the meeting. If you desire to have your comment read into the record at the meeting, please indicate so in the first line of your e-mail and limit your e-mail to 500 words or less. These procedures shall remain in place during the period in which state or local health officials have imposed or recommended social distancing measures.

CALL TO ORDER

ROLL CALL

FLAG SALUTE

BOARD COMMENTS & ANNOUNCEMENTS

PRESENTATIONS

APPROVAL OF MINUTES:

Minutes of the Regular Meeting held June 18, 2020.

Minutes of the Special Meeting held June 26, 2020.

Minutes of the Regular Meeting held July 16, 2020.

Consent Calendar

Item 1: Clean Energy Alliance Treasurer's Report

RECOMMENDATION

Receive and File Clean Energy Alliance Treasurer's Report.

Item 2: Clean Energy Alliance Interim Chief Executive Officer Report & Regulatory Affairs Update

RECOMMENDATION

- 1) Receive and file Clean Energy Alliance Interim Chief Executive Officer Report.
- 2) Receive and file Clean Energy Alliance Regulatory Affairs Update Report.

New Business

Item 3: Clean Energy Alliance Long Term Renewable Solicitation

RECOMMENDATION

Authorize Interim Chief Executive Officer to execute term sheets, exclusivity and confidentiality agreements related to the Long Term Renewable Energy Solicitation.

Item 4: Clean Energy Alliance Communications & Marketing Kick-Off and Branding Input

RECOMMENDATION

Provide input into Clean Energy Alliance Branding.

Item 5: Clean Energy Alliance Interim Board Clerk Services

RECOMMENDATION

Authorize Clean Energy Alliance Board Chair to execute an amendment to the Bayshore Consulting Group Agreement, for an amount not to exceed \$18,000 through June 30, 2021, for Interim Board Clerk Services.

Item 6: Clean Energy Alliance Legislative and Regulatory Policy Platform

RECOMMENDATION

Review, provide direction and approve Legislative and Regulatory Policy Platform.

Item 7: Clean Energy Alliance Bid Evaluation Criteria Policy

RECOMMENDATION

Approve Clean Energy Alliance Bid Evaluation Criteria Policy.

Item 8: Clean Energy Alliance Award Scheduling Coordinator Services

RECOMMENDATION

Authorize Interim Chief Executive Officer to execute an agreement with The Energy Authority to provide Scheduling Coordinator and Congestion Revenue Rights Portfolio Management Services, through June 30, 2023, for an annual amount not to exceed \$140,400, to be billed monthly beginning May 2021 at \$11,700, plus a one-time fee of \$28,700, subject to General Counsel approval.

Item 9: Clean Energy Alliance By-Laws

RECOMMENDATION

Approve Clean Energy Alliance By-Laws.

BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS

ADJOURN:

NEXT MEETING: October 15, 2020, 2 p.m., hosted by City of Del Mar (Virtual Meeting)

Reasonable Accommodations

Persons with a disability may request an agenda packet in appropriate alternative formats as require by the Americans with Disabilities Act of 1990. Reasonable accommodations and auxiliary aids will be provided to effectively allow participation in the meeting. Please contact the Carlsbad City Clerk's Office at 760-434-2808 (voice), 711 (free relay service for TTY users), 760-720-9461 (fax) or clerk@carlsbadca.gov by noon on the Monday before the Board meeting to make arrangements.

Written Comments

To submit written comments to the Board, please contact the Carlsbad City Clerk's office at secretary@thecleanenergyalliance.org. Written materials related to the agenda that are received by 5:00 p.m. on the day before the meeting will be distributed to the Board in advance of the meeting and posted on the Authority webpage. To review these materials during the meeting, please contact the Board Secretary.

**Clean Energy Alliance - Board of Directors
Meeting Minutes
June 18, 2020- 2:00 p.m.
Carlsbad City Hall – City Council Chamber
1200 Carlsbad Village Drive, Carlsbad, CA 92008**

CALL TO ORDER: 2 p.m.

ROLL CALL: Schumacher, Haviland, Becker

FLAG SALUTE: Chair Schumacher led the pledge of allegiance.

PUBLIC COMMENT: None.

In conformance with the Brown Act and California Executive Order No. N-29-20, time is provided so members of the public can address the Board on items that are not listed on the agenda. Speakers are limited to three (3) minutes each. The Secretary will read comments as requested up to three (3) minutes. In conformance with the Brown Act, no Board action can occur on these items.

BOARD COMMENTS & ANNOUNCEMENTS: None.

PRESENTATIONS: None.

APPROVAL OF MINUTES: None.

CONSENT CALENDAR

The items listed under Consent Calendar are considered routine and will be enacted by one motion as listed below. There will be no separate discussion on these items prior to the time the Board votes on the motion unless members of the Board, the Chief Executive Officer, or the public request specific items be discussed and/or removed from the Consent Calendar for separate action. A request from the public to discuss an item must be submitted to the Board Secretary in writing prior to the Board consideration of the Consent Calendar.

Motion by Board Member Becker, seconded by Vice Chair Haviland, to approve Consent Calendar Item Nos. 1 and 2. Motion carried unanimously, 3/0.

Item 1: Clean Energy Alliance Treasurer’s Report

RECOMMENDATION

Receive and file Clean Energy Alliance Treasurer’s Report.

Item 2: Clean Energy Alliance Meeting Schedule

RECOMMENDATION

Adoption of Resolution No., 2020-003, setting the Time and Place for Clean Energy Alliance Board Meetings July 2020 – June 2021.

NEW BUSINESS

Item 3: Administrative, Operational and Regulatory Affairs Update

RECOMMENDATION

- 1) Receive and File Community Choice Aggregation Update Report from Interim CEO.
- 2) Receive Community Choice Aggregation Regulatory Affairs Report from Special Counsel and Discuss San Diego Gas & Electric 2021 Energy Resource Recovery Account Rate Application.
- 3) Approve collaborating with San Diego Community Power (SDCP) for the purpose of participating in the 2021 San Diego Gas & Electric ERRA proceeding and engaging NewGen to provide analytical support, for an amount not to exceed \$28,358, which represents 50% of the estimated cost. Authorize the Interim Executive Director to sign all documents related to the partnership with SDCP, subject to General Counsel approval.

Interim Chief Executive Officer Barbara Boswell and Ty Tosdal, CEA regulatory Special Counsel, presented the staff report and reviewed the PowerPoint presentation (on file in the Office of the Board Secretary).

In response to an inquiry from Board Member Becker, Mr. Tosdal stated that the generation rates presented were preliminary and it was important to get further analysis to understand what they are now and determine what they will be later in the process in November when additional data is supplied and SDG&E is required to serve supplemental testimony.

In response to an inquiry from Chair Schumacher, Mr. Tosdal explained that the type of work involved is technical in nature, and requires a high level of utility accounting and quantitative analysis. He added that his firm has retained these types of experts in other cases and worked with them in regulatory proceedings.

In response to an inquiry from Vice Chair Haviland, Mr. Tosdal said the final data and PICA charges will not be released until early November and at that time we will know what PICA rate SDG&E is actually proposing going forward for 2021.

In response to an inquiry from Chair Schumacher regarding staff Recommendation No. 3, Interim CEO Boswell responded that not all technical consultants conduct this type of work because of the nondisclosure agreements that are required to be filed with the utilities. She added that the JPA should engage a company whether it is within the current team of consultants or someone else, to look at: the power charge and difference adjustments of PCIA; analyzing that refunds from over-collections of SDG&E from 2018 are bundled to customers through their generation rates and included as an element of the PICA to Carlsbad and Del Mar customers; and to review other assumptions with regards to costs and expectations in terms of those costs ensuring that they are consistent with the current methodology.

Chair Schumacher stated she would be interested to know if any of the CEA's current consultants have the technical expertise to do this type of work before moving forward with a new contract.

Consultants Kirby Dusel and John Dalessi with Pacific Energy Advisors, stated that providing the type of technical expertise the board is seeking, affords complications as their firm is considered market participants due to the core services they provide. They would be quite limited in trying to analyze and evaluate those proceedings as they are unable to see or have access to the confidential data that is needed to assess the regulatory filings. Mr. Dusel and Mr. Dalessi suggested the board consider a specialized firm that is not in the market and is able to sign a nondisclosure agreement to view the confidential data.

In response to an inquiry from Board Member Becker, Mr. Tosdal emphasized the retention of a consultant sooner rather than later to assist with analyzing the proposals from SDG&E or other utilities in the ERRA proceeding.

In response to an inquiry from Chair Schumacher, Mr. Tosdal explained his firm touched base with other companies, but did not conduct a formal review or proposal submission process. He added that his firm requested a proposal from NewGen, as their rates are competitive with other analysts with the same level of experience, education and expertise.

Vice Chair Haviland requested that staff ask San Diego Community Power (SDCP) to assume more of this expense in future partnerships in general as it will be receiving more benefit from this than CEA due to the size of their base.

In response to an inquiry from Chair Schumacher, Greg Stepanicich, General Counsel, explained the board has the discretion to approve the agreement without going through an RFP process and approval could be authorized today. He added that the only question is what direction the board wanted to give to the Interim CEO with regards to negotiating a change in the cost sharing amount of the NewGen agreement with SDCP.

Motion by Board Member Becker, seconded by Chair Schumacher, authorizing that the agreement with NewGen be entered into provided that there is a program of sharing of costs based on the size of each entity with SDCP, and if SDCP does not approve, this item would return to the board for a decision. Motion carried unanimously. 3/0.

Item 4: Approve Membership in WSPP, Inc for Purposes of Energy Procurement Transactions, Execution of Agreement and Payment of Membership Dues

RECOMMENDATION

- 1) Approve membership in WSPP, Inc for purposes of energy procurement transactions, authorize Interim Chief Executive Officer to execute WSPP agreement and payment of \$25,000 one-time membership dues.
- 2) Designate a representative and an alternate to serve on the WSPP Executive and Operating Committees.

Interim CEO Boswell presented the staff report and reviewed the PowerPoint presentation (on file in the Office of the Board Secretary).

In response to an inquiry from Vice Chair Haviland, Interim CEO Boswell stated if an agency is precluded from participating, it would not result in the loss of the agency's membership status.

In response to an inquiry from Board Member Becker, Ms. Boswell explained the WSPP agreement has been streamlined with pre-determined terms and conditions that all members agree to which also streamlines the process of entering into transactions. There are frequently suppliers of energy products that do require the use of the WSPP agreement. The membership fee is a one-time fee.

Motion by Board Member Becker, seconded by Vice Chair Haviland, to approve membership in WSPP, Inc for the purposes of energy procurement transactions, authorize the Interim Chief Executive Officer to execute the WSPP agreement and payment of \$25,000 one-time membership dues, and nomination of Solana Beach Assistant City Manager Dan King to serve as representative and Carlsbad Intergovernmental Affairs Director Jason Haber to serve as alternate on the WSPP Executive and Operating Committees. Motion carried unanimously. 3/0.

Item 5: Clean Energy Alliance Fiscal Year 20/21 Financing Plan

RECOMMENDATION

- 1) Authorize Interim Chief Executive Officer and Interim Treasurer to work with the member agencies to determine if there is an opportunity for one or all to provide security requirements for the River City Bank credit option and if a solution is identified return to Board for approval. Direct staff to return for final approval to finalize the agreements with River City Bank, Calpine and the provider of the credit security should one be identified.
- 2) Should a solution for the security requirements for the River City Bank credit option not be identified approve selection of JP Morgan to provide \$4.5M credit solution and authorize Interim Chief Executive Officer to submit documents, complete due diligence requirements and execute loan agreements with JP Morgan, subject to General Counsel approval.

Interim CEO Boswell presented the staff report and reviewed the PowerPoint presentation (on file in the Office of the Board Secretary).

Vice Chair Haviland asked what the impact adding new members would be to this loan.

Rosa Cucicea, representing River City Bank, replied that the addition of new members to some of their existing CCA borrowers resulted in no covenants being added.

Allyson Goetschius, representing JP Morgan, stated it did not have an impact other than resulting in an incremental financing need which is something they could entertain.

In response to an inquiry from Board Member Becker regarding the covenant restrictions of JP Morgan, Interim CEO Boswell explained that having those covenants should market conditions be at a point where generation rates by SDG&E have decreased or PCI has increased and the board would like to use funding available in its reserves to continue to offer a discount and cover any shortfalls or net deficits, it may be precluded from being able to do so with these covenants.

Mr. Stepanicich confirmed an inquiry from Chair Schumacher that a level of discount offered by the board could be jeopardized by the covenant's restrictions from JP Morgan.

Rosa Cucicea, representing River City Bank, added the bank has never had to call on a guarantee with other CCAs. Some JPA members' cities prefer to sign the papers that they are a guarantor while others

preferred to post a cash collateral that River City Bank maintains in an interest-bearing account. The guarantor or cash collateral is required for a nonrevolving line of credit which is essentially the seed capital pre revenue or pre-launch.

Carlsbad Intergovernmental Affairs Director Jason Haber and Solana Beach Assistant City Manager Dan King confirmed an inquiry from Chair Schumacher that the decision of a guarantor position would be a decision of each of their city councils.

In response to an inquiry from Chair Schumacher regarding a hard deadline for funding for Fiscal Year 20/21 expenses, Interim CEO Boswell replied that staff would be looking for direction from the board at its July meeting to begin the process to execute loan documents which should be finalized by the end of August.

Motion by Board Member Becker, seconded by Chair Schumacher, authorizing the Interim Chief Executive Officer and Interim Treasurer to work with the member agencies to determine if there is an opportunity for one or all to provide security requirements for the River City Bank credit option and if a solution is identified return to Board for approval. Also, to direct staff to return for final approval to finalize the agreements with River City Bank, Calpine and the provider of the credit security should one be identified. Motion carried unanimously. 3/0.

Item 6: Approve Clean Energy Alliance Fiscal Year 20/21 Budget

RECOMMENDATION

Approve Clean Energy Alliance Fiscal Year 20/21 Budget.

Interim CEO Boswell presented the staff report and reviewed the PowerPoint presentation (on file in the Office of the Board Secretary).

Motion by Vice Chair Haviland, seconded by Board Member Becker, approving the Clean Energy Alliance Fiscal Year 20/21 Budget. Motion carried unanimously. 3/0.

Item 7: Clean Energy Alliance Citizen Advisory Committee Purpose, Scope and Application Process

RECOMMENDATION

Review and provide input to draft Clean Energy Alliance Citizen Advisory Committee Purpose, Scope and Application Process.

Interim CEO Boswell presented the staff report and reviewed the PowerPoint presentation (on file in the Office of the Board Secretary).

Vice Chair Haviland requested to see:

- consistency on eligibility requirements with the policy and application
- budget implications of starting this committee as it is not in the budget
- references required as part of the process

Interim CEO Boswell explained that the application does have a section asking to provide information about special training or experience, and staff can add a references section. Budget implications would consist of any staff support needed with meetings of the advisory committee. The board has the

discretion whether it would like to hire someone specific or have the CEA-hired board secretary also assist with the citizen advisory committee. Ms. Boswell estimated a cost of approximately \$2,000 based on 8-10 hours of staff time per month for citizen advisory committee duties. She further added it was intended that residents as determined in the proposed criteria to be the property owner and/or a renter to allow renters to be eligible.

In response to an inquiry from Board Member Becker regarding the timing of the citizen advisory committee, Interim CEO Boswell said it is at the board's discretion. If the board wishes the committee to assist with customer outreach and public information strategy the board would want to be looking at having the committee seated towards late summer. The board and committee should be working on developing that strategy with a May 20-21 launch estimated, as communication efforts should begin approximately six months or so prior.

Chair Schumacher suggested the citizen advisory committee should be composed from the people from the community rather than the committee being used as a technical advisory board only.

The Board Secretary read the public comments received from the following individuals into the record: *Paige DeCino, with Carlsbad MyGen Sierra Club, suggested a name for the Citizen Advisory Committee and asked the board to consider incorporating some of the Peninsula Clean Energy's objectives.*

Micah Mitrosky representing IBEW Local 569, supported the recommendations of Paige DeCino and Carlsbad MyGen Sierra Club.

The board concurred to review the membership criteria, purpose and scope and member selection process of the policy. Board members agreed to the following:

- Committee shall consist of two appointees from each CEA member agency.
- Committee members shall serve staggered three-year terms.
- Committee term limits will consist of only two terms.
- Committee members serve at the pleasure of the board.
- Committee members are subject to all applicable conflict of interest laws
- Committee members should be residents, property owners and/or renters or business owners within the service territory.

The board concurred to remove the statement "Priority given to those with relevant background or experience in the energy sector, energy development, public education/outreach and assistance with social equity and perspective of underrepresented community" from the policy.

Board members agreed to add language about relevant background or expertise in electricity, community outreach or engagement, or policy advocacy.

The board further agreed:

- Meetings will be held quarterly, and committee members will be subject to dismissal if 25% or two meetings in a row are missed with an unexcused absence.
- The board will determine committee meeting times and locations.
- Committee will elect a chair who will facilitate meetings and provide reports to the board as needed.

Discussion ensued among board members regarding the scope and purpose of the Citizen Advisory Committee.

General Counsel Stepanicich stated the concept of having an annual workplan provided by the board made it clear the committee would work on those items that are specified in the workplan that the board approves on an annual basis and that the committee needs to report back to the board. He added it was helpful to have a statement of purpose, so people know what they are getting into when appointed to the committee.

The board agreed with Mr. Stepanicich's suggestion that he and staff take the input provided during the June 18 CEA meeting and draft a Clean Energy Alliance Citizen Advisory Committee Policy for formal adoption at the board's July meeting.

Chair Schumacher with the board's concurrence, also requested a timeline to launch the committee along with the draft policy language, be brought to the board for consideration at the July meeting.

Chair Schumacher further asked that a references section, a restatement of the purpose of the committee and its objectives along with the requirement to file a conflict of interest statement be added to the application.

Item 8: Clean Energy Alliance Long-Term Renewable Solicitation

RECOMMENDATION

Receive report and discuss Clean Energy Alliance Long-Term Renewable Energy Solicitation.

Consultant Kirby Dusel from Pacific Energy Advisors presented the report and reviewed the PowerPoint presentation (on file in the Office of the Board Secretary).

Chair Schumacher asked if the Request for Proposals (RFP) would be brought back before the board before being issued.

Interim CEO Boswell replied RFPs are publicly available and are posted to the website. She added that previously, the board had given direction to move forward with other RFPs; and this item is on the agenda to discuss the RFP requirements and evaluation criteria. Staff can bring the RFP back if that is the board's desire but that has not been the process, nonetheless this is our first energy solicitation.

In response to an inquiry from Chair Schumacher, Mr. Dusel stated that SDCP agendaized this item for a June 25, 2020 meeting.

Chair Schumacher asked how the evaluative criteria would play into the RFP.

Mr. Dusel replied that usually a list is provided and occasionally with that list are waiting factors explicitly tagged to each one of those criteria on the list. He added that the board might consider staying at a high level and not list the criteria with detail regarding numbers as it eliminates the potential for gaming among the respondents.

Chair Schumacher questioned what would happen if both agencies choose the same proposal.

Mr. Dusel explained that when CCA organizations join to conduct solicitations, an agreement is reached before or at the time of proposal evaluation for splitting up proposals that are of interest to both parties. This can be done several different ways, it can be 50-50, it could be a different ratio of the board's choosing, and there may be instances where a proposal is of interest to CEA but not to SDCP. In those cases, CEA could carry on with an independent negotiation without SDCP participation. It creates the opportunity for joint participation in projects as well as independent participation depending on where CEA interests lie.

The Board Secretary read the public comment received from the following individual into the record:

Phillip Watts asked if Pacific Energy Partners was able to compare pricing of electricity generated locally or transmitted over long distances.

Vice Chair Haviland asked about the recommendation that CEA work jointly with SDCP, if there were enough cost savings or benefits or both to take on the added complexity.

Mr. Dusel replied that what CEA gains in efficiency does outweigh the potential coordinated burden.

General Council Stepanicich clarified Chair Schumacher's request for a potential joint JPA meeting with CEA and SDCP, stating that with other agencies conducting joint solicitations, each of their boards act separately. In his experience, a joint meeting has never been held. Staff and legal counsel work together, but the actual decision as to what contract is entered into is made by the individual boards. When there is a successful joint solicitation and an agreement on a joint contract to enter into, each agency enters into its own contract that divides up the power being purchased.

Chair Schumacher stated she agreed with the concept of an ad-hoc contract committee and wanted to forward that for this board's consideration. She added she wanted to ensure that the RFP returns to the board for public review prior to it being issued.

In response to an inquiry from Vice Chair Haviland regarding reviewing the RFP before it is sent out, Mr. Dusel responded that an "industry standard" RFP template is being used for these sorts of products. Another approach would be a more editorial process which would necessitate some increased coordination with SDCP. He added that he was appreciative of the fact that the board wanted to review and potentially provide input, but getting the RFP out soon lines up very very well with the timeline required to evaluate a short list, negotiate contracts and execute the contracts to meet the needs of CEA's launch. Mr. Dusel further explained that when these documents have been prepared by consultants who have supported CCAs in this effort, they are boilerplate documents that are well defined in the sense that the definitions are applicable as laid out in California's renewable portfolio standards programs.

Board Member Becker stated she felt the board hired the right technical consultants for the RFP. She was comfortable not reviewing the document and did want the opportunity to partner with SDCP. She added that this was the first opportunity and there will be more opportunities for long term solicitations. Ms. Becker explained that she believed CEA did have to move forward at this time partnering with SDCP, and was also comfortable with the key evaluation criteria. She further added she wanted to be an advocate for taking a conservative approach and would like to keep all options on the table for the first couple of years as CEA builds up its reserves. Ms. Becker said she was happy to consider criteria as CEA goes along but wanted to count on CEA's experts for this initial procurement for the long term.

Vice Chair Haviland stated she felt the relationship with SDCP was really important to CEA's ability to control costs, liked the idea of working together, and it would be beneficial to have a communication line between the two JPAs. She added she thought CEA could have an aggressive RFP and reach out to the SDCP to see if they were interested in the creation of an ad-hoc committee.

In response to an inquiry from Chair Schumacher, General Counsel Stepanicich explained that the board could hold a special meeting. He added that CEA could only appoint one member to an ad-hoc committee due to limitations of the Brown Act as appointing two members would require the meeting to be held publicly.

Motion by Chair Schumacher, seconded by Vice Chair Haviland to consider the establishment of an ad hoc contract committee of the CEA, to reach out to SDCP on joint partnership solicitation, and not to issue an RFP, to be placed on a future CEA board special meeting agenda for discussion. Motion carried unanimously. 3/0.

Motion by Chair Schumacher, seconded by Vice Chair Haviland, to hold a timely special meeting based upon the schedule presented, to discuss the ad hoc contract committee related to joint solicitation with SDCP. Motion carried unanimously. 3/0.

Motion by Board Member Becker, seconded by Chair Schumacher, directing CEA staff to move forward with participation in the SDG&E RPS solicitation and that if authorization is needed, the item would come back before the board. Motion carried unanimously. 3/0.

Item 9: Clean Energy Alliance Resource Adequacy Procurement

RECOMMENDATION

Authorize Interim Chief Executive Officer to execute agreements for resource adequacy procurement, subject to Special Counsel approval.

At the request of Board Member Becker, the board concurred to continue Item No. 9 to the next Special CEA Board meeting.

BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS

None.

ADJOURN: Chair Schumacher adjourned the duly noticed meeting at 5:23 p.m.

Sherry Freisinger, CMC

**Clean Energy Alliance - Board of Directors
Meeting Minutes
June 26, 2020 – 3 p.m.
Carlsbad City Hall – City Council Chamber
1200 Carlsbad Village Drive, Carlsbad, CA 92008**

CALL TO ORDER: 3 p.m.

ROLL CALL: Schumacher, Haviland, Becker

FLAG SALUTE

Vice Chair Haviland led the Pledge of Allegiance.

BOARD COMMENTS & ANNOUNCEMENTS:

Vice Chair Haviland wished everyone well and expressed her appreciation for staff.

PRESENTATIONS: None.

APPROVAL OF MINUTES: None.

NEW BUSINESS

Item 1: Establishment of Clean Energy Alliance Ad Hoc Committee for Joint Procurement with San Diego Community Power

RECOMMENDATION

As an alternative to establishing a Clean Energy Alliance Ad Hoc Committee that would consider joint procurement with San Diego Community Power (“SDCP”), consider designating a Board member to work with staff in scheduling one or more meetings with SDGP representatives to discuss joint procurement.

Interim Chief Executive Officer Barbara Boswell and Attorney George Stapanicich presented the staff report and reviewed the PowerPoint presentation (on file in the Office of the Board Secretary).

Minute motion by Chair Schumacher, seconded by Vice Chair Haviland to designate a Board member to proactively work with staff to have conversations and interact with other JPA’s in the county. Motion carried, 2/1 (Becker – No)

Motion by Chair Schumacher, seconded by Vice Chair Haviland to appoint Vice Chair Haviland and Board Alternate Worden (pending agreement from Board Member Worden) to work with staff in scheduling one or more meetings with San Diego Community Power representatives to discuss joint procurement. Motion carried unanimously, 3/0.

(This item was continued from the June 18, 2020 Clean Energy Alliance Board meeting.)

Item 2: Clean Energy Alliance Board Policy Regarding Handling Unsolicited Proposals

RECOMMENDATION

- 1) Review, provide input and approve Request for Proposal for Long-Term Renewable Solicitation.
- 2) Approve Joint Long-Term Renewable Solicitation with San Diego Community Power.

Interim Chief Executive Officer Boswell and Consultant Kirby Dusel from Pacific Energy Advisors presented the report and reviewed a PowerPoint presentation (on file in the Office of the Interim Board Secretary).

Interim Board Secretary Cobian read public comments received from the following individuals into the record: *Gretchen Newsom and Mike McMahon on behalf of the Sierra Club, MyGen Carlsbad Team, and IBEW 569 regarding suggested edits to the draft Long-Term Renewable Energy RFP.* (On file in the office of the Interim Board Secretary).

In response to an inquiry from Vice Chair Haviland, Mr. Dusel explained that this Request for Proposals solicitation could be viewed as gathering information, not necessarily directing decisions, but to gain a sense of the various renewable energy projects available along with pricing, and then evaluate how the proposals may fit within the Clean Energy Alliance (CEA) budget framework.

In response to an inquiry from Chair Schumacher, Mr. Dusel explained that in order to meet Long-Term California RPS-Eligible Renewable Energy requirements, the contract must be a minimum of ten years. CEA's Request for Proposals (RFP) has a requirement that provides for proposals to be considered they must have delivery terms for ten years or more. He further explained that adding years onto a minimum ten-year proposal that was selected could be negotiated.

In response to an inquiry from Vice Chair Haviland, Mr. Dusel stated that financial viability of all prospective respondents to the RFP was very important and criteria to be factored into the decision making was the respondent's financing plan, past experience and credit rating. He also explained that it was important for the board to consider contract term lengths and how they overlay with one another in CEA's energy supply portfolio, adding that the preference is a range of different contract durations and start dates so contracts are beginning and ending at different points in time.

Board discussion ensued by the board regarding Chair Schumacher's request that board members consider taking *Item c. Project location, including benefits to the local economy and workforce*, under Evaluation of Responses in the RFP, and breaking it into individual, separate sections within the RFP as recommended in the public comment email from the Sierra Club MyGen Carlsbad Team and IBEW 569.

Motion by Chair Schumacher, seconded by Board Member Becker to approve the issuance of the Request for Proposals for Long-Term Renewable Energy Solicitation, changing the language to reflect that it was a single JPA RFP, and changing *Item c. Project location, including benefits to the local economy and workforce*, under Evaluation of Responses into individual, separate sections within the RFP. Motion carried 3/0.

Motion by Vice Chair Haviland, seconded by Board Member Beck to issue the Request for Proposals for Long-Term Energy Solicitation on Wednesday, July 1, 2020. Motion carried 3/0.

(This item was continued from the June 18, 2020 Clean Energy Alliance Board meeting.)

Item 3: Clean Energy Alliance Resource Adequacy Procurement

RECOMMENDATION

Authorize Interim Chief Executive Officer to execute agreements for resource adequacy procurement, for amount not to exceed \$14MM over three (3) years, and which has been included within the Clean Energy Alliance Base Pro-Forma, subject to Special Energy Transactions Attorney approval.

Interim Chief Executive Officer Boswell and Consultant Brian Goldstein from Pacific Energy Advisors presented the report and reviewed a PowerPoint presentation (on file in the Office of the Board Secretary).

Clarifying an inquiry from Chair Schumacher, Interim CEO Boswell explained the pricing received factored into all scenarios of the Base Pro-Formas.

Motion by Board Member Becker, seconded by Vice Chair Haviland, to approve staff recommendation to authorize the Interim Chief Executive Officer to execute agreements for resource adequacy procurement, for amount not to exceed \$14MM over three (3) years, and which has been included within the Clean Energy Alliance Base Pro-Forma, subject to Special Energy Transactions Attorney approval. Motion carried 3/0.

BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS

At the request of Chair Schumacher, the board concurred to have general counsel review additional sustainable workforce language comments received by the board on June 19, 2020 and added to the Sustainable Workforce Policy agenda item for comparison when the item is brought forth to the board for consideration.

Chair Schumacher requested, and the Board concurred, to place all draft Pro Forma studies that have been conducted as a stand-alone item for discussion on the July 16, 2020, CEA board meeting agenda.

ADJOURNMENT:

Chair Schumacher adjourned the duly noticed Meeting at 4:21 p.m.

Sheila R. Cobian, MMC
Interim Board Secretary

**Clean Energy Alliance - Board of Directors
Meeting Minutes
July 16, 2020 - 2 p.m.**

**Del Mar Civic Center – Town Hall
Remote Participation Only
1050 Camino del Mar, Del Mar CA 92014**

CALL TO ORDER: 2 p.m.

ROLL CALL: Schumacher, Haviland, Becker

FLAG SALUTE: Led by Vice Chair Haviland

PUBLIC COMMENT/PARTICIPATION

Each person wishing to comment to the Board on any matter not on the agenda shall submit a written red dot comment via email to cityclerk@delmar.ca.us or a tele-comment request form to speak during the meeting. The subject line of your email or tele-comment request should clearly state “CEA Public Oral”. The deadline to submit written comments and/or tele-comment requests is 12 p.m. on the day of the meeting. For more information please visit: www.delmar.ca.us/publiccomment. State law prohibits the Board from taking action on items not listed on the agenda. Comments requiring follow up with be referred to staff and, if appropriate, considered at a future Board meeting.

BOARD COMMENTS & ANNOUNCEMENTS

PRESENTATIONS

APPROVAL OF MINUTES

CLOSED SESSION FOR DISCUSSION OF REGULATORY STRATEGY

Item 1: Elect Board Chair and Vice Chair for Fiscal Year 2020/21

RECOMMENDATION

That the Board elect a Director to serve as Chair and another Director to serve as Vice Chair through Fiscal Year 2020/21, pursuant to Section 5.2 of the Clean Energy Alliance Joint Powers Agreement.

No Public comment on the item was received.

On a motion by Chair Schumacher, seconded by Vice Chair Haviland, the Board elected Ellie Haviland as Board Chair and Kristi Becker as Board Vice Chair. Motion carried, 2/1 with Board Member Becker voting no.

CONSENT CALENDAR

Item 2: Clean Energy Alliance Treasurer's Report

RECOMMENDATION

Receive and file Clean Energy Alliance Treasurer's Report.

No Public comment on the item was received.

The Board received the report on consent.

Item 3: Administrative, Operational and Regulatory Affairs Update

RECOMMENDATION

- 1) Receive and File Community Choice Aggregation Update Report from Interim CEO.
- 2) Receive and File Community Choice Aggregation Regulatory Affairs Report from Special Counsel.

Item 3 was pulled from the consent calendar. The Board received a presentation from Interim CEO Boswell on the Community Choice Aggregation Update Report and asked questions of Scott Crider, Vice President, Customer Services with SDG&E.

The Board received a presentation from Special Counsel Tosdal.

No public comment on the item was received.

Motion by Board Member Schumacher, seconded by Chair Haviland to add the two regulatory affairs items presented by Special Council Tosdal to the closed session agenda on July 23, 2020. Motion carried unanimously, 3/0.

NEW BUSINESS

Item 4: Clean Energy Alliance Draft Financial Pro-Formas

RECOMMENDATION

Receive informational item on Clean Energy Alliance Draft Financial Pro-Formas.

Interim CEO Boswell presented the Clean Energy Alliance Draft Financial Pro-Formas and reviewed a PowerPoint presentation (on file in the office of the Board Secretary).

No Public comment on the item was received.

The Board received the Draft Financial Pro-Formas report.

Item 5: Clean Energy Alliance Community Advisory Committee Policy Approval

RECOMMENDATION

Approve Clean Energy Alliance Community Advisory Committee Policy and provide input and approve timeline for CAC activation.

Interim CEO Boswell presented the Advisory Committee Policy and reviewed a PowerPoint presentation (on file in the office of the Board Secretary).

No Public comment on the item was received.

Motion by Board Member Schumacher, seconded by Vice Chair Becker approving the policy and directing staff to bring the timeline back at the July 23, 2020 special meeting. Motion carried unanimously 3/0.

Item 6: Clean Energy Alliance Inclusive & Sustainable Workforce Policy

RECOMMENDATION

Review, provide input and approve Clean Energy Alliance Inclusive & Sustainable Workforce Policy.

Interim CEO Boswell presented the Clean Energy Alliance Inclusive & Sustainable Workforce Policy and reviewed a PowerPoint presentation (on file in the office of the Board Secretary).

Public comment from Gretchen Newsom was read into the record.

Motion by Board Member Schumacher, seconded by Chair Haviland to defer the discussion and decision making surrounding the Clean Energy Alliance Inclusive & Sustainable Workforce Policy until the July 23, 2020 meeting. Motion carried unanimously, 3/0.

Item 7: Clean Energy Alliance Bid Evaluation Criteria & Scoring System

RECOMMENDATION

Review two alternative Bid Evaluation Criteria & Scoring Systems, provide input, select and approve a preferred alternative.

Interim CEO Boswell presented the Bid Evaluation Criteria & Scoring Systems and reviewed a PowerPoint presentation (on file in the office of the Board Secretary).

No Public comment on the item was received.

The Board reviewed the two alternative Bid Evaluation Criteria and Scoring Systems and provided input.

Motion by Chair Haviland, seconded by Vice Chair Becker to move forward with the Clean Power Alliance model for bid evaluation. Motion passed unanimously, 3/0.

Item 8: Clean Energy Alliance Administrative Policies

RECOMMENDATION

Review and approve Clean Energy Alliance Unsolicited Proposal, Non-Energy Procurement and Financial Reserve Policies.

Interim CEO Boswell presented the Clean Energy Alliance Unsolicited Proposal, Non-Energy Procurement and Financial Reserve Policies and reviewed a PowerPoint presentation (on file in the office of the Board Secretary).

No Public comment on the item was received.

Motion by Board Member Schumacher, seconded by Chair Haviland to approve the Clean Energy Alliance Unsolicited Proposal, Non-Energy Procurement and Financial Reserve Policies. Motion carried unanimously, 3/0.

BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS

Vice Chair Becker requested a future agenda item to discuss the possibility of having each agency appoint two Board Members to the CEA.

Chair Haviland requested a future agenda item to discuss standardizing public comment for the CEA Board Meetings. Interim CEO Boswell added the item to the September 2020 agenda.

ADJOURNMENT: 3:55PM

Sarah Krietor, Management Analyst
City of Del Mar

Staff Report

DATE: September 17, 2020
TO: Clean Energy Alliance Board of Directors
FROM: Marie Marron Berkuti, Interim Treasurer
ITEM 1: Clean Energy Alliance Treasurer's Report

RECOMMENDATION:

Receive and File Clean Energy Alliance Interim Treasurer's Report.

BACKGROUND AND DISCUSSION:

At its November 5, 2019 board meeting, the Clean Energy Alliance (CEA) Board appointed Marie Marron Berkuti, as the CEA Interim Treasurer. At that same meeting, the CEA Board adopted the Fiscal Year 2019/20 budget and established \$150,000 advances from each Member Agency to fund the approved expenditures.

This report provides the Board with the following financial information through June 30, 2020 (Unaudited):

- Budget to Actuals – Reports actual revenues and expenditures compared to adopted budget as of June 30, 2020 (Unaudited)
- Statement of Financial Position – Reports assets and liabilities of CEA as of June 30, 2020 (Unaudited)

The Treasurer's Report as of June 30, 2020 is an unaudited document because the CEA will be engaging the services of an outside Certified Public Accountant to conduct an independent audit for the fiscal year ended June 30, 2020. Once the audit is finalized, Staff will return to the Board and present the audit report.

At its June 18, 2020 board meeting, the CEA Board adopted the Fiscal Year 2020/21 budget. This report also provides the Board with the following financial information through August 31, 2020:

- Budget to Actuals – Reports actual revenues and expenditures compared to adopted budget as of August 31, 2020.
- Statement of Financial Position – Reports assets and liabilities of CEA as of August 31, 2020
- List of Payments Issued – Reports payments issued for August, 2020

JUNE 30, 2020 (UNAUDITED) REPORTS (FY 2019/20)

BUDGET TO ACTUALS

Through June 30, 2020, CEA has earned 100% of its revenue as a result of invoicing the advances to the Member Agencies.

Of its approved \$450,000 budgeted expenditures, \$379,312.88 has been expended, leaving \$70,687.12.

Clean Energy Alliance
Budget to Actuals
for period ended June 30, 2020 (Unaudited)

	<u>BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE</u>
Revenue			
Advances from Member Agencies	\$ 450,000.00	\$ 450,000.00	-
Total Revenue	<u>450,000.00</u>	<u>450,000.00</u>	<u>-</u>
Expenses			
Staffing/Consultants	\$ 50,000.00	\$ 41,856.74	\$ 8,143.26
Legal Services	130,000.00	77,795.79	52,204.21
Professional Services	115,000.00	158,160.35	(43,160.35)
Memberships & Due	1,500.00	1,500.00	-
Graphic Design Services	6,500.00	-	6,500.00
CCA Bond	147,000.00	100,000.00	47,000.00
Total Expenses	<u>\$ 450,000.00</u>	<u>\$ 379,312.88</u>	<u>\$ 70,687.12</u>
Net Results (Revenue - Expenses)	<u>\$ -</u>	<u>\$ 70,687.12</u>	<u>\$ 70,687.12</u>

STATEMENT OF FINANCIAL POSITION

CEA's Statement of Financial Position reports the assets and liabilities as of June 30, 2020 (Unaudited).

Clean Energy Alliance
Statement of Financial Position
As of June 30, 2020 (Unaudited)

Assets		
River City Bank - Operating Account	\$ 199,483.98	
Total Assets		<u>\$ 199,483.98</u>
Liabilities		
Accounts Payable		
Current	\$ 74,150.90	
Noncurrent	54,645.96	
Total Liabilities		<u>\$ 128,796.86</u>
Reserve for Future Expenses		<u>\$ 70,687.12</u>

As of June 30, liabilities represent invoices received for services, but not yet paid. The noncurrent accounts payable are amounts due to the cities of Carlsbad, Del Mar and Solana Beach for services provided to the CEA for the period November 2019 to June 2020. These invoices are scheduled to be paid once the CEA is operational.

AUGUST 31, 2020 REPORTS (FY 2020/21)

BUDGET TO ACTUALS

Through August 31, 2020, CEA is still working towards obtaining the expected \$4,006,500 in available funding from the proposed credit solution.

Of its approved \$4,006,500.00 budgeted expenditures, \$89,069.35 has been expended, leaving \$3,917,430.65

Clean Energy Alliance
Budget to Actuals
for the two month period ended August 31, 2020

	BUDGET	ACTUALS	VARIANCE
Revenue			
Credit Solution	\$ 4,006,500.00	\$ -	(4,006,500.00)
Total Revenue	4,006,500.00	-	(4,006,500.00)
Expenditures			
Staffing/Consultants	\$ 120,000.00	\$ 22,612.50	\$ 97,387.50
Legal Services	320,000.00	32,051.10	287,948.90
Professional Services	310,000.00	34,405.75	275,594.25
Memberships & Due	15,000.00	-	15,000.00
Print/Mail Services	132,000.00		132,000.00
Advertising	10,000.00		10,000.00
Graphic Design Services	10,000.00		10,000.00
Website Maintenance	2,500.00		2,500.00
Audit Services	40,000.00		40,000.00
CCA Bond	47,000.00		47,000.00
OPERATING EXPENSES	\$ 1,006,500.00	\$ 89,069.35	\$ 917,430.65
CAISO Deposit	\$ 500,000.00	\$ -	\$ 500,000.00
Cash-Flow & Lockbox Reserves	2,500,000.00		2,500,000.00
NON-OPERATING EXPENSES	\$ 3,000,000.00	\$ -	\$ 3,000,000.00
TOTAL	\$ 4,006,500.00	\$ 89,069.35	\$ 3,917,430.65
Net Results (Revenue - Expenditures)	\$ -	\$ (89,069.35)	\$ (7,923,930.65)

STATEMENT OF FINANCIAL POSITION

CEA's Statement of Financial Position reports the assets and liabilities as of August 31, 2020.

Clean Energy Alliance
Statement of Financial Position
As of August 31, 2020

Assets		
River City Bank - Operating Account	\$	98,867.58
Total Assets		<u>\$ 98,867.58</u>
Liabilities		
Accounts Payable		
Current	\$	62,603.85
Noncurrent		54,645.96
Total Liabilities		<u>\$ 117,249.81</u>
Reserve for Future Expenditures		<u><u>\$ (18,382.23)</u></u>

LISTING OF PAYMENTS

The report below provides the detail of payments issued by CEA for August 2020. All payments were within approved budget.

Clean Energy Alliance
List of Payments Issued Aug 2020

08/12/20	RWG Law	June 2020 General Counsel Svcs	3,953.00
08/12/20	Hall Energy	July 2020 Energy Procurement Counsel Svcs	1,428.00
08/12/20	Pacific Energy Advisors	July 2020 Technical Consulting Svcs	13,600.00
08/17/20	Tosdal APC	June 2020 Regulatory Counsel Svcs	8,278.20
08/17/20	Bayshore Consulting	July 2020 CEO Services	11,437.50
		Total August Payments	<u>\$ 38,696.70</u>

FISCAL IMPACT

There is no fiscal impact associated with this item.

Staff Report

DATE: September 17, 2020

TO: Clean Energy Alliance Board of Directors

FROM: Barbara Boswell, Interim Chief Executive Officer

ITEM 2: Clean Energy Alliance Operational, Administrative and Regulatory Affairs Update

RECOMMENDATION:

- 1) Receive and File Community Choice Aggregation Update Report from Interim CEO.
- 2) Receive Community Choice Aggregation Regulatory Affairs Report from Special Counsel.

BACKGROUND AND DISCUSSION:

This report provides an update to the Clean Energy Alliance (CEA) Board regarding the status of the operational, administrative and regulatory affairs activities.

OPERATIONAL UPDATE

CEA is meeting its milestones for the implementation of its community choice aggregation (CCA) program and is on track to begin serving customers in May 2021/June 2021. (Attachment A - Clean Energy Alliance Timeline of Implementation Action Items).

Interim Board Clerk Recruitment

CEA Launch Schedule

San Diego Gas & Electric (SDG&E) has been working over the past several years on their Customer Information System replacement program, known as Envision. They had committed to, and were on track, for a January 4, 2021 go live, despite the challenges of working remote in the COVID-19 environment. With a January 2021 go live, SDG&E committed to supporting the CEA launch of May 2021. On Friday July 10, CEA staff, its regulatory attorney Ty Tosdal and data manager Calpine Energy Solutions participated in a call with San Diego Community Power and SDG&E regarding the recently approved California Public Utilities Commission (CPUC) Decision D. 20-06-003, which requires the Investor Owned Utilities (IOU) to adopt rules and policy changes designed to reduce the number of residential disconnections, provide assistance with debt forgiveness and offer extended payment plans. The decision is required to be implemented by the IOUs April 2021. This timing has presented a challenge to SDG&E to keep its go live date of January 4, 2021 while also meeting the requirements of the decision. SDG&E submitted a letter to the CPUC requesting an extension to September 30, 2021 for implementing the new procedures and policies required by the decision. This request was denied by the CPUC, resulting in SDG&E postponing implementation of its Envision project to April 2021.

CEA and its consultants have been working diligently with SDG&E to develop a launch schedule that minimized impact to CEA while also minimizing the risk of incorrect bills being sent to customers. SDG&E has proposed a two-phased schedule with accounts transitioning to CEA in May and June 2021. May 2021 Phase 1 would include the transition of Solana Energy Alliance customers to CEA as well as customers who do not have complex billing plans in Carlsbad and Del Mar. Those customers who have been identified with complex billing plans would transition in June 2021. CEA is working with its

consultants, Pacific Energy Advisors and Calpine Energy Solutions to evaluate the impact of this two-phased approach from an operational and financial perspective. Preliminary analysis indicates that the proposed phasing does not have a material impact from a financial perspective. Staff anticipates providing the Board with an updated pro forma reflecting this new phased approach, as well as updated rates related to the SDG&E ERRRA Rate Proceeding at the November Board meeting.

Once the final launch schedule has been agreed to by both CEA and SDG&E several regulatory actions would need to be taken, including providing proper notification to the CPUC Energy.

Expansion of Clean Energy Alliance

Staff has no update regarding CEA expansion.

Regulatory Compliance Filings

The Integrated Resource Plan (IRP) provides the CPUC with CEA's 10-year projected electricity load as part of the integrated resource planning process to ensure that California's electric sector meets its GHG reduction goals while maintaining reliability at the lowest possible costs. Although the IRP was originally due in April 2020, its due date has been extended to September 2020. The IRP was submitted September 1, 2020.

Long-Term Renewable Procurement

As a load serving entity, CEA will be required to procure 65% of its minimum state required renewable portfolio standards in contracts of 10-years or longer. To ensure compliance with this requirement, CEA's initial renewable energy solicitation is underway. The solicitation process, from beginning through final execution can be lengthy, particularly in light of the impacts of COVID-19 on the renewable development industry. The solicitation opened on July 1, 2020 with proposals due July 27, 2020. CEA's consultant, Pacific Energy Advisors, has been evaluating the responses to identify a short list of projects to move forward with negotiations. It is anticipated final contracts will be before the Board in late 2020/early 2021.

Administrative and Operational Policies

During the coming months as CEA prepares for its implementation and operation, policies will be brought to the Board for consideration in future Board meetings. The policies as proposed will be based on Government Code or regulatory requirements and best practices of successfully operational CCAs.

The policies and timeline as currently anticipated are:

October 15 Board Meeting

- Energy Risk Management Policy Introduction
- Records Retention Policy

November 19 Board Meeting

- Energy Risk Management Policy Approval

January 21 Board Meeting

- Investment Policy

Contracts \$50,000 - \$100,000 entered into by Interim Chief Executive Officer

VENDOR	DESCRIPTION	AMOUNT
Tripepi Smith	Communications and Marketing Services	\$92,238.00

REGULATORY UPDATE

Attached is a regulatory report from Ty Tosdal, Special Counsel, providing a summary of key regulatory proceedings (Attachment B - Tosdal APC Energy Regulatory Update).

FISCAL IMPACT

There is no fiscal impact by this action.

ATTACHMENTS:

Attachment A - Clean Energy Alliance Timeline of Implementation Action Items
Attachment B – Tosdal APC Regulatory Update Report

Attachment A

**Clean Energy Alliance
 Timeline of Action Items
 CCA Program Related**

Timing	Description	3rd Qtr '20	4th Qtr '20	1st Qtr '21	Apr-21	May-21	Jun-21	Jul-21
9/1/20	Marketing/Customer Outreach Plan Development & Kickoff							
9/17/20	Records Retention Policy							
9/17/20	Bid Evaluation and Criteria Scoring System							
9/17/20	Award Scheduling Coordinator Services							
	Introduce/Adopt Energy Risk Management Policy	10/15 & 11/19						
11/1/20	System Testing with SDG&E							
11/1/20	Set up Call Center/Scripting/IVR Recordings							
11/19/20	CEA Default Products/programs/renewable energy policies							
1/1/21	Create Customer Pre- and Post-Enrollment Notices							
1/21/21	Investment Policy							
2/1/21	Rate Setting							
3/1/21	Customer Noticing							
5/1/21	Launch - 2 phases May & June 2021							

Key:

Board Actions/Activity
Staff/Consultant Activity
Marketing/Customer Outreach
CCA Launch

ENERGY REGULATORY UPDATE

To: Barbara Boswell, CEO, Clean Energy Alliance

From: Ty Tosdal, Regulatory Counsel, Tosdal APC

Re: Energy Regulatory Update

Date: September 11, 2020

The energy regulatory update summarizes important decisions, orders, notices and other developments that have occurred at the California Public Utilities Commission (“Commission”) and that may affect Clean Energy Alliance (“CEA”). The summary presented here describes high priority developments and is not an exhaustive list of the regulatory proceedings that are currently being monitored or the subject of active engagement by CEA. In addition to the proceedings discussed below, Tosdal APC monitors a number of other regulatory proceedings as well as related activity by San Diego Gas & Electric (“SDG&E”) and other Investor-Owned Utilities (“IOUs”).

1. SDG&E Advice Letter 3602-E_2902-G (Arrearage Management Plan)

SDG&E issued Advice Letter (“AL”) 3602-E_2902-G on September 9, 2020, and it provides a detailed description of an Arrearage Management Plan (“AMP”) that is designed to protect customers at risk of disconnection for failure to make payments. IOUs are required to adopt an AMP plan as a result of the disconnections decision that the Commission adopted earlier this year, D. 20-06-003. CalCCA and several individual CCA programs were involved in a workshop and negotiations with the IOUs regarding implementation prior to the issuance of the advice letter.

SDG&E plans to track and recover all customer debt forgiven through the AMP program—including CCA customer debt related to commodity costs—and recover that debt on behalf of both the IOUs and the CCAs through the utilities’ Public Purpose Program (“PPP”) charge. This will include all debt forgiven through the AMP Plan for both bundled and unbundled customers, including CCA commodity-related debt forgiven. Notably, the collection and allocation payment method will apply only to CARE/FERA customers through the AMP program. As a result, SDG&E’s Rule 27 will remain unchanged and at the conclusion of the COVID-19 measures in April 2021, SDG&E will continue to follow the payment allocation method outlined in Rule 27.

Please note that forgiveness of debt or arrearages for CCA customers will require that a CCA program notify the utility and participate in the AMP program. For unbundled customers to have CCA charges forgiven in the AMP Plan, the CCA must elect to participate in the AMP Plan. If the CCA does not elect to participate, SDG&E may only forgive the utility

charges through its AMP. Therefore, SDG&E requests that participating CCAs provide SDG&E reasonable notice that the CCA is electing to participate in the AMP.

Pursuant to direction from the Energy Division that the AMP program be implemented before April 2021, SDG&E is proposing to implement its AMP program within 90 days of the Energy Division's letter, dated August 13, 2020, or no later than November 11, 2020, or within 45 days after approval of the advice letter, which could be November 12, 2020 at the earliest.

Protests are due within 20 days of the advice letter being issued or no later than September 29, 2020.

2. SDG&E PCIA Trigger Application (A.20-07-009)

The Commission held a Prehearing Conference (“PHC”) on August 27, 2020, where the relevant issues and schedule for the proceeding were discussed, as well as a motion to compel production of confidential documents. Given the current status of the proceeding, it is possible but unlikely that the \$8.92 million balance in the PCIA trigger account will be collected this year, and more likely that it will be amortized over a longer period of time. A longer amortization schedule will reduce monthly rate shock by spreading recovery of the balance over a longer period of time. The next steps in the proceeding are the issuance of a scoping memo and a ruling on the motion.

Related, at a recent Public Utilities Commission meeting, Commissioner Guzman Aceves mentioned that the PCIA cap and trigger mechanism that is currently in place may need to be revisited. No decision initiating a new proceeding or other action has been taken. IOU representatives have also made suggestions at various times to eliminate the cap and trigger mechanism. The proposed change would have major implications for CEA and other CCA programs. Further analysis and review are necessary to determine the impacts.

3. SDG&E ERRR Forecast Proceeding (A.20-04-014)

CEA's counsel on the SDG&E ERRR Forecast have been working diligently to enter documents into the record regarding SDG&E's accounting, rate methodologies and related matters. The consultant, NewGen Strategies, has been contributing significantly to the effort. The next major step in the proceeding is briefing, and briefs are due on September 25, 2020.



Clay Faber - Director
Federal & CA Regulatory
8330 Century Park Court
San Diego, CA 92123

cfaber@sdge.com

September 9, 2020

ADVICE LETTER 3602-E / 2902-G
(U902-M)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

SUBJECT: Implementation of San Diego Gas & Electric Company's Arrearage Management Payment (AMP) Plan in Compliance with D.20-06-003

San Diego Gas & Electric Company (SDG&E) hereby submits this filing to the California Public Utilities Commission (Commission) for approval of modifications to its electric and gas tariffs as shown in Attachments A and B.

PURPOSE

The purpose of this Advice Letter (AL) is to comply with Ordering Paragraphs (OP) 83 and 87 of Decision (D.) 20-06-003 (Decision), issued on June 16, 2020, as follows:

- 1) Pursuant to OP 83, Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and SDG&E, collectively (IOUs) must each file a Tier 2 AL within 90 days of this decision to implement their Arrearage Management Payment (AMP) plan for California Alternate Rates for Energy (CARE) and Family Electric Rate Assistance (FERA) residential customers.
- 2) Pursuant to OP 87, the IOUs shall, in the Tier 2 AL implementing the AMP Plan, propose a resolution to address California Community Choice Association's (CalCCA) concern related to the allocation of proportional debt recovery.

BACKGROUND

On September 28, 2017, Governor Brown signed Senate Bill (SB) 598 into law. Among other things, SB 598 requires the Commission to develop rules, policies or regulations with a goal of reducing the statewide disconnection rate of gas and electric utility customers by January 1, 2024.

On December 13, 2018, the Commission adopted the interim rules in D.18-12-013, which set forth various emergency interim measures to reduce the number of residential customer disconnections and to improve the reconnection processes for disconnected customers.

On April 16, 2020, in response to the novel Coronavirus pandemic, COVID-19, the Commission issued Resolution M-4842, directing the utilities to implement applicable Emergency Customer

Protections through April 16, 2021. The Emergency Customer Protections include a disconnection moratorium for all residential and small business customers. Additionally, SDG&E proposed a temporary *pro-rata* allocation method for partial payments from CCA customers through April 16, 2021. At the conclusion of the Emergency Customer Protections, SDG&E will revert to the CCA payment allocation method described in its tariffs.

Pursuant to SB 598, on June 11, 2020, the Commission issued D.20-06-003, the Phase 1 Decision adopting rules and policy changes designed to reduce the number of residential customer disconnections for the Investor Owned Utilities. This Decision, among other things, adopts and makes permanent with modifications the Interim Rules Decision and provides additional customer protections. The Decision also establishes the creation of Arrearage Management Payment (AMP) plans administered by the IOUs (AMP program). Through the AMP program, the IOUs are directed to forgive up to \$8,000 of eligible customers' outstanding arrearages as they make on-time monthly payments over the course of 12 months. D.20-06-003 directs the creation of an AMP Working Group comprised of the IOUs, Energy Division, TURN, CCAs and interested parties to discuss details and to reach consensus on the rollout of their proposed AMP plans. The IOUs were further directed to address CalCCA's concerns regarding allocation and recovery of forgiven AMP arrearages for CCA customers during the working group process.

The Decision directs the IOUs to file a Tier 2 advice letter within 90 days of the Decision implementing the AMP and proposing a resolution to address allocation and recovery of CCA AMP-related debt forgiveness. This Advice Letter complies with OP 83 to establish an AMP Plan and OP 87 to propose a resolution to address CCA recovery of customer debt forgiven through the AMP.

AMP IMPLEMENTATION

Timing of Implementation

As a result of the ongoing discussions with the working group, on August 13, 2020, Energy Division issued a letter stating its interpretation that, despite the ongoing COVID-19 Emergency Customer Protections through April 16, 2021, the Decision required implementation of the AMP prior to the end of the Customer Protections period. Energy Division strongly encouraged the IOUs to develop and propose a 2020 AMP implementation date. Pursuant to Energy Division's letter, SDG&E is proposing to implement AMP on the latter of 1) 90 days post-Energy Division's letter dated August 13, 2020, or 2) 45 days after approval of this Advice Letter. This implementation timing permits SDG&E to implement the AMP consistent with Energy Division's direction, and to make any necessary operational changes as directed by Energy Division after Advice Letter approval.

Manual Implementation

As discussed in the working group process, SDG&E is in the process of deploying its new Customer Information System (CIS),¹ scheduled to go online in April 2021. The new CIS is a comprehensive system replacement to improve and support SDG&E's critical business

¹ SDG&E applied for authority to replace its legacy CIS system in A.17-04-027. The CIS replacement was approved by the Commission in August 2018 in D.18-08-008.

processes and customer engagement functions, and is the product of over three years of effort by SDG&E employees and contractors. At this stage, the CIS replacement requires a system freeze of SDG&E's legacy billing system until the new CIS goes live next year. The system freeze is required to ensure a stable transition and minimize overall risk and customer impact, as SDG&E transitions from its legacy system to the new CIS. Because of the system freeze through April 2021, to implement AMP prior to the CIS "go-live," SDG&E will implement AMP on an entirely manual basis. This will require additional resources, AMP specialists, and lead to additional costs. It is unknown to SDG&E at this time how many customers will sign up for AMP, however, SDG&E currently estimates that approximately 20,000 to 25,000 customer accounts in SDG&E's service territory could be eligible for AMP. The additional program resources for the manual implementation will perform eligibility checks, customer education, calculation and processing of debt forgiveness, processing of monthly acknowledgement correspondence, tracking, and overall program management. AMP specialists will also be responsible for providing on-going support to customers during the AMP program. Due to the manual nature of this process, there will be some limitations to implement the AMP program in 2020. For example, SDG&E is unable to make changes to customer bills at this time, therefore, the bill for an AMP enrolled customer account may not identify AMP until after the new CIS is deployed. Further, all reporting will be done manually through spreadsheets. Reporting is described further below.

AMP Criteria

Per D.20-06-003, the AMP Plan is a debt forgiveness payment plan option available to assist eligible CARE and FERA residential customers who meet specific eligibility criteria as described below. Upon customer enrollment in the AMP, 1/12th of a specific outstanding balance will be forgiven after the customer makes each on-time monthly payment of their current charges.

1. AMP Plan Eligibility and Enrollment Criteria

The AMP Plan is available to an individually metered, bundled and unbundled residential customer account that is currently enrolled in CARE and/or FERA (Eligible Customer).

An Eligible Customer may elect to participate in the AMP Plan if they meet the following conditions:

- a. The Eligible Customer has past due arrearages greater than \$500 for electric and \$250 for gas only customers;
- b. The Eligible Customer has an arrearage at least 90 days of age or older; and,
- c. An Eligible Customer must be a customer of the utility for at least 6 months, and have made at least one (1) full on-time payment of that month's current charges by that month's payment due date within the last 24 months.²

2. AMP Plan Forgiveness

- a. Once an Eligible Customer is enrolled in the AMP Plan (AMP Participant), 1/12 of the AMP Participant's debt will be forgiven, up to a maximum of \$8,000 (AMP Amount) per AMP, after each on-time payment of the current month's charges.

² When SDG&E transitions to the new CIS in April 2021, SDG&E will waive this requirement until 24 months' worth of customer payment data is available in its new CIS. The new CIS is converting 13 months of historical data at the time of deployment in April 2021.

- b. After twelve on-time payments of the current month's charges, the AMP Participant's AMP Amount debt will be forgiven. This is considered successful completion of the AMP Plan.
 - a. After successful completion of the AMP Plan, any remaining arrearage (in excess of the \$8,000 forgiven per AMP) is owed to the utility and may be eligible for a payment plan.
- c. Any payment received, including Low Income Home Energy Assistance Program (LIHEAP) pledge payments, shall be applied towards the AMP Participant's current bill only and will not be applied to any AMP Arrearage Amount. If a payment is received in excess of current month's charges, the excess will be applied to future charges.
- d. An AMP Participant will receive an acknowledgment of on-time payment received at three (3), six (6), and nine (9) months of participation in the AMP Plan.
- e. An AMP Participant can miss up to two non-sequential payments if the customer makes up the payment on the next billing due date with an on-time full payment of both the current and missed payments.
- f. An AMP Participant who misses two sequential payments shall be removed from the AMP Plan. An AMP Participant removed from the AMP Plan may re-enroll after completing a 12-month waiting period, which begins the first month after the eligible customer drops out of the AMP. Re-enrolling in the AMP Plan requires an Eligible Customer to meet AMP Plan Eligibility and Enrollment Criteria. If an AMP Participant is removed from the AMP Plan, the remaining arrearage will be owed to the utility and may be eligible for a payment plan.
- g. An AMP Participant, who drops out of the AMP Plan, may re-enroll after completing a 12-month waiting period, which begins the month after dropping out from the AMP Plan. Re-enrolling in the AMP Plan requires an Eligible Customer to meet AMP Plan Eligibility and Enrollment Criteria. If an AMP Participant drops out from the AMP Plan, the remaining arrearage will be owed to the utility and may be eligible for a payment plan.
- h. An AMP Participant, who successfully completes the AMP Plan, may re-enroll after completing a 12-month waiting period, which begins the month after successful completion of the AMP Plan. Re-enrolling in the AMP Plan requires an Eligible Customer to meet AMP Plan Eligibility and Enrollment Criteria.
- i. All bundled charges forgiven will be recorded to the residential uncollectible balancing account (RUBA).
- j. California Hub for Energy Efficiency Financing (CHEEF) and On Bill Financing (OBF) charges will not be eligible for forgiveness in the AMP Plan.
- k. To make current monthly charges more predictable, an AMP Participant can request to participate in LPP while participating in the AMP Plan.

Pursuant to OP 5, SDG&E will provide annual AMP reporting related to OPs 70-82 of D.20-06-003 beginning in 2022.

Proposed Marketing and Customer Outreach

Pursuant to Resolution M-4842, SDG&E will continue the disconnection moratorium for residential and small business customers through April 16, 2021. SDG&E will take the following initial steps to provide outreach efforts to enroll eligible customers in the AMP Program.³

In order to help customers avoid disconnection and manage unpaid arrearages, SDG&E plans to reach customers in a variety of channels.

At program inception, to ensure information is available and easy to find, AMP requirements, benefits, and FAQ's will be posted on SDG&E's website on relevant assistance pages. Additionally, a communication will be sent to current CARE/FERA customers, to provide awareness of the AMP program and their eligibility. Customers will be directed to call the Customer Care Center (CCC) to speak with an Energy Service Specialist (ESS) with questions and help to enroll, as needed.

Prior to the conclusion of the disconnection moratorium, collection notices will be updated to include general information about AMP benefits and requirements. Current marketing and outreach efforts to eligible CARE/FERA customers will be reviewed to determine where secondary AMP messaging can be included to help raise awareness for at-risk customers. As space permits, secondary messaging about AMP and payment arrangements will be promoted through communication channels such as printed material, email and the SDG&E bill package, as well as through social media channels.

Relevant AMP information will be also provided to community partners and CBOs that serve the most at-risk customers to help communicate program benefits and requirements. As trusted partners to vulnerable populations, these organizations are well positioned to help describe the program in terms that the customers will understand, especially for non-English speaking customers or members of the community who speak English as a second language. AMP enrollment materials will be also be available in multiple languages, as required.

In early 2021 SDG&E will send an outreach communication to residential customers informing them that Emergency Customer Protections are ending and explaining their options for financial assistance, including AMP.

IOU's Response to CalCCA's Proposed Cost Recovery/Allocation Solutions (OP 87):

D.20-06-003 directs the IOUs to offer AMP plans for all eligible CARE/FERA customers, and to forgive those customers arrearages upon receiving on-time payments. CalCCA actively participated in the Rulemaking to address the impacts of the new disconnection policies, rules, and procedures, including AMP, on the CCAs. To address the potential impact on CCA uncollectibles for CCAs that choose to participate in AMP, the Commission directed the IOUs to address the issues of concern related to proportional recovery raised by CalCCA during the working group and propose a resolution in this Advice Letter. During the working group

³ Distribution of marketing and outreach materials will coincide with the AMP implementation date. Pursuant to Energy Division's letter, SDG&E is proposing to implement AMP on the later of 1) 90 days post-Energy Division's letter dated August 13, 2020, or 2) 45 days after approval of this Advice Letter.

process, CalCCA proposed options to address the impacts of AMP debt forgiveness on CCAs who opt to participate in the program. CalCCA's "Option A" proposed that the IOUs track all customer debt forgiven through the AMP program—including CCA customer debt related to commodity costs—and recover that debt on behalf of both the IOUs and the CCAs through the utilities' Public Purpose Program (PPP) charge. SDG&E agrees with CalCCA's "Option A" and proposes to track all debt forgiven through the AMP Plan for both bundled and unbundled customers, including CCA commodity-related debt forgiven. SDG&E further proposes to recover the forgiven debt through the utility's PPP charge, including the commodity-related CCA charges to its participating CCAs.⁴ This collection and payment allocation method will apply only to debt forgiven for eligible CARE/FERA customers through the AMP program. Therefore, SDG&E's Rule 27 will not change, and at the conclusion of the COVID-19 Emergency Customer Protections, SDG&E will continue to follow the payment allocation method outlined in Rule 27.

SDG&E's proposed utility charge recovery of AMP costs is consistent with the public purpose nature of the AMP Program. D.20-06-003 establishes AMP as a social program to address those most in need, specifically low-income customers enrolled in CARE/FERA. SDG&E's proposed cost recovery through the PPP charge is similar to SDG&E's CARE/FERA discount program, which is also recovered via the PPP. SDG&E proposes to recover AMP costs via PPP from all customers on an equal cent per kilowatt hour charge based on authorized sales. SDG&E's proposed "Option A" recovery method resolves the cost recovery issue addressed by CalCCA and it facilitates CCA participation in the AMP program.

Absent express notice of a CCA's decision to participate in the AMP Plan, SDG&E does not have the authority or ability to forgive the commodity-related arrearages of CCA customers. Therefore, for unbundled customers to have CCA charges forgiven in the AMP Plan, the CCA must elect to participate in the AMP Plan. If the CCA does not elect to participate, SDG&E may only forgive the utility charges through its AMP. Therefore, SDG&E requests that participating CCA's provide SDG&E reasonable notice that the CCA is electing to participate in the AMP. To that end, SDG&E proposes a 45 day notice period from participating CCAs, after which CCA customers would be eligible for forgiveness of commodity-related costs through the AMP. If a CCA subsequently chooses to discontinue the AMP Plan for commodity costs, SDG&E proposes a 60 day notice period, after which CCA customers enrolling in AMP will not be considered eligible for forgiveness of CCA commodity costs. Additionally, if a CCA decides to discontinue the AMP Plan, any CCA customers already enrolled in the AMP program will remain eligible for the full AMP Amount debt forgiveness of both utility and CCA commodity debts. SDG&E believes it is reasonable for the customers who have relied on the AMP Plan and remain in good standing to continue forgiveness of debt, mid-program, if the CCA decides to terminate the program early. CCA customers enrolled in AMP after a CCA elects not to participate in the AMP program will remain eligible for forgiveness of utility arrearages.

SDG&E proposes that the same processes regarding AMP availability, election to participate, the noticing periods, and cost recovery through PPP, apply for load serving entities (LSEs) for whom SDG&E provides unbundled customer billing for non-commodity utility related charges.

⁴ SDG&E is proposing the aforementioned method to address recovery of CCA debt forgiven through AMP pursuant to OP 87 of D.20-06-003. Consistent with OP 98 and Commission General Order 96-B, Section 5.1(1), SDG&E submits that submission of this proposal is merited through a Tier 2 advice letter. However, given the rate impacts associated with the proposal, the Option A proposal may require approval through a Commission Resolution.

Consistent with this proposal, and pursuant to OP 91 of D.20-06-003, SDG&E will propose the aforementioned cost recovery regarding AMP uncollectibles in a separate Tier 2 AL establishing SDG&E's residential uncollectible balancing account (RUBA), as required by D.20-06-003.

Response to CCA Requests For Additional Data Sharing

On Friday, August 28, 2020, at the 4th AMP Working Group, CalCCA requested additional reporting from the IOUs.

SDG&E does not intend to deviate from any of the reports currently provided to its CCAs. The Decision does not specifically require the IOUs to provide this account-specific data or reporting to the CCAs on an ongoing basis, however, SDG&E will work with our CCAs to provide data that they feel they need to successfully facilitate eligible customers into AMP and provide customers with ongoing support. As previously noted, SDG&E is undergoing a generational upgrade to its CIS system, so much of the data requested by CalCCA would have to be provided on a manual basis until the new CIS is operational. The manual nature of the work limits SDG&E's ability to provide certain information on the timeframes requested. SDG&E is unable to provide the AMP-related reporting requested by CalCCA on a weekly basis. SDG&E is looking into whether it could provide reporting on a monthly basis after the CIS replacement. SDG&E further notes that its two Joint Powers Authorities (JPAs) are not scheduled to begin service until mid-2021. SDG&E will work with its current CCA, Solana Energy Alliance, to accommodate data requests prior to implementation of the new CIS system.

Net Energy Metering (NEM) Customers

During the 4th AMP Working Group, the parties agreed that AMP eligibility and treatment for all NEM customers⁵ would be deferred until a later date. Thus, SDG&E does not have a proposal at this time.

Proposed Electric Tariff Modifications:

Rule 1 – Definitions

ARREARAGE MANAGEMENT PAYMENT (AMP) PLAN: AMP is a debt forgiveness payment plan. See also Rule 9.

Rule 9 – Rendering and Payment of Bills

H. Arrearage Management Payment (AMP) Plan

Per D.20-06-003, the AMP Plan is a debt forgiveness payment plan option available to eligible customers. Upon customer enrollment in the AMP, 1/12 of the AMP Participant's debt will be forgiven after each on-time payment of the current month's charges.

1. AMP Plan Eligibility and Enrollment Criteria

⁵ SDG&E NEM tariffs include: NEM, NEM-ST, NEM-FC, NEM-V, NEM-V-ST, VNM-A, VNM-A-ST, and VNEM-SOMAH.

The AMP Plan is available to an individually metered, bundled and unbundled residential customer account that is currently enrolled in CARE and/or FERA (Eligible Customer).

For unbundled customers to have CCA charges forgiven in the AMP Plan, the CCA has to elect to participate to the AMP Plan and provide SDG&E reasonable notice. Within 45 days of SDG&E receiving notice that the CCA has opted into the AMP Plan, SDG&E will consider the CCA customers commodity-related charges eligible for forgiveness through the AMP Plan. If the CCA does not elect to participate, only utility charges will be forgiven.

The AMP Plan is not available to NEM customers (NEM customers include customers participating in NEM, NEM-ST, NEM-FC, NEM-V, NEM-V-ST, VNM-A, VNM-A-ST, and VNEM-SOMAH).

An Eligible Customer may elect to participate in the AMP Plan if they meet the following conditions:

- b. An Eligible Customer has past due arrearages greater than \$500 for electric;
- b. An Eligible Customer has an arrearage at least 90 days of age or older; and,
- c. An Eligible Customer must be a customer for at least 6 months, and has made at least one (1) full on-time payment of that months' current charges by that month's payment due date within the last 24 months.

2. AMP Plan Forgiveness

- a. Once an Eligible Customer is enrolled in the AMP Plan (AMP Participant), 1/12 of the AMP Participant's debt will be forgiven, up to a maximum of \$8,000 (AMP Amount) per AMP, after each on-time payment of the current month's charges.
 - i. AMP Amount is determined at the time of enrollment.
- b. After twelve on-time payments of current month's charges, the AMP Participant's AMP Amount debt will be forgiven. This is considered successful completion of the AMP Plan.
 - i. After successful completion of the AMP Plan, any remaining arrearage (in excess of the \$8,000 forgiven, per AMP) is owed to the utility and may be eligible for a payment plan.
- c. Any payment received, including Low Income Home Energy Assistance Program (LIHEAP) pledge payments, shall be applied towards the AMP Participant's current bill only and will not be applied to any AMP Amount. If a payment is received in excess of current month's charges, the excess will be applied to future charges.
- d. An AMP Participant will receive an acknowledgment of on-time payment received at three (3), six (6), and nine (9) months of participation in the AMP Plan.
- e. An AMP Participant can miss up to two non-sequential payments if the customer makes up the payment on the next billing due date with an on-time full payment of both the current month's charges and the previous month's past-due bill(s).
- f. An AMP Participant who misses two sequential payments shall be removed from the AMP Plan. An AMP Participant removed from the AMP Plan may re-enroll after completing a 12-month waiting period, which begins the first month after the eligible customer drops out of the AMP. Re-enrolling in the AMP Plan requires an Eligible Customer to meet AMP Plan Eligibility and Enrollment Criteria. If an AMP Participant is removed from the AMP Plan, the remaining arrearage will be owed to the utility and may be eligible for a payment plan at the time of removal.

- g. An AMP Participant, who drops out of the AMP Plan, may re-enroll after completing a 12-month waiting period, which begins the month after dropping out of the AMP Plan. Re-enrolling in the AMP Plan requires an Eligible Customer to meet AMP Plan Eligibility and Enrollment Criteria. If an AMP Participant drops out of the AMP Plan, the remaining arrearage will be owed to the utility and may be eligible for a payment plan at the time of dropping out.
- h. An AMP Participant who successfully completes the AMP Plan, may re-enroll after completing a 12-month waiting period, which begins the month after successful completion of the AMP Plan. Re-enrolling in the AMP Plan requires an Eligible Customer to meet AMP Plan Eligibility and Enrollment Criteria.
- i. All bundled charges forgiven will be recorded to the Residential Uncollectible Balancing Account (RUBA).
- j. CHEEF and OBF charges will not be eligible for forgiveness in the AMP Plan
- k. To make current monthly charges more predictable, an AMP Participant can request to participate in LPP while participating in the AMP Plan.

Proposed Gas Tariff Modifications:

Rule 1 – Definitions

ARREARAGE MANAGEMENT PAYMENT (AMP) PLAN: AMP is a debt forgiveness payment plan. See also Rule 9.

Rule 9 – Rendering and Payment of Bills

G. Arrearage Management Payment (AMP) Plan

Per D.20-06-003, the AMP Plan is a debt forgiveness payment plan option available to eligible customers. Upon customer enrollment in the AMP, 1/12 of the AMP Participant's debt will be forgiven after each on-time payment of the current month's charges.

1. AMP Plan Eligibility and Enrollment Criteria

The AMP Plan is available to an individually metered, bundled and unbundled residential customer account that is currently enrolled in CARE and/or FERA (Eligible Customer).

An Eligible Customer may elect to participate in the AMP Plan if they meet the following conditions:

- a. An Eligible Customer has past due arrearages greater than \$250 for gas only customer;
- b. An Eligible Customer has an arrearage at least 90 days of age or older; and,
- c. An Eligible Customer must be a customer for at least 6 months, and has made at least one (1) full on-time payment of that month's current charges by that month's payment due date within the last 24 months.

2. AMP Plan Forgiveness

- a. Once an Eligible Customer is enrolled in the AMP Plan (AMP Participant), 1/12 of the AMP Participant's debt will be forgiven, up to a maximum of \$8,000 (AMP Amount) per AMP, after each on-time payment of the current month's charges.
 - i. AMP Amount is determined at the time of enrollment.

- b. After twelve on-time payments of current month's charges, the AMP Participant's AMP Amount debt will be forgiven. This is considered successful completion of the AMP Plan.
 - i. After successful completion of the AMP Plan, any remaining arrearage (in excess of the \$8,000 forgiven, per AMP) is owed to the utility and may be eligible for a payment plan.
- c. Any payment received, including Low Income Home Energy Assistance Program (LIHEAP) pledge payments, shall be applied towards the AMP Participant's current bill only and will not be applied to any AMP Amount. If a payment is received in excess of current month's charges, the excess will be applied to future charges.
- d. An AMP Participant will receive an acknowledgment of on-time payment received at three (3), six (6), and nine (9) months of participation in the AMP Plan.
- e. An AMP Participant can miss up to two non-sequential payments if the customer makes up the payment on the next billing due date with an on-time full payment of both the current month's charges and the previous month's past-due bill(s).
- f. An AMP Participant who misses two sequential payments shall be removed from the AMP Plan. An AMP Participant removed from the AMP Plan may re-enroll after completing a 12-month waiting period, which begins the first month after the eligible customer drops out of the AMP. Re-enrolling in the AMP Plan requires an Eligible Customer to meet AMP Plan Eligibility and Enrollment Criteria. If an AMP Participant is removed from the AMP Plan, the remaining arrearage will be owed to the utility and may be eligible for a payment plan at the time of removal.
- g. An AMP Participant, who drops out of the AMP Plan, may re-enroll after completing a 12-month waiting period, which begins the month after dropping out of the AMP Plan. Re-enrolling in the AMP Plan requires an Eligible Customer to meet AMP Plan Eligibility and Enrollment Criteria. If an AMP Participant drops out of the AMP Plan, the remaining arrearage will be owed to the utility and may be eligible for a payment plan at the time of dropping out.
- h. An AMP Participant who successfully completes the AMP Plan, may re-enroll after completing a 12-month waiting period, which begins the month after successful completion of the AMP Plan. Re-enrolling in the AMP Plan requires an Eligible Customer to meet AMP Plan Eligibility and Enrollment Criteria.
- i. All bundled charges forgiven will be recorded to the Residential Uncollectible Balancing Account (RUBA).
- j. CHEEF and OBF charges will not be eligible for forgiveness in the AMP Plan
- k. To make current monthly charges more predictable, an AMP Participant can request to participate in LPP while participating in the AMP Plan.

EFFECTIVE DATE

SDG&E believes this submittal is subject to Energy Division disposition and should be classified as Tier 2 (effective after staff approval) pursuant to OPs 83 and 87 of D.20-06-003 and General Order 96-B. Consistent with OP 98 and Commission General Order 96-B, Section 5.1(1), SDG&E submits that submission of the Option A proposal is merited through a Tier 2 advice letter. However, given the rate impacts associated with the proposal, the Option A proposal may require approval through a Commission Resolution. Pursuant to the agreement reached during the fourth AMP Working Group, SDG&E respectfully requests that this submittal be

approved for implementation on the later of 1) 90 days post-Energy Division's letter dated August 13, 2020, or 2) 45 days after approval of this Advice Letter.

PROTEST

Anyone may protest this Advice Letter to the Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and must be received no later than September 29, 2020, which is 20 days after the date this Advice Letter was submitted with the Commission. There is no restriction on who may submit a protest. The address for mailing or delivering a protest to the Commission is:

CPUC Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

Copies of the protest should also be sent via e-mail to the attention of the Energy Division at EDTariffUnit@cpuc.ca.gov. A copy of the protest should also be sent via e-mail to the address shown below on the same date it is mailed or delivered to the Commission.

Attn: Greg Anderson
Regulatory Tariff Manager
E-mail: GAnderson@sdge.com and
SDGETariffs@sdge.com

NOTICE

A copy of this submittal has been served on the utilities and interested parties shown on the attached list, including interested parties in R.18-07-005, by providing them a copy hereof either electronically or via the U.S. mail, properly stamped and addressed.

Address changes should be directed to SDG&E Tariffs by email to SDG&ETariffs@sdge.com.

/s/ Clay Faber

CLAY FABER
Director – Federal & CA Regulatory



ADVICE LETTER SUMMARY

ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.:

Utility type:

- ELC GAS WATER
 PLC HEAT

Contact Person:

Phone #:
E-mail:
E-mail Disposition Notice to:

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas WATER = Water
 PLC = Pipeline HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #:

Tier Designation:

Subject of AL:

Keywords (choose from CPUC listing):

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL:

Summarize differences between the AL and the prior withdrawn or rejected AL:

Confidential treatment requested? Yes No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? Yes No

Requested effective date:

No. of tariff sheets:

Estimated system annual revenue effect (%):

Estimated system average rate effect (%):

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected:

Service affected and changes proposed¹:

Pending advice letters that revise the same tariff sheets:

Sept. 17, 2020

¹Discuss in AL if more space is needed.

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov

Name:
Title:
Utility Name:
Address:
City: State:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

Name:
Title:
Utility Name:
Address:
City: State:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

General Order No. 96-B
ADVICE LETTER SUBMITTAL MAILING LIST

<u>Public Utilities Commission</u> <u>Office of Ratepayer Advocates (ORA)</u> R. Pocta <u>Energy Division</u> M. Ghadessi M. Salinas L. Tan R. Ciupagea Tariff Unit	<u>Clean Energy Renewable Fuels, LLC</u> P. DeVille <u>Clean Power Research</u> T. Schmid G. Novotny <u>Davis Wright Tremaine LLP</u> J. Pau <u>Douglass & Liddell</u> D. Douglass D. Liddell <u>Ellison Schneider Harris & Donlan LLP</u> E. Janssen C. Kappel <u>Energy Policy Initiatives Center (USD)</u> S. Anders <u>Energy Regulatory Solutions Consultants</u> L. Medina <u>Energy Strategies, Inc.</u> K. Campbell <u>EQ Research</u> General <u>Goodin, MacBride, Squeri, & Day LLP</u> B. Cragg J. Squeri <u>Green Charge</u> K. Lucas <u>Hanna and Morton LLP</u> N. Pedersen <u>JBS Energy</u> J. Nahigian <u>Keyes & Fox, LLP</u> B. Elder <u>Manatt, Phelps & Phillips LLP</u> D. Huard R. Keen <u>McKenna, Long & Aldridge LLP</u> J. Leslie <u>Morrison & Foerster LLP</u> P. Hanschen <u>MRW & Associates LLC</u> General	<u>NLine Energy</u> M. Swindle <u>NRG Energy</u> D. Fellman <u>Pacific Gas & Electric Co.</u> M. Lawson M. Huffman Tariff Unit <u>RTO Advisors</u> S. Mara <u>SCD Energy Solutions</u> P. Muller <u>Shute, Mihaly & Weinberger LLP</u> O. Armi <u>Solar Turbines</u> C. Frank <u>SPURR</u> M. Rochman <u>Southern California Edison Co.</u> K. Gansecki <u>TerraVerde Renewable Partners LLC</u> F. Lee <u>TURN</u> M. Hawiger <u>UCAN</u> D. Kelly <u>US Dept. of the Navy</u> K. Davoodi <u>US General Services Administration</u> D. Bogni <u>Valley Center Municipal Water Distr</u> G. Broomell <u>Western Manufactured Housing Communities Association</u> S. Dey <u>Interested Parties in:</u> R.18-07-005
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ATTACHMENT A
ADVICE LETTER 3602-E

Cal. P.U.C. Sheet No.	Title of Sheet	Canceling Cal. P.U.C. Sheet No.
Revised 33484-E	RULE 1, DEFINITIONS, Sheet 1	Revised 20584-E
Original 33485-E	RULE 9, RENDERING AND PAYMENT OF BILLS, Sheet 5	Revised 33374-E
Original 33486-E	RULE 9, RENDERING AND PAYMENT OF BILLS, Sheet 6	Revised 33374-E
Revised 33487-E	TABLE OF CONTENTS, Sheet 1	Revised 33482-E
Revised 33488-E	TABLE OF CONTENTS, Sheet 8	Revised 33382-E



RULE 1
DEFINITIONS

AGGREGATOR: Any marketer, broker, public agency, city, county, or special district, that combines the loads of multiple end-use customers in facilitating the sale and purchase of electric energy, transmission, and other services on behalf of these customers.

APPLICATION: Request to the Utility for electric service; not an inquiry as to the availability or charges for such service.

ARREARAGE MANAGEMENT PAYMENT (AMP) PLAN: A debt forgiveness payment plan. See also Rule 9.

BALANCING ACCOUNT: Account in which expenses are compared with actual revenues derived from rates designed to recover those expenses. Any resulting over- or undercollection, plus interest, is due to or owed from ratepayers, respectively. Account balances are amortized in future rates, as approved by the Commission.

BASELINE: A rate structure mandated by the California Legislature that ensures all residential customers are provided a minimum necessary amount of electricity at the lowest possible cost.

BILLING AGENT: Any party who prepares and submits bills to end-use customers, collects and processes payments, and remits aggregate funds and records to its clients.

BILLING CYCLE: The regular periodic interval for reading a Customer's meter for billing purposes. Usually meters are scheduled to be read monthly.

BROKER: An entity that arranges the sale and purchase of electric energy, transmission, and other services between buyers and sellers, but does not take title to any of the power sold.

CALIFORNIA ALTERNATE RATES FOR ENERGY (CARE) PROGRAM: A CPUC program that offers reduced rates to qualified low-income customers. The household income of customers qualifying for CARE assistance shall not exceed 200% of the Federal poverty level as established by the CPUC and set forth in the applicable Utility rate schedules. The CARE Program was previously known as the Low-Income Ratepayer Assistance (LIRA) Program.

COMBINED SERVICE VOLTAGE: Combined Service Voltage occurs when two or more meters are used to determine a customer's billing. In such a case, an adjustment shall be made to the metered information between the voltages prior to billing. When Secondary and Primary voltages are combined, the metered data from Secondary will be increased by 4% prior to being added to the metered data at the Primary level. When Primary and Transmission voltages are combined, metered data from Primary will be increased by 3% prior to being added to the metered data at the Transmission level. When SDG&E, at the customer's expense, has conducted a customer specific loss study it may apply a percentage other than above. When an alternative percentage is developed it may be rounded to the nearest whole percentage.

COMMISSION: Public Utilities Commission of the State of California, sometimes referred to as the Public Utilities Commission (PUC) or the California Public Utilities Commission (CPUC).

COMMON USE AREAS: Those areas that may be shared or used by occupants within a multifamily accommodation, including, but not limited to, recreation room, swimming pool, tennis courts, gardens, hall/outdoor lighting.

COMMUNITY CHOICE AGGREGATION SERVICE (CCA Service): CCA service permits cities, counties, or combinations thereof, whose governing board(s) have elected to acquire their electric power commodity requirements, hereinafter referred to as Community Choice Aggregator (CCAs) to provide such services on behalf of Utility end-use customers located within their service area(s) subject to the requirements specified in AB 117 and other CPUC directives.

COMMUNITY CHOICE AGGREGATOR (CCA): Any city, county, or combination thereof, whose governing board(s) have elected to combine the loads of its residents, businesses and municipal facilities in a community wide electricity buyers' program, known as CCA Service.

(Continued)



RULE 9

RENDERING AND PAYMENT OF BILLS

H. Arrearage Management Payment (AMP) Plan

Per D.20-06-003, the AMP Plan is a debt forgiveness payment plan option available to eligible customers. Upon customer enrollment in the AMP, 1/12 of the AMP Participant's debt will be forgiven after each on-time payment of the current Month's charges.

1. AMP Plan Eligibility and Enrollment Criteria

The AMP Plan is available to an individually metered, bundled and unbundled residential customer account that is currently enrolled in CARE and/or FERA ("Eligible Customer").

For unbundled customers to have CCA charges forgiven in the AMP Plan, the CCA has to elect to participate to the AMP Plan and provide SDG&E reasonable notice. Within 45 days of SDG&E receiving notice that the CCA has opted into the AMP Plan, SDG&E will consider the CCA customers commodity-related charges eligible for forgiveness through the AMP Plan. If the CCA does not elect to participate, only utility charges will be forgiven.

The AMP Plan is not available to NEM customers (NEM customers include customers participating in NEM, NEM-ST, NEM-FC, NEM-V, NEM-V-ST, VNM-A, VNM-A-ST, and VNEM-SOMAH).

An Eligible Customer may elect to participate in the AMP Plan under the following conditions:

- a. An Eligible Customer has past due arrearages greater than \$500 for electric;
- b. An Eligible Customer has an arrearage at least 90 days of age or older; and,
- c. An Eligible Customer must be a customer of the utility for at least 6 months and has made at least one (1) full on-time payment of that month's current charges by that month's payment due date within the last 24 months.

2. AMP Plan Forgiveness

- a. Once an Eligible Customer is enrolled in the AMP Plan ("AMP Participant"), 1/12 of the AMP Participant's debt will be forgiven, up to a maximum of \$8,000 ("AMP Amount") per AMP, after each on-time payment of the current month's charges.
 - i. AMP Amount is determined at the time of enrollment.
- b. After twelve on-time payments of current month's charges, the AMP Participant's AMP Amount debt will be forgiven per AMP. This is considered successful completion of the AMP Plan.
 - i. After successful completion of the AMP Plan, if arrearage is more than \$8,000, the remaining arrearage is owed to the utility and may be eligible for a payment plan at the time of successful completion.
- c. Any payment received, including Low Income Home Energy Assistance Program ("LIHEAP") pledge payments, shall be applied towards the AMP Participant's current bill only and will not be applied to any AMP Amount. If a payment is received in excess of current month's charges, the excess will be applied to future charges.

(Continued)

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RULE 9

Sheet 6

RENDERING AND PAYMENT OF BILLS

H. Arrearage Management Payment (AMP) Plan - (Continued)

- d. An AMP Participant will receive an acknowledgment of on-time payment received at three (3), six (6), and nine (9) months of participation in the AMP Plan.
- e. An AMP Participant can miss up to two non-sequential payments if the customer makes up the payment on the next billing due date with an on-time full payment of both the current month's charges and the previous month's past-due bill(s).
- f. An AMP Participant, who misses two sequential payments, shall be removed from the AMP Plan. An AMP Participant removed from the AMP Plan, may re-enroll after completing a 12-month waiting period, which begins the month after removal from the AMP Plan. Re-enrolling in the AMP Plan requires an Eligible Customer to meet AMP Plan Eligibility and Enrollment Criteria. If an AMP Participant is removed from the AMP Plan, the remaining arrearage will be owed to the utility and may be eligible for a payment plan at the time of removal.
- g. An AMP Participant, who drops out of the AMP Plan, may re-enroll after completing a 12-month waiting period, which begins the month after dropping out from the AMP Plan. Re-enrolling in the AMP Plan requires an Eligible Customer to meet AMP Plan Eligibility and Enrollment Criteria. If an AMP Participant drops out from the AMP Plan, the remaining arrearage will be owed to the utility and may be eligible for a payment plan at the time of dropping out.
- h. An AMP Participant, who successfully completes the AMP Plan, may re-enroll after completing a 12-month waiting period, which begins the month after successful completion of the AMP Plan. Re-enrolling in the AMP Plan requires an Eligible Customer to meet AMP Plan Eligibility and Enrollment Criteria.
- i. All bundled charges forgiven will be recorded to the Residential Uncollectible Balancing Account (RUBA).
- j. California Hub for Energy Efficiency Financing (CHEEF) and On-Bill Repayment (OBR) charges will not be eligible for forgiveness in the AMP Plan.
- k. To make current monthly charges more predictable, an AMP Participant can request to participate in LPP while participating in the AMP Plan.

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Sheet 1

The following sheets contain all the effective rates and rules affecting rates, service and information relating thereto, in effect on the date indicated herein.

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Advice Ltr. No. 3602-E

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Dan Skopec
Vice President
Regulatory Affairs

Submitted Sep 9, 2020
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ATTACHMENT B
ADVICE LETTER 2902-G

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Original 24843-G	RULE 9, RENDERING AND PAYMENT OF BILLS, Sheet 6	Revised 24601-G
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Revised 24845-G	TABLE OF CONTENTS, Sheet 5	Revised 24799-G



RULE 1
DEFINITIONS

Sheet 1

AGGREGATOR: See Energy Service Provider (ESP).

ALTERNATE FUEL (sometimes referred to as Alternative Fuel): Any fuel, gaseous, liquid, or solid, that may be used in lieu of natural gas. Electricity shall not be considered as an alternative fuel for purposes of conversion.

ALTERNATE GAS TRANSPORTATION SERVICE PROVIDER: Entity other than the Utility that transports natural gas to the customer's facility.

ALTERNATE FUEL CAPABILITY: Alternate fuel facilities installed, permitted and capable of use on a sustained basis, excluding those uses exempted by Section 2773.5 of the California Public Utilities Code.

ANNUAL FIRM WITHDRAWAL: Storage withdrawal service that is available every day of the storage year except for core emergencies, force majeure, or scheduled maintenance outages.

APPLIANCE: Approved (e.g. AGA listed) and essential gas fired equipment.

APPLICANT: Person, agency, or entity requesting the Utility to supply natural gas service.

APPLICATION: Request to the Utility for natural gas service; not an inquiry as to the availability or charges for such service.

ARREARAGE MANAGEMENT PAYMENT (AMP) PLAN: A debt forgiveness payment plan. See also Rule 9.

BALANCING SERVICE: Best-efforts service to accommodate imbalances between actual Customer usage and Customer-owned gas delivered to the Utility.

BALANCING ACCOUNT: Account in which expenses are compared with actual revenues derived from rates designed to recover those expenses. Any resulting over- or undercollection, plus interest, is due to or owed from ratepayers, respectively. Account balances are amortized in future rates, as approved by the Commission.

BASELINE: A rate structure mandated by the California Legislature that ensures all residential customers are provided a minimum necessary quantity of gas at the lowest possible cost.

BILLING CYCLE: The regular periodic interval for reading a Customer's meter for billing purposes. Usually meters are scheduled to be read monthly.

BRANCH SERVICE: Service that is not connected to a natural gas main and has another service as its source of supply.

BRITISH THERMAL UNIT (Btu): The standard unit for measuring a quantity of thermal energy. One Btu equals the amount of thermal energy required to raise the temperature of one pound of water one degree Fahrenheit and is exactly defined as equal to 1,055.05585262 joule, rounded to 1,055.056 joule. (A joule is equal to one watt-second.)

BROKERAGE FEE: Fee charged to customers who procure supply directly from the Utility to cover gas purchasing expenses.

BURN: Natural gas usage as measured by electronic metering or an estimated quantity such as Minimum Daily Quantity (MinDQ) for purposes of compliance with winter delivery requirements as specified in Rule 30.

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RULE 9

RENDERING AND PAYMENT OF BILLS

G. Arrearage Management Payment (AMP) Plan

Per D.20-06-003, the AMP Plan is a debt forgiveness payment plan option available to eligible customers. Upon customer enrollment in the AMP, 1/12 of the AMP Participant's debt will be forgiven after each on-time payment of the current month's charges.

1. AMP Plan Eligibility and Enrollment Criteria

The AMP Plan is available to an individually metered, core residential customer account that is currently enrolled in CARE and/or FERA ("Eligible Customer").

An Eligible Customer may elect to participate in the AMP Plan under the following conditions:

- a. An Eligible Customer has past due arrearages greater than \$250 for gas only customer;
- b. An Eligible Customer has an arrearage at least 90 days of age or older; and,
- c. An Eligible Customer must be a customer of the utility for at least 6 months and has made at least one (1) full on-time payment of that month's current charges by that month's payment due date within the last 24 months.

2. AMP Plan Forgiveness

- a. Once an Eligible Customer is enrolled in the AMP Plan ("AMP Participant"), 1/12 of the AMP Participant's debt will be forgiven, up to a maximum of \$8,000 ("AMP Amount") per AMP, after each on-time payment of the current month's charges.
 - i. AMP Amount is determined at the time of enrollment.
- b. After twelve on-time payments of current month's charges, the AMP Participant's AMP Amount debt will be forgiven. This is considered successful completion of the AMP Plan.
 - i. After successful completion of the AMP Plan, any remaining arrearage (in excess of the \$8,000 forgiven per AMP) is owed to the utility and may be eligible for a payment plan.
- c. Any payment received, including Low Income Home Energy Assistance Program ("LIHEAP") pledge payments, shall be applied towards the AMP Participant's current bill only and will not be applied to any AMP Amount. If a payment is received in excess of current month's charges, the excess will be applied to future charges.
- d. An AMP Participant will receive an acknowledgment of on-time payment received at three (3), six (6), and nine (9) months of participation in the AMP Plan.
- e. An AMP Participant can miss up to two non-sequential payments if the customer makes up the payment on the next billing due date with an on-time full payment of both the current month's charges and the previous month's past-due bill(s).

(Continued)

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RULE 9

Sheet 6

RENDERING AND PAYMENT OF BILLS

G. Arrearage Management Payment (AMP) Plan - (Continued)

- f. An AMP Participant, who misses two sequential payments, shall be removed from the AMP Plan. An AMP Participant removed from the AMP Plan, may re-enroll after completing a 12-month waiting period, which begins the month after removal from the AMP Plan. Re-enrolling in the AMP Plan requires an Eligible Customer to meet AMP Plan Eligibility and Enrollment Criteria. If an AMP Participant is removed from the AMP Plan, the remaining arrearage will be owed to the utility and may be eligible for a payment plan at the time of removal.
- g. An AMP Participant, who drops out of the AMP Plan, may re-enroll after completing a 12-month waiting period, which begins the month after dropping out from the AMP Plan. Re-enrolling in the AMP Plan requires an Eligible Customer to meet AMP Plan Eligibility and Enrollment Criteria. If an AMP Participant drops out from the AMP Plan, the remaining arrearage will be owed to the utility and may be eligible for a payment plan at the time of dropping out.
- h. An AMP Participant, who successfully completes the AMP Plan, may re-enroll after completing a 12-month waiting period, which begins the month after successful completion of the AMP Plan. Re-enrolling in the AMP Plan requires an Eligible Customer to meet AMP Plan Eligibility and Enrollment Criteria.
- i. All bundled charges forgiven will be recorded in the Residential Uncollectible Balancing Account (RUBA).
- j. California Hub for Energy Efficiency Financing (CHEEF) and On-Bill Repayment (OBR) charges will not be eligible for forgiveness in the AMP Plan.
- k. To make current monthly charges more predictable, an AMP Participant can request to participate in LPP while participating in the AMP Plan.

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Regulatory Affairs

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Item # 2 Resolution No. Page 31 of 32

Staff Report

DATE: September 17, 2020
TO: Clean Energy Alliance Board of Directors
FROM: Barbara Boswell, Interim Chief Executive Officer
ITEM 3: Clean Energy Alliance Long-Term Renewable Solicitation

RECOMMENDATION:

Authorize Interim Chief Executive Officer to execute term sheets, exclusivity and confidentiality agreements with short-listed projects from the CEA Long-Term Renewable Solicitation.

BACKGROUND AND DISCUSSION:

At its special meeting June 26, 2020, the Clean Energy Alliance (CEA) Board authorized issuance of the first CEA Long-Term Renewable Solicitation. California SB 350 establishes the requirement that 65% of CEA's state mandated renewable portfolio standards be provided through long-term contracts of 10-years or longer. This solicitation, which opened July 1, 2020, seeks to fill a portion of its long-term contracting requirements.

The solicitation closed July 27, with 30 different proposers offering 88 projects, 75 of which are solar or solar + storage technology. Staff and Pacific Energy Advisors are reviewing the projects to develop a short list based on price, location, technology, and developer's demonstrated ability to complete the perform.

The next steps in the process are to execute term sheets, exclusivity and confidentiality agreements with the short-listed proposers that we are interested in moving forward with in negotiations. The term sheet summarizes the deal points of the agreement, the exclusivity agreement ensures that the developer is only negotiating with CEA for the project, and the confidentiality agreement ensures both parties maintain confidentiality throughout the negotiation process. Once a final agreement is reached, it will be brought back to the CEA Board for final approval at the December or January meeting.

FISCAL IMPACT

There is no fiscal impact by this action.

ATTACHMENTS:

None

Staff Report

DATE: September 17, 2020
TO: Clean Energy Alliance Board of Directors
FROM: Barbara Boswell, Interim Chief Executive Officer
ITEM 4: Clean Energy Alliance Communications and Marketing Kickoff

RECOMMENDATION:

Provide input regarding Clean Energy Alliance branding.

BACKGROUND AND DISCUSSION:

The firm of Tripepi Smith has been engaged to provide communications and marketing services to support the Clean Energy Alliance (CEA) Community Choice Aggregation (CCA) implementation efforts. The first step in the ten-month workplan (attached) is the CEA branding process. Tripepi Smith is seeking Board input upon which to develop branding alternatives to bring back to the Board at a future Board meeting.

FISCAL IMPACT

There is no fiscal impact by this action.

ATTACHMENTS:

Attachment A - Tripepi Smith Ten-Month Work Plan



10-MONTH PLAN

Note that this is a recommended plan. This proposed schedule indicates approximate work dates. Actual start/completion dates will vary depending on strategy decisions, client reviews, approvals, etc.

- **Black: One-time Projects** > **Green: Begin Ongoing/Repeating Tasks**

2020

September

- **Kickoff Meeting**September 4
- > **Bi-weekly Client Calls**ongoing
- > **Board/Advisory Mtg Attendance**ongoing
- > **Content: Support & Management**ongoing
- > **Email/List: Project Management**ongoing
- **Content: Research, Calendar** ...September 11
- **Branding: Kickoff Meeting**September 30
- **Branding: Research**September 30
- **Branding: Statement**September 30
- **Branding: Proj. Management** ..September 30
- **Content: Project Writing** October 16
- **Email/List: Setup** October 16

October

Continue with ongoing/repeating work, plus:

- **Photoshoot**..... October 18-23
- **Design: Logo Library**.....November 13
- **Design: Brand Standards**November 13
- **Design: Project Management** ...November 13
- **Website: Design, Build, Host**November 27

November

Continue with ongoing/repeating work, plus:

- > **Email/List: Maintenance**ongoing
- > **Email/List: Execution/Reporting**ongoing
- > **Social Media: Proj. Mgt / Strategy**ongoing
- > **Social Media: Maintenance**ongoing
- > **Social Media: 3-city Monitoring**ongoing
- > **Website: Support, Monthly Changes** ongoing
- > **Graphic Support**ongoing
- **Social Media: Setup**November 20
- **Solana Beach Notification**November 27

December

Continue with ongoing/repeating work

2021

January

Continue with ongoing/repeating work, plus:

- **Carlsbad/Del Mar 60-day Pre-notification**
Supply Press File January 15
(must arrive by 60-days pre-launch..... March 02)

February

Continue with ongoing/repeating work

- **Carlsbad/Del Mar 30-day Pre-notification**
Supply Press File February 12
(must arrive by 30-days pre-launch..... April 01)

March

> Continue with ongoing/repeating work, plus:

April

Continue with ongoing/repeating work, plus:

- > **Press/PR: Project Management**ongoing
- > **Press/PR: Maintenance**ongoing
- > **Press/PR: Content**ongoing
- **Press/PR: Setup** April 16
- **Carlsbad/Del Mar 30-day Post-notification**
Supply Press File April 16
(must arrive by 30-days post-launch May 31)

May (Launch)

Continue with ongoing/repeating work, plus:

- **Carlsbad/Del Mar 60-day Post-notification**
Supply Press File May 14
(must arrive by 60-days post-launch June 30)

June

Continue with ongoing/repeating work, plus:

- **Transition to a post-launch strategy**

Staff Report

DATE: September 17, 2020
TO: Clean Energy Alliance Board of Directors
FROM: Sheila Cobian, Interim Board Secretary
ITEM 5: Clean Energy Alliance Interim Board Clerk Services

RECOMMENDATION:

Authorize Clean Energy Alliance Board Chair to execute an amendment to the Bayshore Consulting Services Agreement to add Interim Board Clerk Services, through June 30, 2021, for an amount not to exceed \$18,000, subject to General Counsel approval.

BACKGROUND AND DISCUSSION:

Clean Energy Alliance (CEA) Board clerk services have been provided by the member agencies through reimbursement agreements. At the beginning of the fiscal year the member agencies indicated that they desired these services be transitioned to CEA due to workload.

The Board Secretary, Carlsbad Clerk Services Manager and CEA Interim Chief Executive Officer interviewed two candidates with city clerk experience, and selected Susan Caputo as best meeting the minimum qualifications and needs of the interim CEA Board Clerk. The hiring of a part-time interim Board clerk will relieve the member agencies of the support activities for CEA Board meetings and provide consistency in procedures for each meeting, regardless of the host city.

FISCAL IMPACT

There is no fiscal impact by this action.

ATTACHMENTS:

None

Staff Report

DATE: September 17, 2020

TO: Clean Energy Alliance Board of Directors

FROM: Barbara Boswell, Interim Chief Executive Officer

ITEM 6: Clean Energy Alliance 2020 Legislative and Regulatory Policy Platform

RECOMMENDATION:

Review, provide input and approve Clean Energy Alliance 2020 Legislative and Regulatory Policy Platform.

BACKGROUND AND DISCUSSION:

The proposed 2020 Legislative and Regulatory Policy Platform (Platform) will serve as a guide to the CEA Board and staff in their advocacy efforts related to policy matters of interest at the state legislature and California Public Utilities Commission. It allows both Board Members and staff to pursue actions at the legislative and regulatory levels in a consistent manner and with the understanding that they are pursuing actions in the best interest of CEA and its mission, member agencies and customers. It will provide guidance to the Chief Executive Officer on the support or oppose positions that should be taken on legislative and regulatory matters that come before the California Community Choice Association (CalCCA) Board of Directors.

The proposed Platform was developed to be consistent with the CEA Joint Powers Authority (JPA) Agreement. Specifically, the JPA Agreement identifies the following purposes of CEA:

- Procuring/developing electrical energy for customers;
- Addressing climate change by reducing energy-related greenhouse gas emissions;
- Promoting electrical rate price stability and cost savings;
- Fostering consumer choice;
- Local economic development, such as job creation, local energy programs and local power development.

The four basic principles were developed to ensure CEA's ability to achieve its purposes as stated above. The Platform is centered around these principles:

1. Protecting CEA's local control for the purpose of preserving the ability to self-procure its power resources, to self-determine its rates and the energy programs it offers its residents, businesses and the communities it serves, through the mechanisms of local governance.
2. Ensuring fair treatment of CEA customers by the California Public Utilities Commission (CPUC) and other state agencies.
3. Supporting recognition that electricity is an essential service and that CEA should have the ability to set electric rates that are affordable and competitive to the utilities.

4. Pursuing environmental initiatives that exceed minimum State mandates, promote the growth in renewable energy capacity at the local level, encourage clean energy adoption by CEA customers, and reduce fossil fuel dependency.

The Platform establishes the following positions:

CEA will support legislation and regulatory actions which enables, protects and enhances the development and expansion of Community Choice Aggregation (CCA) programs, and that supports CCA independence in procurement, program deployment, management and decision making.

CEA will support legislation and regulatory actions which allows CEA to develop and procure local energy generation resources to meet the needs of its electric customers.

CEA will support legislation and regulatory actions which promote a neutral, fair and competitive energy market.

CEA will oppose legislation and regulatory actions that jeopardize CEA's independence to self-procure its power resources, determine its rates and the energy programs it provides to its customers in the present, or could restrict its independence to do so in the future.

The Platform is to be returned to the CEA Board for review and update in January each year.

FISCAL IMPACT

There is no fiscal impact by this action.

ATTACHMENTS:

Attachment A - Proposed 2020 Legislative and Regulatory Policy Platform

2020 Legislative and Regulatory Policy Platform

The Clean Energy Alliance (CEA) Board of Directors desires to establish the 2020 Legislative and Regulatory Policy Platform to guide the CEA Board and staff in their advocacy efforts and engagement on policy matters of interest to CEA. The Platform allows both Board members and staff to pursue actions at the legislative and regulatory levels in a consistent manner and with the understanding that they are pursuing actions in the best interest of CEA and its mission, its member agencies and its customers. The Platform enables the organization to move swiftly to respond to legislative and regulatory events. The Platform also provides guidance to the Chief Executive Officer on the support or oppose positions that should be taken on legislative and regulatory matters that come before the California Community Choice Association (CalCCA) Board of Directors.

Unless otherwise approved by the Board, all CEA positions on individual bills will be presented to the Board for approval. For urgent legislative or regulatory matters where time is of the essence, the Chief Executive Officer, with Board Chair concurrence, will take a position, consistent with the Policy Platform and report the action to the full Board at the next Board meeting.

Policy Principles

CEA supports legislation and regulatory actions that enables, protects and enhances CEA's priorities and ability to serve its customers as determined by the CEA Board of Directors.

The Legislative and Regulatory Policy Platform is centered around four basic principles:

1. Protecting CEA's local control for the purpose of preserving the ability to self-procure its power resources, to self-determine its rates and the energy programs it offers its residents, businesses and the communities it serves, through the mechanisms of local governance.
2. Ensuring fair treatment of CEA customers by the California Public Utilities Commission (CPUC) and other state agencies.
3. Supporting recognition that electricity is an essential service and that CEA should have the ability to set electric rates that are affordable and competitive to the utilities.
4. Pursuing environmental initiatives that exceed minimum State mandates, promote the growth in renewable energy capacity at the local level, encourage clean energy adoption by CEA customers, and reduce fossil fuel dependency.

CEA will support legislation and regulatory actions which enables, protects and enhances the development and expansion of Community Choice Aggregation (CCA) programs, and that

supports CCA independence in procurement, program deployment, management and decision making.

CEA will support legislation and regulatory actions which allows CEA to develop and procure local energy generation resources to meet the needs of its electric customers.

CEA will support legislation and regulatory actions which promote a neutral, fair and competitive energy market.

CEA will oppose legislation and regulatory actions that jeopardize CEA's independence to self-procure its power resources, determine its rates and the energy programs it provides to its customers in the present, or could restrict its independence to do so in the future.

The Legislative and Regulatory Policy Platform is to be reviewed and updated every January.

DRAFT

Staff Report

DATE: September 17, 2020
TO: Clean Energy Alliance Board of Directors
FROM: Barbara Boswell, Interim Chief Executive Officer
ITEM 7: Clean Energy Alliance Bid Evaluation Criteria Policy

RECOMMENDATION:

Approve Clean Energy Alliance Bid Evaluation Criteria Policy

BACKGROUND AND DISCUSSION:

At its July 16, 2020 regular meeting, the Clean Energy Alliance (CEA) Board considered two different bid criteria and scoring system methodologies and selected a method that applies a high, medium, low and neutral ranking to priority criteria.

The Bid Evaluation Criteria Policy (Policy) will be used to compare bids to select the best offers related to non-energy goods or services in excess of \$100,000 that require a formal bid and power purchase agreements with third parties.

The following evaluation criteria categories were identified as consistent with the CEA Joint Powers Authority Agreement and adopted CEA policies:

- \$ Value
- Innovation
- Development Risk
- Project Location
- Local Economic Sustainability
- Local Job Growth
- Workforce Development

The application of the high, medium, low and neutral rankings to the criteria categories is proposed as follows:

\$ Value: Projects will be ranked based on the \$ value as compared to other bids received and estimated costs in CEA financial pro forma

Innovation

- **High:** Project contains a novel, innovative, or otherwise meritorious concept, application, approach or method
- **Neutral:** Project does not contain a novel, innovative, or otherwise meritorious concept, application, approach or method

Development Risk: Projects will be ranked from high (good) to low (bad) based on:

- Site Control
- Interconnection status
- Environmental impacts
- Land use and permits
- Project financing
- Developer experience

Project Location

- **High:** In San Diego County and any additional area served by CEA
- **Medium:** Other areas within California
- **Low:** Out of state projects

Local Economic Sustainability

- **High:** Demonstrates multiple benefits (provides additional societal, health, economic, or environmental benefits beyond the climate and GHG reduction benefits of renewable energy)
- **Low:** Project does not demonstrate local economic sustainability as defined above

Local Job Growth

- **High:** Employ workers and use businesses in San Diego County and any additional areas served by CEA
- **Low:** Employs workers and uses businesses outside San Diego County and any additional areas served by CEA

Workforce Development

- **High:** Employ workers from San Diego County and any additional areas served by CEA; utilize apprenticeship programs; follows fair compensation practices including proper assignment of work to crafts that traditionally perform the work
- **Low:** Does not demonstrate workforce development as defined above

The Bid Evaluation Criteria will be included in applicable formal bids and request for proposals as appropriate.

FISCAL IMPACT

There is no fiscal impact by this action.

ATTACHMENTS:

Attachment A - Proposed Clean Energy Alliance Bid Evaluation Criteria Policy

Clean Energy Alliance

JOINT POWERS AUTHORITY

BID EVALUATION CRITERIA POLICY

Clean Energy Alliance (CEA) desires to establish a Bid Evaluation Criteria Policy (Policy) that establishes a process for comparing bids to select the best offer to achieve the goals of CEA as identified in the Joint Powers Authority Agreement and adopted policies.

CEA has identified the following evaluation criteria categories, for non-energy goods or services in excess of \$100,000 requiring a formal bid, power purchase agreements with third parties and to the extent permitted by law, CEA owned generation projects:

- \$ Value
- Innovation
- Development Risk
- Project Location
- Local Economic Benefit
- Local Job Growth
- Workforce Development

Projects will be ranked high, medium, low or neutral based as determined by applying the following criteria:

\$ Value: Projects will be ranked based on the \$ value as compared to other bids received and estimated costs in CEA financial pro forma

Innovation

- **High:** Project contains a novel, innovative, or otherwise meritorious concept, application, approach or method
- **Neutral:** Project does not contain a novel, innovative, or otherwise meritorious concept, application, approach or method

Development Risk: Projects will be ranked from high (good) to low (bad) based on:

- Site Control
- Interconnection status
- Environmental impacts
- Land use and permits

- Project financing
- Developer experience

Project Location

- **High:** In San Diego County and any additional area served by CEA
- **Medium:** Other areas within California
- **Low:** Out of state projects

Local Economic Sustainability

- **High:** Demonstrates multiple benefits (provides additional societal, health, economic, or environmental benefits beyond the climate and GHG reduction benefits of renewable energy)
- **Low:** Project does not demonstrate local economic sustainability as defined above

Local Job Growth

- **High:** Employ workers and use businesses in San Diego County and any additional areas served by CEA
- **Low:** Employs workers and uses businesses outside San Diego County and any additional areas served by CEA

Workforce Development

- **High:** Employ workers from San Diego County and any additional areas served by CEA; utilize apprenticeship programs; follows fair compensation practices including proper assignment of work to crafts that traditionally perform the work
- **Low:** Does not demonstrate workforce development as defined above

The evaluation criteria will be included in formal bid documents and requests for proposals, as appropriate.

Staff Report

DATE: September 17, 2020

TO: Clean Energy Alliance Board of Directors

FROM: Barbara Boswell, Interim Chief Executive Officer

ITEM 8: Clean Energy Alliance Award Request for Qualifications # 2020-004 Scheduling Coordinator Services

RECOMMENDATION:

Authorize Interim Chief Executive Officer to execute an agreement with The Energy Authority to provide Scheduling Coordinator and Congestion Revenue Rights Portfolio Management Services, through June 30, 2023, for an annual amount not to exceed \$140,400, to be billed monthly at \$11,700, plus a one-time fee of \$28,700, subject to General Counsel approval.

BACKGROUND AND DISCUSSION:

At its May 21, 2020 regular meeting the Clean Energy Alliance Board authorized the issuance of a Request for Qualification (RFQ) for Portfolio Management/Energy Advisory and Scheduling Coordinator Services. RFQ 2020-004 was issued on May 26, 2020, with proposals due June 17, 2020.

The RFQ separated Portfolio Management/Energy Advisory (Task 1) and Scheduling Coordinator Services (Task 2) into two separate tasks and responders could propose on either or both tasks. The CEA Board awarded the Portfolio Management Services tasks at the August 2020 Board meeting.

The scope of work for Task 2 – Scheduling Coordinator Services included:

- CEA Load Forecasting
- Scheduling of load into the CAISO day-ahead market
- Validating CAISO statements for load settlements
- Minimizing and managing real-time load imbalance exposure
- Managing Congestion Revenue Rights portfolio and bidding into the CRR auctions
- Scheduling of future CEA owned renewable generation projects
- Posting of CAISO collateral obligations.

CEA received four responses for the Task 2 scope of work:

- Direct Energy
- Pilot Power
- The Energy Authority
- Zglobal, Inc.

The proposals were reviewed by a committee made up of Jason Haber, City of Carlsbad, Cathy DeFalco, California Choice Energy Authority and Barbara Boswell, Interim Chief Executive Officer.

The responses were evaluated based on four categories:

- Background and experience: Demonstrated experience performing the scope of work;
- Management, personnel and qualifications: Qualifications of personnel, familiarity with CCA requirements and issues;
- Approach to performing scope of work: Approach demonstrated ability to perform tasks and meet critical deadlines;
- Project costs: Fees were realistic for services being performed.

A short list of firms to be interviewed was developed based on the results of the RFQ evaluations. Firms invited to interview were: Direct Energy, The Energy Authority and ZGlobal. The same committee members participated in the interviews.

Fees proposed by the three short listed firms are summarized below:

FIRM	NOT TO EXCEED AMOUNT	NOTES
Direct Energy	\$15,000/month beginning May 2021 for Scheduling Coordinator services plus 20% of Congestion Revenue Rights revenues realized	Included a guarantee of positive new revenues related to CRR portfolio management
The Energy Authority	\$11,700/month beginning May 2021 plus one-time fee of \$28,700	
ZGlobal	\$7,970/month beginning May 2021	Base fee did not include posting of CAISO collateral obligations. Posting of up to \$500,000 would be additional \$2,084/month

Based on the results of the selection process, The Energy Authority was selected as the most qualified and cost effective proposal.

FISCAL IMPACT

Fees will be charged at \$11,700 per month, beginning May 2021, with a one-time payment of \$28,700 due after program launch. The fees are included approved CEA FY 20/21 budget as well as in the future year pro forma expenses.

ATTACHMENTS:

None

Staff Report

DATE: September 17, 2020
TO: Clean Energy Alliance Board of Directors
FROM: Greg Stepanicich, General Counsel
ITEM 9: Clean Energy Alliance By-Laws

RECOMMENDATION:

Approve Clean Energy Alliance By-Laws.

BACKGROUND AND DISCUSSION:

Draft By-laws have been prepared for consideration by the Board. The purpose of these By-Laws is to establish procedural rules for the conduct of CEA business that are consistent with the provisions of the Clean Energy Alliance (CEA) Joint Powers Authority Agreement (JPA Agreement). The JPA Agreement has extensive procedural requirements set forth within it which reduces the need for lengthy By-Laws. The By-Laws prepared for Board consideration address the following:

- Preparation of Board agendas and the process for adding items to a future agenda
- Authorization to establish Board committees as provided in Section 5.9 of the JPA Agreement
- Summary of the purpose of the Community Advisory Committee and references the Board adopted policy that establishes the operating rules for this committee
- Description of the time and location of regular meetings and provides for adoption of a meeting calendar for each fiscal year
- Establishes the July meeting as the Annual Meeting at which time the Chair and Vice-Chair and Treasurer and Secretary are selected as well as the members of future Board member committees when CEA expands in size
- Reaffirms that all Board and committee meetings must comply with the Brown Act
- Provides the process for amending the By-Laws

We can any additional procedural or administrative matters that the Board desires.

FISCAL IMPACT

None

ATTACHMENTS:

Attachment A - Draft Clean Energy Alliance By-Laws

CLEAN ENERGY ALLIANCE BY-LAWS

ARTICLE I

FORMATION

The Clean Energy Alliance (“CEA”) was established on November 4, 2019 pursuant to the execution of the Clean Energy Alliance Joint Powers Agreement (the “Agreement”) by the Cities of Carlsbad, Del Mar and Solana Beach.

ARTICLE II

PURPOSE BY-LAWS

The purpose of these By-Laws is to establish procedural rules for the conduct of CEA business that are consistent with the provisions of the Agreement.

ARTICLE III

BOARD OF DIRECTORS

Section 1. Establishment of Board of Directors. The establishment of the Board of Directors, the appointment and removal of Directors, the responsibilities of the Board, and the voting requirements of the Board are addressed by Section 4 of the Agreement.

Section 2. Board Agendas. The agendas for all Board meetings shall be prepared by the Chief Executive Officer in consultation with the Chair of the Board. Two or more members of the Board at a duly noticed Board meeting may direct the Chief Executive Officer to place a specified matter on the agenda for a subsequent regular or special meeting of the Board.

ARTICLE IV

COMMITTEES

Section 1. Establishment of Committees. As provided by Section 5.9 of the Agreement, the Board may establish any advisory commissions, boards, and committees as the Board deems appropriate to assist the Board in carrying out its functions and implementing the CCA Program, related energy programs, and the provisions of the Agreement. .

Section 2. Community Advisory Committee. The Board has established a Community Advisory Committee (CAC) to advise it on those matters concerning the operation of its Community Choice Aggregation program as directed by the Board of Directors in an annual workplan for the CAC that is adopted by the Board. The objectives of the CAC are to provide feedback to the Board, act as a liaison between the Board and the community and serve as a forum for community input on those matters assigned to the CAC in the annual workplan. The CAC shall not have any decision-making authority but will serve as an advisory body to the Board. The

composition of the CAC and the requirements governing its operation are set forth in a Board adopted policy.

ARTICLE V

MEETINGS

Section 1. Regular Meetings. The regular meetings of the Board of Directors of CEA shall be held on the third Thursday of each month at the hour of 2 p.m. in the Council Chambers at the City Hall of each of the Parties to the Agreement on a rotating basis or as otherwise authorized by law. Prior to the commencement of each fiscal year, the Board shall adopt a calendar of meetings for such fiscal year showing the specific location of each meeting.

Section 2. Special Meetings. Special meetings of the Board may be called at any time and may be held in any location within the jurisdiction of CEA as provided by the notice for the special meeting.

Section 3. Annual Meeting. The Board shall hold an annual meeting in July of each year at which time it will appoint Board officers and Committee members.

Section 4. Open Meeting Requirements. The meetings of the Board, the Community Advisory Committee and all other committees established by the Board shall be governed by the provisions of the Ralph M. Brown Act (Government Code Section 54950 et seq.).

ARTICLE VI

AMENDMENTS

These By-Laws may be amended by a majority vote of the full membership of the Board but only after such amendment has been proposed at a regular meeting and acted upon at the next or later regular meeting of the Board for final adoption. The proposed amendment shall not be finally acted upon unless each member of the Board has received written notice of the amendment at least 10 days prior to the date of the meeting at which final action on the amendment is to be taken. The notice shall include the full text of the proposed amendment.