

**Board of Directors Regular Meeting Agenda
September 28, 2023, 2:00 p.m.
City of Oceanside, Council Chamber
300 North Coast Hwy, Oceanside CA 92054**

Members of the public can observe the livestream of the meeting via Zoom by clicking:

<https://us06web.zoom.us/j/81376410530>

or telephonically by dialing:

(253) 215-8782

Meeting ID: 813 7641 0530

Members of the public can provide public comment in writing or orally in person as follows:

Written Comments: If you are unable to participate in person and you wish to make a comment, you may submit written comments prior to and during the meeting via email to: Secretary@thecleanenergyalliance.org. All written comments will be posted online and become part of the meeting record. To ensure announcement of receipt of your written comments during the meeting, please submit all written comments by 12:00pm prior to the commencement of the meeting. Public comments received in writing will not be read aloud at the meeting.

Oral Comments: Members of the public can address the Board on items on the agenda at the time the item is being addressed or during Public Comments for topics that are not listed on the agenda. Speakers are limited to three (3) minutes each. In conformance with the Brown Act, no Board action can occur on items presented during Public Comment.

To make oral comments please fill out a speaker card and submit it to the Board Secretary. When you are called to speak, please come forward to the podium and state your name. To address the Board regarding an item on the agenda, please fill out a speaker card and submit it to the Board Secretary before the Board Chair announces the item.

CALL TO ORDER

ROLL CALL

FLAG SALUTE

BOARD COMMENTS & ANNOUNCEMENTS



PUBLIC COMMENT

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. In conformance with the Brown Act, no Board action can occur on items presented during Public Comment. If you desire to speak during Public Comment, fill out a speaker card and submit it to the Board Secretary. When you are called to speak, please come forward to the podium and state your name. To address the Board regarding an item on the agenda, please fill out a speaker card and submit it to the Board Secretary before the Board Chair announces the item.

New Business

Item 1: Consider Appointment of Chief Executive Officer and Adoption of Resolution No. 2023-008 Approving Employment Agreement

RECOMMENDATION

Appoint Chief Executive Officer and Adopt Resolution No. 2023-008 Approving the Employment Agreement.

Consent Calendar

Item 2: Clean Energy Alliance Treasurer's Report for June 2023

RECOMMENDATION

Receive and file Clean Energy Alliance Treasurer's Report for June 2023.

Item 3: Clean Energy Alliance Treasurer's Report for July 2023

RECOMMENDATION

Receive and file Clean Energy Alliance Treasurer's Report for July 2023.

Item 4: Consider Appointment of Mika Nagamine to Community Advisory Committee Representing City of Solana Beach for a Term Through December 2024

RECOMMENDATION

Appoint Mika Nagamine to Community Advisory Committee Representing City of Solana Beach for a Term Through December 2024.

Item 5: Consider Adopting Resolution No. 2023-007 Attesting to the Veracity of the 2022 Power Source Disclosure Reports and Power Content Label Addressing the Clean Impact, Clean Impact Plus and Green Impact Power Retail Electric Service Offerings



RECOMMENDATION

Adopt Resolution No. 2023-007 Attesting to the Veracity of the 2022 Power Source Disclosure Reports and Power Content Label Addressing the Clean Impact, Clean Impact Plus and Green Impact Power Retail Electric Service Offerings.

- Item 6: Consider Approval of 11-Year Power Purchase Agreement for Resource Adequacy with Edwards Solar 1A, LLC in Satisfaction of a Portion of Clean Energy Alliance’s Mid-Term Reliability Requirements**

RECOMMENDATION

Approve 11-Year Power Purchase Agreement for Resource Adequacy with Edwards Solar 1A, LLC in Satisfaction of a portion of Clean Energy Alliance’s Mid-Term Reliability Requirements, for an amount not to exceed \$14,305,000. Authorize the Chief Executive Officer to execute all documents, substantially as to form of attached, subject to Transactions Attorney approval.

New Business

- Item 7: Receive Clean Energy Alliance Chief Executive Officer Operational Report and Special Counsel Regulatory Report**

RECOMMENDATION

Receive Clean Energy Alliance Chief Executive Officer Operational Report and Special Counsel Regulatory Report.

BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS

NEXT MEETING: Regular Board Meeting October 26, 2023, City of Oceanside, 300 North Coast Highway, Oceanside, CA 92054

If you are an individual with a disability and need a reasonable modification or accommodation pursuant to the Americans with Disabilities Act (“ADA”), please contact Secretary@thecleanenergyalliance.org prior to the meeting for assistance.



Staff Report

DATE: September 28, 2023

TO: Clean Energy Alliance Board of Directors

FROM: CEO Recruitment Subcommittee
Johanna N. Canlas, General Counsel

ITEM 1: Appointment of Chief Executive Officer and Adoption of a Resolution 2023-008 Approving the Employment Agreement

RECOMMENDATION

Adopt Resolution 2023-008 appointing the Chief Executive Officer and approving execution of Employment Agreement in substantial form as Attachment 1 or as presented at the meeting, with non-substantive revisions approved by the Chair and reviewed and approved as to form by General Counsel.

BACKGROUND AND DISCUSSION

Clean Energy Alliance (CEA) retained the services of Cindy Krebs of Alliance Resource Consulting to conduct a recruitment for the Chief Executive Officer (CEO). Of the 53 applications received, reviewed, and evaluated, four candidates were invited to interview with the full CEA Board on August 31, 2023.

Based on the compensation and benefit parameters established by the CEA Board, Ms. Krebs, and the General Counsel, in coordination with the CEO Recruitment subcommittee, negotiated the employment agreement with the CEO candidate for the Board's consideration.

The attached resolution and proposed employment agreement provides for the compensation terms and conditions of employment that have been negotiated with the CEO candidate.

The name of the selected candidate will be announced at the September 28, 2023, meeting, if not sooner.

FISCAL IMPACT

The salary and benefits under the proposed CEO Employment Agreement are within the budgeted amounts in Fiscal Year 2023-24.

ATTACHMENTS

- A. Resolution 2023-008
- B. CEO Employment Agreement

CLEAN ENERGY ALLIANCE

RESOLUTION NO. 2023-008

A RESOLUTION OF THE CLEAN ENERGY ALLIANCE BOARD OF DIRECTORS
APPOINTING A CHIEF EXECUTIVE OFFICER AND APPROVING THE EMPLOYMENT AGREEMENT

WHEREAS, the Board of Directors of the Clean Energy Alliance (“CEA”) (“Board”) conducted and completed a competitive search for its next Chief Executive Operating (“CEO”); and

WHEREAS, the Board desires to appoint _____ as CEO and approve the corresponding Employment Agreement effective December 1, 2023 and

WHEREAS, _____, desires to serve as CEO of CEA.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Clean Energy Alliance, as follows:

Section 1. _____ is appointed as the Chief Executive Officer pursuant to the Employment Agreement (attached as Exhibit A) and is herewith approved and adopted the Board.

Section 2. The Board Chair is authorized to execute the Employment Agreement with _____ in substantially the form attached hereto or presented at the meeting, with non-substantive revisions approved by the Chair and reviewed and approved as to form by the General Counsel.

The foregoing Resolution No. 2023-008 was passed and adopted this 28th day of September 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

David Druker, Chair

ATTEST:

Susan Caputo, Interim Board Secretary

CHIEF EXECUTIVE OFFICER EMPLOYMENT AGREEMENT

This CHIEF EXECUTIVE OFFICER EMPLOYMENT AGREEMENT ("**Agreement**") is made by and between CLEAN ENERGY ALLIANCE, a California joint powers authority ("**CEA**"), and _____, an individual ("**Executive**") as of December 1, 2023 ("**Effective Date**").

RECITALS

A. Whereas, Section 5.5 of the *Clean Energy Alliance Joint Powers Agreement*, amended by Resolution 2021-015 on December 17, 2021 ("**JPA**"), requires the CEA Board of Directors ("**Board**") to appoint a Chief Executive Officer ("**CEO**"), who shall be responsible for the day-to-day operations and management of CEA and all services appropriate to that position;

B. Whereas, the Board desires to retain Executive as CEO to perform those duties and functions as may be specified by the JPA and to perform such other legally permissible and proper duties and functions as CEA may assign from time-to-time; and

C. Whereas, Executive desires to accept employment by CEA as its CEO.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the Parties agree as follows:

AGREEMENT

SECTION 1. DUTIES OF EXECUTIVE. Executive shall assume the powers of the CEO position and perform the functions and duties specified by CEA's Board, CEA's Joint Powers Agreement, and as provided by any such other resolutions of the Board, applicable laws, rules, regulations, orders, directives, policies, or procedures now in effect or hereafter adopted by CEA.

- a. Full Energy and Skill. Executive shall faithfully, diligently, and to the best of Executive's abilities, perform all duties that may be required under this Agreement. Executive agrees that Executive has a duty of loyalty and a general fiduciary duty to CEA. Executive shall devote the whole of Executive's working time, skill, experience, knowledge, ability, labor, energy, attention, and best effort exclusively to CEA's business and affairs.
- b. No Conflict. Executive shall not engage in any employment, activity, consulting service, or other enterprise, for compensation or otherwise, which is actually or potentially in conflict with, contrary to, or which interferes with the performance of Executive's duties. Nothing herein shall prevent Executive from participating in charitable, civic, educational, professional, or community affairs or from serving on the board of directors or advisory boards of private companies, subject to CEA's Board approval and provided such activities do not materially interfere with the performance of their duties hereunder or create a potential conflict with CEA or the appearance thereof. If at any time service on any board of directors or advisory board would, in the good faith judgment of the Board, conflict with the Executive's fiduciary duty to CEA or create any appearance thereof, then Executive shall as soon as reasonably practicable, considering any fiduciary

duty to the other entity, resign from such board of directors or advisory board after written notice of the conflict is received from the Board.

- c. Hours of Work. Executive is an exempt employee but is expected to engage in those hours of work that are necessary to fulfill the obligations of the CEO position. Executive does not have set hours of work as Executive is expected to be available at all times. It is recognized that Executive must devote a great deal of time to the business of CEA outside of CEA's customary office hours, and to that end Executive's schedule of work each day and week may vary in accordance with the work required to be performed and in accordance with any specific direction provided by the Board.

SECTION 2. EFFECTIVE PERIOD. Executive is appointed as CEO beginning on the Effective Date through November 30, 2026 (the “**Effective Period**”) unless terminated earlier in accordance with Section 5, below.

- a. At-Will Employment. Executive understands and agrees that employment under this Agreement is “at-will” meaning that either Executive or the Board may terminate Executive’s employment at any time, with or without cause, subject only to the provision set forth below in Section 5.
- b. No Property Interest. Executive understands and agrees that Executive has no constitutionally-protected property or other interest in Executive's employment as CEO. Executive understands and agrees that Executive works at the will and pleasure of CEA’s Board, and that Executive may be terminated, or asked to resign, at any time, with or without cause, by a majority vote of its members.

SECTION 3. COMPENSATION AND PERFORMANCE REVIEWS.

- a. Base Salary. Executive shall receive the base annual salary of Three Hundred Twenty-Five Thousand Dollars and No Cents (\$325,000.00), payable on a pro-rata basis in accordance with CEA’s payroll practices and less all applicable payroll taxes and withholdings.
- b. Merit Adjustment. Upon one (1) year of employment, Executive may be eligible for a merit increase in base salary based upon the results of a performance evaluation and at the exercise of the sole and exclusive discretion by the Board of Directors and subject to approval by a majority of the members of the Board.
- c. Annual Performance Review. CEA shall perform an annual performance review of Executive on or before the anniversary date of the Agreement. The Board or a committee of the Board of Directors will review the base compensation, bonuses, and benefits provided to the Executive under this Agreement and may, in their sole discretion, adjust the same subject to approval by a majority of the members of the Board.

SECTION 4. OTHER BENEFITS. Executive shall be entitled to receive and participate in CEA's benefits program as adopted and amended by CEA from time to time on the same basis as other employees of CEA unless expressly modified by the terms of this Agreement.

- a. Vacation Accrual. Executive shall accrue 240 hours of vacation annually. Executive will be provided an initial credit of 80 hours of the vacation leave upon the Effective Date, with the balance accrued over the subsequent twelve (12) month period. Beginning in 2024, Executive may cash out up to 120 hours of vacation hours per year of this Agreement. To be eligible for vacation cash out pursuant to this paragraph, Executive must make an irrevocable election as to the number of hours they elect to cash out by the last day of December of the previous year. Payment of the amount of vacation cash out will be disbursed in December of the year following the election.
- b. Management Leave. Executive shall receive 80 hours of annual management leave per fiscal year. Management Leave may not be cashed out, must be used annually, and does not accrue across fiscal years.
- c. Interim Stipend for Medical Insurance. Until CEA is able to provide comprehensive medical insurance benefits to Executive, Executive shall receive an in-lieu stipend of Eight Hundred Forty Dollars and No Cents (\$840.00) per month, pro-rated by day. Such taxable stipend will terminate upon availability of CEA-sponsored medical insurance benefits to Executive.
- d. Health Savings Account (HSA). CEA will contribute the annual IRS limits on behalf of Executive to a qualified HSA Plan. For 2023, CEA's contribution will be prorated to the Effective Date.
- e. Retirement Contributions.
 - i. IRC 457(b) Deferred Compensation Plan. CEA shall contribute the annual IRS limits (includes standard contribution and catch up) on Executive's behalf to a qualified 457(b) Plan. For 2023, CEA contribution will be prorated to the Effective Date.
 - ii. IRC 401(a) Plan. CEA shall contribute the annual IRS limits on behalf of the Executive to a qualified 401(a) Plan. For 2023, CEA contribution will be prorated to the Effective Date.
- c. Automobile. Executive shall receive a taxable vehicle allowance of Six Hundred Dollars and No Cents (\$600.00) per month in exchange for making a vehicle available for Executive's use for CEA-related business and/or functions during, before, and after normal work hours. The Parties intend for this taxable allowance to be in lieu of reimbursement on an itemized basis for mileage, gas, maintenance of a vehicle, insurance, etc. Executive shall not be separately reimbursed for mileage incurred in connection with the execution of their duties.

- d. Technology Allowance. Executive shall receive CEA-provided laptop, monitor, keyboard, mouse, and cords. In addition, Executive shall receive a One Hundred Dollar (\$100.00) taxable technology allowance to use towards their personal discretionary technological purchases and expenses in furtherance of employment (*e.g.*, cellular phone, tablet, data plan, etc.) per month. The Parties intend this allowance to cover all technology-related costs that Executive incurs in the course and scope of their employment with CEA.
- e. Sign-On Bonus. Executive shall be entitled to a Twenty-Five Thousand (\$25,000.00) taxable signing bonus on the Effective Date. In the event Executive's employment is terminated prior to the end of the Effective Period set forth, *supra*, then Executive shall be required to reimburse a pro rata portion of the Sign-On Bonus, which repayment may be waived by a vote of the majority of the Board, in its sole discretion.

SECTION 5. NATURE AND TERMINATION OF EMPLOYMENT

- a. By CEA—Not “For Cause”.

At any time, CEA may terminate Executive's employment without Cause (as defined in Section 5(b) below) by providing Executive written notice of termination. In the event Executive is terminated without Cause, Executive shall be entitled to an amount equal to Executive's base salary for twelve (12) months (“**Severance Pay**”) conditioned upon Executive's execution of a settlement agreement (i) waiving any and all claims Executive may have against CEA and/or its officers or directors; (ii) including a release of all known or unknown claims related to or arising out of Executive's employment with CEA, including the termination of said employment; (iii) a Civil Code section 1542 waiver; and (iv) any other provisions, clauses, terms and/or conditions, deemed appropriate by the Board at the time of the termination of Executive's employment, under the facts and circumstances of such termination. In order for Executive to be eligible for the severance payment, the release agreement must be finalized no later than twenty-one (21) days after the effective date of Executive's termination or the date upon which the release agreement is presented to Executive, whichever is later. Thereafter, all of CEA's obligations under this Agreement shall cease. CEA may dismiss Executive as provided in this Section 5 notwithstanding anything to the contrary contained in or arising from any statements, policies, or practices of CEA relating to the employment, discipline, or termination of its employees.

Notwithstanding any other provision herein, in accordance with Government Code section 53260, the cash payment that Executive may receive in the event of the termination of this Agreement, as set forth in this Section, shall not exceed an amount equal to the monthly base salary of Executive multiplied by the number of months left on the unexpired term of this Agreement.

b. By CEA—“For Cause”.

At any time, and without prior notice, CEA may terminate Executive for Cause. CEA shall pay Executive all compensation then due and owing; thereafter, all of CEA’s obligations under this Agreement shall cease. Termination shall be "For Cause" if Executive: (i) acts in bad faith and to the detriment of CEA; (ii) willfully and unequivocally refuses or fails to act in accordance with any specific direction or order of CEA’s Board; (iii) exhibits in regard to his or their employment gross unfitness or chronic unavailability for service, unsatisfactory performance, misconduct, dishonesty, habitual neglect, or incompetence; (iv) is convicted of a crime involving dishonesty, breach of trust, or physical or emotional harm to any person resulting in incarceration; (v) commits or is accused of committing an act involving moral turpitude under federal, state, or local law (regardless of whether or not such act involving moral turpitude is a misdemeanor or felony); and/or (vi) breaches any material term of this Agreement.

c. Statutory Requirements.

In compliance with Government Code section 53243, to the extent CEA provides: (i) paid leave to Executive pending an investigation; (ii) funds for the legal criminal defense of the Executive; and/or (iii) a cash settlement to Executive related to the termination of Executive pursuant to Section 5(b) of this Agreement, Executive shall fully reimburse CEA for any and all amounts paid by CEA which fall within any such categories in the event that Executive is convicted of a crime involving the abuse of their office or position.

d. By Executive.

In the event that Executive desires to terminate this Agreement during such time as CEA desires for Executive to continue in the capacity of CEO, then Executive agrees to provide CEA with at least sixty (60) days’ written notice of said termination. If Executive voluntarily resigns their employment with the CEA, they shall not be entitled to any Severance Pay as defined in Section 5(a) nor continued compensation and benefits, except as otherwise might be agreed by CEA in this Agreement.

SECTION 6. INDEMNIFICATION. CEA shall indemnify and defend Executive in accordance with the California Government Claims Act. Unless otherwise specifically required by law, CEA’s Board shall determine, in its sole discretion, whether to file an appeal if a final judgment is adverse to Executive or whether to compromise and settle any such claim or suit against Executive, as well as the amount of any settlement or judgment rendered thereon. CEA shall also pay for the cost of any fidelity or other bonds required by law for the position of CEO.

SECTION 7. OTHER TERMS AND CONDITIONS OF EMPLOYMENT. CEA shall make any other terms and conditions of employment related to the performance of Executive, provided such terms and conditions are not inconsistent with the provisions of this Agreement or by law.

SECTION 8. NOTICES. Notices given under this Agreement shall be in writing and shall be served personally or sent by Federal Express or some equivalent private overnight delivery service. Notices shall be deemed received at the earlier of actual receipt or two (2) days following transmission to an overnight carrier.

To CEA: Attn: Chair of the Board of Directors
Clean Energy Alliance
5857 Owens Ave, 3rd Floor
Carlsbad, CA 92008

With a copy to:

CEA General Counsel
Johanna N. Canlas, Partner
Burke, Williams & Sorensen, LLP
501 West Broadway, Suite 1600
San Diego, CA 92101

To Executive: At the address on file

SECTION 9. INTEGRATION. This Agreement is intended to be the final, complete, and exclusive statement of the terms of Executive's employment by CEA. This Agreement supersedes all other prior and contemporaneous agreements and statements, whether written or oral, express, or implied, pertaining in any manner to the employment of CEO, and it may not be contradicted by evidence of any prior or contemporaneous statements or agreements. To the extent that the practices, policies, or procedures of CEA, now or in the future, apply to Executive and are inconsistent with the terms of this Agreement, the provisions of this Agreement shall control.

SECTION 10. AMENDMENTS; WAIVERS. This Agreement may not be amended except by an instrument in writing, signed by each of the Parties. No failure to exercise and no delay in exercising any right, remedy, or power under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, or power under this Agreement preclude any other or further exercise thereof, or the exercise of any other right, remedy, or power provided herein or by law or in equity.

SECTION 11. ASSIGNMENT; SUCCESSORS AND ASSIGNS. Executive agrees that they will not assign, sell, transfer, delegate, or otherwise dispose of, whether voluntarily or involuntarily, or by operation of law, any rights, or obligations under this Agreement. Any such purported assignment, transfer, or delegation shall be null and void. Nothing in this Agreement shall prevent the consolidation of CEA with, or its merger into, any other entity, or the sale by CEA of all or substantially all of its assets, or the otherwise lawful assignment by CEA of any rights or obligations under this Agreement. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective heirs, legal representatives, successors, and permitted assigns, and shall not benefit any person or entity other than those specifically enumerated in this Agreement.

SECTION 12. SEVERABILITY. If any provision of this Agreement, or its application to any person, place, or circumstance, is held by an arbitrator or a court of competent jurisdiction to be invalid, unenforceable, or void, such provision shall be enforced to the greatest extent permitted by law, and the remainder of this Agreement and such provision as applied to other persons, places, and circumstances shall remain in full force and effect.

SECTION 13. ATTORNEY'S FEES. In any legal action, arbitration, or other proceeding brought to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs.

SECTION 14. GOVERNING LAW AND VENUE. This Agreement shall be governed by and construed in accordance with the laws of the State of California. The Parties agree that venue for any dispute shall be in San Diego County Superior Court.

SECTION 15. INTERPRETATION. This Agreement shall be construed as a whole, according to its fair meaning, and not in favor of or against any party. By way of example and not in limitation, this Agreement shall not be construed in favor of the party receiving a benefit nor against the party responsible for any particular language in this Agreement. Captions are used for reference purposes only and should be ignored in the interpretation of the Agreement.

SECTION 16. REPRESENTATION BY COUNSEL. The Parties acknowledge and agree that they were, or had the opportunity to be, represented individually by legal counsel with respect to the matters that are the subject of this Agreement and that they are fully advised with respect to their respective rights and obligations resulting from signing this Agreement.

SECTION 17. COUNTERPARTS AND ELECTRONIC SIGNATURES. This Agreement may be executed in triplicate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The Parties agree that this Agreement may be executed and delivered by electronic signatures and that the signatures appearing on this Agreement are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility.

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, CEA and Executive have executed this Agreement on the date written below:

CLEAN ENERGY ALLIANCE

EXECUTIVE

By: _____ By: _____
David Druker, Chair
CEA Board of Directors

APPROVED AS TO FORM:

By: _____
Johanna N. Canlas, General Counsel



Staff Report

DATE: September 28, 2023

TO: Clean Energy Alliance Board of Directors

FROM: Andy Stern, Interim Chief Financial Officer/Treasurer

ITEM 2: Clean Energy Alliance Treasurer's Report

RECOMMENDATION

Receive and File Clean Energy Alliance (CEA) Interim Treasurer's Report for June 2023.

BACKGROUND AND DISCUSSION

This report provides the Board with the following financial information through June 30, 2023:

- Statement of Financial Position (Unaudited and preliminary) – Reports assets, liabilities, and financial position of the CEA as of June 30, 2023.
- Statement of Revenues, Expenses and Changes in Net Position (Unaudited and preliminary) for the twelve months ended June 30, 2023.
- Budget to Actuals Comparison Schedule (Unaudited and preliminary) – Reports actual revenues and expenditures compared to the annual amended budget as of June 30, 2023.
- List of Payments Issued – Reports payments issued for June 2023.

As of June 30, 2023, liabilities represent invoices and estimated accruals for energy and services received but not yet paid. The noncurrent liabilities relate to debt with JPMorgan as well as amounts due to the member cities of Carlsbad, Del Mar and Solana Beach. CEA is currently making interest only payments on the debt from JPMorgan. The amounts due to the member agency were for start-up costs and services provided to CEA for the period December 2019 to June 2020. These invoices are scheduled to be paid three years from the time CEA is operational.

CLEAN ENERGY ALLIANCE
STATEMENT OF NET POSITION
As of June 30, 2023

ASSETS

Current assets

Cash and cash equivalents	\$ 4,575,398
Accounts receivable, net of allowance	9,664,989
Accrued revenue	13,291,561
Other receivables	979,621
Prepaid expenses	4,136,193
Deposits	<u>399,000</u>
Total current assets	33,046,762

Noncurrent assets

Restricted cash	87,000
Deposits	<u>771,376</u>
Total noncurrent assets	<u>858,376</u>
Total assets	<u><u>33,905,138</u></u>

LIABILITIES

Current liabilities

Accrued cost of electricity	15,468,585
Accounts payable	593,647
Other accrued liabilities	138,622
Interest payable	170,520
Due to member agencies	504,017
Bank note payable	<u>5,000,000</u>
Total current liabilities	<u>21,875,391</u>

Noncurrent liabilities

Security deposits - energy suppliers	496,150
Bank note payable	<u>17,950,000</u>
Total noncurrent liabilities	<u>18,446,150</u>
Total liabilities	<u><u>40,321,541</u></u>

NET POSITION

Unrestricted (deficit)	<u>(6,416,403)</u>
Total net position	<u><u>\$ (6,416,403)</u></u>

These financial statements do not contain note disclosures, have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

CLEAN ENERGY ALLIANCE
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
Year ended June 30, 2023

OPERATING REVENUES	
Electricity sales, net	\$ 86,873,952
OPERATING EXPENSES	
Cost of electricity	85,629,935
Contract services	2,827,472
Other operating expenses	174,274
Total operating expenses	<u>88,631,681</u>
Operating income (loss)	<u>(1,757,729)</u>
NONOPERATING REVENUES (EXPENSES)	
Grant income - CAPP	279,489
Interest income	43,734
Interest expense	<u>(1,207,902)</u>
Nonoperating revenues (expenses), net	<u>(884,679)</u>
CHANGE IN NET POSITION	(2,642,408)
Net position at beginning of period	<u>(3,773,995)</u>
Net position at end of period	<u>\$ (6,416,403)</u>

These financial statements do not contain note disclosures, have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

BUDGET TO ACTUALS COMPARISON SCHEDULE

At its June 30, 2022, board meeting, the CEA Board approved the Fiscal Year (FY) 2022/23 budget approving \$76,745,240 in total operating and nonoperating expenses. In February 2023, the CEA Board approved a budget amendment that increased overall expenditures by \$14,165,749. For the year-to-date, \$89,840,000 has been expended. Revenues from electricity sales for the year-to-date reached \$86,874,000. The overall change in available fund balance (ignoring loan proceeds) for the year-to-date was a decrease of \$2,642,000.

The Budget to Actuals Comparison Schedules as of June 30, 2023, is shown on the next page.

CLEAN ENERGY ALLIANCE
BUDGETARY COMPARISON SCHEDULE
Year ended June 30, 2023

	AMENDED ANNUAL BUDGET	YEAR-TO- DATE ACTUAL	AMENDED BUDGET REMAINING
Operating Revenues			
Energy Sales	\$ 96,825,523	86,873,952	\$ 9,951,571
Total Operating Revenue	96,825,523	86,873,952	9,951,571
Operating Expenses			
Power Supply	86,635,982	85,629,935	1,006,047
Data Manager / Call Center	1,151,180	1,066,184	84,996
Staffing/Consultants	382,900	295,275	87,625
Legal Services	335,000	340,885	(5,885)
Professional Services	1,002,100	924,810	77,290
Audit Services	10,000	8,900	1,100
Software & Licenses	18,800	17,358	1,442
Membership Dues	121,000	133,392	(12,392)
Printing	55,000	75,302	(20,302)
Postage	80,000	101,736	(21,736)
Advertising	15,000	14,385	615
Travel Expenses	3,500	8,602	(5,102)
Office Rent	1,080	2,933	(1,853)
Insurance	30,000	9,764	20,236
Bank Fees	4,000	2,220	1,780
Total Operating Expenses	89,845,542	88,631,681	1,213,861
Operating Income (Loss)	6,979,981	(1,757,729)	8,737,710
Non-Operating Revenues (Expenses)			
Grant Income - CAPP	-	279,489	(279,489)
Interest Income	50,000	43,734	6,266
Interest Expense	(1,065,447)	(1,207,902)	142,455
Total Non-Operating Revenues (Expenses)	(1,015,447)	(884,679)	(130,768)
Net Increase (Decrease) in Available Fund Balance	\$ 5,964,534	\$ (2,642,408)	\$ 8,606,942

These financial statements do not contain note disclosures, have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

LIST OF PAYMENTS ISSUED

The report on the following page provides the detail of payments issued by CEA for June 2023. All payments were within approved budget.

**Clean Energy Alliance
PAYMENTS ISSUED DURING JUNE 2023**

<u>Date</u>	<u>Type</u>	<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
06/01/2023	Wire	Elk Hills Power, LLC	Showing Month & Year: August-2023 - Capacity	690,000.00
06/01/2023	Wire	JPMorgan	01-May-2023 31-May-2023 31	150,443.56
06/02/2023	ACH/CK	Neyenesch Printers	CEA Courtesy Letters Phase 3.4	930.60
06/02/2023	ACH/CK	STERN, ANDREW	CFO Services - For the period from April 22, 2023 through May 21, 2023	8,348.77
06/05/2023	ACH/CK	Burke, Williams & Sorensen, LLP	FEES FOR PROFESSIONAL SERVICES RENDERED THROUGH April 30, 2023	10,752.40
06/05/2023	ACH/CK	GARCIA, JOE	Reimburse Hotel Expenses - CalCCA Conference May 17-19, 2023	996.21
06/05/2023	ACH/CK	Neyenesch Printers	Phase 3.5 EN#1 mailing + Phase 3.4 EN#2 mailing	928.15
06/05/2023	ACH/CK	USPS	June 2023 - Postage Payment - Mailer's Mailing Date 06/05/2023	339.89
06/06/2023	ACH/CK	Calpine Energy Solutions (Data	April 2023 Services - 124,531 Meters @ \$1.00	124,531.00
06/07/2023	ACH/CK	Burke, Williams & Sorensen, LLP	FEES FOR PROFESSIONAL SERVICES RENDERED THROUGH March 31, 2023	6,744.28
06/08/2023	ACH/CK	Tosdal APC	April 2023 - Regulatory Services	7,386.00
06/08/2023	ACH/CK	WREGIS	Annual Fee	125.00
06/09/2023	ACH/CK	Neyenesch Printers	Move Notice Mailing 5/23 & EN#3 Letter Inserting	586.15
06/09/2023	Wire	SAAVI ENERGY SOLUTIONS, LLC.	Resource Adequacy - (September 2023) Prepayment	105,000.00
06/09/2023	Wire	SAAVI ENERGY SOLUTIONS, LLC.	Resource Adequacy - (September 2023) Prepayment	618,750.00
06/09/2023	ACH/CK	The Bayshore Consulting Group,	May 2023 - CEO, Clerk Services & Reimbursable Expenses	19,083.73
06/12/2023	Wire	DYNEGY	Capacity Purchases - August 2023	220,000.00
06/12/2023	ACH/CK	Tripepi, Smith & Associates, Inc.	April 2023 - Communications and Marketing Service	12,853.83
06/12/2023	ACH/CK	USPS	June 2023 - Postage Payment - Mailer's Mailing Date 06/12/2023	522.51
06/13/2023	ACH/CK	Avanti Executive Suites	June 2023 -Rent + Deposit	2,976.32
06/14/2023	ACH/CK	Lupa Affairs Llc	April 2023 - Professional Service	2,756.25
06/15/2023	ACH/CK	CalCCA	Annual Meeting Registration Sales - Early bird admission	14,250.00
06/15/2023	ACH/CK	USPS	June 2023 - Postage Payment - Mailer's Mailing Date 06/15/2023	1,596.96
06/16/2023	ACH/CK	Neyenesch Printers	Phase 3.2 En#3 Mailing and +3.1 CEA_EN#4_ENG 5/23-5/30	641.68
06/20/2023	ACH/CK	Braun Blaising Smith Wynne	April 2023 - Professional Services - General Matters and Joint CCA Costs	477.50
06/20/2023	Wire	SDG&E (Procurement)	May 2023 REC Sales & RA	739,648.54
06/20/2023	Wire	SEMPRA	May 2023 - Capacity Purchases	517,400.00
06/20/2023	Wire	THE ENERGY AUTHORITY	May 2023 - CAISO Weekly Settlement	77,014.90
06/20/2023	ACH/CK	USPS	June 2023 - Postage Payment - Mailer's Mailing Date 06/20/2023	173.93
06/20/2023	ACH/CK	USPS	June 2023 - Postage Payment - Mailer's Mailing Date 06/20/2023	3,721.05
06/22/2023	ACH/CK	Neyenesch Printers	Move Notice Mailing 6/6 & Phase 3.3 En#3 Letter Mailing 6/6	1,088.17
06/23/2023	Wire	Grade 6 Oil LLC	BILLING PERIOD - May 2023 RA	349,000.00
06/23/2023	Wire	Powerex	Transactions for the Period of June 2023	143,541.67
06/23/2023	Wire	Resi Station LLC	Proxy Demand Response CEA May 2023	7,110.00
06/23/2023	ACH/CK	USPS	June 2023 - Postage Payment - Mailer's Mailing Date 06/23/2023	1,046.64
06/26/2023	ACH/CK	USPS	June 2023 - Postage Payment - Mailer's Mailing Date 06/26/2023	507.15
06/27/2023	ACH/CK	Maher Accountancy	Accounting and related tasks - June 2023; software reimbursement	14,482.50
06/27/2023	ACH/CK	San Elijo Life	Banner Advertisement for a 12-month contract at \$100 per month.	100.00
06/27/2023	ACH/CK	Team Promotions	Promotions - Alta Carabiner Keyring	991.86
06/28/2023	ACH/CK	Keyes & Fox LLP	May 2023 - Professional Services	11,763.25

LIST OF PAYMENTS ISSUED (CONTINUED)

06/28/2023	ACH/CK	Tripepi, Smith & Associates, Inc.	May 2023 - Communications and Marketing Service	11,119.41
06/29/2023	ACH/CK	Avanti Executive Suites	July 2023 -Rent	1,401.66
06/29/2023	ACH/CK	Neyenesch Printers	Phase 3.3 En#3 Letter Mailing 6-13 and Phase 3.18 3.2	878.78
06/29/2023	ACH/CK	Pacific Energy Advisors, Inc	May 2023 - Technical Consulting Advisors	23,600.00
06/29/2023	ACH/CK	THE ENERGY AUTHORITY	May 2023 - Resource Management Monthly Fees	11,700.00
06/29/2023	ACH/CK	Z NEMS	NEMs Payouts	44,719.20
06/30/2023	ACH/CK	Burke, Williams & Sorensen, LLP	FEES FOR PROFESSIONAL SERVICES RENDERED THROUGH May 31, 2023	6,890.30
06/30/2023	ACH/CK	STERN, ANDREW	CFO Services - For the period from May 22, 2023 through June 21, 2023	7,500.00
			Total for Operating Account	3,976,419.80
06/23/2023	Lockbox	Direct Energy	April 2023 - Power purchase Hedge	1,199,584.98
06/23/2023	Lockbox	Exelon Generation Company,LLC	April 2023 - Power Purchase	989,261.80
06/23/2023	Lockbox	Morgan Stanley Capital Group, Inc.	May 2023 - Energy SWAP Hedge - RA & Jan 23 & Feb 23 RECs	3,189,119.86
06/23/2023	Lockbox	Shell Oil North America	May 2023 - Capacity SWAP & April 2023 - Energy purchase Hedge	1,457,348.70
			Total for Lockbox Account	6,835,315.34



Staff Report

DATE: September 28, 2023

TO: Clean Energy Alliance Board of Directors

FROM: Andy Stern, Interim Chief Financial Officer/Treasurer

ITEM 3: Clean Energy Alliance Treasurer's Report

RECOMMENDATION

Receive and File Clean Energy Alliance (CEA) Interim Treasurer's Report for July 2023.

BACKGROUND AND DISCUSSION

This report provides the Board with the following financial information through July 31, 2023:

- Statement of Financial Position (Unaudited and preliminary) – Reports assets, liabilities, and financial position of the CEA as of July 31, 2023.
- Statement of Revenues, Expenses and Changes in Net Position (Unaudited and preliminary) for the twelve months ended July 31, 2023.
- Budget to Actuals Comparison Schedule (Unaudited and preliminary) – Reports actual revenues and expenditures compared to the annual amended budget as of July 31, 2023.
- List of Payments Issued – Reports payments issued for July 2023.

As of July 31, 2023, liabilities represent invoices and estimated accruals for energy and services received but not yet paid. The noncurrent liabilities relate to debt with JPMorgan as well as amounts due to the member cities of Carlsbad, Del Mar and Solana Beach. CEA is currently making interest only payments on the debt from JPMorgan. The amounts due to the member agency were for start-up costs and services provided to CEA for the period December 2019 to June 2020. These invoices are scheduled to be paid three years from the time CEA is operational.

CLEAN ENERGY ALLIANCE
STATEMENT OF NET POSITION
As of July 31, 2023

ASSETS

Current assets

Cash and cash equivalents	\$ 8,612,212
Accounts receivable, net of allowance	14,539,092
Accrued revenue	18,465,637
Other receivables	788,025
Prepaid expenses	4,184,033
Deposits	<u>399,000</u>
Total current assets	46,987,999

Noncurrent assets

Restricted cash	207,000
Deposits	<u>771,376</u>
Total noncurrent assets	<u>978,376</u>
Total assets	<u><u>47,966,375</u></u>

LIABILITIES

Current liabilities

Accrued cost of electricity	20,532,439
Accounts payable	323,921
Other accrued liabilities	100,296
Interest payable	170,398
Due to member agencies	504,017
Bank note payable	<u>5,000,000</u>
Total current liabilities	<u>26,631,071</u>

Noncurrent liabilities

Security deposits - energy suppliers	496,150
Bank note payable	<u>18,950,000</u>
Total noncurrent liabilities	<u>19,446,150</u>
Total liabilities	<u><u>46,077,221</u></u>

NET POSITION

Unrestricted	<u>1,889,154</u>
Total net position	<u><u>\$ 1,889,154</u></u>

These financial statements do not contain note disclosures, have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

CLEAN ENERGY ALLIANCE
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
One Month ended July 31, 2023

OPERATING REVENUES	
Electricity sales, net	\$ 24,243,382
OPERATING EXPENSES	
Cost of electricity	15,338,627
Contract services	357,695
Other operating expenses	27,612
Total operating expenses	<u>15,723,934</u>
Operating income (loss)	<u>8,519,448</u>
NONOPERATING REVENUES (EXPENSES)	
Interest income	709
Interest expense	<u>(178,719)</u>
Nonoperating revenues (expenses), net	<u>(178,010)</u>
CHANGE IN NET POSITION	8,341,438
Net position at beginning of period	<u>(6,452,284)</u>
Net position at end of period	<u>\$ 1,889,154</u>

These financial statements do not contain note disclosures, have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

BUDGET TO ACTUALS COMPARISON SCHEDULE

At its June 2023 board meeting, the CEA Board approved the Fiscal Year (FY) 2023/24 budget approving \$213,361,000 in total operating and nonoperating expenses. For the year-to-date, \$16,397,000 has been expended. Revenues from electricity sales for the year-to-date reached \$24,738,000. The overall change in available fund balance (ignoring loan proceeds) for the year-to-date was a decrease of \$8,341,000.

The Budget to Actuals Comparison Schedules as of July 31, 2023, is shown on the next page.

CLEAN ENERGY ALLIANCE
BUDGETARY COMPARISON SCHEDULE
One Month ended July 31, 2023

	ANNUAL BUDGET	YEAR-TO- DATE ACTUAL	ANNUAL BUDGET REMAINING
Operating Revenues			
Energy Sales	\$ 230,915,000	24,738,145	\$ 206,176,855
Total Operating Revenue	230,915,000	24,738,145	206,176,855
Operating Expenses			
Power Supply	200,000,000	15,338,627	184,661,373
Data Manager / Call Center	2,500,000	155,721	2,344,279
Staffing/Consultants	3,000,000	31,569	2,968,431
Legal Services	467,500	33,634	433,866
Professional Services	1,448,885	122,108	1,326,777
Audit Services	10,000	-	10,000
Software & Licenses	15,000	2,290	12,710
Membership Dues	292,040	23,920	268,120
G & A (includes Bad Debt expense)	4,927,780	510,828	4,416,952
Total Operating Expenses	212,661,205	16,218,697	196,442,508
Operating Income (Loss)	18,253,795	8,519,448	9,734,347
Financing			
Net Interest Income (Expense)	(700,000)	(178,010)	(521,990)
 Change in Net Position	 \$ 17,553,795	 \$ 8,341,438	 \$ 9,212,357

These financial statements do not contain note disclosures, have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

LIST OF PAYMENTS ISSUED

The report on the following page provides the detail of payments issued by CEA for the month. All payments were within approved budget.

**Clean Energy Alliance
PAYMENTS ISSUED DURING JULY 2023**

<u>Date</u>	<u>Type</u>	<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
07/03/2023	Wire	Elk Hills Power, LLC	Capacity Purchases - September 2023	690,000.00
07/03/2023	Wire	JPMorgan	30-May-2023 02-Jul-2023 34 2,500,000.00 8.685790% 20,508.12	20,508.12
07/03/2023	Wire	JPMorgan	01-Jun-2023 02-Jul-2023 32 20,450,000.00 8.710260% 158,333.17	158,333.17
07/03/2023	Wire	SAAVI ENERGY SOLUTIONS, LLC.	Resource Adequacy - (October 2023) Prepayment	105,000.00
07/03/2023	Wire	SAAVI ENERGY SOLUTIONS, LLC.	Firm Resource Adequacy - (October 2023) Prepayment -	618,750.00
07/03/2023	ACH/CK	USPS	July 2023 - Postage Payment - Mailer's Mailing Date 07/03/2023	4,369.59
07/03/2023	ACH/CK	USPS	June 2023 - Postage Payment - Mailer's Mailing Date 06/30/2023	1,357.90
07/05/2023	ACH/CK	WREGIS	Annual Fee	140.00
07/07/2023	ACH/CK	Neyenesch Printers	Mailing	5,833.17
07/07/2023	ACH/CK	Tripepi, Smith & Associates, Inc.	June 2023 - Communications and Marketing Service	12,649.83
07/10/2023	ACH/CK	Calpine Energy Solutions	May 2023 Services - 148,970 Meters @ \$1.00	148,970.00
07/11/2023	ACH/CK	USPS	July 2023 - Postage Payment - Mailer's Mailing Date 07/11/2023	406.93
07/11/2023	ACH/CK	USPS	July 2023 - Postage Payment - Mailer's Mailing Date 07/11/2023	235.82
07/11/2023	ACH/CK	USPS	July 2023 - Postage Payment - Mailer's Mailing Date 07/11/2023	191.20
07/12/2023	Wire	DYNEGY	Capacity Purchases - September 2023	220,000.00
07/12/2023	ACH/CK	Neyenesch Printers	Mailing	584.41
07/12/2023	ACH/CK	The Bayshore Consulting Group, Inc	June 2023 - CEO, Clerk Services & Reimbursable Expenses	17,038.28
07/12/2023	ACH/CK	USPS	July 2023 - Postage Payment - Mailer's Mailing Date 07/12/2023	595.24
07/13/2023	ACH/CK	Braun Blaising Smith Wynne	May 2023 - Professional Services - General Matters and Joint CCA Costs	936.26
07/13/2023	ACH/CK	Hall Energy Law PC	May 2023 - Energy Procurement Counsel Services - Transaction Support	889.00
07/18/2023	ACH/CK	USPS	July 2023 - Postage Payment - Mailer's Mailing Date 07/18/2023	456.29
07/19/2023	ACH/CK	Maher Accountancy	July 2023 - Accounting, cash disbursements and related tasks	9,500.00
07/20/2023	ACH/CK	Alliance Resource Consulting Llc	First and Second Billings in connection with executive recruitment	16,000.00
07/20/2023	Wire	SDG&E	Jun-23 Resource Adequacy Sales	108,765.00
07/20/2023	Wire	SDG&E	Jun-23 Resource Adequacy Sales - MCAM - Vol True up	221.70
07/20/2023	Wire	SDG&E	Jun-23 Resource Adequacy Sales - MCAM	63,379.50
07/20/2023	Wire	SDG&E	Jun 2023 REC Sales	568,918.35
07/20/2023	Wire	SEMPRA	June 2023 - Capacity Purchases	517,400.00
07/20/2023	ACH/CK	USPS	July 2023 - Postage Payment - Mailer's Mailing Date 07/20/2023	734.36
07/24/2023	Wire	Grade 6 Oil LLC	June 2023 RA	349,000.00
07/24/2023	Wire	SDG&E (Procurement)	March - May 2023 REC Sales VA Unbundled LT	161,348.25
07/24/2023	ACH/CK	USPS	July 2023 - Postage Payment - Mailer's Mailing Date 07/24/2023	178.27
07/25/2023	ACH/CK	Neyenesch Printers	Mailing	1,551.35
07/25/2023	Wire	Powerex	Transactions for the Period of July 2023	143,541.67
07/25/2023	Wire	Resi Station LLC	Proxy Demand Response CEA Jun2023	10,950.00
07/25/2023	ACH/CK	SDG&E(Service Fees)	For services rendered July, Aug, Oct, Nov 2022 and April 2023	75,101.00
07/25/2023	Wire	Tecolote Wind LLC	June 2023 - Resource Adequacy	40,812.50
07/25/2023	ACH/CK	Tosdal APC	May 2023 - Regulatory Services	10,621.50
07/25/2023	ACH/CK	USPS	July 2023 - Postage Payment - Mailer's Mailing Date 07/25/2023	709.06
07/27/2023	ACH/CK	Avanti Executive Suites	August 2023 -Rent	1,401.66
07/27/2023	ACH/CK	CalCCA	Operational Member Dues - Q4 FY 22-23 - April through June 2023	71,760.00
07/27/2023	ACH/CK	California Dept Tax & Fee Admin	2023-Q2 Electric Energy Surcharge	67,364.00
07/27/2023	ACH/CK	Pacific Energy Advisors, Inc	June 2023 - Technical Consulting Advisors	23,600.00
07/27/2023	ACH/CK	San Elijo Life	Banner Advertisement for a 12-month contract at \$100 per month.	100.00
07/27/2023	ACH/CK	STERN, ANDREW	CFO Services - For the period from June 22, 2023 through July 21, 2023	7,500.00
07/27/2023	ACH/CK	Tripepi, Smith & Associates, Inc.	June 2023 - Communications and Marketing Service	590.99
07/27/2023	ACH/CK	USPS	July 2023 - Postage Payment - Mailer's Mailing Date 07/26/2023	944.74
07/28/2023	ACH/CK	THE ENERGY AUTHORITY	June 2023 - Resource Management Monthly Fees	11,700.00
07/31/2023	ACH/CK	Escondido Chamber of Commerce	Magazine: Ad - 1/2 Page Ad Escondido Magazine	725.00
07/31/2023	ACH/CK	Neyenesch Printers	Mailing	1,606.93
07/31/2023	ACH/CK	Multiple Customers	NEM Cash Out	270,348.51
Total for Operating Account				4,543,619.55
07/24/2023	Lockbox	Shell Oil North America	May 2023 - Energy purchase Hedge	1,981,074.65
07/24/2023	Lockbox	Shell Oil North America	June 2023 - Capacity SWAP	15,000.00
07/24/2023	Lockbox	Exelon Generation Company,LLC	May 2023 - Power Purchase	1,670,511.12
07/24/2023	Lockbox	Direct Energy	May 2023 - Power purchase Hedge	878,714.05
07/24/2023	Lockbox	Morgan Stanley Capital Group, Inc.	June 2023 - Capacity Purchase	268,100.00
07/24/2023	Lockbox	Morgan Stanley Capital Group, Inc.	June 2023 - Energy Purchase	2,804,800.54
Total for Lockbox Account				7,618,200.36



Staff Report

DATE: September 28, 2023

TO: Clean Energy Alliance Board of Directors

FROM: Barbara Boswell, Chief Executive Officer

ITEM 4: Consider Appointment of Mika Nagamine to City of Solana Beach Community Advisory Committee for Term through December 31, 2024.

RECOMMENDATION

Appoint Mika Nagamine to City of Solana Beach Community Advisory Committee for term ending December 31, 2024.

BACKGROUND AND DISCUSSION

At its regular Board meeting June 29, 2023, the Clean Energy Alliance (CEA) Board declared the Community Advisory Committee (CAC) vacancy for the City of Solana Beach and directed applications to be accepted July 1 – July 31, 2023.

CEA advertised the openings on its social media, posted a notice along with the application on its website, and worked with Solana Beach to advertise the vacancy. One application was received and reviewed by the Solana Beach Board representatives.

FISCAL IMPACT

There is no fiscal impact by the CAC appointment.

ATTACHMENTS

Redacted Application for Community Advisory Committee Member for City of Solana Beach.

Attachment A
Clean Energy Alliance
Community Advisory Committee Application

CAC Purpose & Objectives

The purpose of the CAC is to advise the CEA Board of Directors on those matters concerning the operation of its Community Choice Aggregation (CCA) 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 of Directors.

NAME: Mika Nagamine

ADDRESS: Solana Beach, CA 92075

PHONE: _____ EMAIL: _____

Are you a resident/business owner of one of the CEA member cities?

If yes, which city: Solana Beach

Please attach a current resume and respond to the following questions. Please attach a separate sheet if additional space is needed.

What experience/perspective will you bring to the committee?

Please see "Attachment_A_CEA_Mika Nagamine"

Describe any relevant background in or expertise related to one or more of the following fields: electricity, community outreach or engagement, or policy advocacy.

Please see "Attachment_A_CEA_MikaNagamine"

Do you have any interests or associations that might present a conflict of interest? If yes, please explain:

None

What do you hope to accomplish as a member of the Clean Energy Alliance Community Advisory Committee?

Please see "Attachment_A_CEA_MikaNagamine"

Please provide three references

NAME	Phone Number	Relationship
Dan King		Staff liaison, Climate Action Commission
Paige DeCino		Friend
Ringa Viskanta		Former Staff liaison, Climate Action Commission

By signing below I acknowledge that I have sufficient time to actively participate in the Clean Energy Alliance Community Advisory Committee for the benefit of the program and the communities it serves. I understand that committee members are subject to conflict of interest laws and required to disclose potential conflicts by filing Form 700.

Signature: _____

Date: July 16 2023

Completed applications should be emailed to: Secretary@TheCleanEnergyAlliance.org

Mika Nagamine
Attachment A
Clean Energy Alliance
Community Advisory Committee Application

What experience/perspective will you bring to the committee?

I would like to bring to the perspective that community development is inseparable from the supply of affordable and clean electricity.

I have been serving as a member of the Climate Action Committee of the City of Solana Beach for more than a year. Through the experience, I have learned the issues that the City has encountered. One of the critical issues is that the population is aging.

To address this issue and improve and/or enhance the quality of lives of the senior residents as well as other age groups, the city proposed the Age-Friendly Solana Beach action plan. One of the key areas of the plan focuses on transportation such as expanding options of transportation offered in the city and increasing EV charging stations. In addition, the city is aware that the senior residents would like to have affordable and environmentally friendly transportation. Many environmentally friendly transportation methods that are currently available rely on electricity as an energy source (EV, E-shuttle, E-bicycle, golf cart, etc.). Therefore, I believe that providing the transportation that the residents desire might increase demand for clean electricity. In other words, the reliable supply of clean and affordable electricity is one of the keys to the successful implementation of the Age-Friendly Solana Beach project that addresses the issue of an aging population in the city.

Describe any relevant background in or expertise related to one or more of the following fields: electricity, community outreach or engagement, or policy advocacy

My background includes research and data analysis. I would like to use these skills and conduct analysis-based / research-based approach to policy advocacy.

When I became an owner of an EV, I realized I had no knowledge about where the charging stations were and whether they were available. Therefore, I investigated the number and types of EV charging stations in Solana Beach, and mapped their locations. I also noticed that some densely populated areas had no stations.

In addition, I learned, through speaking with friends and family members in the city, especially apartment-dwellers who cannot charge at home, the scarcity of charging stations deters them from switching to EVs from gasoline-burning cars because they are concerned that they may not be able to find charging stations when they need them.

I summarized my findings above, presented in the Climate Action Committee meetings, and recommended a few locations that new charging stations can be beneficial for the residents, particularly those who live in multi-family residential settings. I was happy to learn that the City Council recently decided to install charging station(s) in one of the locations I recommended.

Mika Nagamine
Attachment A
Clean Energy Alliance
Community Advisory Committee Application

Do you have any interests or associations that might present a conflict of interest? If yes, please explain:

None

What do you hope to accomplish as a member of the Clean Energy Alliance Community Advisory Committee?

I would like to support the effort of CEA to increase:

- 1) the number of CEA participants, particularly those who participate in the opt up program
- 2) cost savings per month for each household
- 3) the awareness of the residents in Solana Beach (and other cities) about how CEA works and why it is important.

I believe successful implementation of these 3 items might increase affordable and clean electricity, which could also help the City of Solana Beach to successfully implement the Age-Friendly Solana Beach projects, meet the increasing demand for the electricity, and reduce CO2 emission.



Mika Nagmine Ph.D.

Delivering Meaningful Data for Decisions that Matter
Solana Beach, CA ■

Manages complex databases and leads multi-disciplinary / multi-location teams for successful results. Thrives on taking on challenging situations and planning and executing in-depth analyses to discover meaningful, relevant information that leading organizations utilize to address their challenges and make informed business decisions. Recognized as a subject matter expert for revealing and thorough investigation of longstanding or potential issues. Develops accurate analyses, offers resourceful, effective solutions, and offers supportive training. Displays critical thinking and an analytical mindset, utilizes a creative ethical approach to solving problems and a collaborative team-oriented style. Bilingual in Japanese and English.

- Leads teams and projects; plans and implements outcome analyses, identifies analysis methods, problems, patterns, trends, and solutions.
- Analyzes and manages large datasets (claims, encounter, provider, membership, patients, hospitals), and statistical analysis. Conducts literature review and develops algorithms to detect unusual patterns.
- Develops analysis plans and algorithms, and constructs stories from data; authors reports, and informs customers on most critical healthcare issues. Communicates, documents, and presents findings.
- Tools: SAS SQL, Python, Tableau, Bower BI, Excel, Word, other MS Office Products
- Databases: SAS, MS SQL, Teradata, ORACLE, DB2, IBM Netezza

PROFESSIONAL EXPERIENCE

OptumRx / UnitedHealth Group, Irvine, CA

2017 – Present

SR. RESEARCH CONSULTANT / DATA SCIENTIST

Combined medical and pharmacy data to develop a comprehensive database to inform sales and consulting teams, and support company's stakeholders in making prudent decisions. Developed methods and models to predict potential costs and savings of new drugs in pharmacy and medical settings. Designed analytic methodologies and created accurate reports for multiple projects. Work closely with multi-disciplinary / multi-location teams, including data analysts, project managers, physicians, and pharmacists.

- Discovered low prescriber adherence to the drug treatment guidelines for rheumatoid arthritis. Potential savings of \$2-3M per year if adherence improves.
- Enhanced existing SAS programs to increase efficiency in data extraction from multiple databases; real time of extracting data decreased by 90%.
- Identified low adherence rate of asthma patients to a new drug treatment regime. The result triggered pharmacists to investigate causes and perform corrective actions.
- Created 10 reports that presented potential savings associated with drugs administered at pharmacies, relative to the same drugs being administered in hospitals or physician offices.
- Collaborated with pre-sales analysis team and created visual presentations of data to assist sales team in identifying new opportunities. Awarded \$1000 bonus for storytelling effectiveness in training.

L.A. Care Health Plan, Los Angeles, CA

2015 – 2017

LEAD CLINICAL DATA ANALYST (INTERIM MANAGER FROM 02/16 – 04/16)

Lead the Data Analysis Team in performing rigorous evaluation design, output analysis, CMS report generation. Utilize innovative analysis to discover meaningful information from large insurance claims, encounters, and provider/health plan member databases, for the organization's senior staff to make informed decisions. Utilize health plan data to identify strategic opportunities and optimize programming.

- Led data analysis efforts and mentored analysts working on a \$16M TCPI (Transforming Clinical Practice Initiative) CMS grant-based project. Designed utilization and cost calculation methodology for diabetes and depression that showed a 20% decrease in treatment.
- Developed and maintained backend data for Key Performance Indicator (KPI) and initiated process and procedures to automate production and reporting with various teams to increase efficiency by 75%.
- Developed predictive models to estimate members most likely to use Medicaid Managed Long Term Services and Supports (MLTSS).
- Led process of applying new analytic programs to enhance the effectiveness of the L.A. Care Pay for Performance initiatives that identified the overuse of emergency care.
- Produced accurate, timely monthly reports for the Center for Medicare and Medicaid Services (CMS).
- Worked with the IT department and contractors to discover and rectify data errors and make changes.
- Produced four key reports for the CMS (Center for Medicare and Medicaid Services - Federal Government) and DHCS (Department of Health Care Services - State of CA).

Truven Health Analytics (Formerly Thomson Reuters), Santa Barbara/San Diego

2006 – 2013

SENIOR ANALYST

Led teams in implementing data analyses and ETL, and managed multi-disciplinary/multi-location projects for the \$46M Healthcare Cost and Utilization Project (HCUP). Acquired and analyzed large healthcare databases, assured quality of data and accuracy in analysis methods and solved issues. Wrote data specification, analysis plans, algorithms, and SAS programs to analyze data. Subject matter expert in communicating solutions for data analysis issues with customers. Maintained more than 80% of billable hours, average rate is 65-70%.

- Planned and built 80 national/state healthcare databases, assured their quality and compliance with HIPAA. Received the company's "STAR Performance" award for receiving and processing twice the number of databases than expected and excelled in balancing timeliness with attention to detail.
- Identified serious data errors that could have caused HIPAA compliance or legal/MOA issues and had remained undiscovered for over 10 years, recommended solutions, and received award for findings.
- Analyzed Medicaid policy and claim data and developed algorithms to detect Medicaid fraud.
- Planned methods and programmed SAS for investigating the most common reasons for hospitalization of elderly Americans and calculated costs associated the hospital stays. Wrote SAS programs to analyze healthcare data, examined significant trends and patterns of medical costs and utilization. Summary results were published in SCIENTIFIC AMERICAN.com.
- Identified project that had not been financially monitored and was \$20,000 over budget. Provided project redesign to bring it back into contract compliance and helped project leader strategize / prioritize to accomplish the most important tasks with a limited budget.
- Drafted and implemented an on-line training course to explain complex research methods in user friendly language.
- Managed project of overseeing data acquisition and comparative effectiveness analysis in evaluating the treatment effectiveness for abdominal aortic aneurysm; results were published in Journal of Comparative Effectiveness Research.
- Provided input for the Data User (Customer) Support Team and became the internal consultant for all questions related to databases and statistical analysis. Received company's award for excellence in supporting customers to solve their analysis issues.
- Programmed analysis models into SAS for 25 Statistical Briefs on various topics of healthcare: principal author of 2 and co-author of 13 other publications / reports.

U.C.S.F., Institute for Health Policy Studies, Health and Aging, San Francisco, CA

2004 – 2006

POST-DOCTORAL RESEARCHER

Collaborated with multi-disciplinary teams to run observational studies / health service research. Hands-on experience with all phases of quantitative data analytics, data acquisition, literature review, developing multivariate statistical models and analysis plans. Programmed models into SAS or Stata, reviewed analysis results and produced papers.

- Designed and implemented quantitative / statistical analyses for studies examining cancer screening and health problems of elderly smokers.
- Presented “Effects of Income and Socio-Demographic Characteristics on Colorectal Cancer Screening Behaviors” at the AcademyHealth National Conference in Boston, 2005.
- Received Young Investigator Travel Award to attend the Conquering Colorectal Cancer Disparities Conference and presented “Association of income with colorectal cancers screening behaviors”, Nashville, 2005.

EDUCATION

- **PhD, SOCIAL WORK; EPIDEMIOLOGY**, School of Public Health, University of Minnesota, Minneapolis / St. Paul, MN
- **MSW, SOCIAL WORK**, The Ohio State University, *Columbus, OH*
- **BA, SOCIOLOGY**, Otterbein College, Magna Cum Laude, *Westerville, OH*
- **MEd, SPECIALIZING IN PSYCHOLOGY**, *Yokohama National University, Japan*
- **BA, PSYCHOLOGY**, Rikkyo University, *Tokyo, Japan*

LEADERSHIP

- Vice Chair of the Climate Action Commission, City of Solana Beach – Passion for reducing Co2 emission through promoting EV use, increasing the availability of EV charging stations, and improving walkability within the city.
- “Women in Data Science” 2022 - Kaggle Data Analysis competition – Co-developed a machine learning model to predict energy intensity scores for buildings in different states.
- “Women in Data Science” 2021 Kaggle Data Analysis competition - Developed a machine learning model to predict ICU patients who might have diabetic conditions with 80% accuracy.

CERTIFICATION

Data Science Bootcamp Completion Certificate: University of California, San Diego

A 24-week intensive program focused on gaining technical programming skills in Excel, VBA, Python, R, JavaScript, SQL Databases, Tableau, Big Data, and Machine Learning.

Specialized Certificate in Data Mining: University of California, San Diego

A curriculum of 145 hours of study focused on machine learning and data mining

Climate Reality Leader

Trained by the Climate Reality Project in Minneapolis, 2019

California Naturalist

California Naturalist Certification Program, California



Staff Report

DATE: September 28, 2023

TO: Clean Energy Alliance Board of Directors

FROM: Barbara Boswell, Chief Executive Officer

ITEM 5: Consider Adopting Resolution No. 2023-007 Attesting to the Veracity of the 2022 Power Source Disclosure Reports and Power Content Label Addressing the Clean Impact, Clean Impact Plus and Green Impact Power Retail Electric Service Offerings

RECOMMENDATION

Adopt Resolution No. 2023-007 attesting to the veracity of the 2022 Power Source Disclosure Reports and Power Content Label Addressing the Clean Impact, Clean Impact Plus and Green Impact Retail Electric Service Offerings.

BACKGROUND AND DISCUSSION

As a public agency providing electric services in the state of California, Clean Energy Alliance (CEA) must comply with California's Power Source Disclosure Program, as administered by the California Energy Commission, pursuant to California Code of Regulations Sections 1391 to 1394 (Regulation) which set forth the requirements for annual power source reporting and Power Content Label preparation.

The 2022 Annual Power Source Disclosure Reports (PSD) (Attachment A, Exhibits A - C) are backward-looking and report the sources of power procured by CEA on behalf of its customers during calendar year 2022. Separate reports are prepared for each of CEA's three retail electric service offerings: Clean Impact, Clean Impact Plus and Green Impact.

The Regulation also requires that CEA prepare an annual Power Content Label (PCL), which will be mailed to CEA's customers by December 31 of each year. The 2022 PCL (Attachment A, Exhibit D) is similar to a typical nutritional label, providing customers with information related to the power sources that were procured by CEA to meet their energy requirements as well as the greenhouse gas emissions intensity associated with each retail service offering. Each of CEA's three retail service offerings are addressed in the PCL as well as California's overall power mix, which is presented for the sake of comparison.

Section 1394.2, Subdivision (a)(1) of the Regulation addresses an independent audit requirement which is only applicable to Investor-Owned Utilities and Energy Service Providers, but not public agencies, which include Community Choice Aggregation programs.

An exception to the audit requirement is specified in Section 1394.2, Subdivision (a)(2) which states:

A retail supplier that is a public agency providing electric services is not required to comply with the provisions of subdivision (a)(1) if the board of directors of the public agency submits to the Energy Commission an attestation of the veracity of each annual report and power content label for the previous year.

The 2022 PSD reports and related 2021 PCL have been prepared in compliance with the Regulation and accurately reflects electric supply procured by CEA during 2022.

FISCAL IMPACT

The costs related to mailing the 2022 PCL have been included in the adopted Fiscal Year 2023/24 budget.

ATTACHMENTS

Attachment A Resolution No. 2023-007 Attesting to the Veracity of the 2022 Power Source Disclosure Reports and Power Content Label Addressing the Clean Impact, Clean Impact Plus and Green Impact Retail Electric Service Offerings.

**CLEAN ENERGY ALLIANCE
RESOLUTION NO. 2023-007**

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CLEAN ENERGY ALLIANCE
ATTESTING TO THE VERACITY OF THE 2021 POWER SOURCE
DISCLOSURE REPORTS AND 2022 POWER CONTENT LABEL ADDRESSING
THE CLEAN IMPACT, CLEAN IMPACT PLUS AND GREEN IMPACT RETAIL
ELECTRIC SERVICE OFFERINGS**

WHEREAS, the Clean Energy Alliance (CEA) is a joint powers agency, formed in November 2019; and

WHEREAS, as a Load Serving Entity, CEA must comply with the annual Power Source Disclosure Reporting and Power Content Label requirements as established by the California Energy Commission Power Source Disclosure Program, pursuant to California Code of Regulations, title 20, Sections 1391 to 1394 (Regulations); and

WHEREAS, the CEA 2022 Power Source Disclosure Reports of CEA's three power supply products, Clean Impact, Clean Impact Plus and Green Impact (Exhibits A – C) have been prepared in compliance with the CEC Power Source Disclosure Regulations; and

WHEREAS, the CEA 2022 Power Content Label (Exhibit D) of CEA's three power supply products, Clean Impact, Clean Impact Plus and Green Impact have been prepared in compliance with CEA's Power Content Label Regulations; and

WHEREAS, the CEA Board of Directors desires to attest to the veracity of the Clean Impact, Clean Impact Plus and Green Impact 2022 Power Source Disclosure Annual Reports and 2022 Power Content Label.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Clean Energy Alliance, as follows:

Section 1. The above recitals are true and correct.

Section 2. The Board of Directors of the Clean Energy Alliance hereby attests to the veracity of the 2022 Power Source Disclosure Reports of the Clean Impact, Clean Impact Plus and Green Impact power supply products.

Section 3. The Board of Directors of the Clean Energy Alliance hereby attests to the veracity of the 2022 Power Content Label of the Clean Impact, Clean Impact Plus and Green Impact power supply products.

The foregoing Resolution was passed and adopted this 28th day of September 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

David Druker, Chair

ATTEST:

Susan Caputo, Interim Board Secretary

2022 POWER SOURCE DISCLOSURE ANNUAL REPORT
SCHEDULE 3: POWER CONTENT LABEL DATA
For the Year Ending December 31, 2022
Clean Energy Alliance
Clean Impact

Instructions: No data input is needed on this schedule. Retail suppliers should use these auto-populated calculations to fill out their Power Content Labels.

	Adjusted Net Procured (MWh)	Percent of Total Retail Sales
Renewable Procurements	619	50.0%
Biomass & Biowaste	-	0.0%
Geothermal	-	0.0%
Eligible Hydroelectric	-	0.0%
Solar	358	28.9%
Wind	261	21.1%
Coal	-	0.0%
Large Hydroelectric	-	0.0%
Natural gas	-	0.0%
Nuclear	-	0.0%
Other	-	0.0%
Unspecified Power	619	50.0%
Total	1,238	100.0%

Total Retail Sales (MWh)	1,238
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GHG Emissions Intensity (converted to lbs CO₂e/MWh)	472
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Percentage of Retail Sales Covered by Retired Unbundled RECs	0.0%
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**2022 POWER SOURCE DISCLOSURE ANNUAL REPORT
SCHEDULE 3: POWER CONTENT LABEL DATA
For the Year Ending December 31, 2022
Clean Energy Alliance
Clean Impact Plus**

Instructions: No data input is needed on this schedule. Retail suppliers should use these auto-populated calculations to fill out their Power Content Labels.

	Adjusted Net Procured (MWh)	Percent of Total Retail Sales
Renewable Procurements	375,522	59.0%
Biomass & Biowaste	-	0.0%
Geothermal	-	0.0%
Eligible Hydroelectric	10,000	1.6%
Solar	175,489	27.6%
Wind	190,033	29.8%
Coal	-	0.0%
Large Hydroelectric	165,000	25.9%
Natural gas	-	0.0%
Nuclear	-	0.0%
Other	-	0.0%
Unspecified Power	96,369	15.1%
Total	636,891	100.0%

Total Retail Sales (MWh)	636,891
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GHG Emissions Intensity (converted to lbs CO₂e/MWh)	143
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Percentage of Retail Sales Covered by Retired Unbundled RECs	0.0%
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2022 POWER SOURCE DISCLOSURE ANNUAL REPORT
SCHEDULE 3: POWER CONTENT LABEL DATA
For the Year Ending December 31, 2022
Clean Energy Alliance
Green Impact

Instructions: No data input is needed on this schedule. Retail suppliers should use these auto-populated calculations to fill out their Power Content Labels.

	Adjusted Net Procured (MWh)	Percent of Total Retail Sales
Renewable Procurements	11,527	100.0%
Biomass & Biowaste	-	0.0%
Geothermal	-	0.0%
Eligible Hydroelectric	-	0.0%
Solar	11,527	100.0%
Wind	-	0.0%
Coal	-	0.0%
Large Hydroelectric	-	0.0%
Natural gas	-	0.0%
Nuclear	-	0.0%
Other	-	0.0%
Unspecified Power	-	0.0%
Total	11,527	100.0%

Total Retail Sales (MWh)	11,527
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GHG Emissions Intensity (converted to lbs CO₂e/MWh)	-
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Percentage of Retail Sales Covered by Retired Unbundled RECs	0.0%
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2022 POWER CONTENT LABEL								
Clean Energy Alliance								
www.TheCleanEnergyAlliance.org/key-documents/power-content-label								
Greenhouse Gas Emissions Intensity (lbs CO ₂ e/MWh)				Energy Resources	2022 CEA Clean Impact Plus Power Mix	2022 CEA Clean Impact Power Mix	2022 CEA Green Impact Power Mix	2022 CA Power Mix
2022 CEA Clean Impact Plus Power Mix	2022 CEA Clean Impact Power Mix	2022 CEA Green Impact Power Mix	2022 CA Utility Average	Eligible Renewable¹	59.0%	50.0%	100.0%	35.8%
143	472	0	422	Biomass & Biowaste	0.0%	0.0%	0.0%	2.1%
<p>1000 800 600 400 200 0</p> <p>■ 2022 CEA Clean Impact Plus Power Mix ■ 2022 CEA Clean Impact Power Mix ■ 2022 CEA Green Impact Power Mix ■ 2022 CA Utility Average</p>				Geothermal	0.0%	0.0%	0.0%	4.7%
				Eligible Hydroelectric	1.6%	0.0%	0.0%	1.1%
				Solar	27.6%	28.9%	100.0%	17.0%
				Wind	29.8%	21.1%	0.0%	10.8%
				Coal	0.0%	0.0%	0.0%	2.1%
				Large Hydroelectric	25.9%	0.0%	0.0%	9.2%
				Natural Gas	0.0%	0.0%	0.0%	36.4%
				Nuclear	0.0%	0.0%	0.0%	9.2%
				Other	0.0%	0.0%	0.0%	0.1%
				Unspecified Power²	15.1%	50.0%	0.0%	7.1%
				TOTAL	100.0%	100.0%	100.0%	100.0%
Percentage of Retail Sales Covered by Retired Unbundled RECs³:					0%	0%	0%	
¹ The eligible renewable percentage above does not reflect RPS compliance, which is determined using a different methodology. ² Unspecified power is electricity that has been purchased through open market transactions and is not traceable to a specific generation source. ³ Renewable energy credits (RECs) are tracking instruments issued for renewable generation. Unbundled renewable energy credits (RECs) represent renewable generation that was not delivered to serve retail sales. Unbundled RECs are not reflected in the power mix or GHG emissions intensities above.								
For specific information about this electricity portfolio, contact:					Clean Energy Alliance (833) 232-3110			
For general information about the Power Content Label, visit:					https://www.energy.ca.gov/programs-and-topics/programs/power-source-disclosure-program			



Staff Report

DATE: September 28, 2023

TO: Clean Energy Alliance Board of Directors

FROM: Barbara Boswell, Chief Executive Officer

ITEM 6: Consider Approval of 11-Year Power Purchase Agreement for Resource Adequacy with Edwards Solar 1A, LLC (Terra-Gen) in Satisfaction of a Portion of Clean Energy Alliance's Mid-Term Reliability Requirements

RECOMMENDATION

Approve 11-Year Power Purchase Agreement for Resource Adequacy with Edwards Solar 1A, LLC (Terra-Gen) in Satisfaction of a Portion of Clean Energy Alliance's Mid-Term Reliability Requirements, for an amount not to exceed \$14,305,000. Authorize the Chief Executive Officer to execute all documents, substantially as to form of attached, subject to Transactions Attorney approval.

BACKGROUND AND DISCUSSION

California Public Utilities Commission (CPUC) Decision 21-06-035 required all load serving entities, including community choice aggregators, to procure additional resources for replacement of Diablo Canyon, among other requirements. The CPUC Decision requires:

- The Project is not on the baseline list of resources published by the CPUC on August 24, 2021;
- Project online by 8/1/2023, 6/1/2024, 6/1/2025 or 6/1/2026, with a preference for an earlier date;
- Available for a term of at least 10 years;
- Must be non-fossil fueled;
- Requires new build baseload renewable energy which is either geothermal or biomass.

Pursuant to the Decision, CEA has participated in several solicitations and bilateral agreement negotiations. Through these processes, CEA identified the Edwards Solar 1A project as a project that meets the procurement requirements as established by the CPUC Midterm Reliability Procurement requirement. The terms of the proposed agreement are for a period of eleven (11) years, to begin delivering January 1, 2024, for a total amount not to exceed \$14,305,000.

Staff recommends the Board authorize the Chief Executive Officer to execute the final agreement, subject to the Transactions Attorney approval.

FISCAL IMPACT

The costs related to the procurement have been factored into the financial pro-forma.

ATTACHMENTS

Redacted Draft Power Purchase Agreement with Edwards Solar 1A, LLC

BUYER DRAFT
September 19, 2023

RESOURCE ADEQUACY CONFIRMATION LETTER

This confirmation letter (“Confirmation”) confirms the transaction agreed to as of the last dated signature on the signature page hereto (the “Confirmation Date”), between Clean Energy Alliance, a California joint powers authority, and Edwards Solar 1A, LLC, a Delaware limited liability company, by which Seller agrees to sell and deliver, and Buyer agrees to purchase and receive, the Product (“the Transaction”). This Confirmation is governed by Master Power Purchase and Sale Agreement (version 2.1., modified 4/25/00), as published by the Edison Electric Institute (the “EEI Form”) as modified by the Cover Sheet in Annex A attached hereto and incorporated by reference (collectively, the “Master Agreement”), all of which form a part of this Agreement. All provisions contained in or incorporated by reference in the EEI Form will govern this Agreement except as expressly modified herein or in Annex A, as if the Parties had executed such an agreement based on the EEI Form (as if modifications or elections specified in the Annex A were made on the Cover Sheet); provided, however, that the Parties acknowledge and agree that the Collateral Annex is not a part of and is not applicable to this Agreement. This Transaction shall constitute a “Transaction” under the Master Agreement. The Master Agreement and this Confirmation shall be collectively referred to herein as the “Agreement”. In the event of any inconsistency between the provisions of the Master Agreement and this Confirmation, this Confirmation will prevail for the purpose of this Transaction. Capitalized terms not otherwise defined in this Confirmation or the Master Agreement are defined in the Tariff. References to Sections are references to Sections of this Confirmation unless otherwise stated.

ARTICLE 1 TRANSACTION TERMS

Buyer: Clean Energy Alliance

Seller: Edwards Solar 1A, LLC

Product, Delivery Period, Quantity, Contract Price and other specifics of the Product are in Appendix B. Appendices A and B are incorporated into this Confirmation.

ARTICLE 2 DELIVERY OBLIGATIONS AND ADJUSTMENTS

2.1 Sale and Delivery of Product

- (a) For each Showing Month of the Delivery Period, Seller will sell and deliver to Buyer, and Buyer will purchase and receive from Seller, the Expected Quantity of the Product from the Shown Unit(s), where “Expected Quantity” is the Quantity less any excused deductions to the Quantity for Force Majeure and/or for excused reductions in Unit NQC for which Seller has provided notice pursuant to Section 2.1(h) and/or for excused reductions in Unit EFC for which Seller has provided notice pursuant to Section 2.1(i).

- (b) Seller will deliver the Product by submitting to CAISO in its Supply Plan the Shown Unit(s) and the applicable characteristics of the Shown Unit(s) and Product for Buyer, as further specified in Appendix B, all in compliance with this Confirmation.
- (c) Seller will cause all Supply Plans to meet and be filed in conformance with the requirements of the CPUC and the Tariff. Seller will submit, or cause the Unit's SC to submit, on a timely basis with respect to each applicable Showing Month, Supply Plans in accordance with the Tariff and CPUC requirements to identify and confirm the Product delivered to Buyer for each Showing Month of the Delivery Period. The total amount of Product identified and confirmed for each day of such Showing Month will equal the Expected Quantity.
- (d) Seller may sell and deliver from a Shown Unit. In no event shall a Shown Unit utilize coal or coal materials as a source of fuel. Seller will identify the Shown Unit(s) and Expected Quantity for a Showing Month by providing Buyer with the specific Unit information contemplated in Appendix B no later than the Notification Deadline for the relevant Showing Month.
- (e) If CAISO rejects either the Supply Plan or the Resource Adequacy Plan with respect to any part of the Expected Quantity for the Shown Unit in any Showing Month, the Parties will confer, make such corrections as are necessary for acceptance, and resubmit the corrected Supply Plan or Resource Adequacy Plan for validation before the applicable deadline for the Showing Month.
- (f) The Product is delivered and received when the CIRA Tool shows the Supply Plan accepted for the Product from the Shown Unit by CAISO or Seller complies with Buyer's instruction to withhold all or part of the Expected Quantity from Seller's Supply Plan for any Showing Month during the Delivery Period. Seller has failed to deliver the Product if Seller fails to submit a Supply Plan for the volume of Expected Quantity for any Showing Month in such amount as instructed by Buyer (but not to exceed the Expected Quantity) for the applicable Showing Month. Buyer will have received the Product if (i) Seller's Supply Plan is accepted by the CAISO for the applicable Showing Month or (ii) Seller complies with Buyer's instruction to withhold all or part of the Expected Quantity from Seller's Supply Plan for the applicable Showing Month. Seller will not have failed to deliver the Product if Buyer fails or chooses not to submit the Shown Unit and the Product in its Resource Adequacy Plan with the CPUC or CAISO.
- (g) [Reserved].
- (h) Excused Reductions in Unit NQC: Seller's obligation to deliver any of the Quantity during the Delivery Period will be excused if a Unit described in Appendix B experiences a reduction in Unit NQC after the Confirmation Date as determined by CAISO and Seller has provided notice of such reduction to Buyer by the

Notification Deadline for the applicable Showing Month. The extent to which Seller's obligation to deliver is excused will equal (i) the Quantity multiplied by (ii) the total amount (in MW) by which the Unit NQC was reduced since the Confirmation Date, divided by (iii) the Unit NQC as of the Confirmation Date. If a Unit described in Appendix B experiences such a reduction in Unit NQC, then Seller may, but is not obligated to, provide the applicable part of the Quantity from any Shown Unit.

- (i) Excused Reductions in Unit EFC: Seller's obligation to deliver any of the Quantity during the Delivery Period will be excused if a Unit described in Appendix B experiences a reduction in Unit EFC after the Confirmation Date for such Unit as determined by CAISO and Seller has provided notice of such reduction to Buyer by the Notification Deadline for the applicable Showing Month. The extent to which Seller's obligation to deliver is excused will equal (i) the Quantity multiplied by (ii) the total amount (in MW) by which the Unit EFC was reduced since the Confirmation Date, divided by (iii) the Unit EFC as of the Confirmation Date. If a Unit described in Appendix B experiences such a reduction in Unit EFC, then Seller may, but is not obligated to, provide the applicable part of the Quantity from any Shown Unit.

- (j) Change in RA Requirements: If, after the Confirmation Date, the CAISO or the CPUC (i) replaces NQC as the value utilized to measure the qualifying capacity of a Unit described in Appendix B that can be applied toward compliance with RAR, or (ii) otherwise changes the methodology for calculating the Unit NQC or the applicable successor value such that the Unit NQC or applicable successor value of a Unit described in Appendix B would be reduced (each a "Change in RA Requirements"), then from and after each such Change in RA Requirements (A) Seller will provide notice to Buyer stating the equivalent amount of qualifying capacity of a Unit described in Appendix B (or, if such Unit is registered with CAISO as a Hybrid Resource at such time, the portion of such equivalent amount of qualifying capacity that is attributable to the battery energy storage system component of such Unit) that can be applied toward compliance with RAR following the Change in RA Requirements (the "Compliance Adjusted Unit NQC"), and (B) Seller will be excused from delivering the portion of the Quantity equal to (I) the Quantity, multiplied by (II) the difference between the Unit NQC as calculated under the CPUC and CAISO resource adequacy counting rules as of the Confirmation Date, minus the Compliance Adjusted Unit NQC applicable after the Change in RA Requirements, divided by (III) the Unit NQC as calculated under the CPUC and CAISO resource adequacy counting rules as of the Confirmation Date.

2.2 Buyer's Remedies for Seller's Failure to Deliver Expected Quantity

- (a) If Seller fails to deliver any part of the Expected Quantity as required herein for any Showing Month and such failure is not excused under the terms of the Agreement ("Shortfall Quantity"), then Seller is liable for damages pursuant to Section 4.1 of

the Master Agreement. Buyer will use commercially reasonable efforts to purchase replacement Capacity Attributes comparable to the Product to replace the Shortfall Quantity.

- (b) Seller agrees to indemnify, defend and hold harmless Buyer from any penalties, fines or costs assessed against Buyer by the CPUC, CAISO or other Governmental Body resulting from Seller's unexcused failure to deliver the Product. The Parties will use commercially reasonable efforts to minimize such penalties, fines or costs; provided, that in no event will Buyer be required to use or change its utilization of its owned or controlled assets or market positions to minimize these penalties, fines or costs. Seller will have no obligation to Buyer under this Section 2.2(b) in respect of the portion of the Expected Quantity for any portion of the Delivery Period for which Seller has paid damages pursuant to Section 2.2(a) of this Confirmation and Section 4.1 of the Master Agreement. If Seller fails to pay the foregoing penalties, fines or costs, or fails to reimburse Buyer for those penalties, fines or costs, then, without prejudice to its other rights and remedies, Buyer may setoff and recoup those penalties, fines or costs against any future amounts it may owe to Seller under this Confirmation or the Master Agreement.

2.3 Buyer's Re-Sale of Product

- (a) Buyer may re-sell all or part of the Product; provided that any such re-sale will not relieve Buyer of any of its obligations under this Agreement and any such re-sale must not increase Seller's obligations hereunder other than as set forth in this Section 2.3(a). For any such a resale, Resource Adequacy Plan of Buyer as used herein will refer to the Resource Adequacy Plan of Subsequent Buyer. Seller will, or will cause the Unit's SC, to follow Buyer's instructions with respect to providing such resold Product to Subsequent Buyers, to the extent such instructions are consistent with Seller's obligations under this Confirmation. Seller will, and will cause the Unit's SC, to take all commercially reasonable actions and execute all documents or instruments reasonably necessary to allow such Subsequent Buyers to use such resold Product in a manner consistent with Buyer's rights under this Confirmation. If Buyer incurs any liability to a Subsequent Buyer due to the failure of Seller or the Unit's SC to comply with this Confirmation, Seller will be liable to Buyer for the same amounts Seller would have owed Buyer under this Confirmation if Buyer had not resold the Product.
- (b) Buyer will notify Seller in writing of any resale of Product and the Subsequent Buyer no later than five (5) Business Days before the Notification Deadline for the Showing Month for which Buyer has resold the Product. Buyer will notify Seller of any subsequent changes or further resales no later than five (5) Business Days before the Notification Deadline for the Showing Month for which Buyer has resold the Product.

2.4 Seller's Remedies for Buyer's Failure to Receive Expected Quantity

If Buyer fails to receive any part of the Expected Quantity as required herein for any Showing Month, and such failure is not excused under the terms of the Agreement, then Buyer is liable for damages pursuant to Section 4.2 of the Master Agreement. If Buyer resells any portion of the Product to a Subsequent Buyer and that Subsequent Buyer fails to receive any portion of the resold Product, such failure will be deemed a failure of Buyer to receive the Product hereunder, and Buyer is liable for damages pursuant to Section 4.2 of the Master Agreement.

ARTICLE 3 **PAYMENTS**

3.1 Payment

Buyer shall pay for the Product as provided in Article Six of the Master Agreement and this Confirmation. Buyer shall make a Monthly RA Capacity Payment to Seller for each Unit by the later of (a) ten (10) Calendar Days after Buyer's receipt of Seller's invoice (which may be given upon the first day of the Showing Month) and (b) the twentieth (20th) of the Showing Month, or if the twentieth (20th) is not a Business Day the next following Business Day. The "Monthly RA Capacity Payment" shall equal the product of (i) the applicable Contract Price for that Showing Month, (ii) the Expected Quantity for the Showing Month and (iii) 1,000, rounded to the nearest penny (i.e., two decimal places); provided, however, that (A) the Expected Quantity in clause (ii) of the Monthly RA Capacity Payment formula shall be reduced by the portion, if any, of Expected Quantity for the Showing Month that was not delivered in accordance with Section 2.1 for such Showing Month, and (B) following a Change in RA Requirements, the Expected Quantity of Product delivered in accordance with Section 2.1 for each Showing Month thereafter shall be multiplied by the Compliance Adjustment Factor for purposes of calculating the Monthly RA Capacity Payment pursuant to this Section 3.1.

3.2 Allocation of Other Payments and Costs

- (a) Seller will receive and is entitled to retain any revenues from, and must pay all costs charged by, CAISO or any other third party with respect to the Unit(s) for (i) start-up, shutdown, and minimum load costs, (ii) capacity for ancillary services, (iii) energy sales, (iv) flexible ramping product, or (v) black start or reactive power services. Buyer must promptly report receipt of any such revenues to Seller. Buyer must pay to Seller any such amounts described in this Section 3.2(a) received by Buyer or its SC or a Subsequent Buyer or its SC. Without prejudice to its other rights and remedies, Seller may setoff and recoup any such amounts that are not paid to it against any amounts owed to Buyer under the Master Agreement.
- (b) Buyer is to receive and retain all revenues associated with the Expected Quantity of Product during the Delivery Period, including any capacity and availability revenues from the Capacity Procurement Mechanism, or its successor, RUC Availability Payments, or its successor, but excluding payments described in Section 3.2(a)(i)-(v) or 3.2(d). Seller must promptly report receipt of any such

revenues to Buyer. Seller must pay to Buyer any such amounts received by Seller, or a Unit's SC, owner, or operator. Without prejudice to its other rights, Buyer may set off and recoup any such amounts that are not paid to it against amounts owed to Seller under the Master Agreement.

- (c) If CAISO designates any part of the Expected Quantity as Capacity Procurement Mechanism Capacity, then Seller will, or will cause the Unit's SC to, within one Business Day of the time Seller receives notification from CAISO, notify Buyer and, to the extent permitted under the Tariff, not accept any such designation by CAISO unless and until Buyer has agreed to accept such designation.
- (d) Any Availability Incentive Payments or Non-Availability Charges are for Seller to receive and pay.

ARTICLE 4 **OTHER BUYER AND SELLER COVENANTS**

4.1 CAISO Requirements

Seller must schedule or cause the Unit's SC to schedule or make available to CAISO the Expected Quantity of the Product during the Delivery Period, in compliance with the Tariff, and perform all, or cause the Unit's SC, owner, or operator to perform all, obligations under applicable law and the Tariff relating to the Product. Buyer is not liable for the failure of Seller or the Unit's SC, owner, or operator to comply with the Tariff, and for any penalties, fines or costs imposed on Seller or the Unit's SC, owner, or operator for such noncompliance.

4.2 Seller's and Buyer's Duties to Take Actions to Allow Product Utilization

Throughout the Delivery Period, Buyer and Seller will take all commercially reasonable actions and execute all documents or instruments reasonably necessary to ensure Buyer's rights to the Expected Quantity of the Product for the sole benefit of Buyer or any Subsequent Buyer. If necessary, the Parties further agree to negotiate in good faith to amend this Confirmation to conform this Transaction to subsequent clarifications, revisions, or decisions rendered by CAISO or an applicable Governmental Body to maintain the balance of benefits and burdens of the Transaction as of the Confirmation Date.

4.3 Seller's Representations and Warranties

Seller represents and warrants to Buyer throughout the Delivery Period that:

- (a) no part of the Expected Quantity of the Product during the Delivery Period has been committed by Seller to any third party to satisfy Compliance Obligations or analogous obligations in any CAISO or non-CAISO markets;
- (b) the Unit qualifies under the Tariff for the Product;

- (c) the aggregation of all amounts of Capacity Attributes that Seller has sold, assigned, or transferred for the Unit in respect of each Showing Month of the Delivery Period does not exceed the NQC for that Unit during the applicable Showing Month of the Delivery Period;
- (d) if applicable, Seller has notified either the Unit's SC or the entity from which Seller purchased the Product that Seller has transferred the Expected Quantity of Product for the Delivery Period to Buyer; and
- (e) Seller has notified or will notify the Unit's SC that Buyer is entitled to the revenues set forth in Section 3.2(b) and that such SC is obligated to promptly deliver those revenues to Buyer, along with appropriate documentation supporting the amount of those revenues.

4.4 CPUC Mid-Term Reliability Requirements.

- (a) The Parties acknowledge that Buyer intends to apply the Product purchased under this Agreement towards a portion of its obligations to procure capacity to meet mid-term reliability requirements specified by the CPUC in CPUC Decision 21-06-035. Seller represents and warrants to Buyer that:
 - i. as of the Confirmation Date, the Unit described in Appendix B is not on the baseline list of resources published by the CPUC on August 24, 2021, which, as of the Confirmation Date, is available at: https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/energy-division/documents/integrated-resource-plan-and-long-term-procurement-plan-irp-ltpp/d2106035_baseline_gen_list.xlsx;
 - ii. The Product includes the exclusive right to claim the Quantity of the Product from the Unit described in Appendix B as an incremental resource for purposes of CPUC Decision 21-06-035; and
 - iii. Seller has not and will not sell, assign or transfer the right to claim procurement of the Quantity of the Product from the Unit described in Appendix B as an incremental resource for purposes of CPUC Decision 21-06-035 during the Delivery Term to any other person or entity.
- (b) Seller will provide additional information and documentation reasonably requested by Buyer that is available to Seller and not already separately available to Buyer and is necessary to enable Buyer to demonstrate that the Quantity of the Product from the Unit described in Appendix B meets the procurement mandates set forth in CPUC Decision 21-06-035.
- (c) Buyer (i) represents and warrants to Seller that Buyer will not report to the CPUC or any Governmental Body or otherwise claim that it is entitled to any capacity from the Unit described in Appendix B for purposes of CPUC Decision 21-06-

035 in excess of the Quantity of the Product from the Unit described in Appendix B (“Excess IRP Attributes”), and (ii) acknowledges and agrees that Seller may retain any Excess IRP Attributes for its own benefit or sell any Excess IRP Attributes to one or more third parties and retain all associated revenue free and clear of any claim by Buyer.

ARTICLE 5

ADDITIONAL MASTER AGREEMENT AMENDMENTS; GENERAL PROVISIONS

5.1 Termination Payment

Notwithstanding anything to the contrary in this Agreement, Seller’s aggregate liability to Buyer for any Events of Default of Seller hereunder, including without limitation, any Termination Payment due to Buyer as a result of such Events of Default, shall not exceed

5.2 Confidentiality

Notwithstanding Section 10.11 of the Master Agreement, (i) Buyer may disclose information in order to support its Compliance Showings or otherwise show it has met its Compliance Obligations; (ii) Seller may disclose information to a Unit’s SC or as necessary for Supply Plans; (iii) each Party may disclose information to the independent evaluator or other administrator of any competitive solicitation process of Buyer, which in turn may disclose such information to CAISO or any Governmental Body; and (iv) Buyer may disclose information (excluding pricing to any Subsequent Buyer.

5.3 Dodd-Frank Act

Each Party represents and warrants to the other that it is an “eligible commercial entity” and an “eligible contract participant” within the meaning of United States Commodity Exchange Act §§1a(17) and 1a(18), respectively. Without limiting Section 10.10 of the Master Agreement, the Parties intend this Transaction to be a “customary commercial arrangement” as described in Section II.A.1 of Commodity Futures Trading Commission, *Proposed Guidance, Certain Natural Gas and Electric Power Contracts*, 81 Fed. Reg. 20583 at 20586 (Apr. 8, 2016) and a “Forward Capacity Transaction” within the meaning of Commodity Futures Trading Commission, *Final Order in Response to a Petition From Certain Independent System Operators and Regional Transmission Organizations To Exempt Specified Transactions Authorized by a Tariff or Protocol Approved by the Federal Energy Regulatory Commission*, 78 Fed. Reg. 19,880 (Apr. 2, 2013).

5.4 Governing Law

This Confirmation and any portion of the Master Agreement applicable to this Transaction and the rights and duties of the Parties hereunder shall be governed by and construed, enforced and performed in accordance with the laws of the state of California, without regard to principles of conflicts of law.

ARTICLE 6
COLLATERAL REQUIREMENTS

6.1 Seller Collateral

To secure its obligations under this Agreement, Seller shall deliver Seller Performance Security to Buyer within thirty (30) days after the Confirmation Date. “Seller Performance Security” means (i) cash or (ii) Letter of Credit in the amount of _____ Promptly following the end of the Delivery Period, Buyer shall promptly return to Seller the unused portion of the Seller Performance Security, subject to any draws made by Buyer in accordance with this Confirmation, upon Seller’s written request.

6.2 Buyer Collateral

Buyer is not required to post any credit support for this Transaction.

ARTICLE 7
ASSIGNMENT FOR FINANCING

Neither Party shall assign this Agreement or its rights hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld; provided, however, (a) Seller may, without the prior written consent of Buyer, transfer or assign this Agreement to an Affiliate of Seller, and (b) Seller shall have the right at any time and from time to time to create or provide for a security interest in, or convey in trust its respective rights, titles and interests in this Agreement to a lender, mortgagee, or trustee under deeds of trust, mortgages or indentures, or to secured parties under a security agreement as security for its present or future bonds or other obligations or securities, or to any lender(s), lessor(s) or tax equity investor(s) and other parties providing any financing or refinancing and any successor(s) or assigns thereto (“Secured Party”) with respect to any Unit described in Appendix B to the Confirmation, without the consent of Buyer, and without such Secured Party assuming or becoming in any respect obligated to perform any of the obligations of the Parties hereto. Any such Secured Party and any successor thereof by action of law or otherwise, and any purchaser, transferee or assignee of any thereof may, without need for the prior consent of the other Party, succeed to and acquire all the rights, titles and interests of Seller in this Agreement, and may foreclose upon said rights, titles and interests of Seller, provided any such Secured Party and any successor thereof by action of law or otherwise, and any purchaser, transferee or assignee of any thereof has agreed in writing to be bound by this Agreement and shall have complied with the obligations of Seller to provide Seller Performance Security hereunder. Upon the written request of Seller, Buyer shall execute, or arrange for the delivery of, such consents, estoppels and other documents as may be reasonably necessary in order for Seller to consummate any financing or refinancing of any Unit described in Appendix B to the Confirmation or any part thereof, including a form of financing party consent and agreement, each of which documents and instruments shall be in form and substance reasonably acceptable to Buyer and Seller shall agree to pay for the reasonable third party legal review expenses of Buyer in compliance with such requests.

BUYER DRAFT
September 19, 2023

AGREED AS OF THE CONFIRMATION DATE:

EDWARDS SOLAR 1A, LLC

CLEAN ENERGY ALLIANCE

By: _____
Name: Don Vawter
Title: Vice President
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

APPENDIX A DEFINED TERMS

“CAISO” means the California Independent System Operator Corporation or any successor entity performing substantially the same functions.

“Capacity Attributes” means attributes of the Unit that may be counted toward Compliance Obligations, including: flexibility, dispatchability, physical location or point of electrical interconnection of the Unit; Unit ability to generate at a given capacity level, provide ancillary services, or ramp up or down at a given rate; any current or future defined characteristics, certificates, tags, credits, or accounting constructs of the Unit, howsoever entitled, identified from time to time by the CAISO or a Governmental Body having jurisdiction over Compliance Obligations.

“Change in RA Requirements” has the meaning set forth in Section 2.1(j).

“CIRA Tool” means the CAISO Customer Interface for Resource Adequacy.

“Co-Located Resource” has the meaning set forth in the Tariff.

“Compliance Adjustment Factor” means a ratio, the numerator of which is the aggregate Unit NQC value of the Unit(s) described in Appendix B as calculated under the CPUC and CAISO resource adequacy counting rules as of the Confirmation Date, and the denominator of which is the aggregate Compliance Adjusted Unit NQC of the Unit(s) described in Appendix B.

“Compliance Adjusted Unit NQC” has the meaning set forth in Section 2.1(j).

“Compliance Obligations” means, as applicable based on the Product specifications, RAR, Local RAR and FCR.

“Compliance Showings” means the applicable LSE’s compliance with the resource adequacy requirements of the CPUC for an applicable Showing Month.

“CPUC” means the California Public Utilities Commission.

“CPUC Decisions” means any currently effective or future decisions, resolutions, or rulings related to resource adequacy issued by the CPUC.

“Delivery Period” has the meaning set forth in Appendix B.

“Effective Flexible Capacity” or “EFC” has the meaning set forth in the Tariff.

“FCR” means the flexible capacity requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, the CAISO pursuant to the Tariff, or other Governmental Body having jurisdiction over Compliance Obligations and includes any non-binding advisory showing which an LSE is required to make with respect to flexible capacity.

“Governmental Body” means any federal, state, local, municipal or other government; any governmental, regulatory or administrative agency, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and any court or governmental tribunal.

“Hybrid Resource” has the meaning set forth in the Tariff.

“Initial Unit EFC” means, for each Unit described in Appendix B, the initial Effective Flexible Capacity for such Unit as set by CAISO as of the Confirmation Date.

“Initial Unit NQC” means, for each Unit described in Appendix B, the initial Net Qualifying Capacity for such Unit as set by CAISO as of the Confirmation Date.

“Local RAR” means the local resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction over Compliance Obligations.

“LSE” means “Load Serving Entity” as such term is used in Section 40.9 of the Tariff.

“MW” means megawatt.

“Net Qualifying Capacity” or “NQC” has the meaning set forth in the Tariff.

“Notification Deadline” is fifteen (15) Business Days before the relevant deadlines for the corresponding Compliance Showings applicable to the relevant Showing Month.

“Product” means Capacity Attributes applicable to compliance with RAR and FCR from Units that meet the specifications contained in the “Product” section of Appendix B.

“RAR” means the resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction over Compliance Obligations, but excluding Local RAR and FCR.

“SC” means Scheduling Coordinator as defined in the Tariff.

“Showing Month” means the calendar month of the Delivery Period that is the subject of the related Compliance Showing.

“Shown Unit” means one or more of the Units specified by Seller in a Supply Plan.

“Subsequent Buyer” means the buyer of Product from Buyer in a re-sale of Product by Buyer.

“Tariff” means the CAISO Tariff, including any current CAISO-published “Operating Procedures” and “Business Practice Manuals,” in each case as amended or supplemented from time to time.

“Unit” means any generation unit described in Appendix B.

“Unit EFC” means Unit Effective Flexible Capacity and is, for a given date of determination, the lesser of the Initial Unit EFC as set by CAISO as of the Confirmation Date and the Effective Flexible Capacity of the Unit as set by CAISO on such date of determination. If such Unit is registered with CAISO as a Hybrid Resource as of the date of determination, then the Unit EFC will be the portion of the Effective Flexible Capacity of such Unit on such date of determination that is attributable to the battery energy storage system component of such Unit.

“Unit NQC” means Unit Net Qualifying Capacity and is, for a given date of determination, the lesser of the Initial Unit NQC as set by CAISO as of the Confirmation Date and the Net Qualifying Capacity of the Unit as set by CAISO on such date of determination. If such Unit is registered with CAISO as a Hybrid Resource as of the date of determination, then the Unit NQC will be the portion of the Net Qualifying Capacity of such Unit on such date of determination that is attributable to the battery energy storage system component of such Unit.

**APPENDIX B
PRODUCT AND UNIT INFORMATION**

Product:

RAR Local RAR FCR

and all Capacity Attributes related to such Product.

Additional Product Information (fill in all that apply):

CAISO Zone: System

MCC Bucket: 4*

CPUC Local Area (if applicable): N/A

Flexible Capacity Category (if applicable): 2*

* If the MCC Bucket or Flexible Capacity Category definition or eligibility criteria are modified by the CPUC, the CAISO or other Governmental Body having jurisdiction over Compliance Obligations, Seller will provide attributes in the category that the Unit described in Appendix B is eligible to provide without requiring a reduction in Unit NQC or Unit EFC or the portion of the Unit NQC or Unit EFC that can be shown in the Supply Plan for such Unit.

Delivery Period: “Delivery Period” means the period of time beginning with the Showing Month of June 2024 through and including the Showing Month of December 2035, unless terminated earlier in accordance with the terms of this Agreement.

Quantity and Contract Price:

RAR and FCR

Showing Month and Year	Quantity (MW)	Contract Price (\$/kW-mo.)
EACH SHOWING MONTH DURING THE DELIVERY PERIOD	JAN – DEC =	

Unit

Edwards Solar 1A, LLC solar project includes the subprojects EdSan 2 Edwards 1A , EdSan 2 Edwards 3 and EdSan 2 solar photovoltaic generating facilities (“PV Facilities”) and an integrated battery energy storage system (“Storage Facility”), located in Kern County, CA. For any period in which the PV Facility and the Storage Facility are registered with the CAISO as a Hybrid Resource, the Unit described in this Appendix B will be the combined PV Facility and Storage Facility. For any period in which the PV Facility and the Storage Facility are registered with the CAISO as Co-Located Resources, the Unit described in this Appendix B will be the Storage Facility only.

Unit Specific Information**	
Resource Name	EdSan 2 Edwards 1A
Physical Location	
CAISO Resource ID	
SCID of Resource	
Unit NQC by month (e.g., Jan=50, Feb=65)	
Unit EFC by month (e.g., Jan=30, Feb=50)	
Resource Type (e.g., gas, hydro, solar, etc.)	Solar plus Storage
Minimum Qualified Flexible Capacity Category (Flex 1, 2 or 3)	2*
TAC Area (e.g., PG&E, SCE)	SCE
Prorated Percentage of Unit Factor	N/A
Prorated Percentage of Unit Flexible Factor	N/A
Capacity Area (CAISO System, Fresno, Sierra, Kern, LA Basin, Bay Area, Stockton, Big Creek-Ventura, NCNB, San Diego-IV or Humboldt)	Kern
Resource Category as defined by the CPUC (DR, 1, 2, 3, 4)	4*

Unit Specific Information**	
Resource Name	EdSan 2 Edwards 3
Physical Location	
CAISO Resource ID	
SCID of Resource	
Unit NQC by month (e.g., Jan=50, Feb=65)	
Unit EFC by month (e.g., Jan=30, Feb=50)	
Resource Type (e.g., gas, hydro, solar, etc.)	Solar plus Storage
Minimum Qualified Flexible Capacity Category (Flex 1, 2 or 3)	2*
TAC Area (e.g., PG&E, SCE)	SCE
Prorated Percentage of Unit Factor	N/A

Prorated Percentage of Unit Flexible Factor	N/A
Capacity Area (CAISO System, Fresno, Sierra, Kern, LA Basin, Bay Area, Stockton, Big Creek-Ventura, NCNB, San Diego-IV or Humboldt)	Kern
Resource Category as defined by the CPUC (DR, 1, 2, 3, 4)	4*

Unit Specific Information**	
Resource Name	EdSan 2
Physical Location	
CAISO Resource ID	
SCID of Resource	
Unit NQC by month (e.g., Jan=50, Feb=65)	
Unit EFC by month (e.g., Jan=30, Feb=50)	
Resource Type (e.g., gas, hydro, solar, etc.)	Solar plus Storage
Minimum Qualified Flexible Capacity Category (Flex 1, 2 or 3)	2*
TAC Area (e.g., PG&E, SCE)	SCE
Prorated Percentage of Unit Factor	N/A
Prorated Percentage of Unit Flexible Factor	N/A
Capacity Area (CAISO System, Fresno, Sierra, Kern, LA Basin, Bay Area, Stockton, Big Creek-Ventura, NCNB, San Diego-IV or Humboldt)	Kern
Resource Category as defined by the CPUC (DR, 1, 2, 3, 4)	4*

* If the Resource Category or Minimum Qualified Flexible Capacity Category definition or eligibility criteria are modified by the CPUC, the CAISO or other Governmental Body having jurisdiction over Compliance Obligations, Seller will provide attributes in the category that the Unit described in Appendix B is eligible to provide without requiring a reduction in Unit NQC or Unit EFC or the portion of the Unit NQC or Unit EFC that can be shown in the Supply Plan for such Unit.

** The information set forth in this table reflects the Storage Facility only.

ANNEX A

MASTER POWER PURCHASE AND SALE AGREEMENT

COVER SHEET

This *Master Power Purchase and Sale Agreement* (Version 2.1; modified 04/25/00) (“*Master Agreement*”) is made as of the Confirmation Date (“Effective Date”). The *Master Agreement*, together with the exhibits, schedules and any written supplements hereto, the Party A Tariff, if any, the Party B Tariff, if any, any designated collateral, credit support or margin agreement or similar arrangement between the Parties and all Transactions shall be referred to as the “Agreement.” The Parties to this *Master Agreement* are the following:

Name: Edwards Solar 1A, LLC (“**Party A**”)

Name: Clean Energy Alliance, a California joint powers authority (“**CEA**” or “**Party B**”)

All Notices:

Street: 437 Madison Avenue, Suite A
City: New York, NY Zip: 10022
Attn: Business Management
Phone: 646-829-3910
Facsimile: 646-829-3901
Duns: to be provided by Party A
Federal Tax ID Number: 47-4807929

All Notices:

5857 Owens Ave, Suite 2023
Carlsbad, CA 92008
Attn: Chief Executive Officer
Phone: (760) 209-6177
Email: ceo@thecleanenergyalliance.org
Duns: 117585162
Federal Tax ID Number: 84-3839142

Invoices:

Attn: Accounts Payable
Phone: 661-822-2458
Facsimile: 661-822-2401

Confirmations:

Attn: Barbara Boswell, CEO
Phone: (760) 209-6177
Email: ceo@thecleanenergyalliance.org

Scheduling:

Attn: Operations 24/7 Desk
Phone: 646-829-3957
Facsimile: 661-822-2401

Scheduling:

Attn: Jaclyn Harr, The Energy Authority
Phone: (408) 306-0432
Email: jharr@teainc.org

Payments:

Attn: Treasury Department
Phone: 646-829-3920
Facsimile: 646-829-3901

Payments:

Attn: Andy Stern, Chief Financial Officer
Phone: (760) 209-6177
Email: astern@thecleanenergyalliance.org

Wire Transfer:

To be updated

Wire Transfer:

BNK: River City Bank
ABA: 121133416
ACCT: 7714609947

Credit and Collections:

Attn: Treasury Department
Phone: 646-829-3920
Facsimile: 646-829-3901

Credit and Collections:

Attn: Andy Stern, Chief Financial Officer
Phone: (760) 209-6177
Email: astern@thecleanenergyalliance.org

With additional Notices of an Event of Default or Potential Event of Default to:

Attn: General Counsel
Phone: 646-829-3908
Facsimile: 646-829-3901

With additional Notices of an Event of Default or Potential Event of Default to:

Attn: General Counsel
Phone: (619) 814-5813

The Parties hereby agree that the General Terms and Conditions are incorporated herein, and to the following provisions as provided for in the General Terms and Conditions:

Party A Tariff: Tariff _____ Dated _____ Docket Number _____

Party B Tariff: N/A

Article Two

Transaction Terms and Conditions Optional provision in Section 2.4. If not checked, inapplicable.

Article Four

Remedies for Failure to Deliver or Receive Accelerated Payment of Damages. If not checked, inapplicable.

Article Five

Events of Default; Remedies

- Cross Default for Party A: N/A
- Party A: _____ Cross Default Amount
- Other Entity: _____ Cross Default Amount \$ _____
- Cross Default for Party B: N/A
- Party B: _____ Cross Default Amount \$ _____
- Other Entity: _____ Cross Default Amount

5.6 Closeout Setoff:

- Option A (Applicable if no other selection is made.)
- Option B
- Option C (No Setoff)

Article Eight

Credit and Collateral Requirements

8.1 Party A Credit Protection:

(a) Financial Information:

- Option A
- Option B Specify: _____
- Option C Specify: None

(b) Credit Assurances:

- Not Applicable
- Applicable

(c) Collateral Threshold:

- Not Applicable
- Applicable

(d) Downgrade Event:

- Not Applicable
- Applicable

If applicable, complete the following:

- It shall be a Downgrade Event for Party B if Party B's Credit Rating falls below _____ from S&P or _____ from Moody's or if Party B is not rated by either S&P or Moody's
- Other:
Specify: _____

(e) Guarantor for Party B: N/A

Guarantee Amount: N/A

8.2 Party B Credit Protection:

(a) Financial Information:

- Option A
- Option B Specify: _____
- Option C Specify: None

(b) Credit Assurances:

- Not Applicable
- Applicable

(c) Collateral Threshold:

- Not Applicable
- Applicable

(d) Downgrade Event:

- Not Applicable
- Applicable

If applicable, complete the following:

- It shall be a Downgrade Event for Party A if Party A's Credit Rating falls below _____ from S&P or _____ from Moody's or if Party A is not rated by either S&P or Moody's

Other:
Specify: _____

(e) Guarantor for Party A: N/A

Guarantee Amount: N/A

Article Ten

Confidentiality Confidentiality Applicable If not checked, inapplicable.

Schedule M

- Party A is a Governmental Entity or Public Power System
- Party B is a Governmental Entity or Public Power System
- Add Section 3.6. If not checked, inapplicable
- Add Section 8.4. If not checked, inapplicable

Other Changes:

- 1) In Section 1.3, insert the phrase “and, in the case of any such petition instituted or presented against it, that petition remains undismissed and unstayed for a period of ninety (90) days” at the end of clause “(i)”.
- 2) Section 1.4 is amended by deleting the first sentence and replacing it to read as follows: “Business Day” means any day except a Saturday, Sunday, the Friday immediately following the Thanksgiving holiday or a Federal Reserve Holiday.
- 3) In Section 1.12, (a) delete the word “issues” in the fourth line and replace it with “issuers” and (b) insert “and if such ratings are different, the lowest of such ratings shall apply” after the word “Sheet” in the last line.
- 4) Section 1.23 is amended by inserting in the thirteenth line thereof before the phrase “foregoing factors” the word “two.”
- 5) Section 1.24 is amended by adding before the period at the end thereof the following: “in accordance with Section 5.2”.
- 6) A new Section 1.26A is added as follows:

“1.26A “Joint Powers Agreement” means the Joint Powers Agreement, effective as of November 4, 2019, as amended, providing for the formation of Party B, as such agreement may be further amended or amended and restated.”
- 7) Section 1.27 is amended by deleting the phrase “or a foreign bank with a U.S. branch” and replacing it with the phrase “or a U.S. branch of a foreign bank.”
- 8) Section 1.46 is deleted in its entirety.
- 9) In Section 1.50, delete the reference to “Section 2.4” and replace it with “Section 2.5”.
- 10) Section 1.51 is amended by (i) inserting the phrase “for delivery” in the second line after the word “purchases” and before the phrase “at the Delivery Point” and (ii) deleting the phrase “at Buyer’s option” from the fifth line and replacing it with the phrase “absent a purchase”.

- 11) Section 1.52 is amended by (i) deleting the words “Rating” and “Group” from the first line and replacing with “Financial Services LLC” and (ii) by replacing the words in the parenthetical with “a subsidiary of McGraw-Hill Companies, Inc.”
- 12) Section 1.53 is amended by:
 - (i) deleting the phrase “at the Delivery Point” from the second line;
 - (ii) deleting the phrase in line 5 “at the Seller’s option” and replacing it with “absent a sale”; and
 - (iii) inserting after the word “liability” in the ninth line the following: “provided, further, if the Seller is unable after using commercially reasonable efforts to resell all or a portion of the Product not received by the Buyer, the Sales Price with respect to such unsold Product shall be deemed equal to zero (0).”
- 13) Section 1.56 is amended by deleting the words “pursuant to Section 5.2” and by adding before the period at the end thereof the following: “, as determined in accordance with Section 5.2.”
- 14) Section 1.60 is amended by inserting the words “in writing” immediately following the words “agreed to”.
- 15) In Section 2.1, delete the first sentence in its entirety and replace it with the following: “A Transaction, or an amendment, modification or supplement thereto, shall be entered into only upon a writing signed by both Parties.”
- 16) In Section 2.3, delete the section in its entirety and replace it with the following:

“2.3 Confirmation. A Transaction shall be entered into only by a written confirmation in a form mutually agreeable to both Parties and signed by both Parties (“Confirmation”). Notwithstanding anything to the contrary in this Master Agreement, the Master Agreement and any and all Confirmations may not be amended or modified except by an instrument in writing signed by both of the Parties.”
- 17) In Section 2.4, delete “either orally or” after “agreed to” in the 7th line.
- 18) In Section 2.5, delete the section in its entirety and specify it as “Reserved”.
- 19) In Section 5.1(a), change “three (3) Business Days” to “five (5) Business Days”.
- 20) In Section 5.1(b), insert the phrase “and such Party does not fully mitigate the adverse consequences of such false or misleading representation or warranty to the other Party within thirty (30) days after written notice thereof” after the word “repeated” in the last line.
- 21) In Section 5.1(c), change “three (3) Business Days” to “thirty (30) days”.
- 22) In Section 5.1(e), insert the phrase “if such failure is not remedied within five (5) Business Days after written notice thereof” after the word “hereof” in the last line.
- 23) Section 5.1(g) is deleted in its entirety and replaced with the following:

“if the applicable cross default section in the Cover Sheet is indicated for such Party, the occurrence and continuation of a default, event of default or other similar condition or event in respect of such Party or any other party specified in the Cover Sheet for such Party under one or more agreements or instruments, individually or collectively, relating to indebtedness for borrowed money in an aggregate amount of not less than the applicable Cross Default Amount (as specified in the Cover Sheet), which results in such indebtedness becoming immediately due and payable; provided, however, that it shall not constitute an

Event of Default under this Section 5.1(g) if (i) such event, condition or failure is a failure to pay caused by an error or omission of an administrative or operational nature, (ii) funds were available to such Party to enable it to make the relevant payment when due, and (iii) such event, condition or failure is remedied on or before the third Business Day after receipt of written notice of its occurrence”

24) Section 5.1(h)(v), insert the phrase “made in connection with this Agreement” after the phrase “any guaranty”.

25) Section 5.2 is amended by:

(i) deleting the following phrase from the last line: “as soon thereafter as is reasonably practicable”; and

(ii) adding the following to the end of that provision: “then each such Transaction shall be terminated as soon thereafter as reasonably practicable, and upon termination shall be deemed to be a Terminated Transaction and the Termination Payment payable in connection with all such Transactions shall be calculated in accordance with Section 5.3 below). The Gains and Losses for each Terminated Transaction shall be determined by the Non-Defaulting Party calculating the amount that would be incurred or realized to replace or to provide the economic equivalent of the remaining payments or deliveries in respect of that Terminated Transaction. In making such calculation, the Non-Defaulting Party may reference information supplied by one or more third parties including, without limitation, quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets. Third parties supplying such information may include dealers, brokers and information vendors, including, without limitation, Intercontinental Exchange, Inc. If the Non-Defaulting Party’s calculation of the net Settlement Amount results in an amount that would be due to the Defaulting Party (i.e. the Defaulting Party was in-the-money), then for purposes of the calculation of the Termination Payment, such Settlement Amount shall be deemed to be zero dollars (\$0.00).”

26) In Section 5.7, (a) delete the phrase “(a)” in the first sentence and (b) delete the following phrase in the first sentence “or (b) a Potential Event of Default”.

27) In Section 6.3, (a) delete “two (2)” in the fifth sentence and replace it with “five (5)” and (b) in lines 3, 16 & 18, change “twelve (12) months” to “twenty-four (24) months”.

28) Section 7.1 shall be amended by:

(i) adding “SET FORTH IN THIS AGREEMENT” after “INDEMNITY PROVISION” and before “OR OTHERWISE,” in the fifth sentence;

(ii) adding in the nineteenth line the words “PROVIDED, HOWEVER, NOTHING IN THIS SECTION SHALL AFFECT THE ENFORCEABILITY OF THE PROVISIONS OF THIS AGREEMENT EXPRESSLY ALLOWING FOR SPECIAL DAMAGES, INCLUDING BUT NOT LIMITED TO REMEDIES FOR FAILURE TO DELIVER/RECEIVE IN SECTIONS 4.1 AND 4.2, AND CALCULATION AND PAYMENT OF THE TERMINATION PAYMENT IN SECTIONS 5.2 AND 5.3.” immediately after the words “ANY INDEMNITY PROVISIONS SET FORTH IN THIS AGREEMENT OR OTHERWISE”; and

(iii) adding at the end of the last sentence the words “AND ARE NOT PENALTIES.”

29) A new Section 8.4 is added as follows:

“Section 8.4 UCC Waiver: Section 8 sets forth the entirety of the agreement of the Parties regarding credit, collateral and adequate assurances. Except as expressly set forth in the options elected by the Parties in respect of Sections 8.1 and 8.2, neither Party:

(a) has or will have any obligation to post margin, provide letters of credit, pay deposits, make any other prepayments or provide any other financial assurances, in any form whatsoever, or

(b) will have reasonable grounds for insecurity with respect to the creditworthiness of a Party or Member that is complying with the relevant provisions of Section 8 of this Agreement;

and all implied rights relating to financial assurances arising from Section 2-609 of the Uniform Commercial Code or case law applying similar doctrines, are hereby waived.”

30) In Section 10.2, delete the phrase “(including any Confirmation accepted in accordance with Section 2.3)” from Sections 10.2(ii), (iii), (iv), (vi), (vii), (viii), (x) and (xi).

31) In Section 10.2(ii), insert the clause “, except all permits necessary to install, operate and maintain the generating facilities and sell the output therefrom in the case of Party A, which Party A reasonably expects to be obtained in the ordinary course of business prior to delivery of Product under this Agreement;” at the end thereof.

32) In Section 10.2(viii), add the following after “doing,” in the 7th line:

“nor is it relying on any unique or special expertise of the other Party and it is not in any special relationship of trust or confidence with respect to the other Party,”

33) Section 10.2(ix) shall be deleted in its entirety and replaced with the following:

“Each party acknowledges and agrees that (i) certain transaction(s) hereunder are intended to constitute a “forward contract” providing a “contractual right” within the meaning of such terms under Title 11 of the United States Code, as amended (the “Bankruptcy Code”); (ii) it is a “forward contract merchant” within the meaning of the Bankruptcy Code with respect to any transaction that constitutes a “forward contract,” (iii) all payments made or to be made by one party to the other party pursuant to this contract constitute a “settlement payment” within the meaning of the Bankruptcy Code; (iv) all transfers of adequate assurance, prepayment or similar performance assurance by one party to the other party under this contract constitute a “margin payment” within the meaning of the Bankruptcy Codes; (v) each party shall have the “contractual right” to terminate, liquidate, accelerate, or offset the transaction as a “master netting agreement participant” within the meaning of the Bankruptcy Code; and (vi) the parties are entities entitled to the rights under, and protections afforded by, Sections 362, 546, 553, 556, 560, 561 and 562 of the Bankruptcy Code.”

34) In Section 10.6, delete “NEW YORK” and replace with “CALIFORNIA”.

35) Section 10.7 is amended to add before each occurrence of the word “facsimile” the phrase “electronic mail”.

36) In Section 10.8, (a) delete the following “Except to the extent herein provided for” and (b) add the following to the end thereof:

“This Master Agreement and any Confirmation hereunder may be signed in any number of counterparts with the same effect as if the signatures to counterparty were upon a single instrument. Delivery of an executed signature page of this Master Agreement and any Confirmation by electronic mail transmission shall be effective as delivery of a manually executed signature page.”

37) In Section 10.9, (a) insert the words “copies of” after the word “examine” and (b) in line 9, change “twelve (12) months” to “twenty-four (24) months”.

38) Section 10.11, shall be amended by adding the following:

(i) the phrase “or the completed Cover Sheet to this Master Agreement” immediately before the phrase “to a third party” in line three;

(ii) the phrase “Affiliates, actual or potential provider of debt, equity or tax equity financing or refinancing for or in connection with the development, construction, purchase, installation or operation of the Project, contractors” immediately prior to the phrase “counsel, accountants, or advisors” in line four;

(iii) in the seventh line thereof, between the word “proceeding” and the semi-colon, which immediately follows, the words “applicable to such Party or any of its Affiliates”;

(iv) an additional sentence at the end of Section 10.11: “The Parties agree and acknowledge that nothing in this Section 10.11 prohibits a Party from disclosing any one or more of the commercial terms of a Transaction (other than the name of the other Party unless otherwise agreed to in writing by the Parties) to any industry price source for the purpose of aggregating and reporting such information in the form of a published energy price index.”; and

(v) the following at the end of the last sentence: “Party A and Party B acknowledge and agree that the Master Agreement and any Confirmations executed in connection therewith are subject to the requirements of the California Public Records Act (Government Code Section 7920 et seq.). Party B acknowledges that Party A may submit information to Party B that the other party considers confidential, proprietary, or trade secret information pursuant to the Uniform Trade Secrets Act (Cal. Civ. Code section 3426 et seq.), or otherwise protected from disclosure pursuant to an exemption to the California Public Records Act. Party A acknowledges that Party B may submit to Party A information that Party B considers confidential or proprietary or protected from disclosure pursuant to exemptions to the California Public Records Act. In order to designate information as confidential, the disclosing party must clearly stamp and identify the specific portion of the material designated with the word “Confidential”. The parties agree not to over-designate material as confidential. Over-designation would include stamping whole agreements, entire pages or series of pages as Confidential that clearly contain information that is not confidential. Upon request or demand of any third person or entity not a party to this Agreement (“Requestor”) for production, inspection and/or copying of information designated by a Party as confidential information (such designated information, the “Confidential Information” and the disclosing Party, the “Disclosing Party”), the Party receiving such request (the “Receiving Party”) as soon as practical, shall notify the Disclosing Party that such request has been made as specified in the Cover Sheet. The Disclosing Party shall be solely responsible for taking whatever legal steps are necessary to protect information deemed by it to be Confidential Information and to prevent release of information to the Requestor by the Receiving Party. If the Disclosing Party takes no such action after receiving the foregoing notice from the Receiving Party, the Receiving Party shall be permitted to comply with the Requestor’s demand and is not required to defend against it.”

39) The following Mobile-Sierra clause shall be added as Section 10.12:

“Section 10.12 Standard of Review/Modifications.

(a) Absent the agreement of all Parties to the proposed change, the standard of review for changes to any rate, charge, classification, term or condition of this Agreement, whether proposed by a Party (to the extent that any waiver in the next paragraph below is unenforceable or ineffective as to such Party), a non-party or FERC acting *sua sponte*, shall be the ‘public interest’ standard of review set forth in

United Gas Pipe Line Co. v. Mobile Gas Service Corp., 350 U.S. 332 (1956) and Federal Power Commission v. Sierra Pacific Power Co., 350 U.S. 348 (1956), and clarified by Morgan Stanley Capital Group, Inc. v. Public Util. Dist. No. 1 of Snohomish 554 U.S. 527 (2008).

(b) Notwithstanding any provision of Agreement, and absent the prior written agreement of the Parties, each Party, to the fullest extent permitted by applicable law, for itself and its respective successors and assigns, hereby also expressly and irrevocably waives any rights it can or may have, now or in the future, whether under Sections 205, 206, or 306 of the Federal Power Act or otherwise, to seek to obtain from FERC by any means, directly or indirectly (through complaint, investigation, supporting a third party seeking to obtain or otherwise), and each hereby covenants and agrees not at any time to seek to so obtain, an order from FERC changing any Section of this Agreement specifying any rate or other material economic terms and conditions agreed to by the Parties.”

40) The following shall be added as Section 10.13:

“Section 10.13 Imaged Agreement. Any fully executed Agreement, Confirmation or other related document, or recording may be scanned and stored electronically, or stored on computer tapes and disks, as may be practicable (the “Imaged Agreement”). The Imaged Agreement, if introduced as evidence on paper, the Confirmation if introduced as evidence in automated facsimile form, any recording, if introduced as evidence in its original form and as transcribed onto paper, and all computer records of the foregoing, if introduced as evidence in printed format, in any judicial, arbitration, mediation or administrative proceedings, will be admissible as between the Parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither Party shall object to the admissibility of any Imaged Agreement (or photocopies of the transcription of such Imaged Agreement) on the basis that such were not originated or maintained in documentary form under either the hearsay rule, the best evidence rule or other rule of evidence. However, nothing herein shall be construed as a waiver of any other objection to the admissibility of such evidence.”

16. The following is added as a new Section 10.14:

“Section 10.14 No Recourse Against Constituent Members of Party B. Party B is organized as a Joint Powers Authority in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) and is a public entity separate from its constituent members. Party B will solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. Party A will have no rights and will not make any claims, take any actions or assert any remedies against any of Party B’s constituent members, or the officers, directors, advisors, contractors, consultants or employees of Party B or Party B’s constituent members, in connection with this Agreement.”

17. The following is added as a new Section 10.15:

“Section 10.15 Party A’s Deliveries. Upon request, Party A shall provide to Party B (i) a certificate of good standing issued by the California Secretary of State as of a recent date, (ii) resolutions of the managers, members, or other governing body, as applicable, of Party A approving the execution, delivery and performance of this Master Agreement and any Confirmations executed in connection therewith, and (iii) the incumbency and signatures of the signatories of Party A executing this Master Agreement and any Confirmations executed in connection herewith.”

SCHEDULE M GOVERNMENTAL ENTITY OR PUBLIC POWER SYSTEM

Schedule M is hereby amended as follows:

A. The Parties agree to add the following definitions in Article One:

“**Act**” means the Joint Exercise of Powers Act of California (Government Code Section 6500 et seq.).

“**Collateral Agent**” has the meaning in the Security Documents.

“**Depository Bank**” has the meaning in the Security Documents.

“**Intercreditor and Collateral Agency Agreement**” means the Intercreditor and Collateral Agency Agreement, among the Collateral Agent, Party A, Party B and the PPA Providers party thereto from time to time.

“**Secured Account**” means the Lockbox Account (as defined in the Security Agreement).

“**Secured Creditors**” means each PPA Provider that is a party to the Intercreditor and Collateral Agency Agreement and its respective successors and assigns.

“**Security Agreement**” means the Security Agreement, between Party B and Collateral Agent, as collateral agent for the benefit of the Secured Creditors.

“**Security Documents**” means, collectively, the Intercreditor and Collateral Agency Agreement, the Security Agreement and the Account Control Agreement, among the Depository Bank, Party B and the Collateral Agent.

“**Special Fund**” means the Secured Account, which is set aside and pledged to satisfy Party B’s obligations hereunder and out of which amounts shall be paid to satisfy all of Party B’s obligations under this Master Agreement for the entire Delivery Period.

B. The following sentence shall be added to the end of the definition of “**Force Majeure**” in Article One:

“If the Claiming Party is a Governmental Entity or Public Power System, Force Majeure does not include any action taken by the Governmental Entity or Public Power System in its governmental capacity.”

C. The Parties agree to add the following sections to Article Three:

“**Section 3.4 Party B’s Deliveries.** Upon request by Party A, Party B shall provide Party A (a) certified copies of all ordinances, resolutions, public notices and other documents evidencing the necessary authorizations with respect to the execution, delivery and performance by Party B of this Master Agreement and (b) the incumbency and signatures of the signatories of Party B executing this Master Agreement and any Confirmations executed in connection herewith, and setting forth the names and signatures of employees of Party B with authority to act on behalf of Party B.

Section 3.5 No Immunity Claim. Party B warrants and covenants that with respect to its contractual obligations hereunder and performance thereof, it will not claim immunity on the grounds of sovereignty or similar grounds with respect to the Secured Account from (a) suit, (b) jurisdiction of court (provided that such court is located within a venue permitted under the Agreement), (c) relief by way of injunction, order for specific performance or recovery of property, (d) attachment of assets, or (e) execution or enforcement of any judgment; provided, however, that nothing in this Agreement shall waive the obligations and/or rights set forth in the California Government Claims Act (Government Code Section 810 et seq.).

Section 3.6 Party B Security. With respect to each Transaction, Party B shall have created and set aside a Special Fund and shall have entered into the Security Documents.”

D. The Parties agree to add the following section to Article Eight:

“Section 8.4 Party B Security. As credit protection to Party A, and as a condition to the effectiveness of the Confirmation, Party A and Party B shall have entered into the Security Documents through execution and delivery of a Joinder (as defined in the Intercreditor and Collateral Agency Agreement). Party A shall have the rights and remedies specified in the Security Documents and Party B shall comply with its duties, obligations and responsibilities as specified therein.”

E. The Parties agree to add the following representations and warranties to Section 10.2:

“Party B represents and warrants to Party A continuing throughout the term of this Master Agreement, with respect to this Master Agreement and each Transaction, as follows: (i) all acts necessary to the valid execution, delivery and performance of this Master Agreement, including without limitation, to the extent applicable, competitive bidding, public notice, election, referendum, prior appropriation or other required procedures has or will be taken and performed as required under the Act and all applicable laws, ordinances, or other applicable regulations, (ii) all persons making up the governing body of Party B are the duly elected or appointed incumbents in their positions and hold such positions in good standing in accordance with the Act and other applicable laws, (iii) entry into and performance of this Master Agreement by Party B are for a proper public purpose within the meaning of the Act and all other relevant constitutional, organic or other governing documents and applicable law, (iv) the term of this Master Agreement does not extend beyond any applicable limitation imposed by the Act or other relevant constitutional, organic or other governing documents and applicable law, (v) Party B’s obligations to make payments with respect to this Master Agreement and each Transaction are to be made solely from the Special Fund, (vi) entry into and performance of this Master Agreement and each Transaction by Party B will not adversely affect the exclusion from gross income for federal income tax purposes of interest on any obligation of Party B or any members of Party B otherwise entitled to such exclusion, and (vii) obligations to make payments hereunder do not constitute any kind of indebtedness of Party B or create any kind of lien on, or security interest in, any property or revenues of Party B.”

F. The Parties agree to add the following sentence at the end of Section 10.6 - Governing Law:

“IN RESPECT OF THE APPLICABILITY OF THE ACT AS HEREIN PROVIDED, THE LAWS OF THE STATE OF CALIFORNIA SHALL APPLY.”



Staff Report

DATE: September 28, 2023

TO: Clean Energy Alliance Board of Directors

FROM: Barbara Boswell, Chief Executive Officer

ITEM 7: Clean Energy Alliance Operational, Administrative and Regulatory Affairs Update

RECOMMENDATION

- 1) Receive and File Operational and Administrative Update Report from Chief Executive Officer.
- 2) Receive Regulatory Affairs Report from Keyes & Fox, Special Counsel.

BACKGROUND AND DISCUSSION

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

OPERATIONAL UPDATE

Oceanside & Vista April 2024 Enrollment

CEA's communications team has begun meeting with Oceanside and Vista staff to develop the community outreach strategy in support of a successful enrollment of customers in April 2024. Initial community events, community groups and outreach materials has been identified. CEA and City staff will continue to meet on a monthly basis throughout the next seven months.

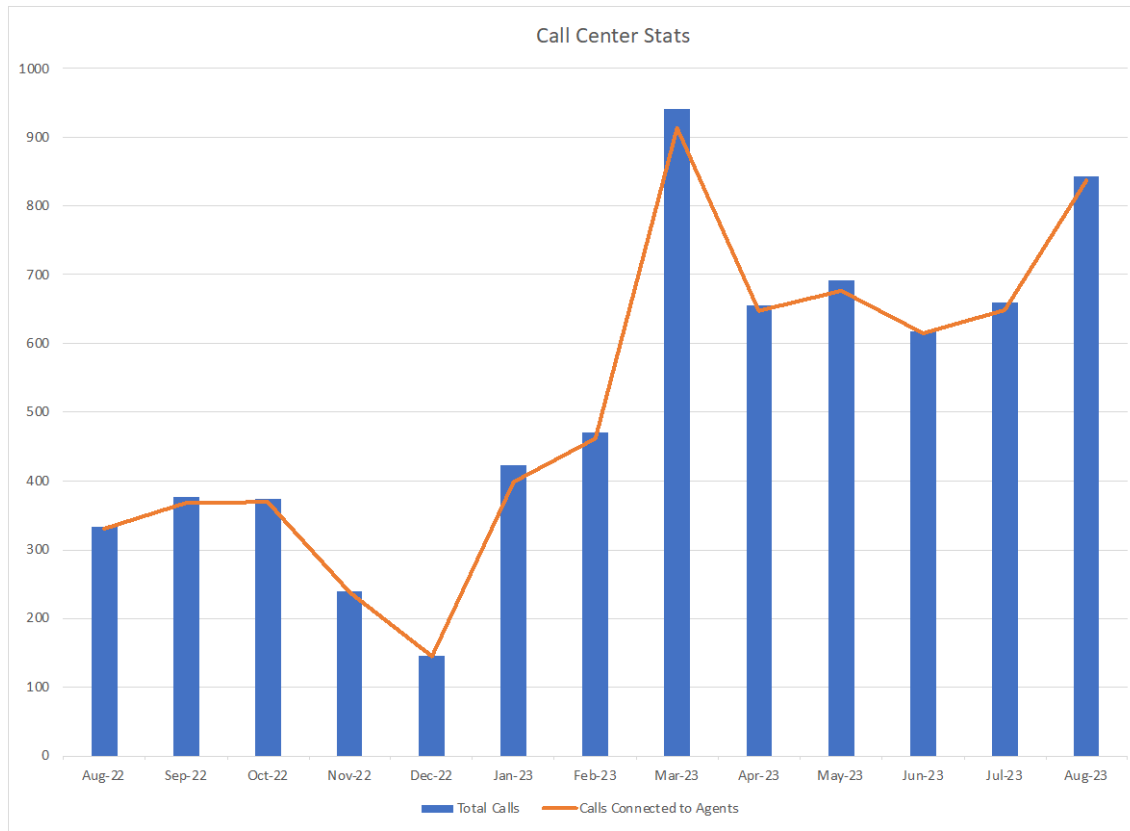
In planning to serve customers in their city, the City Councils of Oceanside and Vista will select the default power supply that customers will be automatically enrolled in. The options are:

- Clean Impact – 50% Renewable
- Clean Impact Plus – 75% Carbon Free
- Green Impact – 100% Renewable

CEA recommends selection to be made no later than the end of December to ensure marketing material can reflect the default power supply. CEA staff is working with city staff in support of preparation of the item to be placed on the Council agenda.

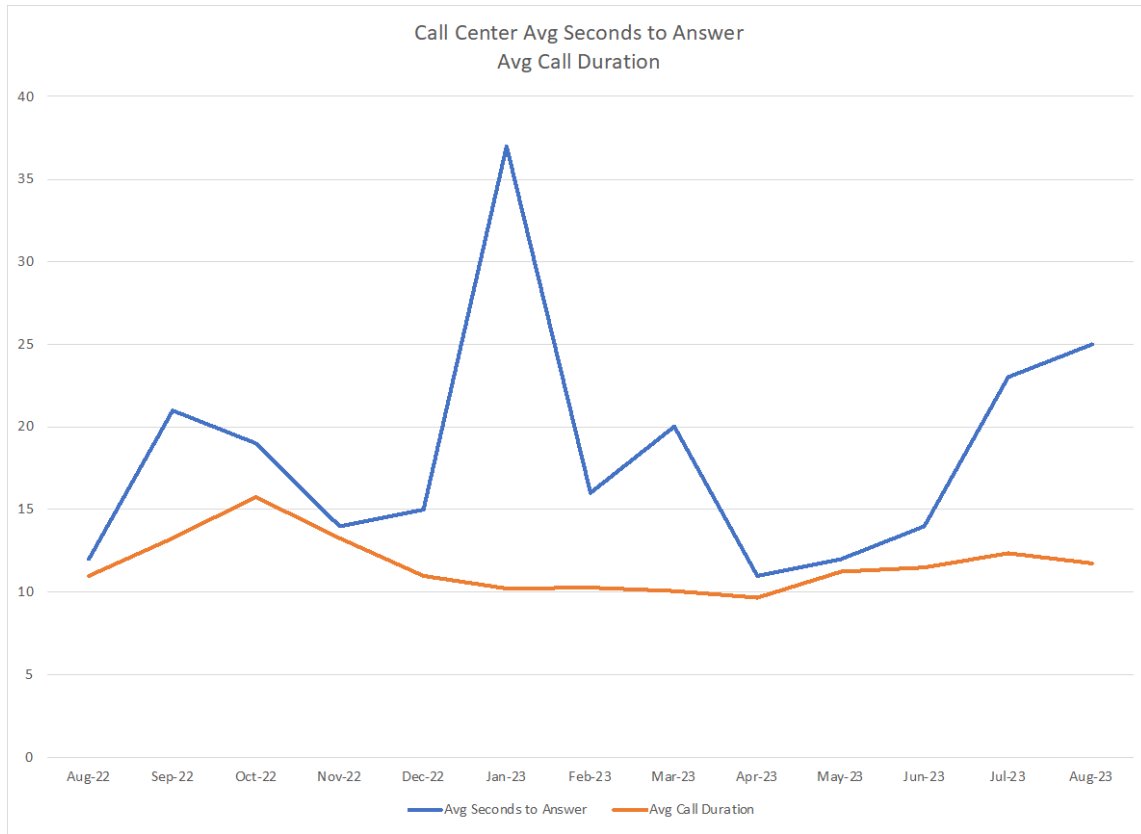
Call Center Activity and Participation Statistics

The charts below reflect customer activity through August 31, 2023:



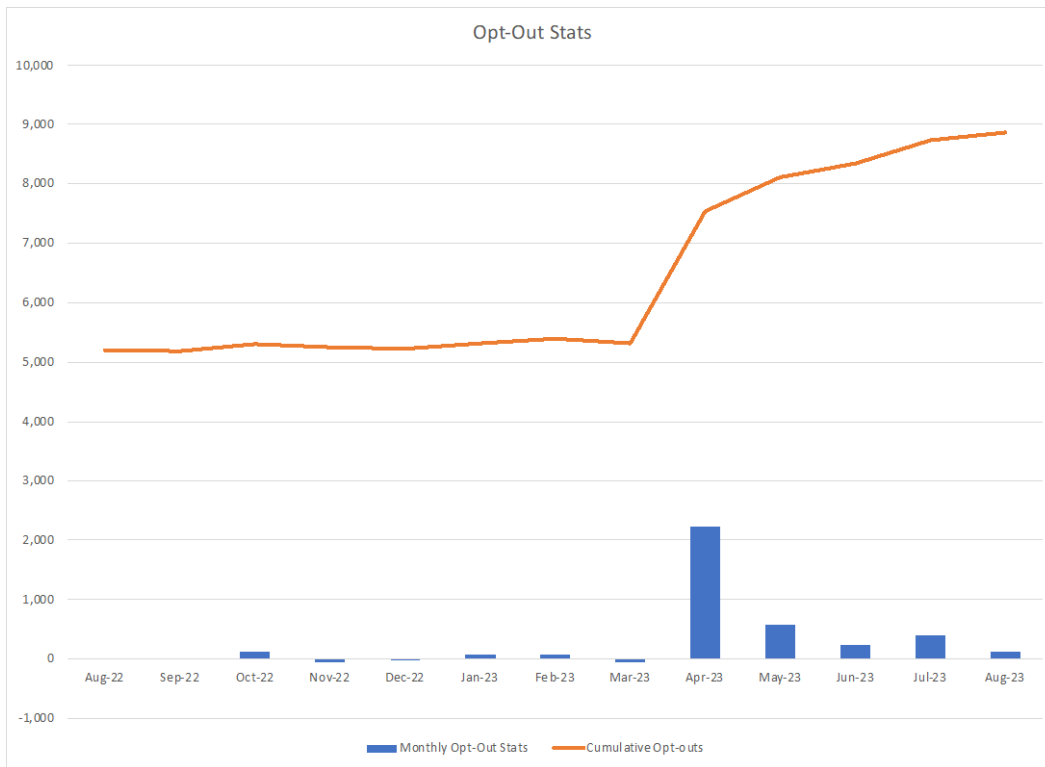
As expected, calls to the call center peaked in March due to the noticing related to the Escondido and San Marcos service launch and have dropped off since that peak. Call volume is generally higher in 2023 compared to 2022 due to the significant increase in customers.

The following chart reflects call center average seconds to answer and average call duration:



Average time to answer during August was 25 seconds and duration of calls averaged about 11 minutes.

The following chart reflects the monthly and cumulative opt-outs through August 31, 2023, for CEA. The statistics reflect all 5 cities combined.



CEA’s participation is approximately 95%, with monthly opt out activity decreased from the prior two months.

The following chart reflects enrollments in CEA’s power supply products:

POWER SUPPLY PRODUCT	JULY 2023	AUGUST 2023	Net Change
Clean Impact – 50% Renewable	420	432	+ 12
Clean Impact Plus - 75% Carbon Free	148,055	147,887	-168
Green Impact – 100% Renewable	565	577	+ 12
TOTAL ACCOUNTS	149,040	148,896	-144

Risk Oversight Committee

Pursuant to CEA’s Energy Risk Management Policy, the Risk Oversight Committee met September 7, 2023. The Committee reviewed CEA’s recent procurement activity, current portfolio positions and future procurement targets, and portfolio mark to market and counterparty exposure. The Committee also met on September 19, 2023, to review CEA’s financial position. The Committee confirmed that CEA is in compliance with its Energy Risk Management Policy. The next regular meeting of the Committee is scheduled for December 7, 2023.

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

VENDOR	DESCRIPTION	AMOUNT
None		

REGULATORY UPDATE

CEA's regulatory attorney, Tim Lindl, Keyes & Fox, will provide an update to the Board on current regulatory activities (Attachment A).

FISCAL IMPACT

There is no fiscal impact by this action.

ATTACHMENTS

Attachment A – Keyes & Fox Regulatory Update Report

Clean Energy Alliance

Regulatory Monitoring Report

To: Clean Energy Alliance (CEA) Board of Directors

From: Tim Lindl, Partner, Keyes & Fox LLP
Jacob Schlesinger, Partner, Keyes & Fox LLP
Jason Hoyle, Principal Analyst, EQ Research, LLC

Subject: Monthly Regulatory Update

Date: September 22, 2023

Keyes & Fox LLP and EQ Research LLC are pleased to provide CEA's Board of Directors with this informational memo describing key California regulatory and compliance-related updates from the California Public Utilities Commission (CPUC) over the past two months.

RA Rulemaking (2023-2024)

- **Background:** This proceeding considers resource adequacy (RA) requirements for load-serving entities (LSEs) and introduced the Central Procurement Entity (CPE) in an attempt to ensure grid reliability and sufficient capacity. A new RA docket will be opened later in 2023.
- **Recent Developments:** On July 26, CalCCA filed an [Application](#) for Rehearing of D.23-06-029 specifically challenging the Commission's new rule limiting CCA expansion as an RA enforcement mechanism. In its Application, CalCCA argues that the Commission overreached its jurisdictional authority and failed to act in the manner required by law by some of the following ways:
 - Impairing the express statutory right of customers to aggregate their loads with a CCA;
 - Failing to identify the costs of RA deficiencies and impose them on CCA customers;
 - Improperly including a CCA's RA compliance history as a factor in the "earliest possible date" for a CCA's expansion; and
 - Failing to enforce its RA program rules in a nondiscriminatory manner by applying the rule against expansion as an additional RA enforcement policy imposed on CCAs and ESPs, but not on IOUs.

The CPUC may or may not rule on CalCCA's rehearing request. If there is no ruling by **September 26** the Application will be deemed denied, after which CalCCA would evaluate whether to file a petition with a state appeals court.

- **Analysis:** CalCCA's challenge to the CPUC's decision to limit CCA expansion as an RA enforcement mechanism emphasizes the self-determination rights of local governments, would minimize the long-term impacts of an increasingly constrained RA market on CCA operations, and could potentially open the door for a more insightful examination of the challenges and inefficiencies of the CPUC's current bilateral RA market structure.
- **Next Steps:** The proceeding was re-opened in response to CalCCA's Application for Rehearing. The next RA docket is expected to be opened later in 2023. The revised "slice-of-day" RA system will begin with 2024 test-year filings in late 2023.
- **Additional Information:** CalCCA [Application for Rehearing](#) of D.23-06-029 (Jul. 26, 2023); [D.23-06-029](#) (Jul. 5, 2023); [D.23-04-010](#) on Reform Track Phase 2 (Apr. 7, 2023); [D.22-12-028](#) (Dec. 19, 2022); [Amended Scoping Memo and Ruling](#) (Sep. 2, 2022); Docket No. [R.21-10-002](#).

IRP Rulemaking

- **Background:** This proceeding governs the biennial Integrated Resource Plan (IRP) process, including load serving entity (LSE) procurement requirements, the establishment of a variety of state- and LSE-level load and procurement forecasts, greenhouse gas (GHG) reduction targets, and ongoing reliability obligations.
- **Recent Developments:** On August 9, SCE and PG&E submitted a [Joint Expedited Petition for Modification](#) of D.21-06-035 requesting that the mid-term reliability (MTR) Decision be modified to extend the deadline for LSEs to meet the 2,500 MW Diablo Canyon Replacement Requirement by 2 years, from June 1, 2025, to June 1, 2027. On August 18, several parties filed a joint motion seeking an all-party meeting on the need for better coordination between the IRP and RA proceedings. Parties filed responses to this motion on September 5, 2023. The Assigned Commissioner issued a [Scoping Memo and Ruling](#) on August 21 initiating the stakeholder process for

the 2024 IRP filings. The issues to be considered include development of the 2023 Preferred System Plan, development of the Reliable and Clean Power Procurement Plan, updating the inputs and assumptions for IRP modeling, and development of policies to encourage procurement of certain long lead-time resources.

On August 24, the CPUC issued a [Proposed Decision](#) (PD) that would deny the [Petition for Modification](#) of [D.22-05-015](#) filed jointly by San Diego Clean Power and Clean Energy Alliance on October 28, 2022 that requested modification of the provision in D.22-05-015 allowing a one-time purchase of resource adequacy capacity to account for load migration to CCAs in between the issuance of D.19-11-016 and D.22-05-015. The Petition sought to use the year-ahead load forecast as the basis for determining the resource adequacy capacity available via the one-time purchase rather than the actual load being served at the time D.22-05-015 was issued.

- **Analysis:** The denial of the Petition for Modification, if upheld, would require CEA to procure an additional 49 MW, with its recently departed customers essentially paying twice for the same capacity. CEA and SDCP submitted comments requesting the Proposed Decision be revised.
- **Next Steps:** The Proposed Decision may be heard as early as the October 12 Commission meeting. A proposed decision on the May 30 Petition for Modification regarding long lead-time resource compliance deadlines is expected during the third quarter. A staff proposal on the Reliable and Clean Power Procurement Plan is also expected to be released during the third quarter. In Q4, the Commission will analyze the need for backstop procurement under D.19-11-016.
- **Additional Information:** [Proposed Decision](#) (Aug. 24, 2023); [Scoping Memo and Ruling](#) (Aug. 21, 2023); [Joint Expedited Petition for Modification](#) (Aug. 9, 2023); [Petition for Modification](#) (May 30, 2023); [D.23-02-040](#) on Procurement (Feb. 28, 2023); ALJ [Ruling & Reliable and Clean Power Procurement Program: Staff Options Paper](#) (Sep. 8, 2022); [D.22-05-015](#) (May 23, 2022); [D.21-06-035](#) (Jun. 30, 2021); [Scoping Memo](#) (Sep. 24, 2020); Docket No. [R.20-05-003](#).

Net Energy Metering Revisions

- **Background:** This rulemaking was initiated to revise the net energy metering (NEM) tariffs previously addressed in D.16-01-044 and to address NEM-specific issues. While the majority of NEM revisions were addressed in [D.22-12-056](#), the proceeding remains open to address outstanding issues related to virtual net energy metering, NEM aggregation, and consumer protections.
- **Recent Developments:** On August 2, the CPUC issued a [Proposed Decision](#) addressing the establishment of successor tariffs for Virtual Net Energy Metering (VNEM) and NEM Aggregation (NEMA), and related issues such as implementation, enhanced consumer protection measures, and future review and evaluation of the successor tariff regime. The Proposed Decision adopts a virtual net billing tariff (VNBT) that mirrors the NBT adopted in December 2022 (D.22-12-056) for distributed generation resources located on the site of customer loads, with exports priced based on the CPUC Avoided Cost Calculator (ACC), with an ACC Plus adder for residential customers – the initial ACC Plus adder rate for SDG&E territory is \$0.0141/kWh. The focus of the adopted VNEM successor tariff is to increase the number of multi-family rental properties that enroll in the tariff, and the VNEM tariff is slated to sunset 90 days after the final adoption of a Decision, with the VNBT implemented within 6 months of a Decision. Some additional changes to the VNEM program include the following:
 - Storage may be added to an existing participating system without impacting the system’s legacy program status;
 - Required automatic changeover of existing accounts to new tenants (rather than waiting for an annual allocation update) and allowing vacant units to stay enrolled in virtual netting with a zero allocation for up to 90 days; and
 - The development of solutions that would allow storage facilities to charge from the grid prior to a planned PSPS event is required, including a workshop followed by submission of Tier 2 Advice Letters.

The Proposed Decision also directs the Energy Division to hold a public workshop on inputs and assumptions for calculating estimates of bill savings for customers by December 15 and to provide a full set of inputs and assumptions in a Draft Resolution by March 15, 2024. Utilities are also directed to consult with the Energy Division in a two-phase process to make billing statements more understandable to participating customers.

- **Analysis:** The changes in the Proposed Decision will reduce the value of energy exports over several years to the level of avoided cost while attempting to continue encouraging new customer participation through use of the ACC Plus adder to provide additional value for new installations. Other changes related to multi-family properties will ease the transfer of participating units from one tenant to the next, potentially increasing access to VNEM for renters. Additional allowances for the increased use and retrofit of existing systems with incorporated storage should help reduce the financial impacts of lower export compensation and increase overall usefulness of participating systems, especially in regard to PSPS or other power outage events.
- **Next Steps:** The Proposed Decision is scheduled to be heard at the October 12 Commission meeting. The proceeding is expected to conclude by the end of November 2023.

- **Additional Information:** [Proposed Decision](#) (Aug. 2, 2023); [Scoping Memo and Ruling](#) (Mar. 22, 2023); [D.22-12-056](#) (Dec. 19, 2022); [OIR](#) (Sep. 3, 2020); Docket No. [R.20-08-020](#).

Clean Energy Financing

- **Background:** This rulemaking examines options to assist electricity and natural gas customers with investments in residential and commercial buildings and at industrial and agricultural sites designed to decrease energy use, reduce greenhouse gas (GHG) emissions, and/or produce clean energy to support customers' on-site needs.
- **Recent Developments:** On August 17, the CPUC issued [D.23-08-026](#) on clean energy financing proposals. The Decision authorizes the expansion of non-residential on-bill financing programs by the major electric and gas IOUs to support clean energy technologies beyond energy efficiency. It also approves a proposal from the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) to expand the clean energy technologies eligible under the California Hub for Energy Efficiency Financing programs to include technologies eligible under the GoGreen program. Other aspects of the Decision are as follows:
 - Defines Tariffed-On-Bill (TOB) financing as “a utility investment mechanism that provides up-front capital to pay for energy efficiency and electrification upgrades at a customer’s premises and recovers its costs through a fixed tariff-based cost recovery charge on the participating customer’s utility bill.”
 - Provides that the TOB is tied to the location rather than an individual, and that it may pay up to 100% of the upfront costs of energy efficiency upgrades estimated to produce immediate net savings and may include an option for participant contributions to upgrades.
- **Analysis:** The Decision’s expansion of on-bill financing increases the program’s usefulness and could result in increased implementation. The expanded scope of eligible technologies and improved financing terms provide a more favorable environment for prospective participants, even though some details regarding the on-bill financing tariff have yet to be determined.
- **Next Steps:** Additional guidance regarding a subsequent phase of the proceeding is expected in a forthcoming ruling.
- **Additional Information:** [D.23-08-026](#) (Aug. 17, 2023); [D.23-03-011](#) (Mar. 16, 2023); [Amended Scoping Ruling](#) (Nov. 19, 2021); Assigned Commissioner’s [Scoping Ruling](#) (Mar. 5, 2021); [OIR](#) (Sep. 4, 2020); Docket No. [R.20-08-022](#).