

**Board of Directors Regular Meeting Agenda  
April 25, 2024, 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](mailto: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 12:00 p.m. 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.

If you desire to speak during Public Comment, 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**

**APPROVAL OF MINUTES**

Minutes of the Regular Meeting held March 28, 2024

*Presentations*

*Consent Calendar*

**Item 1: Clean Energy Alliance Treasurer’s Report for February 2024**

**RECOMMENDATION:**

Receive and file the Clean Energy Alliance Treasurer’s Report for February 2024.

**Item 2: Consideration of a Professional Services Agreement (PSA) with Pacific Energy Advisors**

**RECOMMENDATION:**

Adopt Resolution 2024-003 approving a PSA with Pacific Energy Advisors.

**Item 3: Consideration of a Professional Services Agreement (PSA) NewGen**

**RECOMMENDATION:**

Adopt Resolution 2024-004 approving a PSA with NewGen.

*Reports*

**Item 4: Clean Energy Alliance Chief Executive Officer Operational Report**

*New Business*

**Item 5: Regulatory Update**

**RECOMMENDATION:**

Receive the Regulatory Update from Keyes & Fox.

**Item 6: Financial Review Year to Date & Forecasting through June 2024**

**RECOMMENDATION:**

Receive an information report on Financial Review & Forecasting through June 2024.

**BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS**

**NEXT MEETING:** Regular Board Meeting May 30, 2024, 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](mailto:Secretary@thecleanenergyalliance.org) prior to the meeting for assistance.

**Clean Energy Alliance Board of Directors Regular Meeting Minutes**

**March 28, 2024, 2:00 p.m.**

**City of Oceanside, Council Chamber**

**300 North Coast Hwy, Oceanside CA 92054**

**CALL TO ORDER:** Chair Druker called to order the Regular Meeting of the Clean Energy Alliance at 2:00 p.m.

**ROLL CALL:** Board Members: Garcia, Becker, Vice Chair Musgrove, Chair Druker.

Alternate Board Member: Joyce.

Board Member Bhat-Patel – Absent.

**FLAG SALUTE:** Board Member Garcia led the flag salute.

**BOARD COMMENTS & ANNOUNCEMENTS:** Vice Chair Melendez thanked CEO Greg Wade for participation in the Vista Chamber of Commerce podcast.

**APPROVAL OF MINUTES:**

Minutes of the Regular Meeting held February 29, 2024

**Motion by Board Member Musgrove, seconded by Vice Chair Melendez, to approve the minutes as presented. Motion carried, 5/1/1 (Bhat-Patel – Absent) (Joyce – Abstain).**

**PUBLIC COMMENT:** None.

*Presentations*

*Consent Calendar*

**Item 1: Clean Energy Alliance Treasurer’s Report for January 2024**

**RECOMMENDATION:**

Receive and file the Clean Energy Alliance Treasurer’s Report for January 2024.

**Motion by Vice Chair Melendez, seconded by Board Member Musgrove, to approve Consent Calendar Item #1. Motion carried, 6/0/1 (Bhat-Patel – Absent).**

*CEO Report*

**Item 2: Clean Energy Alliance Chief Executive Officer Operational Report**

CEO Greg Wade presented the report, provided an update on recent outreach efforts in response to the launch in the City of Oceanside and the City of Vista and responded to questions from the Board.

*Staff Reports*

**Item 3: Feed-In Tariff Program**

**RECOMMENDATION:**

Adopt a resolution approving the Feed-In Tariff Program.

Power Procurement Manager Dan Peckham presented the program and responded to questions from the Board.

**Motion by Board Member Musgrove, seconded by Board Member Becker, to approve staff's recommendation. Motion carried, 6/0/1 (Bhat-Patel – Absent).**

**Item 4: Regulatory Update**

**RECOMMENDATION:**

Receive the Regulatory Update from Keyes & Fox.

Keyes & Fox Partner Andrew Ball presented the update and responded to questions from the Board.

**CEA Board received report.**

**Item 5: Solar Plus Program Website Portal**

**RECOMMENDATION:**

Receive the demonstration of the City's Solar Plus Program.

Program Manager Rob Howard presented the website demonstration and responded to questions from the Board.

**CEA Board received the demonstration.**

**NEXT MEETING:** Regular Board Meeting April 24, 2024, City of Oceanside, 300 North Coast Highway, Oceanside, CA 92054

**ADJOURN:** Chair Druker adjourned the meeting at 3:05 p.m.

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Kaylin McCauley  
Board Secretary/Administrative Assistant

## Staff Report

**DATE:** April 25, 2024

**TO:** Clean Energy Alliance Board of Directors

**FROM:** Andy Stern, Interim Chief Financial Officer/Treasurer

**ITEM 1:** Clean Energy Alliance Treasurer's Report

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### **RECOMMENDATION:**

Receive and File Clean Energy Alliance (CEA) Interim Treasurer's Report for February 2024.

### **BACKGROUND AND DISCUSSION:**

This report provides the Board with the following financial information through February 29, 2024:

- Statement of Financial Position (Unaudited and preliminary) – Reports assets, liabilities, and financial position of the CEA as of February 29, 2024.
- Statement of Revenues, Expenses and Changes in Net Position (Unaudited and preliminary) for the twelve months ended February 29, 2024.
- Budget to Actuals Comparison Schedule (Unaudited and preliminary) – Reports actual revenues and expenditures compared to the annual amended budget as of February 29, 2024.
- List of Payments Issued – Reports payments issued for February 2024.

As of February 29, 2024, 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.

Submitted for Board consideration:



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Gregory Wade  
Chief Executive Officer

**CLEAN ENERGY ALLIANCE**  
**STATEMENT OF NET POSITION**  
**As of February 29, 2024**

**ASSETS**

Current assets

Cash and cash equivalents	\$ 6,208,457
Accounts receivable, net of allowance	12,549,272
Accrued revenue	7,300,334
Prepaid expenses	2,678,992
Deposits	54,000
Total current assets	28,791,055

Noncurrent assets

Restricted cash	207,000
Deposits	771,376
Total noncurrent assets	978,376
Total assets	29,769,431

**LIABILITIES**

Current liabilities

Accrued cost of electricity	21,161,587
Accounts payable	468,194
Other accrued liabilities	483,571
Interest payable	76,477
Due to member agencies	504,017
Total current liabilities	22,693,846

Noncurrent liabilities

Security deposits - energy suppliers	496,150
Bank note payable	4,950,000
Total noncurrent liabilities	5,446,150
Total liabilities	28,139,996

**NET POSITION**

Unrestricted	1,629,435
Total net position	\$ 1,629,435

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**  
**Eight Months ended February 29, 2024**

<b>OPERATING REVENUES</b>	
Electricity sales, net	\$ 133,926,839
<b>OPERATING EXPENSES</b>	
Cost of electricity	121,690,692
Contract services	2,990,308
Other operating expenses	466,404
Total operating expenses	<u>125,147,404</u>
Operating income (loss)	<u>8,779,435</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>	
Interest income	188,692
Interest expense	<u>(886,408)</u>
Nonoperating revenues (expenses), net	<u>(697,716)</u>
<b>CHANGE IN NET POSITION</b>	8,081,719
Net position at beginning of year	<u>(6,452,284)</u>
Net position at end of period	<u>\$ 1,629,435</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.

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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, \$127,798,000 has been expended. Revenues from electricity sales for the year-to-date reached \$135,691,000. The overall change in available fund balance (ignoring loan proceeds) for the year-to-date was an increase of \$8,082,000.

The Budget to Actuals Comparison Schedules as of February 29, 2024, is shown on the next page.



**CLEAN ENERGY ALLIANCE**  
**BUDGETARY COMPARISON SCHEDULE**  
**Eight Months ended February 29, 2024**

	<b>ANNUAL BUDGET</b>	<b>YEAR-TO- DATE ACTUAL</b>	<b>ANNUAL BUDGET REMAINING</b>
<b>Operating Revenues</b>			
Energy Sales	\$ 230,915,000	135,690,820	\$ 95,224,180
<b>Operating Expenses</b>			
Power Supply	200,000,000	121,690,692	78,309,308
Data Manager / Call Center	2,500,000	1,334,908	1,165,092
Staffing/Consultants	3,000,000	467,013	2,532,987
Legal Services	467,500	243,836	223,664
Professional Services	1,448,885	944,546	504,339
Audit Services	10,000	23,421	(13,421)
Software & Licenses	15,000	28,936	(13,936)
Membership Dues	292,040	192,935	99,105
G&A (includes Bad Debt expense)	4,927,780	1,985,098	2,942,682
<b>Total Operating Expenses</b>	<b>212,661,205</b>	<b>126,911,385</b>	<b>85,749,820</b>
<b>Operating Income (Loss)</b>	<b>18,253,795</b>	<b>8,779,435</b>	<b>9,474,360</b>
<b>Financing</b>			
Interest Income	50,000	188,692	(138,692)
Interest Expense	(750,000)	(886,408)	136,408
Net Interest Income (Expense)	<b>(700,000)</b>	<b>(697,716)</b>	<b>(2,284)</b>
<b>Change in Net Position</b>	<b>\$ 17,553,795</b>	<b>\$ 8,081,719</b>	<b>\$ 9,472,076</b>

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 FEBRUARY 2024**

<u>Date</u>	<u>Type</u>	<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
02/01/2024	Wire	JPMorgan	02-Jan-2024 31-Jan-2024 30	36,723.64
02/01/2024	ACH/CHECK	MCCAULEY, KAYLIN	Expense Reimbursement	45.00
02/01/2024	ACH/CHECK	MCCAULEY, KAYLIN	Expense Reimbursement	118.77
02/01/2024	ACH/CHECK	MCCAULEY, KAYLIN	Expense Reimbursement	40.00
02/01/2024	Wire	SAAVI ENERGY SOLUTIONS, LLC.	Firm Resourre Adequacy - (May 2024)	105,000.00
02/05/2024	ACH/CHECK	CALPINE ENERGY SOLUTIONS	December 2023 Services	171,971.00
02/05/2024	ACH/CHECK	River City Bank CC	December 2023 - CC charges	3,285.34
02/05/2024	Wire	THE ENERGY AUTHORITY	January 2024 - CAISO Weekly Settlement	831,593.04
02/06/2024	ACH/CHECK	BURKE, WILLIAMS & SORENSEN	December 2023 Services	3,845.10
02/07/2024	ACH/CHECK	Hall Energy Law PC	November 2023 - Energy Procurement Counsel Services - Transaction	195.00
02/07/2024	ACH/CHECK	USPS	First-Class Mail and First-Class Package Service	65.51
02/07/2024	ACH/CHECK	USPS	First-Class Mail and First-Class Package Service	286.15
02/08/2024	ACH/CHECK	MOONLIGHT CULTURAL	2024 Moonlight Season Partner Sponsorship	4,000.00
02/08/2024	ACH/CHECK	Neyenesch Printers	Printing Charges	12,272.68
02/08/2024	ACH/CHECK	Neyenesch Printers	Printing Charges	967.61
02/08/2024	ACH/CHECK	Richards, Watson & Gershon	Special Legal Counsel Services Provided Through December 2023	810.50
02/08/2024	ACH/CHECK	State Compensation Insurance	Worker's Comp	452.75
02/08/2024	ACH/CHECK	The Bayshore Consulting Group	January 2024 - CEO, Clerk Services & Reimbursable Expenses.	20,633.79
02/12/2024	Wire	THE ENERGY AUTHORITY	January 2024 - CAISO Weekly Settlement	108,886.37
02/13/2024	ACH/CHECK	Tripepi, Smith & Associates	Annual CEA Gmail inboxes fee	3,781.94
02/15/2024	ACH/CHECK	Vista Chamber of Commerce	Vista Magazine Advertising Spring 2024	585.00
02/15/2024	ACH/CHECK	WADE, GREG	February 2023 - Expense Reimbursement	369.95
02/15/2024	ACH/CHECK	Z NEMS	NEM Cash Out	43,164.56
02/16/2024	ACH/CHECK	Hall Energy Law PC	December 2023 - Energy Procurement Counsel Services - Transaction	2,535.00
02/20/2024	ACH/CHECK	MCCAULEY, KAYLIN	Office supplies for CEA office	87.62
02/20/2024	ACH/CHECK	Neyenesch Printers	Printing Charges	782.62
02/20/2024	Wire	Orange County Power	Jan 2024 - System Flex -RA	5,000.00
02/20/2024	Wire	SDG&E	Jan 2024 REC Sales - LT Bundled & Unbundled & JAN-24 Resource	1,842,924.85
02/20/2024	Wire	SEMPRA	January 2024 - Capacity Purchases	1,139,000.00
02/21/2024	ACH/CHECK	BRENTECH INCORPORATED	Small Equipment	679.74
02/21/2024	ACH/CHECK	Maher Accountancy	February 2024 Services	9,500.00
02/21/2024	ACH/CHECK	MCCAULEY, KAYLIN	Expense Reimbursement	67.35
02/21/2024	ACH/CHECK	USPS	First-Class Mail and First-Class Package Service	338.02
02/22/2024	ACH/CHECK	USPS	First-Class Mail and First-Class Package Service	874.66
02/23/2024	Wire	EDF TRADING NORTH AMERICA	January 2024 - Capacity Purchase	706,500.00
02/23/2024	ACH/CHECK	Neyenesch Printers	Printing Charges	8,636.60
02/23/2024	ACH/CHECK	NSDC Unit#1813	NSDC NAACP Youth Council 6th Annual Black History Table Sponsor	1,000.00
02/23/2024	ACH/CHECK	STERN, ANDREW	CFO SERVICES - For the period from January 22, 2024 through February	8,283.42
02/26/2024	ACH/CHECK	BRAUN BLAISING SMITH WYNNE	December 2023 - Professional Services - General and Joint CCA Costs	615.20
02/26/2024	Wire	LEAPFROG POWER, INC.	February 2024 RA (Quantity in kW)	6,897.00
02/26/2024	Wire	Powerex	Transactions for the Period of February 2024	98,562.50
02/26/2024	Wire	Resi Station LLC	Proxy Demand Response CEA Jan2024	1,530.00
02/26/2024	ACH/CHECK	USPS	First-Class Mail and First-Class Package Service	3,468.04
02/27/2024	ACH/CHECK	AMEREX BROKERS LLC	Brokerage Fee - December 2023 - RECS	15,000.00
02/27/2024	ACH/CHECK	BRAUN BLAISING SMITH WYNNE	January 2024 - Professional Services - General and Joint CCA Costs	360.00
02/27/2024	ACH/CHECK	BRENTECH INCORPORATED	Annual Support Agreement Retainer	3,500.00
02/27/2024	ACH/CHECK	BUSINESS OFFICE OUTFITTERS	Office Equipment	899.71
02/27/2024	ACH/CHECK	CHAPMAN AND CUTLER, LLP	Professional Services - Clean Energy Alliance - Revolving Line of Credit	17,500.00
02/28/2024	ACH/CHECK	AVANTI EXECUTIVE SUITES	March 2024 -Rent	1,440.66
02/28/2024	ACH/CHECK	Keyes & Fox LLP	January 2024 - Professional Services	19,612.75
02/28/2024	ACH/CHECK	Neyenesch Printers	Business Cards	322.54
02/28/2024	ACH/CHECK	THE ENERGY AUTHORITY	January 2024 - Resource Management Monthly Fees	11,700.00
02/28/2024	ACH/CHECK	Tripepi, Smith & Associates	January 2024 - Communications and Marketing Service	345.00
02/29/2024	ACH/CHECK	Pacific Energy Advisors, Inc	January 2024 - Technical Consulting Advisors	27,466.53
02/29/2024	ACH/CHECK	USPS	First-Class Mail and First-Class Package Service	6,936.08
<b>Total for Operating Account</b>				<b>5,291,459.59</b>
02/23/2024	Locbox	Constellation Generation	December 2023 - Power Purchase	3,387,593.40
02/23/2024	Locbox	MORGAN STANLEY CAPITAL	January 2024 - Power Purchase	1,378,436.22
02/23/2024	Locbox	NRG	December 2023 - Power purchase Hedge	973,886.31
02/23/2024	Locbox	Shell Oil North America	December 2023 - Energy Purchases	2,483,109.51
02/23/2024	Locbox	Tecolote Wind LLC	January 2024 - Resource Adequacy Benefits	62,687.50
<b>Total for Lockbox Account</b>				<b>8,285,712.94</b>



## Staff Report

**DATE:** April 25, 2024

**TO:** Clean Energy Alliance Board of Directors

**FROM:** Gregory Wade, Chief Executive Officer

**ITEM 2:** Consider Adoption of Resolution No. 2024-003 Approving a Professional Services Agreement (PSA) with Pacific Energy Advisors for Power Resource Management, Rate Setting, Financial Modeling and Performance Reporting Services through December 31, 2025, for an amount not to exceed \$740,000.

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### **RECOMMENDATION**

Adopt Resolution No. 2024-003 approving a Professional Services Agreement (PSA) with Pacific Energy Advisors (PEA) for Power Resource Management, Rate Setting, Financial Modeling and Performance Reporting Services through December 31, 2025, for an amount not to exceed \$740,000, and authorize the Chief Executive Officer to execute all documents, subject to General Counsel approval.

### **BACKGROUND AND DISCUSSION**

PEA has been providing technical support services to Clean Energy Alliance (CEA) since they were selected through a competitive Request for Proposals process in February 2020. PEA is recognized as a Community Choice Aggregation (CCA) industry expert, having supported nearly all CCAs throughout the state, beginning with Marin Clean Energy, the first CCA to service customers. CEA has benefited from PEA's experience from its initial launch and through two service territory expansions. PEA has proved to be cost-effective, reliable and professional in providing the vast array of services they provide to CEA.

The proposed PSA with PEA has a term through December 2025. CEA hired its first full-time in-house staff in December 2023, including its first Power Procurement Manager. Over the term of this PSA, CEA will review and evaluate the various tasks that are needed to support its power procurement and regulatory compliance efforts to determine the best mix of in-house staff support versus contracted professional experts. The proposed PSA with PEA will allow for flexibility in transitioning duties as deemed appropriate. Additionally, this PSA will also include PEA's services for procurement and management of the Channelside/San Diego County Water Authority (SDCWA) desalination plant energy load.

### **FISCAL IMPACT**

Funds for this PSA are available in the current year budget and will be included in the proposed Fiscal Year (FY) 24/25 Budget as well as future proposed budgets. The fees for the period of July 1, 2024, through December 31, 2024, will be \$39,000 per month, not inclusive of direct travel costs. This fee will increase to \$40,170 For the period commencing January 1, 2025, through December 31, 2025, not inclusive of

direct travel costs, reflecting a three percent (3%) increase effective January 1, 2025. Total costs over the term of this PSA shall not exceed \$740,000.

Submitted for Board consideration:



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Gregory Wade  
Chief Executive Officer

**ATTACHMENTS**

- A. Resolution No. 2023-003, approving Professional Services Agreement with Pacific Energy Advisors
- B. Pacific Energy Advisors Professional Services Agreement

**CLEAN ENERGY ALLIANCE  
RESOLUTION NO. 2024-003**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF CLEAN ENERGY  
ALLIANCE APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH  
PACIFIC ENERGY ADVISORS**

**WHEREAS**, Clean Energy Alliance (CEA) is a Joint Powers Authority, formed in November 2019, whose members cities include Carlsbad, Del Mar, Escondido, Oceanside, San Marcos, Solana Beach and Vista; and

**WHEREAS**, CEA meets its service needs through a combination of in-house staff and consultants; and

**WHEREAS**, Pacific Energy Advisors (PEA) was selected to provide Power Resource Management, Rate Setting, Financial Modeling and Performance Reporting services through a Request for Proposals process; and

**WHEREAS**, PEA has been meeting expectations in delivering services to CEA.

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

Section 1. The Board of Directors of Clean Energy Alliance hereby approves a Professional Services Agreement with Pacific Energy Advisors for Power Resources Management, Rate Setting, Financial Modeling and Performance services Reporting through December 31, 2025 for an amount not to exceed \$740,000.

Section 2. This Resolution shall take effect immediately upon approval.

The foregoing Resolution was passed and adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2024, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

APPROVED:

\_\_\_\_\_  
David Druker, Board Chair

ATTEST:

\_\_\_\_\_  
Kaylin McCauley, Board Secretary

**AGREEMENT BETWEEN THE CLEAN ENERGY ALLIANCE AND  
PACIFIC ENERGY ADVISORS FOR  
PORTFOLIO MANAGEMENT AND ENERGY CONSULTING SERVICES**

THIS AGREEMENT, is entered into this 26<sup>th</sup> day of April, 2024, by and between CLEAN ENERGY ALLIANCE, an independent joint powers authority ("Authority" or "CEA"), and Pacific Energy Advisors, Inc, a California Corporation ("Consultant") (collectively referred to as the "Parties" or individually as a "Party"), with respect to the following essential facts:

RECITALS:

A. Authority is an independent public agency duly organized under the provisions of the Joint Exercise of Powers Act of the State of California (Government Code Sections 6500 *et seq.*) ("Act") with the power to conduct its business and enter into agreements.

B. Consultant possesses the skill, experience, ability, background, and knowledge to provide the services described in this Agreement pursuant to the terms and conditions described herein and is duly authorized and registered to do business in the State of California.

C. Authority and Consultant desire to enter into this Agreement for Portfolio Management and Energy Consulting Services.

NOW, THEREFORE, the Parties mutually agree as follows:

1. **TERM**

The term of this Agreement shall commence on July 1, 2024, and shall terminate on December 31, 2025, unless terminated earlier pursuant to Section 19 hereof or extended upon the written mutual agreement of the Parties.

2. **SERVICES TO BE PERFORMED**

Consultant shall perform each and every service set forth in Exhibit "A" attached hereto and incorporated herein fully by this reference.

3. **COMPENSATION TO CONSULTANT**

Consultant shall be compensated for services performed pursuant to this Agreement in a total amount not to exceed Seven Hundred Forty Thousand dollars (\$740,000) based on the rates and terms set forth in Exhibit B, which is attached hereto and incorporated herein by this reference.

4. **TIME IS OF THE ESSENCE**

Consultant and Authority agree that time is of the essence regarding the performance of this Agreement.

5. **STANDARD OF CARE**



Consultant agrees to perform all services required by this Agreement in a manner commensurate with or exceeding the prevailing standards for a Portfolio Management and Energy Consulting consultant in California and agrees that all services shall be performed by qualified and experienced personnel in conformity with the applicable requirements of federal, state and local laws in effect at the time that the services are being performed.

6. **INDEPENDENT PARTIES**

Authority and Consultant intend that the relationship between them created by this Agreement is that of an independent contractor. The manner and means of conducting the work are under the control of Consultant as an independent contractor and in pursuit of Consultant's independent calling, except to the extent that they are limited by statute, rule or regulation or the express terms of this Agreement. The Consultant has and shall retain the right to exercise full control and supervision of all persons assisting the Consultant in the performance of the services required by this Agreement, Authority only being concerned with the finished results of the work being performed. No civil service status or other right of employment will be acquired by virtue of Consultant's services. None of the benefits provided by Authority to its employees, including but not limited to, employer-paid payroll taxes, Social Security, retirement benefits, health benefits, unemployment insurance, workers' compensation plans, vacation and sick leave, nor any other benefits are available from Authority to Consultant, its employees or agents. Deductions shall not be made for any state or federal taxes, FICA payments, or other purposes normally associated with an employer-employee relationship from any fees due Consultant. Payments of the above items, if required, are the responsibility of Consultant. It is the intent of the Parties that neither Consultant nor its officers, employees or agents are to be considered employees of Authority, whether "common law" or otherwise, and Consultant shall indemnify, defend and hold Authority harmless from any such obligations related to its officers, employees and agents.

7. **NO RECOURSE AGAINST CONSTITUENT MEMBERS OF AUTHORITY.**

Authority is organized as a Joint Powers Authority in accordance with the Joint Powers Act of the State of California (Government Code Sections 6500 *et seq.*) pursuant to a Joint Powers Agreement dated November 4, 2019, as amended from time to time, and is a public entity separate from its constituent members. Authority shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. Contractor shall have no rights and shall not make any claims, take any actions or assert any remedies against any of Authority's constituent members in connection with this Agreement.

8. **NON-DISCRIMINATION**

Consultant agrees that it shall not harass or discriminate against a job applicant, an Authority employee or contractor, or Consultant's employee or subcontractor on the basis of race, religious creed, color, national origin, ancestry, handicap, disability, marital or veteran status, medical condition, pregnancy, sex, age, sexual orientation, genetic information, gender expression, or any other protected class. Consultant shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their sex, race, color, age, religion, ancestry, national origin, disability, military or veteran status, medical condition, genetic information, gender expression, marital status, or sexual orientation and shall make reasonable accommodation to qualified individuals with disabilities or medical conditions.

Such action shall include, but not be limited to the following: employment, upgrading, demotion, transfer, recruitment, or recruitment advertising, layoff or termination, rates of pay, or other forms of compensation, and selection for training, including apprenticeship. Consultant agrees that any and all violations of this provision shall constitute a material breach of this Agreement.

9. **HOLD HARMLESS AND INDEMNIFICATION**

A. General Indemnification. Consultant shall, to the fullest extent allowed by law indemnify, defend, and hold harmless the Authority, its members, and their respective officers, officials, agents, employees and volunteers (collectively “Indemnitees”) from and against any and all liabilities, claims, actions, causes of action, proceedings, suits, demands, damages, judgments, liens, levies, costs, expenses and losses whatsoever against any of them, including any injury to or death of any person or damage to property or other liability of any nature, whether physical, emotional, consequential or otherwise, arising out of or related to a breach of this Agreement or the negligence (whether active or passive) or willful misconduct of Consultant or Consultant’s employees, officers, officials, agents or independent contractors in the performance of or failure to perform this Agreement, except where caused by the sole or active negligence or willful misconduct of any of the Indemnitees. Such costs and expenses shall include reasonable attorneys’ fees of counsel of Authority’s choice, expert fees and all other costs and fees of litigation.

B. Employee Benefits Eligibility Indemnification. In the event that Consultant’s employee, subcontractor, independent contractor or other person providing services under this Agreement on Consultant’s behalf (collectively, “Consultant’s Personnel”) claims or is determined by a court of competent jurisdiction or administrative agency to be eligible for enrollment in or entitled to any benefits of the Authority or its constituent members, Consultant shall indemnify, defend, and hold harmless Authority or its constituent members for the payment of any employer and employee contributions for such benefits on behalf of the employee as well as for payment of any penalties and interest on such contributions that would otherwise be the responsibility of the Authority or its constituent members. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Consultant’s Personnel providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation and benefit including, but not limited to, eligibility to enroll in any benefit program as an employee of Authority or its constituent members and entitlement to any contributions to be paid by Authority or its constituent members for employer contributions and/or employee contributions for any employee benefits.

C. Indemnification for Employee Payments. Consultant agrees to defend and indemnify the Authority and its constituent members for any obligation, claim, suit or demand for tax, retirement contribution including any contribution to any retirement system, social security, salary or wages, overtime payment, or workers’ compensation payment which the Authority or its constituent members may be required to make for work done under this Agreement.

D. The acceptance of the services provided by this Agreement by Authority shall not operate as a waiver of the right of indemnification. The provisions of this Section 9 shall not be limited by any provision of insurance coverage that the Consultant may have in effect or be required to obtain and maintain during the term of this Agreement. The provisions of this Section 9 are continuing obligations and survive the completion of the services or termination of this Agreement.

10. **INSURANCE:**

A. **General Requirements.** On or before the commencement of the term of this Agreement, Consultant shall furnish Authority with certificates showing the type, amount, class of operations covered, effective dates and dates of expiration of insurance coverage in compliance with the requirements listed in Exhibit "D," which is attached hereto and incorporated herein by this reference. Such insurance and certificates, which do not limit Consultant's indemnification obligations under this Agreement, shall also contain substantially the following statement: "Should any of the above insurance covered by this certificate be canceled or coverage reduced before the expiration date thereof, the insurer affording coverage shall provide thirty (30) days' advance written notice to the Authority by certified mail, Attention: General Counsel. Ten (10) days advance written notice for cancellation due to non-payment of premium shall be provided by the insurer to the Authority in the same manner." Consultant shall maintain in force at all times during the performance of this Agreement all appropriate coverage of insurance required by this Agreement with an insurance company that is acceptable to Authority and licensed to do insurance business in the State of California. Endorsements naming the Authority as additional insured shall be submitted with the insurance certificates. All endorsements shall be on forms approved by Authority. Consultant shall provide certified copies of required insurance policies, which shall include the declaration pages, a schedule of forms listing all policy endorsements, and all policy forms, upon Authority's request.

B. **Subrogation Waiver.** Consultant agrees that in the event of loss due to any of the perils for which it has agreed to provide comprehensive general and automotive liability insurance, Consultant shall look solely to its insurance for recovery. Consultant hereby grants to Authority, on behalf of any insurer providing comprehensive general and automotive liability insurance to either Consultant or Authority with respect to the services of Consultant herein, a waiver of any right to subrogation that any such insurer of Consultant may acquire against Authority by virtue of the payment of any loss under such insurance.

C. **Primary and Non-contributory.** The commercial general liability, including any excess or umbrella policies being used to meet the required limits of insurance, and automobile liability policies shall contain, or be endorsed to contain, a provision that such policies are primary and non-contributory to any insurance that may be carried by the Authority or its members, as reflected in an endorsement at least as broad as CG 20 01 04 13, which shall be submitted to the Authority. Any insurance or self-insurance maintained by the Authority, its members or their respective officers, officials, employees, or representatives shall be excess of the Consultant's insurance and shall not contribute with it.

D. **Failure to secure or maintain insurance.** If Consultant at any time during the term hereof should fail to secure or maintain the foregoing insurance, Authority shall be permitted to obtain such insurance in the Consultant's name or as an agent of the Consultant and shall be compensated by the Consultant for the costs of the insurance premiums at the maximum rate permitted by law and computed from the date written notice is received that the premiums have not been paid.

E. **Additional Insured.** Authority, its members, and their respective, officers, employees and volunteers shall be named as additional insureds under all insurance coverages, except any professional liability insurance, required by this Agreement. The naming of an additional insured shall not affect any recovery to which such additional insured would be entitled under this policy if not named as such additional insured. An additional insured named herein

shall not be held liable for any premium, deductible portion of any loss, or expense of any nature on this policy or any extension thereof. Any other insurance held by an additional insured shall not be required to contribute anything toward any loss or expense covered by the insurance provided by this policy.

F. Self-Insured Retentions. Any self-insured retentions are the responsibility of the Consultant and must be declared to and approved by Authority. At the option of Authority, either (1) the insurer shall reduce or eliminate such self-insured retentions as respects the Authority, its members and their respective officers, officials, employees and volunteers, or (2) the Consultant shall provide a financial guarantee satisfactory to Authority guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

G. Sufficiency of Insurance. The insurance limits required by Authority are not represented as being sufficient to protect Consultant. Consultant is advised to confer with Consultant's insurance broker to determine adequate coverage for Consultant.

H. Maximum Coverage and Limits. It shall be a requirement under this Agreement that any available insurance proceeds broader than or in excess of the specified minimum Insurance coverage requirements and/or limits shall be available to the additional insureds. Furthermore, the requirements for coverage and limits shall be the minimum coverage and limits specified in this Agreement, or the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured, whichever is greater.

#### 11. CONFLICT OF INTEREST

Consultant represents and warrants that it presently has no interest, and will not acquire any interest, direct or indirect, financial or otherwise, that would conflict in any way with the performance of this Agreement, and that it will not employ any person having such an interest. Consultant agrees to advise Authority immediately if any conflict arises and understands that it will be required to fill out a conflict of interest form under Authority's Conflict of Interest Code.

#### 12. PROHIBITION AGAINST TRANSFERS

Consultant shall not assign, hypothecate, or transfer this Agreement, or any interest therein, directly or indirectly, by operation of law or otherwise, without prior written consent of Authority. Any attempt to do so without such consent shall be null and void, and any assignee, pledgee, or transferee shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer. However, claims for money by Consultant from Authority under this Agreement may be assigned to a bank, trust company or other financial institution without prior written consent. Written notice of such assignment shall be promptly furnished to Authority by Consultant.

The sale, assignment, transfer or other disposition of any of the issued and outstanding capital stock of Consultant, or of the interest of any general partner or managing member or joint venturer or syndicate member or cotenant, if Consultant is a partnership or limited liability company or joint venture or syndicate or cotenancy, which shall result in changing the control of Consultant, shall be construed as an assignment of this Agreement. Control means fifty percent (50%) or more of the voting power of the corporation or partnership or limited liability company or other entity.

#### 13. SUBCONTRACTOR APPROVAL

A. Unless prior written consent from Authority is obtained, only those persons and

subcontractors whose names are attached to this Agreement shall be used in the performance of this Agreement.

B. In the event that Consultant employs subcontractors, such subcontractors shall be required to furnish proof of workers' compensation insurance and shall also be required to carry general, automobile and professional liability insurance in substantial conformity to the insurance carried by Consultant. In addition, any work or services subcontracted hereunder shall be subject to each provision of this Agreement.

C. If Consultant subcontracts for any of the work to be performed under this Agreement, Consultant shall be as fully responsible to the Authority for the acts and omissions of Consultant's subcontractors and for the persons either directly or indirectly employed by the subcontractors, as Consultant is for the acts and omissions of persons directly employed by Consultant. Nothing contained in the Agreement shall create any contractual relationship between any subcontractors of Consultant and the Authority or its members. In any dispute between the Consultant and its subcontractor, neither the Authority nor any of its members shall be made a party to any judicial or administrative proceeding to resolve the dispute. The Consultant agrees to defend, hold harmless and indemnify the Indemnitees as described in Section 9 of this Agreement, should any of the Indemnitees be made a party to any judicial or administrative proceeding to resolve any such dispute.

D. Consultant agrees to include within their subcontract(s) with any and all subcontractors the same requirements and provisions of this Agreement, including the indemnity and insurance requirements, to the extent they apply to the scope of the subcontractor's work. Subcontractors hired by Consultant shall agree to be bound to Consultant and Authority in the same manner and to the same extent as Consultant is bound to Authority under this Agreement. Subcontractors shall agree to include these same provisions within any sub-subcontract. Consultant shall provide a copy of the Indemnity and Insurance provisions of this Agreement to any subcontractor. Consultant shall require all subcontractors to provide valid certificates of insurance and the required endorsements prior to commencement of any work and will provide proof of compliance to Authority.

#### 14. **REPORTS**

A. Each and every report, draft, work product, map, drawing, specification, record and other document, hereinafter collectively referred to as "Report", reproduced, prepared or caused to be prepared by Consultant pursuant to or in connection with this Agreement, shall be the exclusive property of Authority. Work products and work product drafts provided to Authority, along with any supplementary documents, explanations and instructions supporting these work products (for example, supporting calculations and spreadsheets that may be provided to Authority from time to time by Consultant as mutually agreed) shall be provided and kept in a mutually accessible shared online location in a manner and with the regularity requested by Authority. Consultant shall not copyright any Report prepared as part of the services required by this Agreement, except as may be requested on Authority's behalf. Consultant expressly waives and disclaims, any copyright in, and the right to reproduce all Reports, except upon the Authority's prior authorization regarding reproduction, which authorization shall not be unreasonably withheld. The Consultant shall, upon request of the Authority, execute any further document(s) necessary to further effectuate this waiver and disclaimer. Any Report, information and data acquired or required by this Agreement shall become the property of Authority, and all publication

rights are reserved to Authority. Consultant may retain a copy of any Report furnished to the Authority pursuant to this Agreement.

B. Consultant shall, at such time and in such form as Authority may require, furnish reports concerning the status of services required under this Agreement.

C. All Reports also shall be provided in electronic format.

D. No Report, information or other data given to or prepared or assembled by Consultant pursuant to this Agreement that has not been publicly released shall be made available to any individual or organization by Consultant without prior approval by Authority.

#### 15. **RECORDS**

Consultant shall maintain complete and accurate records with respect to costs, expenses, receipts and other such information required by Authority that relate to the performance of services under this Agreement, in sufficient detail to permit an evaluation of the services and costs. All such records shall be clearly identified and readily accessible. Consultant shall provide reasonable access to such books and records to the representatives of Authority or its designees at mutually agreeable times, and gives Authority the right to examine and audit same, and to make transcripts and copies therefrom as necessary, and to allow inspection of all work, data, documents, proceedings and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a minimum period of five (5) years after Consultant receives final payment from Authority for all services required under this Agreement.

#### 16. **SUPPLIER DIVERSITY**

General Order 156 (GO 156) is a California Public Utilities Commission ruling that requires utility entities to procure at least 21.5% of their contracts with majority women-owned, minority-owned, disabled veteran-owned and LGBT-owned business enterprises' ("WMDVLGBTBEs") in all categories. Qualified businesses become GO 156 certified through the CPUC and are then added to the GO 156 Clearinghouse database.

The CPUC Clearinghouse can be found here: [www.thesupplierclearinghouse.com](http://www.thesupplierclearinghouse.com). While CEA is not legally required to comply with GO 156, CEA's policies and commitment to diversity are consistent with the principles of GO 156, and CEA has an Inclusive and Sustainable Workforce Policy, which can be found at <https://thecleanenergyalliance.org/key-documents>.

CEA will provide a link to a survey annually to each of its contract vendors, which may ask for disclosure of (a) their GO 156 certification status, (b) their efforts to work with diverse business enterprises, including those owned or operated by women ("WBE"), minorities ("MBE"), disabled veterans ("DVBE"), and lesbian, gay, bisexual, or transgender people ("LGBTBE"); and (c) other information regarding inclusivity in their workforce or related to CEA's goals as stated in CEA's Inclusive and Sustainable Workforce Policy. CEA will use the information obtained solely to help evaluate how well it is conforming to its own policies and goals. Pursuant to California Proposition 209, CEA does not discriminate against nor grant preferential treatment based on race, sex, color, ethnicity, or national origin.

#### 17. **CONFIDENTIALITY AND SECURITY**

A. **Confidential Information**. Consultant shall maintain in confidence and not disclose to any third party nor use in any manner not required or authorized under this Agreement any and all proprietary or confidential information held by Authority or provided to Consultant by

Authority, including confidential information regarding Authority's customers and employees, except as may be required by law.

B. Security.

1. Implementation. Consultant shall implement commercially reasonable administrative, technical and physical safeguards designed to: (a) ensure the security and confidentiality of data and information provided by Authority or used in connection with providing services under this Agreement, including data or information about third parties ("Authority's Data"); (b) protect against any anticipated threats or hazards to the security or integrity of Authority's Data; and (c) protect against unauthorized access to or use of Authority's Data. Consultant shall review and test such safeguards on no less than an annual basis.

2. Network. If Consultant makes Authority's Data accessible through the Internet or other networked environment, Consultant shall be solely responsible for all aspects of Internet use, and shall maintain, in connection with the operation or use of Authority's Data, adequate technical and procedural access controls and system security requirements and devices, necessary for data privacy, confidentiality, integrity, authorization, authentication and non-repudiation and virus detection and eradication.

3. Personal Data. If Consultant processes or otherwise has access to any personal data or personal information on Authority's behalf when performing Consultant's services and obligations under this Agreement, then: (a) Authority shall be the data controller (where "data controller" means an entity which alone or jointly with others determines purposes for which and the manner in which any personal data are, or are to be, processed) and Consultant shall be a data processor (where "data processor" means an entity which processes the data only on behalf of the data controller and not for any purposes of its own); (b) Authority shall ensure that it has obtained all necessary consents and it is entitled to transfer the relevant personal data or personal information to Consultant so that Consultant may lawfully use, process and transfer the personal data and personal information in accordance with this Agreement on Authority's behalf in order for Consultant to provide the services and perform its other obligations under this Agreement; (c) Consultant shall process the personal data and personal information only in accordance with any lawful and reasonable instructions given by Authority from time to time and in accordance with the terms of this Agreement; and (d) each Party shall take appropriate technical and organizational measures against unauthorized or unlawful processing of the personal data and personal information or its accidental loss, destruction or damage so that, having regard to the state of technological development and the cost of implementing any measures, the measures taken ensure a level of security appropriate to the harm that might result from such unauthorized or unlawful processing or accidental loss, destruction or damage in relation to the personal data and personal information and the nature of the personal data and personal information being protected. If necessary, the Parties will cooperate to document these measures taken.

4. Information Security. Consultant represents and warrants that its collection, access, use, storage, disposal and disclosure of Confidential Information accessed and/or collected from Authority does and will comply with all applicable federal and state privacy and data protection laws. In the event of any security breach, Consultant shall: (a) Provide Authority with the name and contact information for an employee who shall

serve as Authority's primary security contact and shall be available to assist Authority twenty-four (24) hours per day, seven (7) days per week as a contact in resolving obligations associated with a security breach; and (b) Notify Authority of a security breach as soon as practicable, but no later than twenty-four (24) hours after Consultant becomes aware of it. Immediately following Consultant's notification to Authority of a security breach, the Parties shall coordinate with each other to investigate the security breach. Consultant agrees to fully cooperate with Authority in Authority's handling of the matter. Consultant shall use best efforts to immediately remedy any security breach and prevent any further security breach at Consultant's own expense in accordance with applicable privacy rights, laws, regulations and standards. Consultant agrees to provide, at its expense, up to one year of credit monitoring services to third parties impacted by any data breach involving the loss of personally identifiable information.

C. Notice and Remedy of Breaches. Each Party shall promptly give notice to the other of any actual or suspected breach by it of any of the provisions of Section 16 of this Agreement, whether or not intentional, and the breaching Party shall, at its expense, take all steps reasonably requested by the other Party to prevent or remedy the breach.

D. Enforcement. Each Party acknowledges that any breach of any of the provisions of Section 16 of this Agreement may result in irreparable injury to the other for which money damages would not adequately compensate. If there is a breach, then the injured Party shall be entitled, in addition to all other rights and remedies which it may have, to have a decree of specific performance or an injunction issued by any competent court, requiring the breach to be cured or enjoining all persons involved from continuing the breach.

## 18. NOTICES

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered personally or on the second business day after the deposit thereof in the United States Mail, postage prepaid, registered or certified, addressed as hereinafter provided.

All notices, demands, requests, or approvals shall be addressed as follows:

### TO AUTHORITY:

Clean Energy Alliance  
Chief Executive Officer  
5857 Owens Ave, 3<sup>rd</sup> Floor  
Carlsbad, CA 92008

### TO CONSULTANT:

Kirby Dusel  
Pacific Energy Advisors, Inc  
1839 Iron Point Road, Suite 120  
Folsom, CA 95630

## 19. TERMINATION



A. In the event Consultant fails or refuses to perform any of the provisions hereof at the time or in the manner required hereunder, Consultant shall be deemed in default in the performance of this Agreement. If Consultant fails to cure the default within the time specified (which shall be not less than 10 days) and according to the requirements set forth in Authority's written notice of default, and in addition to any other remedy available to the Authority by law, Authority may terminate the Agreement by giving Consultant written notice thereof, which shall be effective immediately. Upon receipt of any notice of termination, Consultant shall immediately discontinue performance and within ten (10) working days: (1) assemble all documents owned by Authority and in Consultant's possession, and deliver said documents to Authority; and (2) place all work in progress in a safe and protected condition.

B. This Agreement may be terminated by either party, without cause, upon the giving of thirty (30) days' written notice to the other Party.

C. Authority shall pay Consultant for services satisfactorily performed up to the effective date of termination. Upon termination, Consultant shall immediately deliver to the Authority any and all copies of studies, sketches, drawings, computations, and other material or products, whether or not completed, prepared by Consultant or given to Consultant, in connection with this Agreement. Such materials is the property of Authority pursuant to Section 14 hereof.

20. **COMPLIANCE**

Consultant shall comply with all applicable local, state and federal laws, now existing or hereafter amended or enacted.

21. **CONFLICT OF LAW**

This Agreement shall be interpreted under, and enforced by the laws of the State of California. The Agreement and obligations of the parties are subject to all valid laws, orders, rules, and regulations of the authorities having jurisdiction over this Agreement (or the successors of those authorities). Any suits brought related to this Agreement shall be filed with the Superior Court of the County of San Diego, State of California. Consultant hereby waives any and all objections to personal jurisdiction and venue in said forum.

22. **ADVERTISEMENT**

Consultant shall not post, exhibit, display or allow to be posted, exhibited, displayed any signs, advertising, lithographs, posters or cards of any kind pertaining to the services performed under this Agreement unless prior written approval has been secured from Authority to do otherwise.

23. **WAIVER**

A waiver by Authority of any breach of any term, covenant, or condition contained herein shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained herein, whether of the same or a different character.

24. **INTEGRATED CONTRACT**

This Agreement represents the full and complete understanding of every kind or nature whatsoever between the Parties, and all preliminary negotiations and agreements of whatsoever kind or nature are merged herein. No verbal agreement or implied covenant shall be held to vary

the provisions hereof. Any modification of this Agreement will be effective only by a written document signed by both Authority and Consultant.

25. **DRAFTING AMBIGUITIES**

The Parties agree that they are aware that they have the right to be advised by counsel with respect to the negotiations, terms and conditions of this Agreement, and the decision of whether or not to seek advice of counsel with respect to this Agreement is a decision which is the sole responsibility of each Party. This Agreement shall not be construed in favor of or against either Party by reason of the extent to which each Party participated in the drafting of the Agreement.

26. **INSERTED PROVISIONS**

Each provision and clause required by law to be inserted into the Agreement shall be deemed to be incorporated herein, and the Agreement shall be read and enforced as though each were included herein. If through mistake or otherwise, any such provision is not inserted or is not correctly inserted, the Agreement shall be amended to make such insertion on application by either Party.

27. **CAPTIONS AND TERMS**

The captions in this Agreement are for convenience only, are not a part of the Agreement and in no way affect, limit or amplify the terms or provisions of this Agreement.

28. **CONSEQUENTIAL DAMAGES**

Neither Party shall be liable to the other for consequential damages, including, without limitation, loss of use or loss of profits, incurred by one another or their subsidiaries or successors, regardless of whether such damages are caused by breach of contract, willful misconduct, negligent act or omission, or other wrongful act of either of them.

29. **SEVERABILITY**

In the event that any part of this Agreement is found to be illegal or unenforceable under the law as it is now or hereafter in effect, either Party will be excused from performance of such portion or portions of this Agreement that is found to be illegal or unenforceable without affecting the remaining provisions of this AGREEMENT.

30. **COUNTERPARTS/ELECTRONIC SIGNATURES**

This Agreement may be executed electronically and in any number of counterparts, which together shall constitute one and the same agreement. A true and correct electronic copy of this Agreement may be used for all purposes as an original.

29. **SIGNATORY AUTHORITY**

The individual(s) executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

IN WITNESS WHEREOF, the Parties have caused the Agreement to be executed as of the date set forth above.

NAME OF CONSULTANT

CLEAN ENERGY ALLIANCE  
A Joint Powers Authority

By: \_\_\_\_\_  
Name: Christian Kirby Dusel  
Title: Vice President & Secretary

By: \_\_\_\_\_  
Name: Gregory Wade  
Title: Chief Executive Officer

APPROVED AS TO FORM:

\_\_\_\_\_  
Counsel for Authority

ATTEST:

\_\_\_\_\_  
Authority Clerk

**Exhibit A**  
**Scope of Services**

Consultant shall perform the following services for the Authority/CEA:

**1. Power Resources Management (Task 1)**

Working with CEA leadership and staff, as well as its designated Scheduling Coordinator, Consultant will support management of CEA's power resources portfolio in accordance with its adopted policies and applicable regulatory requirements. Consultant will perform Front and Middle Office functions for CEA, which encompass the areas of resource planning, portfolio management, risk management, power supply procurement, and a variety of regulatory compliance activities related to electric power supply. It is important to note that the availability of any product required by CEA to meet its statutory and/or voluntary portfolio requirements will be dependent upon the willingness of qualified suppliers to make such products available to CEA, CEA's creditworthiness and willingness to pay then-current market prices for such products and myriad other conditions/circumstances that may impact the availability of requisite energy and capacity products over time. PEA cannot guarantee any particular outcome or price/cost when assisting CEA with its portfolio management and procurement efforts.

All references in this scope of work to regulatory requirements or standards refer to those in existence as of the Effective Date of this Agreement. To the extent that the legislature and/or jurisdictional regulatory authorities implement material changes to pertinent regulatory compliance activities, planning standards, or procurement requirements after the Effective Date of this Agreement, Consultant may provide expanded support on a time and materials basis subject to available budget and will work with CEA to determine if adaptations to the work scope and budget in this Agreement will be necessary. Consultant acknowledges that CEA has added and may continue to add internal staff that could support certain responsibilities related to the scope of services described in this Agreement. The scope reflected herein also anticipates the ongoing implementation and administration of CEA's Wholesale Market Access Tariff. To the extent that changes (in scope and/or budget) are deemed necessary based on discussions between CEA and Consultant, which may decrease or increase Consultant's workloads related to this Agreement, Consultant and CEA will engage in good faith negotiations to develop a mutually agreeable amendment to this Agreement that will address the new and/or updated regulatory compliance requirements or changes to other work items, including related changes to the scope and budget reflected herein. Notwithstanding the foregoing, Consultant and CEA do not expect for any such changes to occur prior to January 1, 2025. The following tasks are included in this service as of the Effective Date of this Agreement:

*(a) Maintain Annual and Long-Term Sales Forecast:*

- Prepare and maintain CEA customer and electric sales forecasts, including: 1) monthly enrolled accounts, megawatt hours (MWh) and megawatts (MW) by load profile group; and 2) monthly coincident peak MW and hourly MW.
- Update long-term sales forecasts, as necessary, to maintain accuracy; monitor accuracy of load forecasts on a monthly basis; consider adjustments to such forecasts if observed variances exceeds threshold of 5% forecast error.

*(b) Electric Supply Management:*

- Develop and maintain load and resource balance models to identify incremental electric procurement needs in consideration of quantified open positions, CEA resource and risk management policies, and applicable regulatory requirements; coordinate with management to develop and implement procurement strategies to address electric resource needs.
- Support procurement and/or sales of energy (e.g., system energy, renewable energy, and/or greenhouse-gas free energy) and capacity (resource adequacy) products, including preparing requisite solicitation documents, participating in supplier/developer communications, providing analytical support during proposal/bid evaluation, coordinating with CEA's designated transactional counsel regarding the negotiation of commercial contract terms, and other related, as-needed activities.
- Annually, prepare and update internal resource plans, including ten-year load and resource projections, encompassing both supply and demand side resources.
- Review and validate periodic invoices received from CEA's Scheduling Coordinator and electric suppliers to ensure charges are consistent with contract terms; bring any identified discrepancies to management's attention; and support attempts to resolve issues with counterparties.
- Monitor energy market activities, including pricing trends and forward curves related to market energy, renewable energy and capacity.
- Maintain/manage relationships with qualified suppliers of requisite energy products: participate in periodic calls, email exchanges and other communications with and/or on behalf of CEA.

*(c) Risk Management:*

- Maintain an energy trading and risk management system (ETRM) for tracking and reporting all energy and capacity transactions completed by CEA.
- Determine the best method(s) and/or system(s) to aggregate and track positions, value (of such positions) and risks as well as establish tolerance

bands for such considerations that are reflective of CEA's risk preferences. Prepare reports and periodically review such reports with CEA's senior management during Risk Oversight Committee meetings.

- Perform scenario analyses, as needed, to determine the potential range of outcomes and impacts to CEA's supply portfolio that could result from various changes in market conditions, etc.

*(d) Regulatory Compliance – CEA and Consultant agree that no particular compliance determination or outcome is guaranteed in relation to the services performed under this Agreement.*

- Assist with management of CEA's renewable energy portfolio per state/program standards as well as any internally adopted renewable energy targets that may be established by CEA's leadership; prepare RPS compliance filings and serve as CEA's liaison with pertinent regulatory agencies for matters related to RPS compliance.
- Assist with management of CEA's WREGIS accounts and various subaccounts, including report preparation, certificate transfer review and retirement (to facilitate CEA's demonstration of compliance) and other account management activities.
- Assist CEA with resource adequacy compliance activities per state/program standards; prepare year-ahead and month-ahead peak demand forecasts and resource adequacy compliance demonstration filings; coordinate with CEA's Scheduling Coordinator and regulatory agencies to address and resolve as possible any discrepancies that may arise during compliance review.
- Provide data analysis and assist in preparing reports related to the California's Power Source Disclosure Program, including technical elements of Power Content Label development and review; such support may also entail regulatory liaison activities required to successfully complete applicable reports and/or responding to questions that may be received from the California Energy Commission in this regard.
- Assist the Authority's designated regulatory counsel and CEA staff in preparing bi-annual Integrated Resource Plans, utilizing a CCA-specific template, which satisfactorily addresses pertinent requirements, as specified by the California Public Utilities Commission ("CPUC") for CCAs. PEA observes that CEA should be prepared to provide certain input and/or narrative elements related to the policies, preferences and/or programs of its member communities or the organization itself to the extent such information may be required by jurisdictional regulatory authorities. If such information is required, PEA will coordinate with CEA's management and staff in gathering requisite information from CEA and inserting such in the noted planning document.

- Assist the Authority's designated regulatory counsel and CEA staff in preparing an RPS Procurement Plan, utilizing a CCA-specific template, which satisfactorily addresses pertinent requirements, as specified by the California Public Utilities Commission ("CPUC") for CCAs. Consultant observes that CEA should be prepared to provide certain input and/or narrative elements related to the policies, preferences and/or programs of its member communities or the organization itself to the extent such information may be required by jurisdictional regulatory authorities. If such information is required, Consultant will coordinate with CEA's management and staff in gathering requisite information from CEA and inserting such in the noted planning document.
- Prepare compliance filings pursuant to the CEC's biennial Integrated Energy Policy Report, Quarterly Fuels and Energy Report, and the U.S. Energy Information Agency monthly EIA-826 and annual EIA-861 reports.
- Assist in preparing responses to periodic data requests from regulatory agencies including the semi-annual PCIA RPS data request, the quarterly PCIA RA data request, and the CAISO's annual flexible capacity needs assessment.
- Assist in preparing Joint Rate Comparisons.
- Assist with the preparation of required compliance documentation, as identified in this section, and coordinate with CEA's selected regulatory counsel, staff or other contractors who will be responsible for formal submission of these filings to the appropriate regulatory body(ies).

## **2. Rate Setting, Financial Modeling & Performance Reporting (Task 2)**

Consultant will maintain a working pro forma financial model for CEA's use in budgeting, cash flow planning, financial performance monitoring, and SDG&E scenario analyses. Consultant will design customer electric rates and update rates for approval by CEA's governing board on an annual basis – such rates will be established at sufficient levels to meet adopted financial targets. Consultant will provide technical rate support, including periodic monitoring of SDG&E rate changes to the extent such changes are expected to materially impact customer cost comparisons. Consultant will also provide assistance with the preparation of joint cost comparison models. The following tasks are included as part of this service:

### *(a) Rate-setting*

- Annually, develop proposed CEA rate schedules; cost of service modeling; SDG&E benchmarking; billing determinant (e.g., Time of Use energy) forecast; present and proposed rate revenue forecast.

- Collaborate with staff and CEA governance, as necessary, for matters related to rate changes, including the development of new rate designs or options that may be required by CEA to promote consistency/compatibility with rate designs/options offered by SDG&E.
- Provide support for the development of a CEA net energy metering program and green energy program (for example, a 100% renewable energy service option), if desired by CEA.
- Monitor realized rate revenue vs. projections to identify necessary rate changes.
- In concert with CEA's designated regulatory counsel, staff and other advisors, monitor SDG&E rates and surcharges for purposes of assisting CEA with preparation of mandated joint cost comparisons.

*(b) Financial Model (pro forma)*

- Develop and maintain pro forma financial models of monthly income/expense projections, cash flows and cash balances.
- Update pro forma models as necessary to incorporate current load, resource and market data; monitor accuracy of financial projections on monthly basis; assist in reconciling budget variances.
- Prepare forecast of power supply and other expenses for annual budget.
- Prepare draft annual budget for the CEA program in cooperation with CEA management and accountants.
- As necessary, coordinate with CEA and its financial advisors with regard to matters that may impact CEA's financial standing, debt levels, electric rates, annual budget, resource planning and other key concerns.

**3. Additional Services (Task 3)**

Additional service not otherwise specified herein may be provided upon request by CEA, subject to a mutually agreeable schedule for completion. Fees for such services shall be billed on a time-and-materials basis at the hourly rates set forth in Exhibit B.



**Exhibit B**  
**Compensation**

Authority shall compensate Consultant for professional services in accordance with the terms and conditions of this Agreement based on the rates and compensation schedule set forth below.

Fee for Performance of Services under Tasks 1 and 2:

For the period commencing July 1, 2024 and continuing through December 31, 2024: \$39,000/month, not inclusive of direct travel costs. For the period commencing January 1, 2025 and continuing through December 31, 2025: \$40,170/month, not inclusive of direct travel costs (the monthly fee for this period reflects a three percent increase, effective January 1, 2025).

Fee for Performance of Task 3 Services:

PEA will provide the services described in Task 3 on a time-and-materials basis, billed monthly to the Authority. For all such work, the following hourly rates will apply:

Professional Service Rates

Staff	Hourly Rate
Senior Executive Staff (examples of current staff: John Dalessi and Kirby Dusel)	\$380
Managing Director	\$360
Director	\$340
Associate Director (example of current staff: Alden Walden)	\$320
Managing Consultant (example of current staff: Dona Stein)	\$300
Senior Consultant (example of current staff: James Parker)	\$280
Consultant	\$260
Analyst (examples of current staff: Jesse Guzman, John Sanchez and Travis Thai)	\$240

Any work performed or expenses incurred for which a subsequent payment would result in the aggregate payment total under this Agreement exceeding the maximum amount of compensation set forth herein shall be at no cost to Authority unless previously approved in writing by Authority.

Invoices

Monthly Invoicing: In order to request payment, Consultant shall submit monthly invoices to the Authority describing the services performed and the applicable charges (including a summary of the work performed during that period, personnel who performed the services and hours worked).

Consultant shall separately identify charges related to implementation and administration of the Wholesale Market Access Tariff and those charges shall be reflected at a rate of \$10,000 per month. Authority shall pay Consultant within thirty (30) days of invoice receipt.

#### Reimbursable Expenses

Administrative, overhead, secretarial time or overtime, word processing, photocopying, in house printing, insurance and other ordinary business expenses are included within the scope of payment for services and are not reimbursable expenses. Travel expenses must be authorized in advance in writing by Authority and must include itemized receipts/documentation.

#### Additional Services

Consultant shall provide additional services outside of the services identified in Exhibit A only by advance written authorization from Authority prior to commencement of any additional services. In the event such services are requested by the Authority, Consultant may submit, if requested to do so by the Authority's Board, a detailed written proposal including a description of the scope of additional services, schedule, and proposed maximum compensation.

**Exhibit C**  
**Insurance Requirements and Proof of Insurance**

Proof of insurance coverage described below is attached to this Exhibit, with Authority and its members and their respective officials, officers, employees, agents and volunteers named as additional insured.

Consultant shall maintain the following minimum insurance coverage:

A. **COVERAGE:**

(1) **Workers' Compensation:**

Statutory coverage as required by the State of California and providing, at minimum, \$1,000,000.00 employers' liability coverage.

(2) **Liability:**

Commercial general liability ("CGL") coverage with minimum limits of \$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury and property damage, including ongoing and completed operations. ISO occurrence Form CG 0001 or equivalent is required. If limits apply separately to this Agreement (CG 25 03 or 25 04), the general aggregate limit shall not apply. There shall be no endorsement or modification of the CGL limiting the scope of coverage for either insured vs. insured claims or contractual liability. All defense costs shall be outside the limits of the policy. If Consultant or subcontractor maintains higher limits than the limits shown above, Authority shall be entitled to coverage for the higher limits maintained by the Consultant and their subcontractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Authority. Any excess or umbrella policies being used to meet the required limits of insurance will be evaluated separately and must meet the same qualifications as the Consultant's primary policy.

(3) **Automotive:**

Commercial Automobile Liability Insurance for all of the Consultant's automobiles including owned, hired and non-owned automobiles, automobile insurance written on an ISO form CA 00 01 12 90 or a later version of this form or an equivalent form providing coverage at least as broad for bodily injury and property damage for a combined single limit no less than \$1,000,000.00 per occurrence. Insurance certificate shall reflect coverage for any automobile (any auto).

(4) **Professional Liability**

Professional liability insurance that includes coverage for the professional acts, errors and omissions of Consultant in the amount of at least \$1,000,000 per claim and \$2,000,000 annual aggregate. Consultant shall ensure both that (1) the policy retroactive date is on or before the date of commencement of the services; and (2) the policy will be maintained in force for a period of three years after substantial

completion of the services or termination of this Agreement, whichever occurs last. Consultant agrees that for the time period defined above, there will be no changes or endorsements to the policy that increase Authority's exposure to loss. All defense costs shall be outside the limits of the policy. If Consultant maintains higher limits than the limits shown above, Authority shall be entitled to coverage for the higher limits maintained by Consultant. Any available proceeds in excess of the specified minimum limits of insurance and coverage shall be available to Authority.



## Staff Report

**DATE:** April 25, 2024

**TO:** Clean Energy Alliance Board of Directors

**FROM:** Gregory Wade, Chief Executive Officer

**ITEM 3:** Consider Adoption of Resolution No. 2024-004 Authorizing Execution of a Professional Services Agreement (PSA) with NewGen Strategies for Regulatory Proceeding Support through December 2027 for an amount not to exceed \$500,000.

---

### **RECOMMENDATION**

Adopt Resolution No. 2024-004 authorizing execution of a Professional Services Agreement (PSA) with NewGen Strategies for regulatory proceeding support through December 2027 for an amount not to exceed \$500,000, and authorize the Chief Executive Officer to execute all documents, subject to General Counsel approval.

### **BACKGROUND AND DISCUSSION**

Clean Energy Alliance (CEA) utilizes outside professional services for technical support for California Public Utilities Commission (CPUC) regulatory proceedings. CEA has had the benefit of NewGen Strategies work for the past year, as they had been engaged by San Diego Community Power (SDCP) for these services. Through this new PSA, CEA will be sharing the costs of the NewGen efforts with SDCP for the rest of this year and through December 2027. Addressing regulatory support in this manner is cost effective since CEA and SDCP have many positions on regulatory matters in common but oftentimes require dedicated services.

The types of services provided by NewGen include analysis of San Diego Gas & Electric's (SDG&E) rate proceedings and underlying assumptions, rate analysis and Power Charge Indifference Adjustment (PCIA) analysis through the ERRR and GRC proceedings. NewGen is uniquely qualified to provide these services, as they have been providing them to CCAs throughout the state in other Investor-Owned Utility (IOU) territories as well as California Community Choice Association (CalCCA) and have developed a level of expertise not found with other consultants. They also have access to SDG&E data that SDG&E considers confidential, as NewGen has an executed Non-Disclosure Agreement with SDG&E and is not a market participant. As such, they are eligible to have access to the data necessary to complete the thorough analysis of the various CPUC proceedings and SDG&E filings. They have also represented the CCAs as expert witnesses in these proceedings. Through their work, CEA and SDCP customers have saved costs through reduced rates charged by SDG&E. The Scope of Services for this PSA are contained in Attachment B.

**FISCAL IMPACT**

The proposed Budget for the PSA totals \$1,000,000, of which, CEA would be responsible for \$500,000 over the four-year PSA Term for an annual cost of \$125,000. Funds for PSA are available in the current year budget and will be included in the proposed FY 24/25 Budget as well as future proposed budgets.

Submitted for Board consideration:



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Gregory Wade  
Chief Executive Officer

**ATTACHMENTS**

- A. Resolution No. 2023-004, approving Professional Services Agreement with NewGen Strategies
- B. NewGen Engagement Letter and Scope of Services

**CLEAN ENERGY ALLIANCE  
RESOLUTION NO. 2024-004**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CLEAN ENERGY  
ALLIANCE AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES  
AGREEMENT WITH NEWGEN STRATEGIES**

**WHEREAS**, the Clean Energy Alliance (CEA) is a joint powers agency, formed in November 2019, whose members cities include Carlsbad, Del Mar, Escondido, Oceanside, San Marcos, Solana Beach and Vista; and

**WHEREAS**, CEA meets its service needs through a combination of in-house staff and consultants; and

**WHEREAS**, NewGen Strategies is an industry expert in providing regulatory proceeding support; and

**WHEREAS**, NewGen Strategies provides these services to Community Choice Aggregation agencies and California Community Choice Association, making them uniquely qualified to meet CEA's needs.

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

Section 1. The Board of Directors of the Clean Energy Alliance hereby authorizes execution of a Professional Services Agreement with NewGen Strategies for regulatory proceeding support through 2027 for an amount not to exceed \$500,000.

Section 2. This Resolution shall take effect immediately upon approval.

The foregoing Resolution was passed and adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2024, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

APPROVED:

\_\_\_\_\_  
David Druker, Board Chair

ATTEST:

\_\_\_\_\_  
Kaylin McCauley, Board Secretary





Attachment B

225 Union Boulevard  
Suite 450  
Lakewood, CO 80228  
Phone: (720) 633-9514

April 12, 2024

via email ([lfernandez@sdcommunitypower.org](mailto:lfernandez@sdcommunitypower.org) and [gwade@thecleanenergyalliance.org](mailto:gwade@thecleanenergyalliance.org))

Ms. Laura Fernandez  
San Diego Community Power  
2488 Historic Decatur Road  
Suite 250  
San Diego, CA 92106

Mr. Greg Wade  
Clean Energy Alliance  
5857 Owens Ave  
Suite 2023  
Carlsbad, CA 92008

**Subject: Analytical Support for San Diego Gas & Electric's ERRA and GRC Applications**

Dear Ms. Fernandez and Mr. Wade,

NewGen Strategies and Solutions, LLC (NewGen) would be pleased to assist San Diego Community Power (SDCP) and Clean Energy Alliance (CEA) with their review of San Diego Gas & Electric Company's (SDG&E) Energy Resource Recovery Account (ERRA) applications filed in 2024, 2025, and 2026, as well as SDG&E's next General Rate Case (GRC) Phase 1 application to be filed in 2026. As requested, we are providing the following proposed scope of work and cost estimate for participating in SDG&E's ERRA Forecast cases (forecast years 2025, 2026, and 2027); ERRA Compliance cases (record years 2023, 2024, and 2025); and 2028 GRC Phase 1 case.

Generally, our support for SDCP/CEA in the ERRA proceedings will entail reviewing SDG&E's applications for issues that will impact the competitiveness of SDCP's and CEA's services and gathering data to better understand the drivers of changes in SDG&E's PCIA rates. To this end, we expect our review and support to be focused on SDG&E's Power Cost Indifference Adjustment (PCIA), Portfolio Allocation Balancing Account (PABA), and Energy Resource Recovery Account (ERRA), including whether SDG&E complied with decisions of the California Public Utilities Commission (CPUC) and appropriately differentiated cost responsibility among bundled customers and Direct Access (DA) and Community Choice Aggregator (CCA) customers.

NewGen's support of SDCP/CEA in the GRC Phase 1 proceeding will include reviewing SDG&E's application and testimony, writing and responding to discovery, and performing quantitative analysis of issues that will impact the competitiveness of SDCP's and CEA's offerings to its customers. Therefore, we expect our review and support to be focused on SDG&E's functionalization of GRC-related costs, including whether SDG&E has complied with the decisions of the CPUC and appropriately differentiated cost responsibility between bundled customers and DA and CCA customers.

The enclosed summarizes the Scope of Services for ERRA and GRC Phase 1 filing support and provides separate cost estimates for the 2025, 2026, and 2027 ERRA Forecast applications; the 2023, 2024, and 2025 ERRA Compliance applications; and the 2028 GRC Phase 1 application. We understand that your

Ms. Laura Fernandez and Mr. Greg Wade

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organizations plan to retain Keyes & Fox, LLC (K&F) to provide regulatory legal support, and we anticipate working collaboratively with SDCP, CEA, and K&F as the cases progress to develop discovery, comments, testimony, or other required filings.

Based on our experience in past proceedings, we propose distinct levels of engagement in each ERRA and GRC case:

- **ERRA Forecast Proceedings** – For each ERRA Forecast proceeding, our proposed budget includes an estimate of support required for a detailed application review, discovery, issue identification, written testimony, and hearings.
- **ERRA Compliance Proceedings** – For each ERRA Compliance proceeding, we propose a more limited scope and budget, targeted towards data gathering and reviewing SDG&E's accounting and cost structure. Should these tasks identify issues about which positions SDCP or CEA believes should be litigated, limited testimony could be prepared and filed, if necessary, but it is not anticipated.
- **GRC Phase 1 Proceeding** – For the 2028 GRC Phase 1 application, prior to a detailed review of the filed materials, it is difficult to be certain of the form and substance of SDCP's and CEA's intervention in the case and the level of effort required to complete the proceeding. The cost estimates provided herein include an estimate of support for testimony and hearings, should such tasks be necessary and approved by SDCP/CEA.

The budget estimates provided herein are based on our experience in past ERRA and GRC applications for SDG&E, PG&E, and SCE. With all components of this project, we propose to invoice SDCP/CEA on a time-and-materials basis, and we will bill only for the hours we require to complete the tasks.

NewGen's Core Project Team is identified below. Brian Dickman will serve as a project advisor and Carlo Bencomo-Jasso will lead the technical review of SDG&E's applications and serve as the subject matter expert.

#### **Brian Dickman, Partner**

*Project Role: Project Advisor*

Mr. Brian Dickman is a Partner in NewGen's energy practice with over 20 years of experience in the utility industry, with a focus on regulatory analytics. He has extensive experience preparing and evaluating utility procurement forecasts, and revenue requirement and cost allocation studies; developing utility avoided costs, and evaluating the impact of new initiatives and transactions on a utility and its customers. Mr. Dickman's work has also included regulatory and financial modeling support for potential mergers and acquisitions, variable production cost simulations, valuations of potential asset acquisitions and other commercial opportunities, and pricing for Qualifying Facilities under the Public Utility Regulatory Policies Act. In addition to his extensive technical experience, Mr. Dickman understands the regulatory governance process, and he has personally testified as an expert witness before the public utility commissions of Oregon, California, Utah, Idaho, Washington, and Wyoming. Mr. Dickman has led utility regulatory teams in the development of cost recovery filings in multiple state jurisdictions and the Federal Energy Regulatory Commission.

#### **Carlo Bencomo-Jasso, Manager**

*Project Role: Technical Review Lead and Subject Matter Expert*

Mr. Carlo Bencomo-Jasso joined NewGen as a Manager in April 2022. Mr. Bencomo-Jasso has over 10 years of experience in the energy industry, with prior experience working on regulatory and resource

Ms. Laura Fernandez and Mr. Greg Wade

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planning issues in California, including rate and feasibility analysis for CCAs. Mr. Bencomo-Jasso has also provided regulatory and litigation support to CCAs, evaluating investor-owned utility filings for issues affecting the competitive landscape and sponsoring expert witness testimony. Mr. Bencomo-Jasso has a bachelor's degree in history, a master's degree in environmental science and management, and a master's degree in environment and energy.

## **Scope of Services – ERRA and GRC Proceedings**

We typically divide the Scope of Services for intervention in ERRA and GRC proceedings into the following main tasks:

- Task 1: Review and Analyze SDG&E Filings (Initial Application, Supplements, Updates)
- Task 2: Assess Case Impact on SDCP/CEA and Identify Issues for Litigation
- Task 3: Support Written Testimony and Comments/Briefs
- Task 4: Post-Testimony Case Support

A description of each task follows. Some tasks, such as written testimony and hearings, will not apply to the targeted review proposed for the ERRA Compliance case.

### **Task 1: Review and Analyze SDG&E Filings (Initial Application, Supplements, Updates)**

We will begin each proceeding with an initial review of SDG&E's filed materials, including supporting testimony, workpapers, and exhibits. A call with NewGen, K&F, SDCP, and CEA will be held to discuss initial impressions and identify areas of focus. NewGen will then complete a directed and more detailed review of SDG&E's filed materials. We will collaborate with K&F to develop a list of issues that may adversely impact SDCP/CEA and that may be mitigated through discovery, filing testimony, and/or comments in opposition to SDG&E's proposal. Throughout our detailed review of SDG&E's filed materials described under Task 1, NewGen will generate requests for discovery to be approved and filed by K&F and will respond to discovery issues by SDG&E or other intervenors in the case.

### **Task 2: Assess Case Impact on SDCP/CEA and Identify Issues for Litigation**

We will collaborate with K&F and SDCP/CEA to develop a list of issues that may adversely impact SDCP and CEA and that may be mitigated through filing testimony in opposition to SDG&E's proposal. NewGen will focus on the identified issues as we continue to review and analyze SDG&E's filings, including any supplemental testimony and workpapers. As additional issues arise in filings after the initial application, NewGen will coordinate the review and response with K&F and SDCP/CEA.

### **Task 3: Support Written Testimony and Comments/Briefs**

Given development of the issues list in Task 1, as supplemented by analyses performed in Task 2, we will support preparation of direct testimony or comments on behalf of SDCP/CEA. The final form of SDCP's and CEA's intervention in each ERRA proceeding will depend on the magnitude of issues identified through Tasks 1 and 2. As described earlier, our proposed budgets anticipate more robust participation in the ERRA Forecast cases, including filing of direct testimony and attending technical hearings. Participation in the ERRA Compliance cases would entail review of a much more limited set of issues and filing of testimony only if serious concerns are found related to those issues. We understand that the final form of SDCP's and CEA's intervention in the GRC proceeding will depend on the magnitude of issues identified through Tasks 1 and 2, and the legal strategy determined as the case progresses. In each case, we

Ms. Laura Fernandez and Mr. Greg Wade

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anticipate supporting written comments filed in response to proposed decisions and replying to comments addressing other parties' positions as required.

#### Task 4: Post-Testimony Case Support

Based on our experience, we would expect work within Task 4 to include:

- Support for settlement discussions;
- Review of supplemental, errata, and rebuttal filings by SDG&E or others;
- Possible filing of rebuttal testimony; and
- Preparation and participating in hearing(s) stemming from our filed testimony.

### Scope of Services – General Regulatory Support

NewGen will also provide SDCP and CEA with general regulatory support for matters arising outside of the specific ERRA and GRC proceedings contained in this scope of work. General regulatory consulting may include, but is not limited to, the evaluation of PCIA-related issues affecting SDCP/CEA or assisting SDCP and CEA with regulatory matters that impact their competitive positions. General regulatory projects will be completed as requested by SDCP/CEA and upon mutual agreement by SDCP/CEA and NewGen. If a particular regulatory issue grows in importance beyond the scope of general regulatory support, NewGen will create a separate scope of work and budget for that issue for approval by SDCP/CEA.

### Cost Estimate

The total budget for the complete scope of work for the ERRA Forecast proceedings (forecast years 2025, 2026, and 2027); ERRA Compliance proceedings (record years 2023, 2024, and 2025); 2028 GRC Phase 1 proceeding; and general regulatory support is **\$1,000,000**. We understand that the budget responsibility will be split equally between SDCP and CEA (\$500,000 each). The table below identifies the budget for each proceeding by year.

**Table 1  
Annual Budget by Proceeding**

SDG&E Proceeding	Budget				Total Budget	50% Share
	2024	2025	2026	2027		
2023 ERRA Compliance	\$ 80,000				\$ 80,000	\$ 40,000
2025 ERRA Forecast	\$ 125,000				\$ 125,000	\$ 62,500
2024 ERRA Compliance		\$ 82,400			\$ 82,000	\$ 41,000
2026 ERRA Forecast		\$ 128,750			\$ 129,000	\$ 64,500
2025 ERRA Compliance			\$ 84,872		\$ 85,000	\$ 42,500
2027 ERRA Forecast			\$ 132,613		\$ 133,000	\$ 66,500
2028 GRC Phase 1			\$ 125,000	\$ 125,000	\$ 250,000	\$ 125,000
General Regulatory Support	\$ 29,000	\$ 29,000	\$ 29,000	\$ 29,000	\$ 116,000	\$ 58,000
<b>Total</b>	<b>\$ 234,000</b>	<b>\$ 240,150</b>	<b>\$ 371,485</b>	<b>\$ 154,000</b>	<b>\$ 1,000,000</b>	<b>\$ 500,000</b>

Ms. Laura Fernandez and Mr. Greg Wade

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To provide a budget estimate that covers each proceeding from initiation through a final decision, we differentiated our cost estimate by task based on NewGen's 2024 billing rates. Budgets for future ERRA proceedings are escalated assuming an annual billing rate increase of roughly 3%.

The cost estimate for the ERRA Forecast cases represents the expected costs for full application review and litigation for each of the cases (forecast years 2025, 2026, and 2027) and is based on our experience thus far with SDG&E and past cases for PG&E and SCE. The cost estimate for the more limited participation in each ERRA Compliance case (record years 2023, 2024, and 2025) represents approximately two-thirds of the cost of an ERRA Forecast proceeding. **The estimated budget at 2024 billing rates per ERRA Forecast case and ERRA Compliance case is approximately \$125,000 and \$80,000, respectively.**

For the GRC Phase 1 proceeding, the level of effort may vary substantially depending on the issues of the case and the case resolution following the filing of initial testimony. **Based on the level of support required for PG&E's previous GRC, we anticipate a total budget estimate of approximately \$250,000.**

Finally, as requested, NewGen included an estimate for the general regulatory support such that the **total budget is \$1,000,000.**

Tables 2 and 3 below provide a breakdown of the task-level cost estimate (per proceeding).

**Table 2**  
**ERRA Forecast Task Level Cost Estimate (per proceeding)**

Task	Consultant	Brian Dickman		Carlo Bencomo-Jasso		Total Cost
	Billing Rate	\$340.00		\$235.00		
	Title	Partner		Manager		
		Hrs	Cost	Hrs	Cost	
1 – Filing Review and Analysis		85	\$28,900	164	\$38,540	\$67,440
2 – Case Impact Assessment/Identify Issues		40	\$13,600	40	\$9,400	\$23,000
3 – Prepare Testimony/Comments		20	\$6,800	70	\$16,450	\$23,250
4 – Post-Testimony Case Support				48	\$11,280	\$11,280
<b>Total</b>		<b>145</b>	<b>\$49,300</b>	<b>322</b>	<b>\$75,670</b>	<b>\$124,970</b>

Ms. Laura Fernandez and Mr. Greg Wade

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**Table 3**  
**2028 GRC Phase 1 Task Level Cost Estimate**

Task	Consultant	Brian Dickman		Carlo Bencomo-Jasso		Total Cost
	Billing Rate	\$340.00		\$235.00		
	Title	Partner		Manager		
	Hrs	Cost	Hrs	Cost		
1 – Filing Review and Analysis	170	\$57,800	200	\$47,000		\$104,800
2 – Case Impact Assessment/Identify Issues	60	\$20,400	80	\$18,800		\$39,200
3 – Prepare Testimony/Comments	80	\$27,200	130	\$30,550		\$57,750
4 – Post-Testimony Case Support	72	\$24,480	100	\$23,500		\$47,980
<b>Total</b>	<b>382</b>	<b>\$129,880</b>	<b>510</b>	<b>\$119,850</b>		<b>\$249,730</b>

Table 4 below provides NewGen’s current billing rates by position. NewGen will communicate directly with SDCP/CEA regarding any scheduling conflicts with the Core Project Team and will ensure adequate resources are available to complete the scope of services herein.

**Table 4**  
**NewGen Strategies and Solutions**  
**2024 Billing Rates**

Position	Hourly Billing Rate
Partner	\$265 – \$405
Principal	\$250 – \$405
Senior Manager	\$225 – \$280
Manager	\$195 – \$235
Senior Consultant	\$170 – \$195
Consultant	\$160 – \$170
Administrative Services	\$130

Note: Billing rates are subject to change based on annual reviews and salary increases.

If this estimated budget and scope of services is acceptable, we propose to execute separate professional services agreements between NewGen and each CCA (SDCP and CEA) that reflect the information contained in this letter.

Ms. Laura Fernandez and Mr. Greg Wade

April 12, 2024

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We appreciate the opportunity to submit this proposal and to work with you on these highly impactful cases. If you have any questions, comments, or concerns regarding the above scope of work, please do not hesitate to contact me at [bdickman@newgenstrategies.net](mailto:bdickman@newgenstrategies.net) or (801) 712-2930.

Sincerely,

**NewGen Strategies and Solutions, LLC**

DocuSigned by:

*Brian Dickman*

40670442719F41D...

Brian Dickman

Partner



## Staff Report

**DATE:** April 25, 2024  
**TO:** Clean Energy Alliance Board of Directors  
**FROM:** Gregory Wade, Chief Executive Officer  
**ITEM 4:** Clean Energy Alliance Chief Executive Officer Operational and Administrative Report

---

### **RECOMMENDATION:**

Receive and File Chief Executive Officer Operational and Administrative Report.

### **BACKGROUND AND DISCUSSION:**

This report provides an update to the Clean Energy Alliance (CEA) Board regarding operational and administrative activity.

### **OPERATIONAL UPDATE**

#### *Oceanside & Vista April 2024 Enrollment*

As previously reported, the City Councils of Oceanside and Vista have selected Clean Impact Plus, 75% Carbon Free, as the default power supply in which customers will be automatically enrolled. In addition, the City of Vista City Council approved enrolling all municipal accounts in CEA's Green Impact, 100% renewable power supply, in support of meeting its Climate Action Plan goals.

Enrollment mailers began hitting Oceanside and Vista mailboxes in early February in preparation for the automatic enrollments in April 2024. The February mailers will be the first of four mailers to be sent out. The schedule of mailers were and are as follows:

February 2024:	60-Day pre-enrollment mailer - Complete
March 2024:	30-Day pre-enrollment mailer – Complete
March 2024:	Letter to NEM customers being enrolled in April 2024
May 2024:	30-Day post-enrollment welcome letter
June 2024:	60-Day post-enrollment mailer

With the February and March mailings, CEA continues to receive calls and opt out requests from Oceanside and Vista residents and businesses.



The statistics as of April 10, 2024, are as follows:

City	# of Eligible Customers	# of Opt-Downs to 50% Renewable	# of Opt-Ups to 100% Renewable	# of Opt-Outs	Participation Rate
Oceanside	62,636	71	26	1,892	97.0%
Vista	33,969	24	242	711	98.1%
<b>TOTAL</b>	<b>96,605</b>	<b>95</b>	<b>268</b>	<b>2,603</b>	<b>97.3%</b>

CEA staff and Oceanside and Vista staff have continued to meet regularly to prepare and carry out our marketing and communications strategy for this month’s enrollment. This includes identifying community events to participate in, key community groups to reach out to, and key customers to contact. The goal of the marketing and communications strategy is to meet with affected residents and businesses to answer questions they may have about CEA, address concerns related to the enrollment and to minimize opt-outs.

To provide opportunities for the communities to meet with CEA staff and have their questions answered, staff has and is planning to attend several in person community events.

*CEA in the Community*

CEA has been busy with many of the scheduled outreach efforts. Recent events that CEA participated in:

DATE	DESCRIPTION
March 28, 2024	MainStreet Oceanside, Sunset Market
April 1, 2024	Oceanside Country Club Senior Center
April 4, 2024	MainStreet Oceanside, Farmers Market
April 4, 2024	Vista Chamber of Commerce, Government Affairs Meeting
April 7, 2024	San Marcos Chamber of Commerce Spring Fling
April 9, 2024	Vista Launch Reception & City Council Presentation
April 13, 2024	Vista Farmers Market
April 13, 2024	Progressive Labor Alliance
April 20, 2024	Vista – Earth Day at the Gardens - Alta Vista Botanical Garden
April 22, 2024	Vista Depuy Mayor Melendez Town Hall
April 23, 2024	Sony Electronics, Earth Day Fair

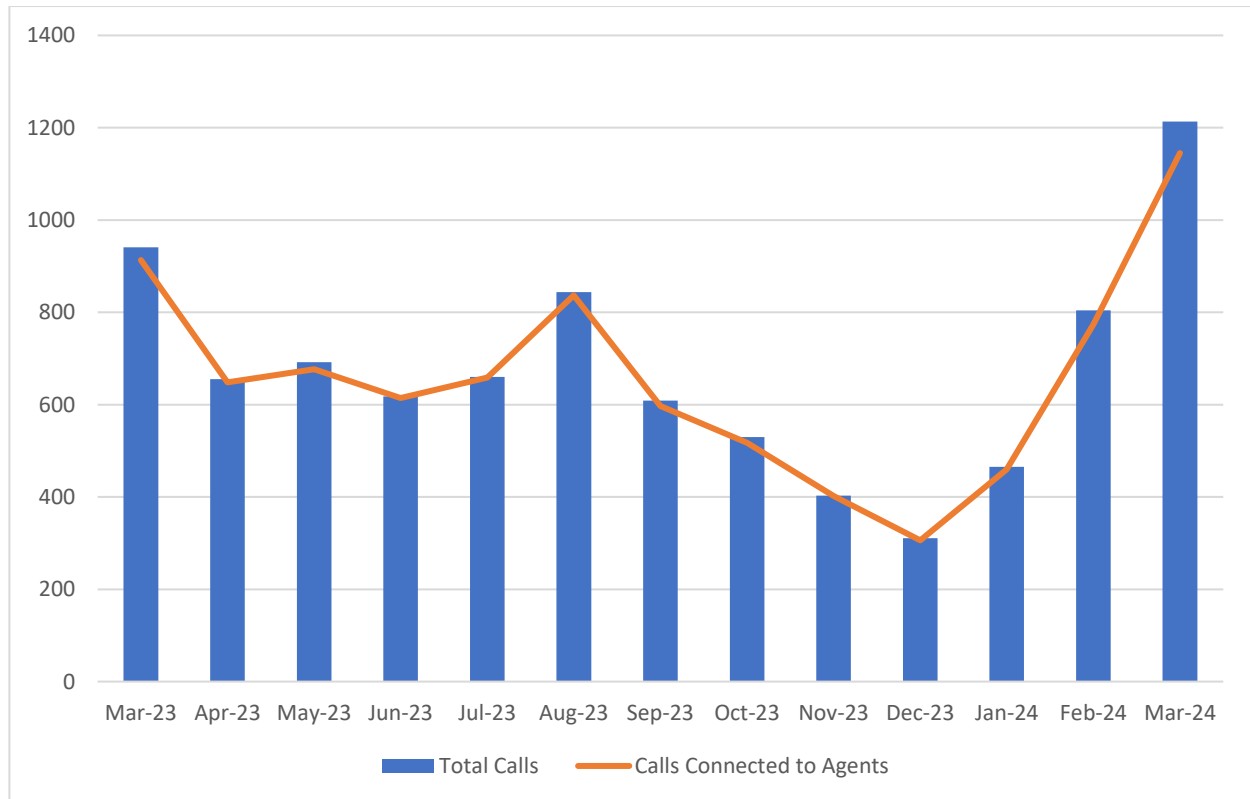
Upcoming events that CEA will be participating in:

DATE	DESCRIPTION
April 26, 2024	Dr. Bronner’s Staff Earth Day Extravaganza
April 27, 2024	Carlsbad Chamber Green Business Expo
May 2, 2024	Vista Business Breakfast

DATE	DESCRIPTION
May 2, 2024	MainStreet Oceanside, Farmers Market
May 2, 2024	San Diego County Farm Bureau Graze at the Fields
May 10, 2024	Vista Councilmember O'Donnell Town Hall
May 11, 2024	Vista Farmers Market
May 14, 2024	Hunter Industries Employee Resource Fair
May 18, 2024	Ocean Hills Country Club, Senior Expo
May 19, 2024	Escondido Street Festival
May 26, 2024	Vista Strawberry Festival

*Call Center Activity and Participation Statistics*

The following chart reflects customer activity through March 31, 2024.

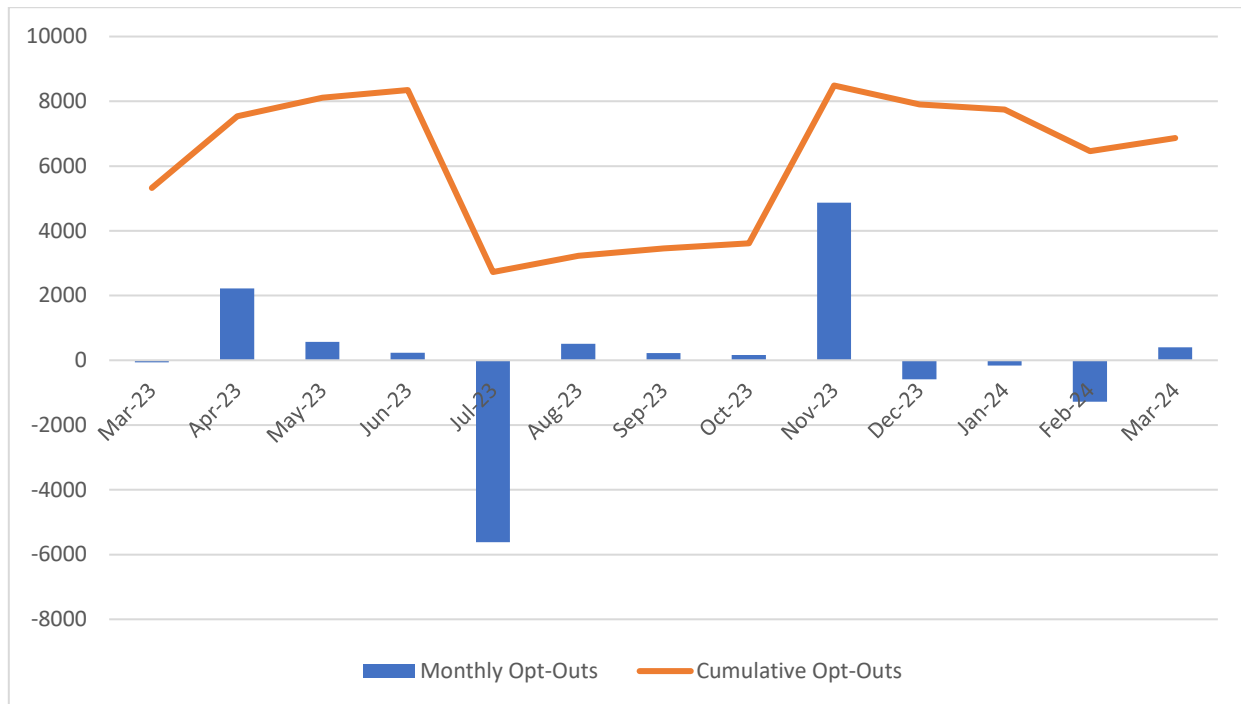


Call volumes to CEA’s Call Center increased 50% from February to March 2024, which is to be expected due to the enrollment of Oceanside and Vista and the second enrollment notices that went out in March. The most common call topics were related to General Information and Opt Out Inquiries which, again, is to be expected heading into the launch in Oceanside and Vista in April.

The total number of calls received, response times and call duration through April 10, 2024, are in the following table:

Monthly Summary – Apr 10 2024					
Stats by Month	10-Apr	Mar	Feb	Jan	Total
Total Calls	272	1213	804	465	18,082
Total Calls Connected to Agents	259	1145	774	460	17,704
Average Seconds to Answer	0:00:47	0:00:48	0:00:35	0:00:22	
Average Call Duration	0:10:32	0:11:22	0:10:56	0:11:06	

The following chart reflects the monthly and cumulative opt-outs through March 31, 2024, for CEA:



CEA’s overall participation rate is approximately 94.8%, with a net increase of 405 in March, primarily from the cities of Oceanside and Vista.

The following chart reflects enrollments in CEA’s power supply products through March 2024:

POWER SUPPLY PRODUCT	FEBRUARY 2024	MARCH 2024	Net Change
Clean Impact – 50% Renewable	523	537	+14
Clean Impact Plus - 75% Carbon Free	150,480	151,828	+1,348
Green Impact – 100% Renewable	670	674	+4
<b>TOTAL ACCOUNTS</b>	<b>151,673</b>	<b>153,039</b>	<b>1,366</b>

The increase in total accounts is related to the enrollment of NEM customers in Escondido and San Marcos. These accounts are enrolled in the month of their annual true-up as opposed to being enrolled in April 2023, when non-NEM customers were enrolled.

*Risk Oversight Committee*

Pursuant to CEA’s Energy Risk Management Policy, the Risk Oversight Committee met on March 7, 2024. The Committee reviewed CEA’s recent procurement activity, current portfolio positions and future procurement targets, and portfolio market to market and counterparty exposure. The Committee confirmed that CEA is in compliance with its Energy Risk Management Policy. The next regular meeting of the Committee is scheduled for June 6, 2024.

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

VENDOR	DESCRIPTION	AMOUNT
None		

**FISCAL IMPACT:**

There is no fiscal impact with this action.

Submitted for Board consideration:



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Gregory Wade  
Chief Executive Officer

**ATTACHMENTS:**

None.



## Staff Report

**DATE:** April 25, 2024  
**TO:** Clean Energy Alliance Board of Directors  
**FROM:** Gregory Wade, Chief Executive Officer  
**ITEM 5:** Receive Regulatory Update from Keyes & Fox

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**RECOMMENDATION:**

Receive the Regulatory Update from Keyes & Fox.

**BACKGROUND AND DISCUSSION:**

Clean Energy Alliance contracts with Keyes and Fox for Regulatory Advocacy related activities. Each month Keyes and Fox provides an update to the CEA Board on key items of interest.

**FISCAL IMPACT:**

There is no fiscal impact from this action.

Submitted for Board consideration

A handwritten signature in blue ink, appearing to read "Gregory Wade", written over a horizontal line.

Gregory Wade  
Chief Executive Officer

**ATTACHMENTS:**

- A. Keyes & Fox Regulatory 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 Memo

Date: April 11, 2024

Keyes & Fox LLP and EQ Research LLC are pleased to provide CEA's Board of Directors with this informational memo describing recent developments in key California regulatory and compliance-related updates from the California Public Utilities Commission (CPUC). Additional information is available in CEA's [Digest of Regulatory Updates](#).

#### Provider of Last Resort (R.21-03-011)

- Comments on the Provider of Last Resort (POLR) [Proposed Decision](#) (PD) were filed on April 3 and reply comments were filed on April 8. The PD may be heard as early as the April 18 Commission meeting.
- In addition to recommending modifications to reduce the increase in the PD's Financial Security Requirement (FSR) amount, CalCCA's [comments](#) recommended more specificity in the timing of the FSR calculations and the timing of reporting requirements when a Tier 2 monitoring condition has been triggered, that audited financial statements should be provided to the Commission once per year, an additional 30 days (60 days total) for CCAs to post their first FSR amount after the new calculations are available, and other clarifications regarding terminology in the PD.
- SDG&E's [comments](#) recommended the Tier 2 financial monitoring threshold for the adjusted debt service coverage ratio be increased from 1 to 1.25 – a recommendation challenged by CalCCA in [reply comments](#).
- CalAdvocates' [comments](#)' recommendation that there be no confidentiality protections for CCAs subject to Tier 2 financial monitoring was also challenged in CalCCA's reply comments.

#### Demand Flexibility (R.22-07-005)

- On March 27, the CPUC issued a [Proposed Decision](#) (PD) addressing the income-graduated fixed charges (IGFC) and other requirements of AB 205 (Stats. 2022, ch. 61.). The PD may be heard as soon as the May 9 Commission meeting. Comments on the PD are due April 16 and reply comments are due April 22.

- IGFCs will be implemented in three income-based tiers by the large electric utilities via advice letter. The large utilities would discontinue their existing minimum monthly bill charges after the IGFC is implemented. SCE and SDG&E are directed to implement the IGFC starting in Q4 2025 and other utilities must implement the IGFC starting in Q1 2026.

- Although fixed charges are intended to result in slightly lower bills for customers whose usage is unchanged, the longer-term expectation expressed in the PD is that by lowering volumetric energy rates – for bundled non-CARE/FERA IOU

Income Tiers	Fixed Charge, \$/month
Tier 1 – CARE customers	\$6
Tier 2 – FERA customers*	\$12
Tier 3 – other customers	\$24.15
*also applies to customers who live in affordable housing restricted to residents with incomes at or below 80% of Area Median Income	

customers of PG&E by \$0.047/kWh, SCE by \$0.046/kWh, and SDG&E by \$0.068/kWh – IGFCs will encourage increased adoption of building and transportation electrification technologies and accelerate economy-wide decarbonization efforts. For CCAs however, the lower volumetric rates of electric utilities may complicate customer comparisons between utilities' and CCAs' total cost of electric service.

### **Diablo Canyon Cost Recovery (A.24-03-018)**

- On March 29, PG&E submitted an [Application](#) for the recovery of its costs through electric rates for extended operations at the Diablo Canyon Power Plant (DCPP) for the period September 1, 2023 through December 31, 2025. In its evaluation of mid-term procurement needs to ensure system reliability, the Commission determined that extended operation of the DCPP is essential to ensure reliability in the near-term period. PG&E estimates a total of \$1,225 million in DCPP-related costs that will be offset by an estimated \$813 million in CAISO revenue resulting in a net 2025 revenue requirement of \$418.4 million.
- These costs will be allocated to all retail electric customers in the state as a non-bypassable public purpose charge, and in exchange load-serving entities (LSEs) such as CCAs will be allocated resource adequacy and GHG-free benefits in the same proportion as their customers are allocated costs. The revenue requirement and per-customer charges in PG&E's territory are \$232.2 million, or about \$2.07/month per average non-CARE customer; in SCE's territory are \$150.6 million, or about \$1.25/month per average non-CARE customer; and in SDG&E's territory are \$35.6 million, or about \$0.87/month per average non-CARE customer.

### **RPS (R.24-01-017)**

- On April 8, the Energy Division Staff provided formal approval of CEA's 2023 RPS Procurement Plan in a [Notice of Approval](#).
- At the April 4 prehearing conference, LSEs and other parties expressed broad support for the Commission to provide at least 6-8 weeks between the issuance of the Assigned Commissioner's Ruling (ACR) that will establish the requirements for the next RPS Procurement Plan filings and the first filing deadline for draft plans, and potentially even additional time if there are substantial changes to the required plan related to the start of the next RPS Compliance Period. The ACR is expected to be issued later in April.

## Staff Report

**DATE:** April 25, 2024

**TO:** Clean Energy Alliance Board of Directors

**FROM:** Andy Stern, Interim Chief Financial Officer/Treasurer

**ITEM 6:** Financial Review Year to Date & Forecasting through June 2024

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**RECOMMENDATION:**

Receive a presentation on the Financial Review Year to Date & Forecasting through June 2024.

**BACKGROUND AND DISCUSSION:**

Staff will provide an update on financial results and performance through February 2024, and will provide a forecast through the end of the fiscal year ending June 2024.

**FISCAL IMPACT:**

There is no fiscal impact from this action.

Submitted for Board consideration:



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Gregory Wade  
Chief Executive Officer

**ATTACHMENTS:**

None.