



# **Board of Directors Meeting**

September 25, 2025

# Item 3: CEO Operational and Administrative Report

# CEA Staffing

## New CEA Employee:

Amy Williams      Executive Assistant/Office Manager

# CEA Enrollment Stats

Member City	Eligible Accounts	Clean Impact – 50% Renewable	Clean Impact Plus – 75% Carbon Free	Green Impact – 100% Renewable	Participation Rate
Carlsbad	54,998	178	49,227	654	91%
Del Mar	3,022	10	2,754	73	94%
Escondido	57,111	152	53,280	74	94%
Oceanside	74,227	202	68,881	103	93%
San Marcos	37,214	115	35,592	76	93%
Solana Beach	7,773	14	6,907	158	91%
Vista	39,471	84	36,957	327	95%
<b>TOTAL</b>	<b>273,816</b>	<b>755</b>	<b>252,598</b>	<b>1,025</b>	<b>93%</b>

CEA serves a total of 254,378 customer accounts across its seven member agencies

# Completed Community Events

DATE	DESCRIPTION	CITY
August 9, 2025	Flapjacks for Backpacks	San Marcos
August 9, 2025	2nd Annual Back 2 School: An Artful Start	Escondido
August 20, 2025	Carlsbad Chamber of Commerce – CEO Update	Carlsbad
August 25, 2025	Sustainability Advisory Committee Presentation	Del Mar
August 27, 2025	Environmental Commission Presentation	Vista
Sept. 8, 2025	Universidad Popular Energy Workshop (Spanish)	Escondido
Sept. 13, 2025	Climate Action Campaign 10th Anniversary	San Diego
Sept. 16, 2025	Universidad Popular Energy Workshop (Spanish)	San Marcos
Sept. 17, 2025	Universidad Popular Energy Workshop (English)	Carlsbad
Sept. 20, 2025	Escondido Fire and Water Expo	Escondido

# Upcoming Community Events

DATE	DESCRIPTION	CITY
Sept. 26, 2025	Oceanside Heroes Banquet	Oceanside
Sept. 27, 2025	NCAAWA Gentlemen's Gourmet	Oceanside
Sept. 27, 2025	City of Vista - Cyclovia	Vista
October 7, 2025	CPUC Small & Diverse Business Expo	Carson, CA
October 8, 2025	CPUC 23rd Annual Supplier Diversity En Banc	Carson, CA
October 12, 2025	San Marcos Harvest Fest	San Marcos
October 16, 2025	Cleantech San Diego – CEO Presentation	San Diego/Del Mar
October 19, 2025	Escondido Grand Avenue Fall Festival	Escondido
November 2, 2025	Carlsbad Village Street Faire	Carlsbad
November 7, 2025	17th Annual Lesley K. McAllister Climate & Law Symposium	San Diego

# Solar Plus & Battery Bonus Update

Member City	Solar Plus		Solar Plus Connect		Battery Bonus		Battery Bonus Connect	
Status	Active	Complete	Active	Complete	Active	Complete	Active	Complete
Carlsbad	4	1	3	0	0	0	11	0
Del Mar	0	0	1	0	0	0	1	0
Escondido	10	0	13	0	0	0	13	0
Oceanside	3	1	6	0	0	0	18	0
San Marcos	6	1	3	0	0	0	8	0
Solana Beach	2	0	1	0	0	0	2	0
Vista	2	1	7	0	0	0	12	0
TOTAL	27	4	34	0	0	0	65	0

Data as of 9/18/25

# Connect Programs SGIP Funding

Member City	Solar Plus Connect	Battery Bonus Connect
Carlsbad	\$91,080	\$198,000
Del Mar	\$30,360	\$19,800
Escondido	\$408,480	\$217,800
Oceanside	\$188,520	\$354,024
San Marcos	\$90,685	\$158,400
Solana Beach	\$29,485	\$39,600
Vista	\$156,250	\$274,854
TOTAL	\$994,860	\$1,262,478

Data as of 9/8/25



# PeakSmart Savers Update

Member City	Participants
Carlsbad	2
Del Mar	1
Escondido	5
Oceanside	3
San Marcos	0
Solana Beach	0
Vista	5
TOTAL	16

Data as of 9/22/2025

# Rate Design Change Delay

- Board had previously supported a rate design change to set our base rate at our default product, Clean Impact Plus (50% renewable/75% carbon-free)
- Staff has been working closely with Calpine and, although there would be no rate changes with this, the rate design change would require several bill presentation changes including credit/premium adjustments and NEM bill adjustments

# Rate Design Change Delay

- SDG&E is implementing its Base Services Charge next month and will also be implementing its bill presentation changes soon
- Given the bill presentment complexities involved, and to avoid creating customer confusion, staff recommends delaying implementation of this rate design change and to study other options to implement this rate design
- At its meeting on September 11, 2025, the Risk Oversight Committee supported this recommendation

# Questions/Discussion – Item 3

# Item 4: Regulatory Update

# Clean Energy Alliance: Regulatory Update

Tim Lindl – Keyes & Fox LLP

September 25, 2025

# Overview

- Application 23-08-001: Final Decision in SDG&E Phase II General Rate Case (GRC)
- Rulemaking 20-05-012: Proposed Decision on Demand Response (DR) Enrollment Requirement for Self-Generation Incentive Program (SGIP)

# A.23-08-001: SDG&E Phase II General Rate Case

- Purpose of a Phase II Rate Case
- Issues we litigated to improve customer understanding of bills
- September 18 Final Decision:
  - PCIA listed on bundled customer bills and tariffs as separate line item
  - Volumetric charge (same as CCA bill)

<b>Gas Charges</b>	
Gas Service	\$35.60
<b>Other Charges &amp; Credits (Gas)</b>	
Public Purpose Programs	\$1.51
Other	\$ .05
<b>Electric Charges</b>	
Electricity Generation	\$17.78
Transmission	\$11.31
Distribution	\$23.21
Competition Transition Charge	\$ .23
Local Generation Charge	\$2.13
Total Rate Adj. Comp.	\$8.61
<b>Other Charges &amp; Credits (Electric)</b>	
Public Purpose Programs	\$3.92
Wildfire Fund Charge	\$ .82
Other	\$ .26
<b>Total Current Charges</b>	<b>\$105.43</b>
<b>\$6.84 of your Electricity Generation Charge is your bundled PCIA charge.</b>	



## R.20-05-012: SGIP Funding for CCAs

- **From July CEA Board Meeting:**
  - **12/20/23** - D.24-03-071 Commission ordered that SGIP PAs ensure SGIP incentive applicants enroll in an approved qualified DR program
  - **5/15/25** - CEA AL12-E to Update Qualified Demand Response Program List for AB 209 SGIP Incentives in Compliance With D.23-12-005 and D.24-03-071 (Now suspended)
  - **7/7/25** - ACR in Rulemaking asks: “Should the Commission remove the DR requirement for all residential low-income customers applying to the Residential Solar and Storage Equity budget?”
  - **7/15/25** - Joint CCAs, including CEA, filed in support
- **August 29 Proposed Decision removes the DR requirement for all residential low-income customers**
- **September 18 comments on the PD urged the Commission to expand the exemption to all customers without access to a qualified DR program (not just low-income customers)**

# QUESTIONS?

Tim Lindl

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(510) 314-8385

# Questions/Discussion – Item 4

# Item 5: Amendment No. 1 to VAMO Agreement with SDG&E

# Recommendation

- That the CEA Board adopt Resolution No. 2025-041, approving Amendment No. 1 to the Voluntary Allocation Market Offer (VAMO) Renewable Energy Confirm Agreement with San Diego Gas & Electric (SDG&E)
- Authorize the Chief Executive Officer to execute the Amendment, subject to Transactions Attorney approval.

# Background & Discussion

- In December 2021, CEA executed a renewable energy purchase agreement (the “Agreement”) with SDG&E as a part of a State-mandated VAMO process
- VAMO provides a structure for incumbent investor-owned utilities to offer a share of the output of their existing portfolio of renewable energy projects to unbundled customers moving over to Community Choice Aggregators
- California Public Utilities Commission (CPUC) Decision D.21-05-030, which was executed after the initial agreement, sets additional guidelines for VAMO contracts – the VAMO contract must extend through the contract term of all underlying contracts
- VAMO Agreement is scheduled to end in 2032, however, many of the underlying projects (primarily wind and solar) have contracts that extend past that date with some extending out to the early 2040s
- Amendment No. 1 is required to bring CEA’s VAMO Agreement into compliance with D.21-05-030

# Questions/Discussion – Item 5

# **Item 6: Amending CEA's Privacy and Customer Confidentiality Policy (Administrative Policy CEA-03) and Delegating Authority to the CEO to Adopt and Modify Administrative Policies**



# Recommendation

- That the Board consider and adopt:
  - Resolution No. 2025-042 Amending CEA's Privacy and Customer Confidentiality Policy (Administrative Policy CEA-03); and
  - Resolution No. 2025-043 Delegating Authority to the Clean Energy Alliance (CEA) Chief Executive Officer (CEO) to Adopt and Modify Administrative Policies.

# Background & Discussion

- Privacy & Customer Confidentiality Policy (CEA-03)
  - Implements CPUC D.12-08-045 extending privacy protections to CCAs including protections of customer information, data and specific data retention rules
  - Resolution No. 2025-042 aligns Administrative Policy CEA-03 with D.12-08-045 and with CEA's Records Retention Schedule (CEA-11) to state that customer data shall be retained *“as long as is reasonably necessary or... for a specific secondary purpose authorized by the customer”* and for a period for *“not more than five (5) years and not less than two (2) years.”*
  - Resolution No. 2025-042 adopts this proposed amendment along with other minor amendments related to SMS notifications and updating CEA's email and address for purposes of Policy CEA-03
  - Finally, Resolution No. 2025-042 authorizes and delegates authority to the CEO to make further modifications to Administrative Policy CEA-03 with any such modifications being reported to the CEA Board at its next regular meeting thereafter

# Background & Discussion

- Delegation of Authority to Adopt/Amend Administrative Policies
  - CEA JPA Agreement provides that the Board appoints a CEO to be responsible for the day-to-day operations and management of CEA and states the Board shall exercise specific powers except those which the Board may elect to delegate to the CEO, including *“adoption of rules, regulations, policies, bylaws and procedures governing the Authority”*
  - As such, it is recommended that the Board authorize the CEO to establish and modify Administrative Policies to properly carry out necessary operational and management duties and responsibilities without first having to receive prior Board approval
  - Resolution No. 2025-043 delegates that authority to the CEO and also requires that any adoption or modification of an Administrative Policy must be reported to the CEA Board at its next regular Board meeting

# Questions/Discussion – Item 6

# Item 7: Long-Term Power Procurement Strategy

# Background

CEA must balance different priorities when developing a long-term procurement strategy:

1. Contract for renewable energy to meet **100% renewable by 2035**
2. Procure for compliance products to meet state-mandated compliance requirements:
  - Resource Adequacy (RA) – **grid reliability**
  - Renewable Portfolio Standards (RPS) – **grid renewable content**
3. Hedge against market price volatility by purchasing power ahead of time and **locking in power supply costs**

# Procurement Considerations - Affordability

CEA has a commitment to provide reliable and renewable electricity to its customers **at an affordable cost.**

In fact, CEA's customers rank affordability as the most important issue relating to energy/electricity:

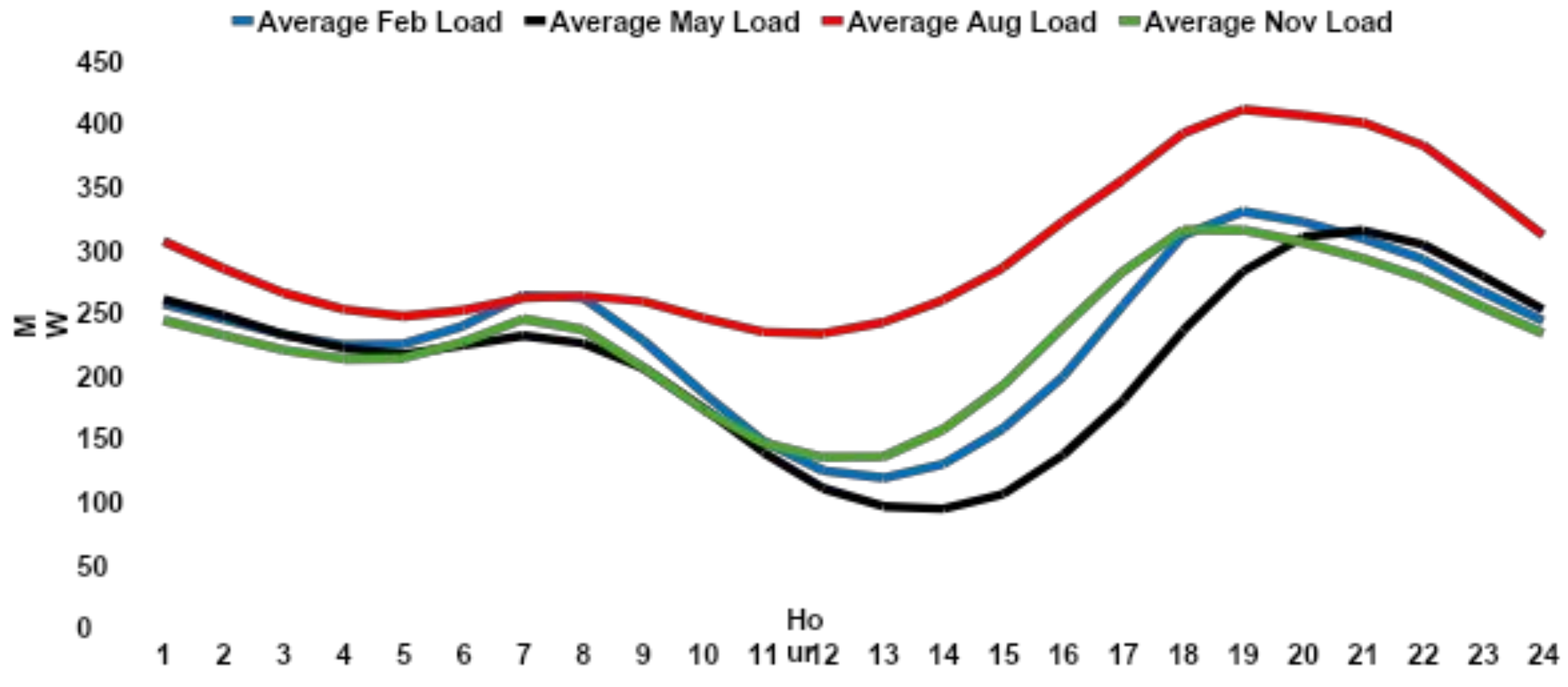
- In our 2025 Community Needs Survey, **81%** of CEA customers ranked reducing their energy costs as **extremely important.**

# Other Procurement Considerations

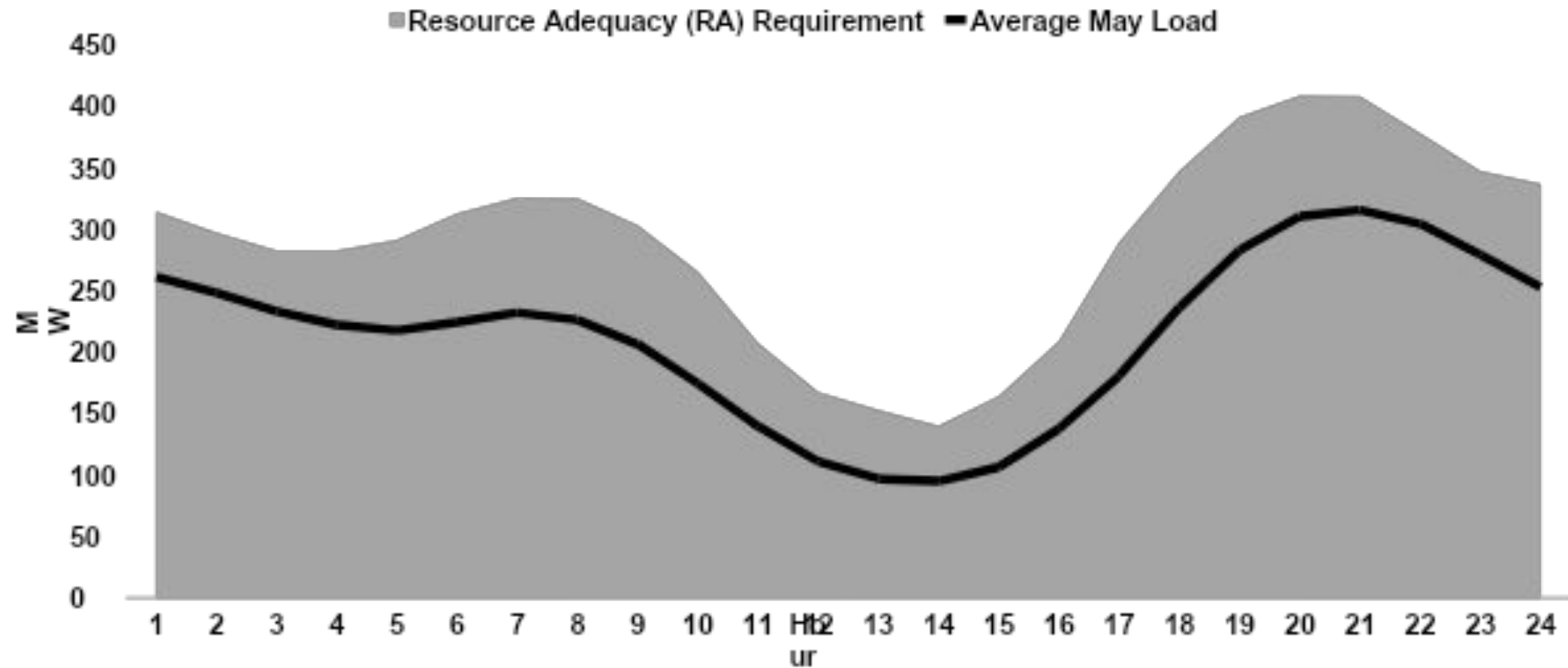
- Balancing the number of long-term (i.e., Power Purchase Agreements) and short-term agreements in CEA's portfolio
  - **65%** of CEA's RPS portfolio must come from long-term agreements
- Assess whether **additionality** (new-build resources) should be emphasized as part of CEA's procurement strategy
- Evaluate the overall **value** each potential project / resource provides
  - How do different generation profiles fit with CEA's load shape?
  - What is the compliance value for each resource type/project?
  - How do contract costs differ between resource types?



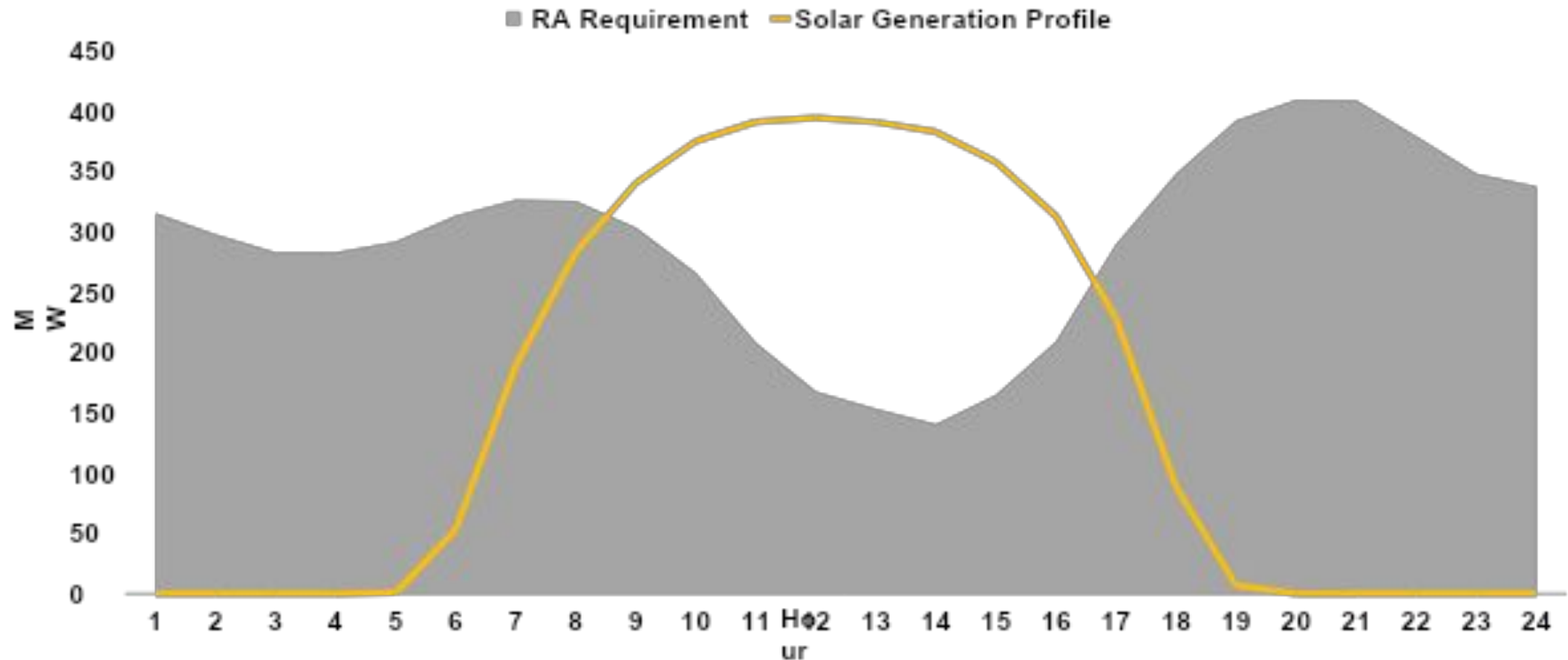
# CEA's load profile varies significantly across seasons



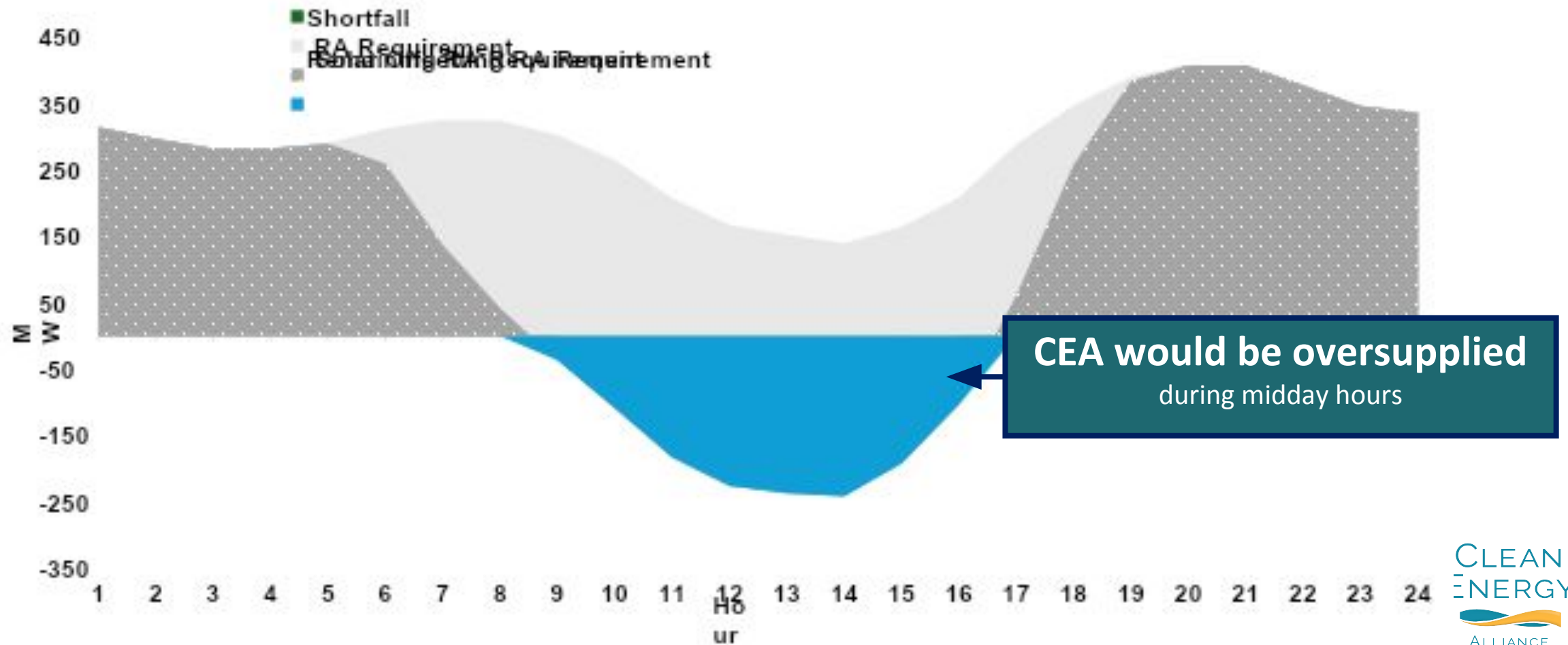
# Meeting reliability (RA) involves adding a buffer on top of average and peak load



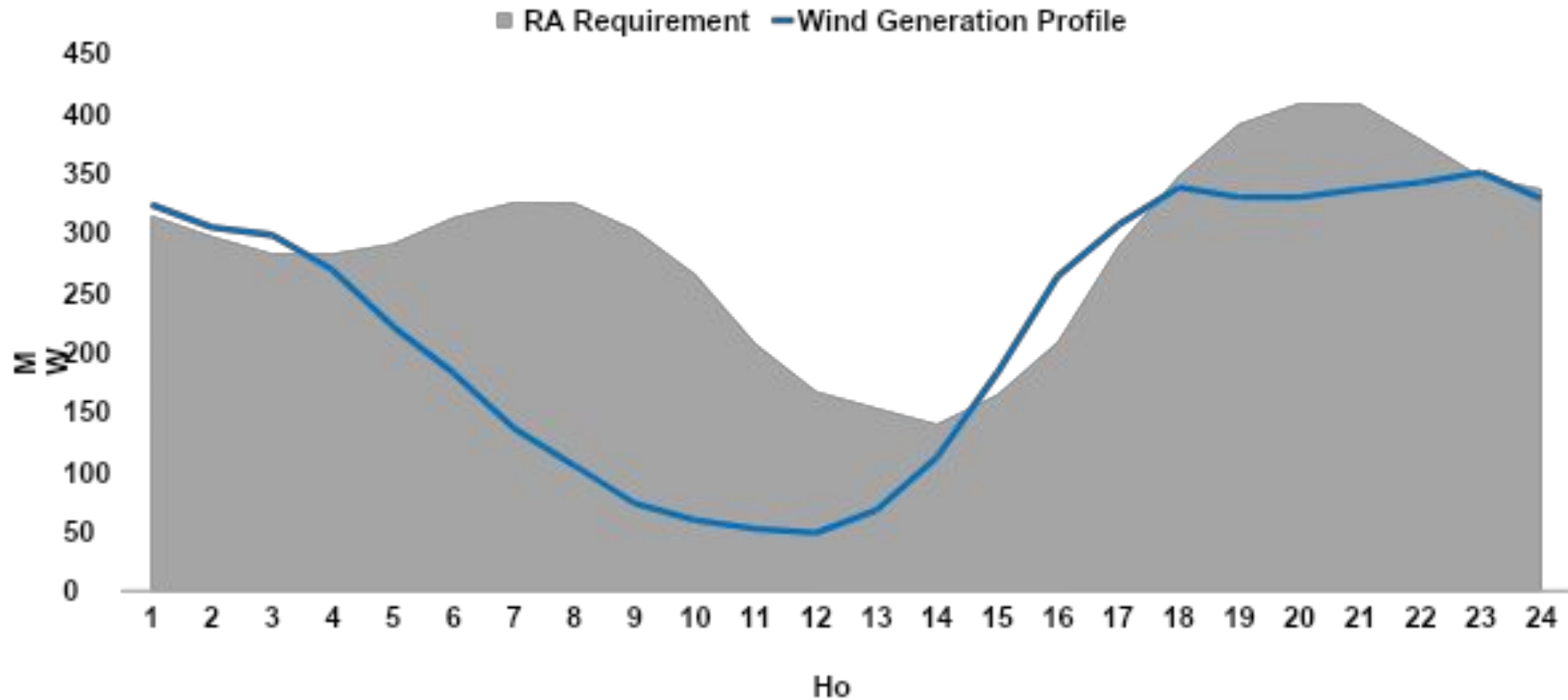
# Solar vs CEA's RA Needs – May



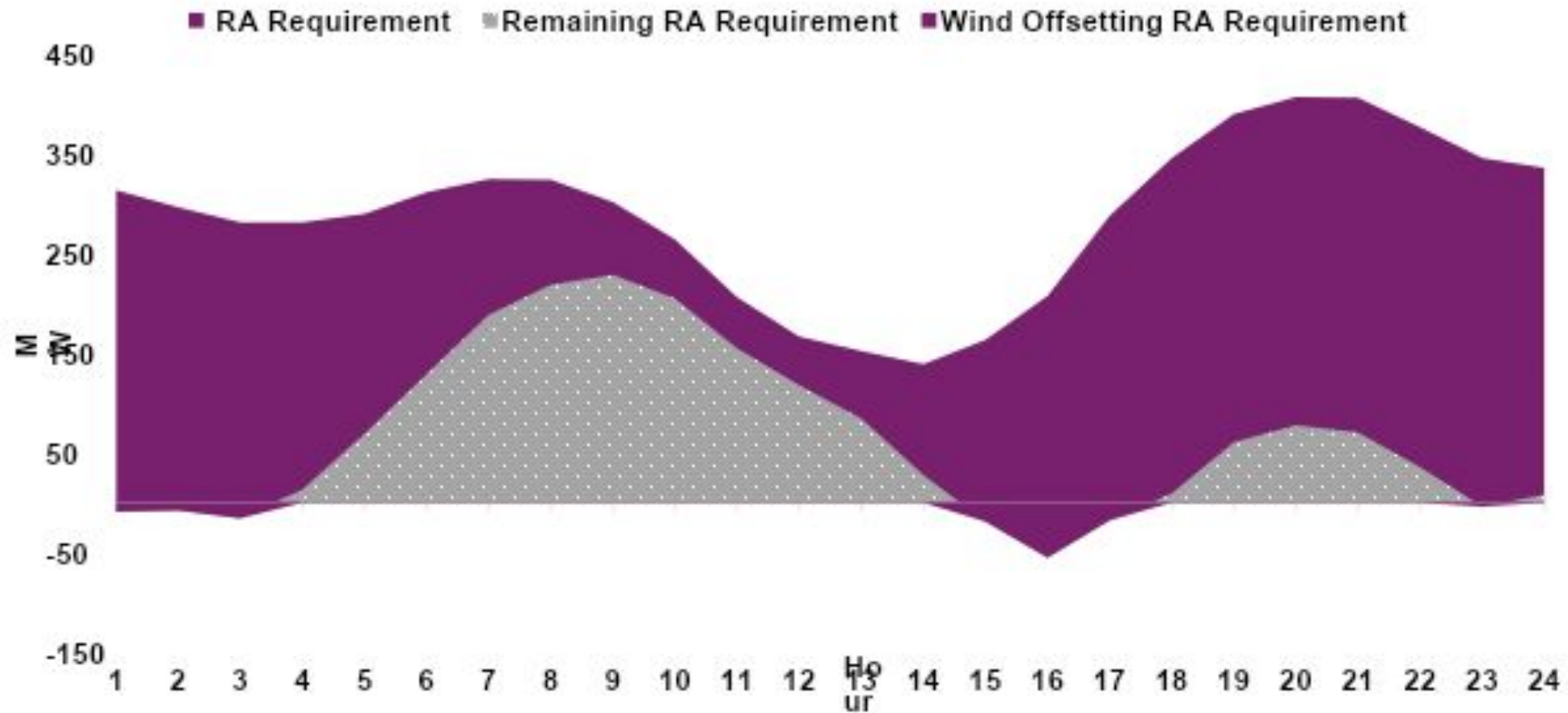
# Solar vs CEA's RA Needs – May (cont.)



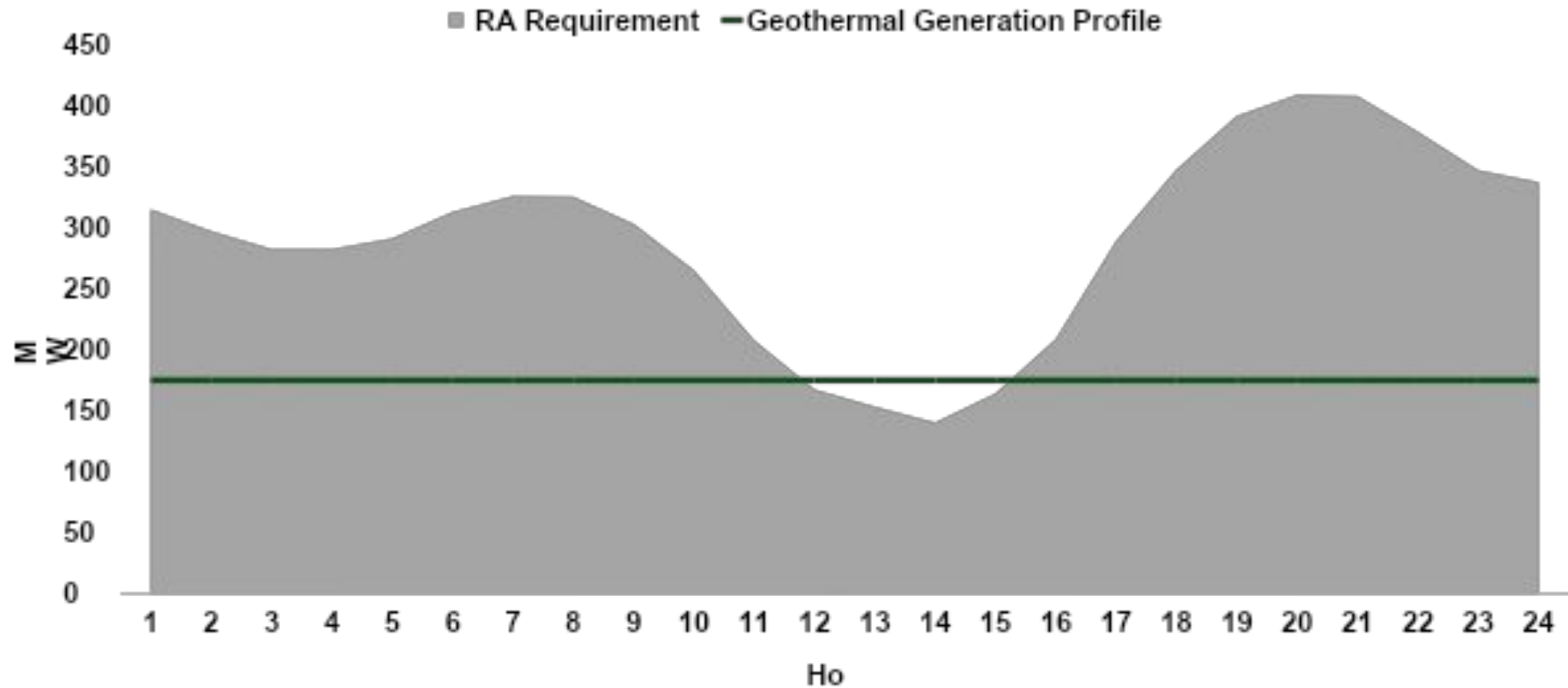
# Wind vs CEA's RA Needs – May



# Wind vs CEA's RA Needs – May (cont.)

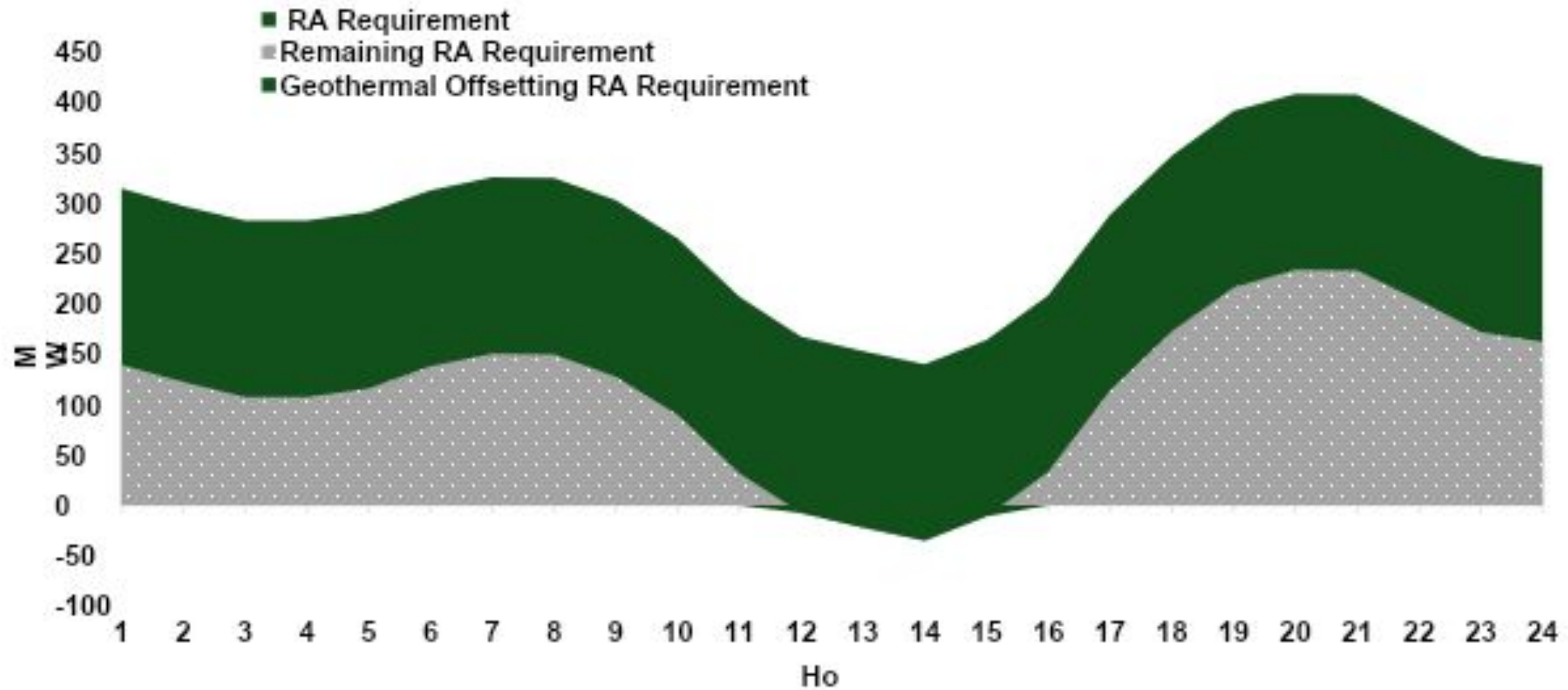


# Geothermal vs CEA's RA Needs – May



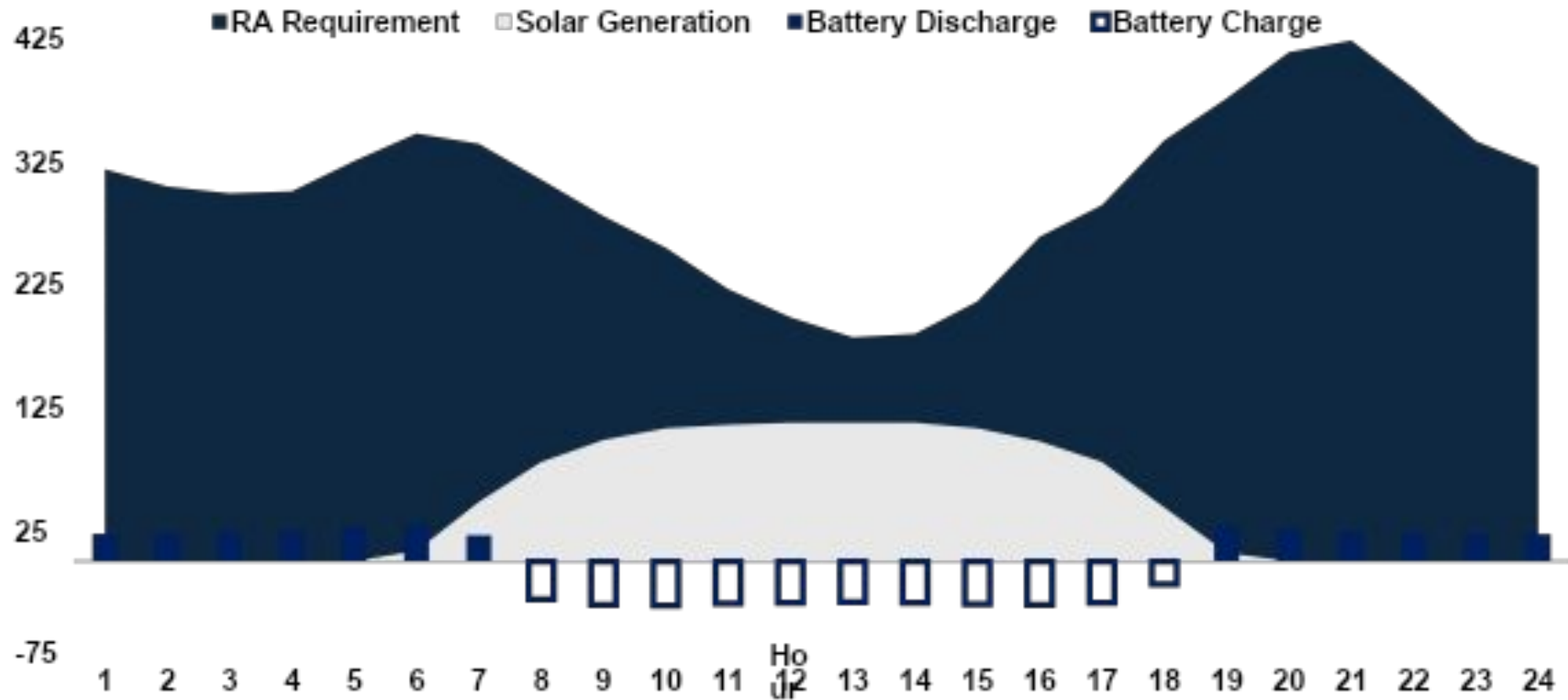


# Geo vs CEA's RA Needs – May (cont.)

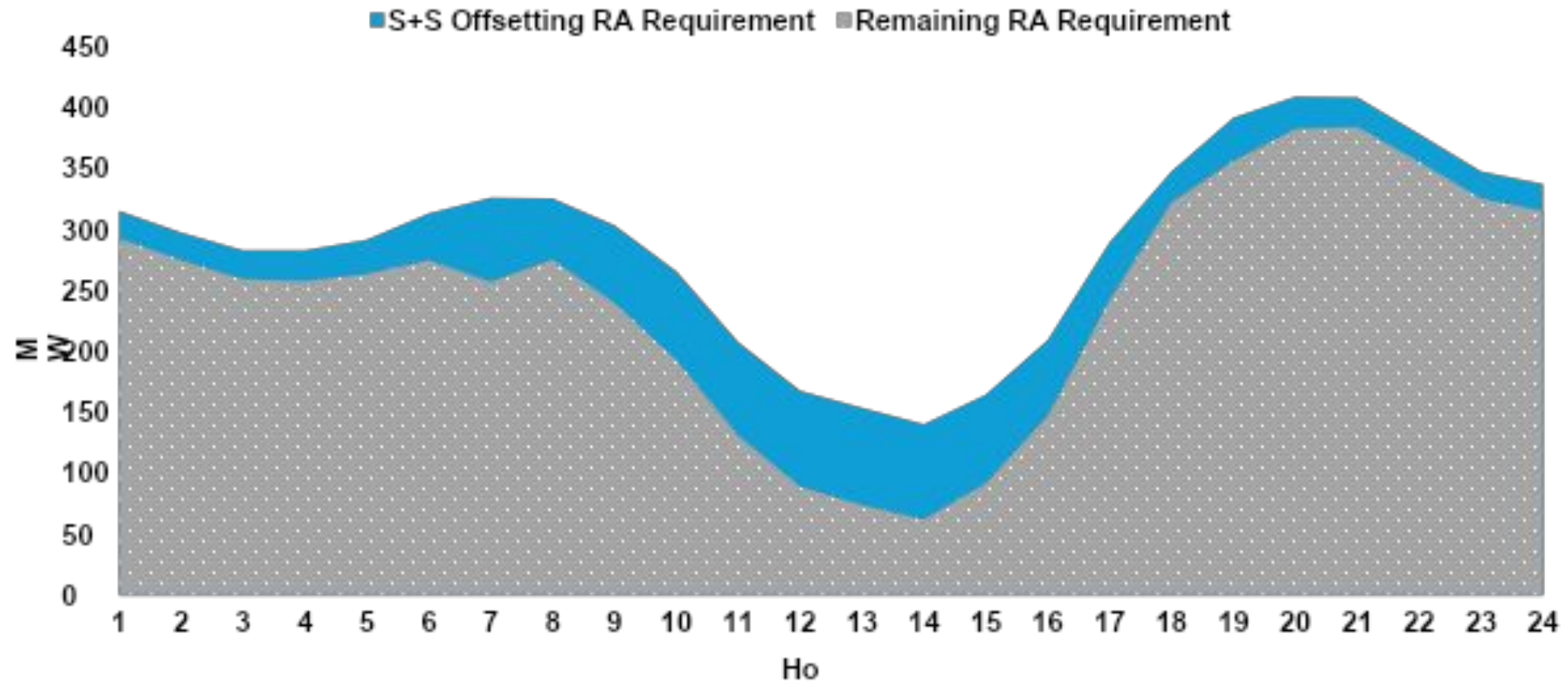




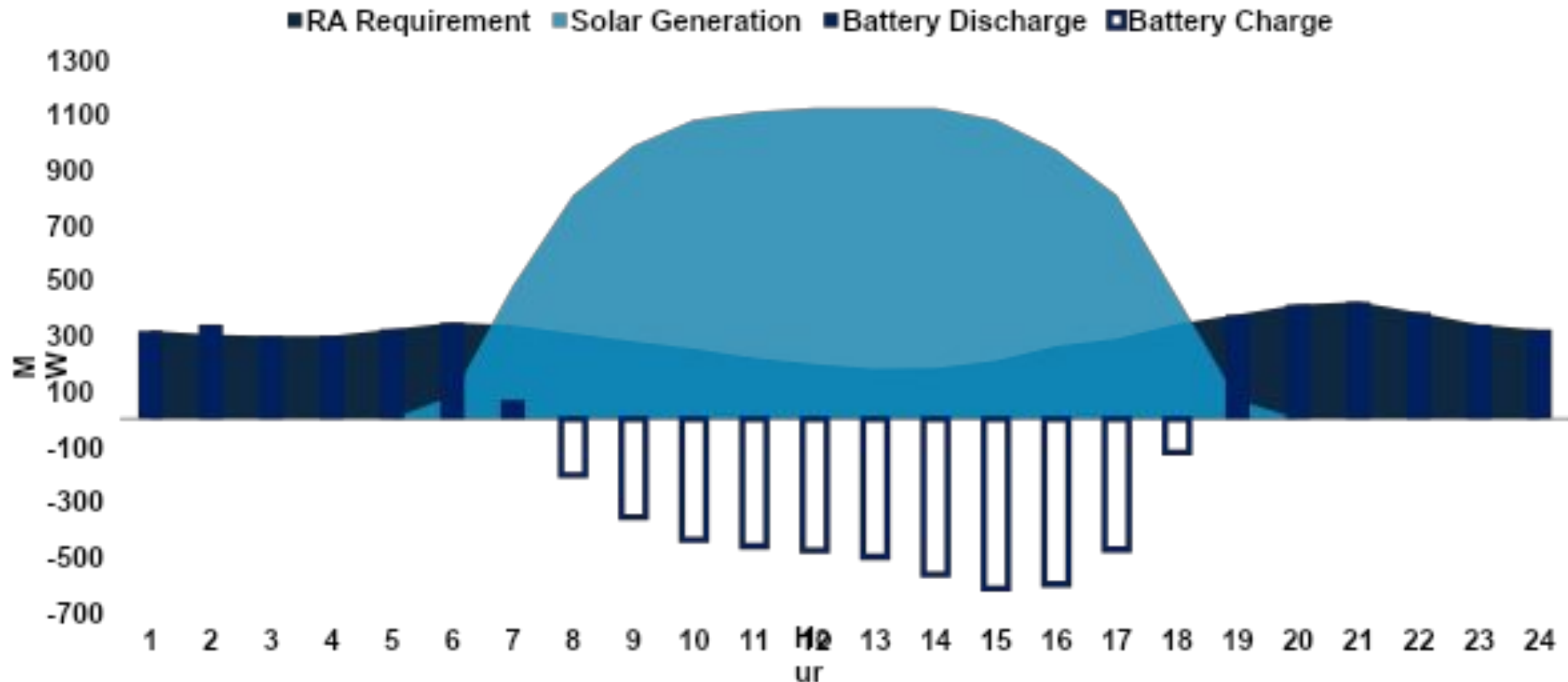
# CEA's Darden S+S project vs May reliability needs



# S+S vs CEA's RA needs – May (cont.)

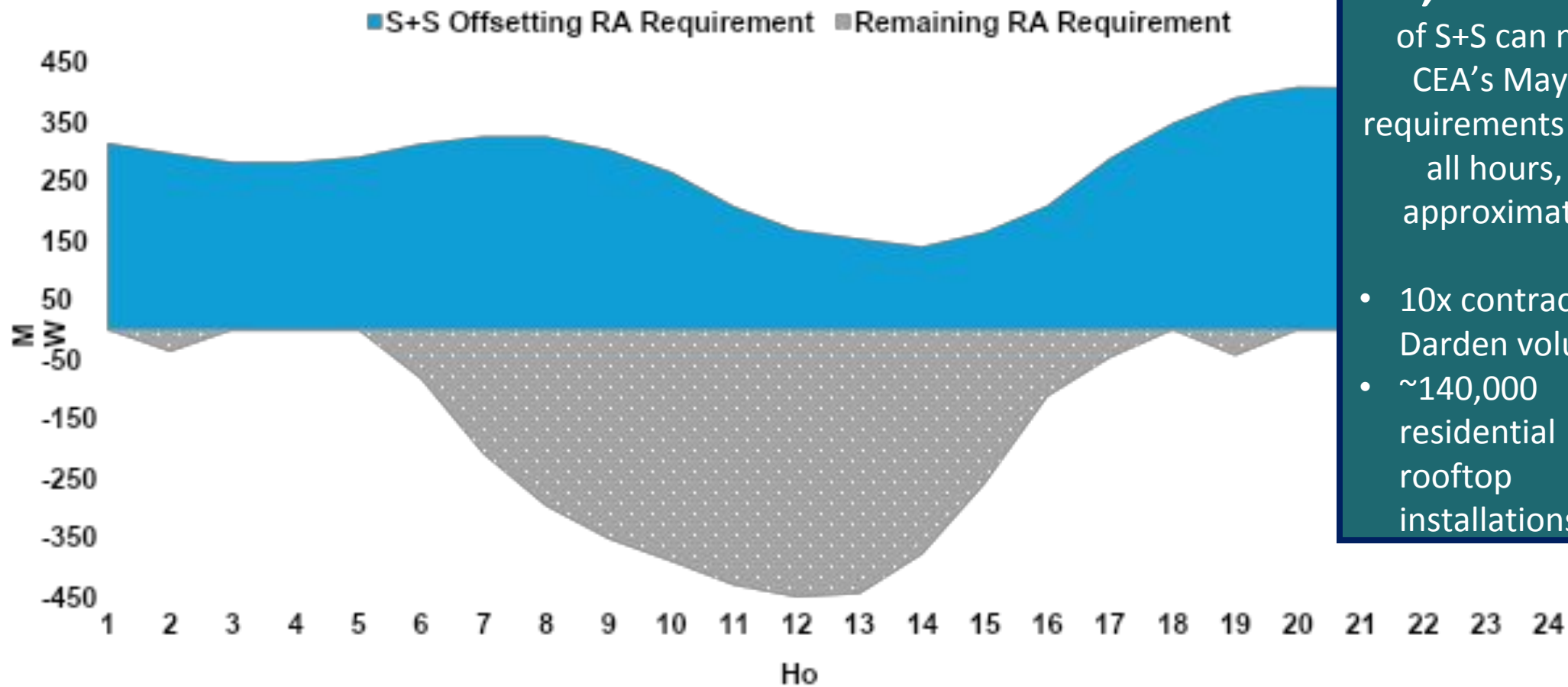


# Meeting CEA's May RA with S+S Only



# Meeting CEA's May RA with S+S Only

(cont.)



**1,380 MW**  
of S+S can meet  
CEA's May RA  
requirements across  
all hours, or  
approximately:







- 10x contracted Darden volume
- ~140,000 residential rooftop installations

# Relative Value

- Contract Cost
  - Power Purchase Agreement (PPA)
- Energy Value
  - Energy prices when the resource is generating, and whether the timing of this generation can be used to supply CEA's load
- Compliance Value
  - Resource Adequacy

# Contract Costs

- Project developers offer CEA fixed PPA pricing for projects, based on their construction and financing costs.
- PPA pricing can vary dramatically between projects and between resource types
- Newer or high demand technologies may come at a cost premium

	Contract Cost (PPA Pricing)
Solar	
Solar + Storage	
Wind	
Geothermal	 
Biomass/Biogas	

# Energy Value

Energy value depends on:

- Pricing where the project is located on the grid and how this may change over time (e.g., as other projects are built)
- Time of day when the resource generates
- Layout of the grid and other resources

	Energy Value
Solar	●
Solar + Storage	●
Wind	●
Geothermal	●
Biomass/Biogas	●

*Note: PPA contracts are often 10+ years; power prices could change dramatically this far out and depend on how many projects of resource types (geothermal, solar, wind, etc.) are added in different locations on the grid. This can impact a project's value significantly.*



# Compliance Value – Resource Adequacy

- CEA's RA needs are tied closely to CEA's load profile, while also accounting for generation reliability (dispatchability vs intermittency)
- Resources that closely match CEA's load and are reliably generating will provide strong RA value to CEA

	RA Value
Solar	●
Solar + Storage	●
Wind	●
Geothermal	●
Biomass/Biogas	●



# Relative value and long-term portfolio development

	Contract Cost (PPA Pricing)	Energy Value	RA Value	Relative Value
Solar	●	●	●	●
Solar + Storage	●	●	●	●
Wind	●	●	●	●
Geothermal	● ●	●	●	●
Biomass/Biogas	●	●	●	●

*Note: shifts in Contract Cost dynamics (technology development, supply/demand balance, tax credits / tariffs) could change Relative Value conclusions.*

# What might a 24/7 100% renewable portfolio entail?

- As an initial analysis, CEA can consider how to achieve this goal during a load month such as May.
- Meeting CEA's RA requirements – which account for time-of-use, resource reliability, and a buffer – offers an illustrative view of how a fully renewable portfolio could achieve 24/7, approximately 100% renewable energy
- From CEA's JPA:

**6.4 Renewable Portfolio Standards.** The Authority shall provide its customers energy primarily from Category 1 and Category 2 eligible renewable resources, as defined under the California RPS and consistent with the goals of the CCA Program. The Authority shall avoid the procurement of energy from Category 3 eligible renewable resources (unbundled Renewable Energy Credits or RECs) to the extent feasible. The Authority's ultimate objective shall be to achieve—and sustain—a renewable energy portfolio with 100 percent renewable energy availability and usage, at competitive rates, within the Authority service territory by no later than 2035, and then beyond.

# CEA's Recent Procurement Efforts

## Fall 2024 RFP

**40+** total Responses

### **9 Cluster 14 (nearer-term) responses**

- 5 standalone storage
- One standalone solar
- 3 solar + storage

- Some Cluster 14 projects were constrained by transmission upgrades, unable to start operating until the early 2030s
- Local San Diego / Imperial Valley options were extremely limited

## Spring 2025 Non-S+S RFP

**Less than 10**  
total Responses

- Mostly Wind offers were received
- Very limited geothermal participation

- Responses were indicative of a high demand, low supply market
- Other concerns raised included:
  - Tariff/tax law and project cost uncertainty
  - Interconnection queue delays
  - Transmission constraints and transmission upgrade delays are limiting deliverability for multiple projects

# Key Takeaways

- Potential strategies for near-term renewable procurement, centering on affordability:
  1. Move quickly to lock in contracts with pre-2030 projects
  2. Limit near-term procurement and prioritize facilitating better-fit resource types in anticipation of better policy environment
- Explore earlier stage project opportunities and market development initiatives for key resource types such as geothermal
- There is potential for state and local policy and advocacy efforts to improve CEA's future renewable energy options:
  - Transmission upgrades and expansion
  - New technology development facilitation (e.g., geothermal)
  - Nuclear as another 24/7 GHG-free option
  - Permitting improvements

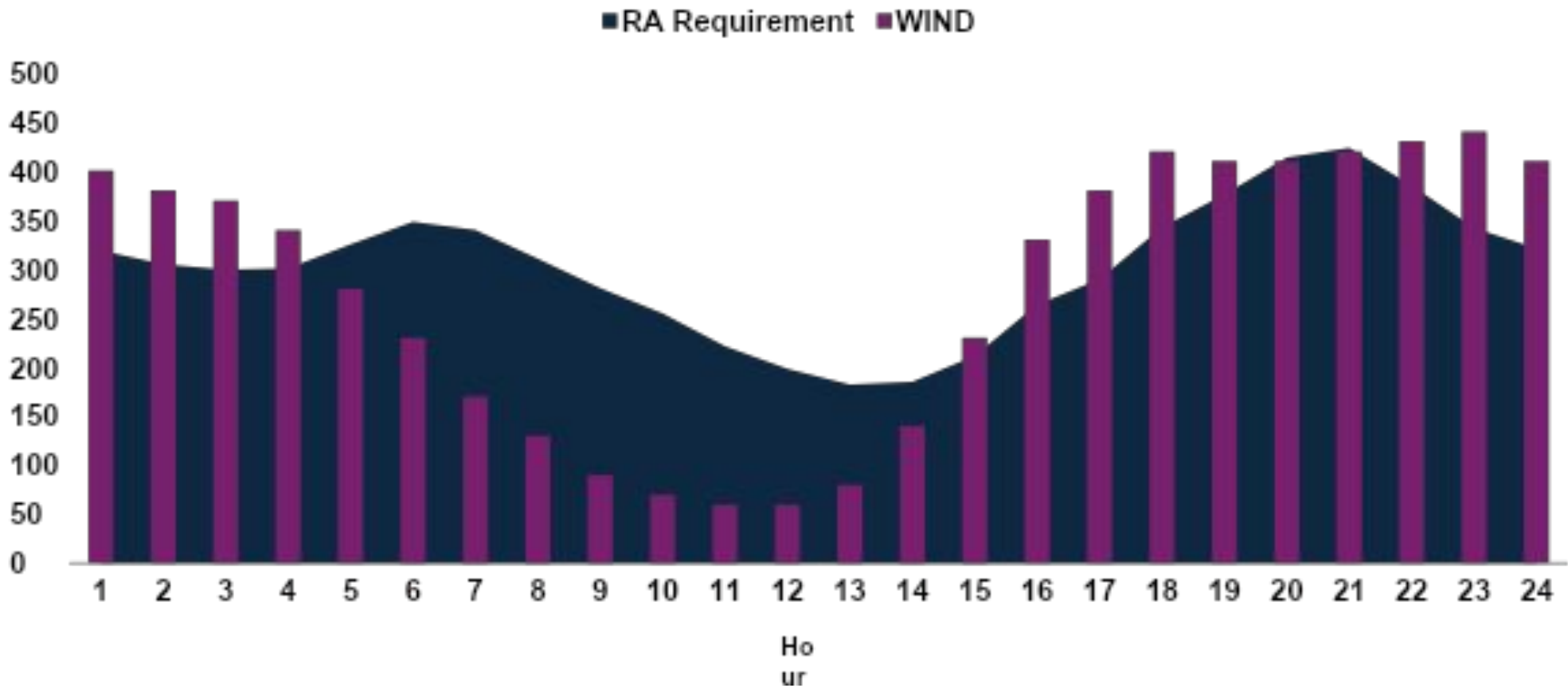
# Future Board Decisions

- Should CEA prioritize achieving 100% renewable faster, if this comes at a potential cost premium?
  - Is there a preferred direction for near-term procurement strategy (lock in projects now vs wait until 2030s)?
- Nuclear as a 24/7 GHG-free option for CEA?
- Should CEA's 100% renewable product also be 24/7 renewable?

# Questions/Discussion

# Questions/Discussion – Item 7

# Meeting CEA's May RA with Wind Only





# Meeting CEA's May RA with Wind Only

(cont.)

