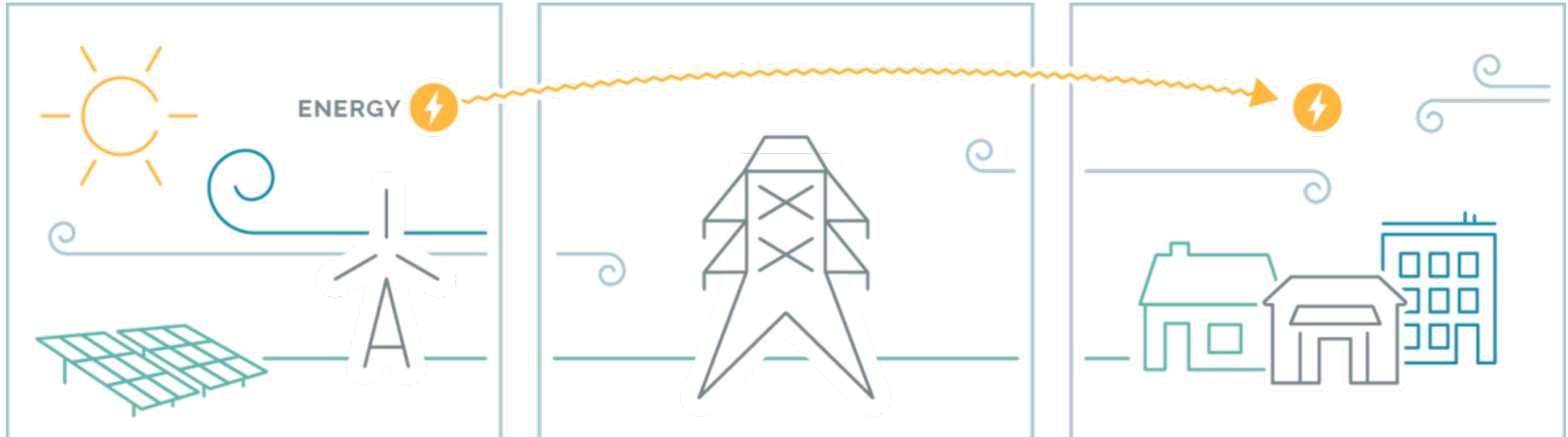




Clean Energy Alliance

Clean Energy. More Choices. Locally Controlled.

How It Works



1 Clean Energy Alliance purchases power directly from power providers and/or builds energy generation sources.

2 SDG&E delivers energy, handles billing and serves customers.

3 You receive energy at competitive rates.

What is Clean Energy Alliance?

- Formed by the cities of Carlsbad, Del Mar and Solana Beach, CEA is a new CCE launching May 1, 2021.
- CEA is supported by ratepayers. As a joint powers authority (JPA), CEA is a separate legal entity from its member agencies and its budget is separate from the cities' general funds.
- When the CEA launches, Solana Energy Alliance will merge into the new CCE.
- CEA will offer residents and local businesses clean power at competitive rates.

Why did the cities of Carlsbad, Del Mar, and Solana Beach create CEA?

- To meet the goals of each municipality's Climate Action Plan.
- To be able to reinvest available revenue generated by the program back into the community.





Benefits of CEA

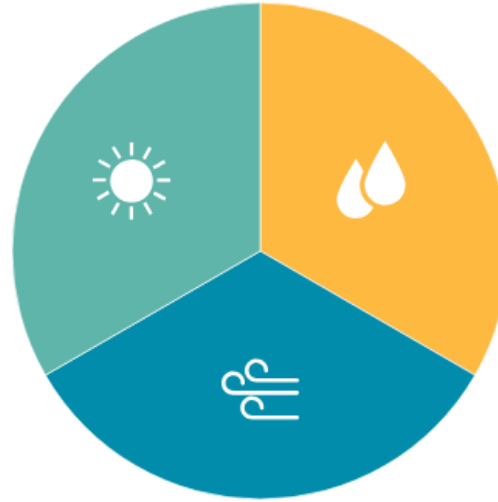
- Increased purchasing power for higher renewable energy content, helping member cities advance quicker on their mission to reduce greenhouse gas emissions.
- Because CEA is a locally-controlled, not-for-profit entity, available revenue generated by the program can be reinvested into the community through energy projects and programs.
- With the possibility of clean power generation facilities on the horizon, CEA has the potential to create new, local jobs.

Customer Options



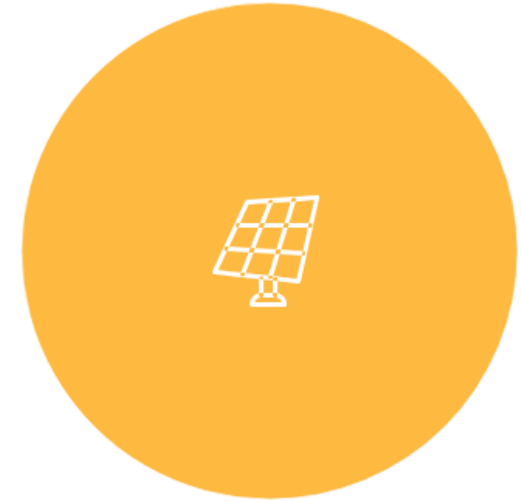
Green Impact

50% Renewable
Energy Content



Clean Impact

100% Renewable
Energy Content



Personal Impact

Available for customers
who generate their
own power.

*CEA Board is also considering:

- * 50/% renewable/75% Carbon Free Product

- * a program that offers rate relief for small businesses and low-income customers.

What Can CEA Customers Expect?

- Customers will be automatically enrolled in CEA's default product offering of at least 50% renewable energy content.
- Customers may choose to opt up to 100% renewable energy content or opt out and return to SDG&E.
- All program options are currently being finalized.

CEA Customer Outreach

- Mailers

- Four notification mailers about CEA's launch
 - May Enrollment (majority of customers):
 - March/April
 - June/July
 - June Enrollment:
 - April/May
 - July/August

- Community Meetings

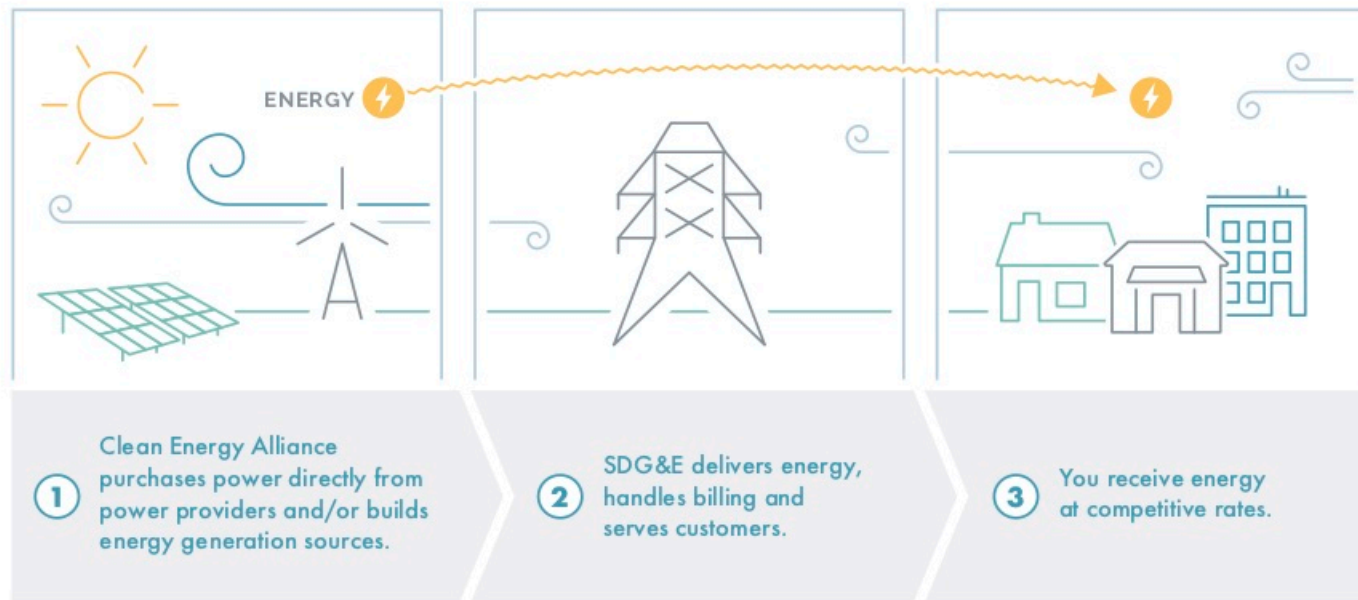
- CAC meetings with key groups to inform the community about CEA

Draft Mailer

CLEAN ENERGY. MORE CHOICES. LOCALLY CONTROLLED.

On May 1, 2021, residents of Carlsbad, Del Mar and Solana Beach will have a new default energy provider: Clean Energy Alliance (CEA). CEA, a locally controlled not-for-profit entity also known as a Community Choice Energy program, will offer clean power at competitive rates.

CEA was formed by the cities of Carlsbad, Del Mar and Solana Beach to help meet the goals of each municipality's Climate Action Plan. The program will be locally managed and available exclusively to residents and businesses within the three cities. The program is governed by the CEA Board of Directors, made up of elected officials from each city.



How it Works

CEA buys electricity and San Diego Gas and Electric (SDG&E) continues to deliver it to your home. Local control over buying energy allows CEA to make better investments in clean power. SDG&E will continue to handle billing and delivery to homes and businesses.

Benefits

Because CEA is a locally managed, not-for-profit entity, any excess revenue generated by CEA will be reinvested in the community through innovative energy projects, rebate programs and other incentives. CEA is designed to empower the local community through local control, clean power, competitive rates, reduced greenhouse gas emissions and more. By default, customers will be enrolled in a base 50% renewable energy plan with the option to opt up to a 100% renewable energy plan. Customers may also choose to opt out and remain with SDG&E. For more information on how to opt up or opt out, please visit thecleanenergyalliance.org or call (###) ###-####.

For more information, please visit our website at CleanEnergyAlliance.org or call (###) ###-####.

Si le gustaría recibir este aviso en español, visite TheCleanEnergyAlliance.org/espanol o llame (###) ###-####.

Si le gustaría recibir este aviso en español, visite TheCleanEnergyAlliance.org/espanol o llame **(###) ###-####**.

Clean Energy Alliance will become the Default Electric Provider in the cities of Carlsbad and Del Mar (Beginning May 2021)

Attention Carlsbad and Del Mar Residents & Businesses

In May 2021, Clean Energy Alliance (CEA) will replace San Diego Gas & Electric (SDG&E) as your default provider for the power generation portion of your electric service. CEA is a local power supply program that will work in partnership with SDG&E to bring you electricity from renewable sources. SDG&E will continue to deliver power to your home or business, maintain the grid and all equipment, open and close accounts, provide billing and collection of payments, and provide customer service and field service (including during power outages). There will be no change to automatic payments or level rate pay plans.

ENROLLMENT: Beginning May 2021, CEA will become the default electric power provider within the cities of Carlsbad and Del Mar. You will be automatically enrolled in CEA's default program on that date.

If you would like to continue as an SDG&E customer for energy and do not want to be automatically enrolled with CEA, you must opt out of the automatic enrollment. To opt out, without penalty, you must call **(###) ###-####** or visit our website at www.TheCleanEnergyAlliance.org by within 60 days of starting service with CEA. You may also call or visit our website for additional information. You only need to take action if you want to opt out and remain an SDG&E customer.

OPT OUT: You have the right to opt out of CEA. If you decide to opt out and return to SDG&E after the 60-day opt out period, SDG&E will charge a one-time account processing fee. By opting out, you will also be subject to SDG&E's then current rates and terms and conditions of service. For details on SDG&E's rates and terms and conditions, please visit SDG&E.com. You will not be charged any fees if you opt out within the first 60 days after your automatic enrollment with CEA or if you cancel electric service altogether (for example, if you move). If you opt out, you will still be charged for all electricity you used before the transfer of electric service. Accounts will be transferred on the day the electric meter is read and cannot be transferred during the middle of a billing cycle. In order for your request to be processed on your next meter read date, your request must be received at least 5 business

days prior to the date on which the meter is read. To opt out, please call CEA or visit TheCleanEnergyAlliance.org. Have your electric bill handy so that we can process the request.

BILLING: Each month, CEA customers receive a single monthly bill from SDG&E. This bill includes all recent electric charges, including CEA's power generation charges. For your convenience, SDG&E forwards the power generation portion of the payment to CEA. SDG&E will continue to charge you for the transmission and delivery services they provide.

FAILURE TO PAY: CEA may transfer your account back to SDG&E upon 14 calendar days' written notice to you if you fail to pay any portion of the CEA charges on your bill. If your service is transferred, you may be subject to additional requirements by SDG&E.

CARE PROGRAM: If you are currently enrolled in the California Alternative Rates for Energy (CARE) program, you will continue to receive all CARE benefits and discounts upon enrollment in CEA. If you are interested in joining the CARE program for low-income adults, please visit SDG&E.com.

TERMS AND CONDITIONS OF SERVICE: CEA electric generation rates can be reviewed at TheCleanEnergyAlliance.org or by calling **(###) ###-####**. Any changes to CEA rates will be adopted at duly noticed public meetings of the Clean Energy Alliance.

SDG&E also charges CEA customers authorized fees for delivering power to your home or business and for providing other services. These components of your electric bill are the same whether you buy electricity from CEA or SDG&E.

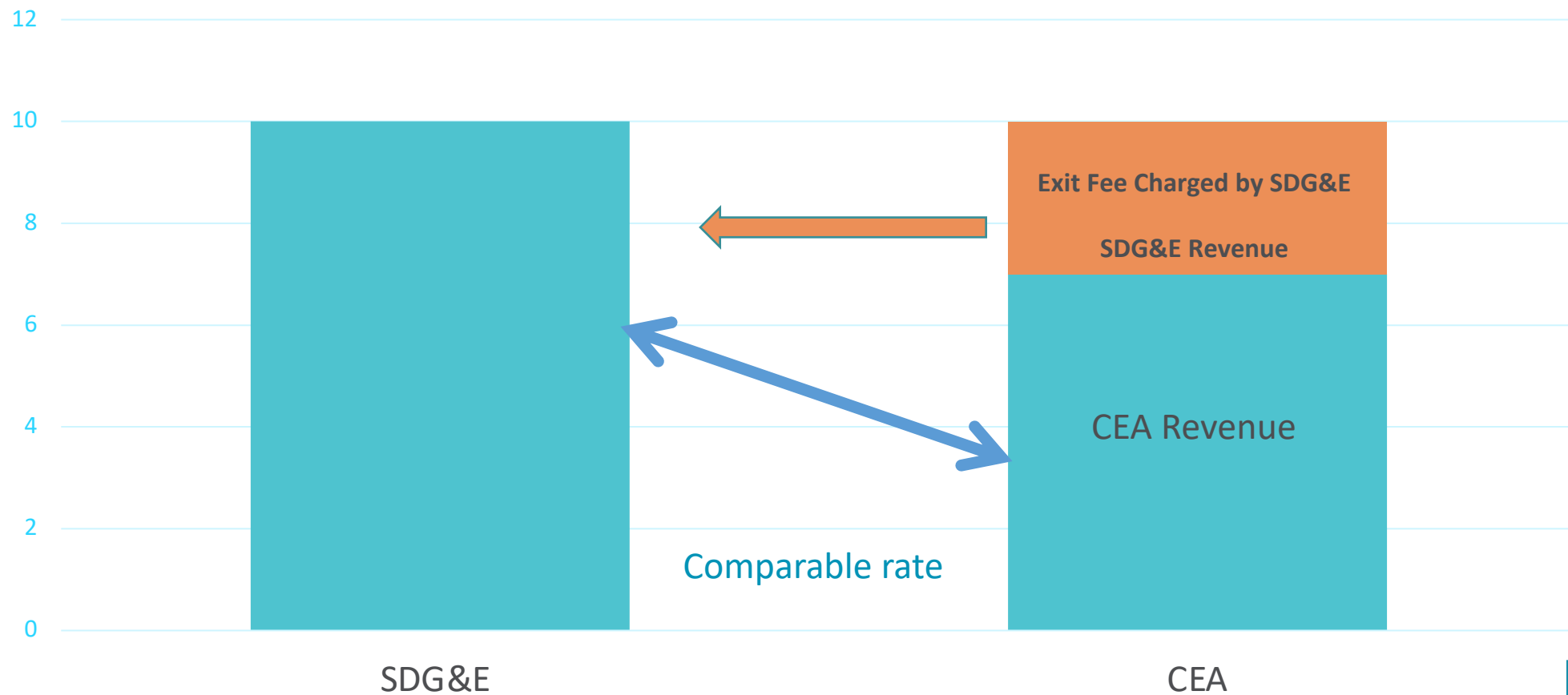
CLEAN ENERGY ALLIANCE
1200 Carlsbad Village Drive
Carlsbad, CA 92008

PRSRT STD
U.S. POSTAGE
PAID
MINUTEMAN
PRESS

Key Points

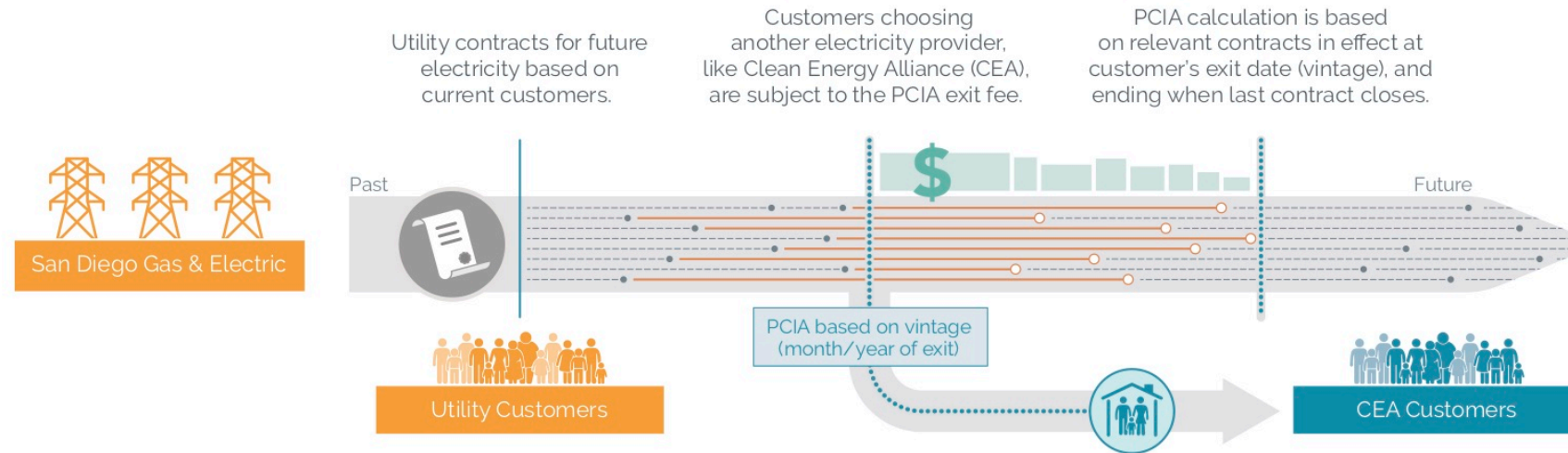
- CEA is governed by the Board of locally elected officials and has a group of expert consultants working behind-the-scenes.
- CEA is funded by ratepayers, not taxpayers.
- CEA does not add another cost to services already provided by SDG&E. CEA simply replaces SDG&E as the entity that purchases electricity for the community.

Sample Cost Comparison



Understanding the PCIA Fee

Power Charge Indifference Adjustment



Current statute requires that remaining utility customers not experience cost increase as a result of the implementation of a Community Choice Aggregation program, like CEA.



The methodology for calculating the PCIA is complex, intended to ensure that both utility and CEA customers pay their fair share for energy resources that the utility procured on their behalf.

PCIA rates use the concept of "vintaging" to assign different sets of costs to different customers depending on the month and year they left the utility.

In theory, the PCIA should reduce over time as energy contracts for that vintage close. However, some variables in the PCIA calculation can drive it up.



Understanding the PCIA Fee

Frequently Asked Questions

What is the PCIA?

The PCIA is an exit fee charged by SDG&E to customers that choose another provider of electricity generation service through direct access or community choice aggregation (CCA) like Clean Energy Alliance (CEA). The fee is designed to cover the difference in the market value of energy resources that were already contracted on a customer's behalf by SDG&E and the cost of those resources.

Why does SDG&E charge the PCIA?

The intent of the PCIA is to ensure that SDG&E's remaining customers are not burdened with costs associated with energy resources that were procured on behalf of departing CCA customers. Current statute requires that remaining utility customers not experience any cost increase as a result of the implementation of a CCA program.

How is the PCIA calculated?

Currently, the methodology is complex and includes calculating the difference between the actual costs paid by SDG&E and the current market value of those energy resources, or above market costs. In addition to conventional power, the PCIA includes benchmarks for resource adequacy, renewable energy, and other energy attributes that impact the value of the utility's energy portfolio. The calculation methodology is intended to ensure that both utility and CCA customers pay their fair share for energy resources that the utility procured on their behalf.

Do all departing customers pay the same amount?

No. PCIA rates use the concept of "vintaging" to assign different sets of costs to different customers. Each CCA is assigned a vintage based on the month and year the CCA's customers left utility service. PCIA rates are different between the vintages.

Does the PCIA ever go away?

The PCIA continues until the last energy contract in that vintage expires.

Will the PCIA go down every year?

In theory, there should be less contracted energy in the customer's vintage, however other variables affect the PCIA, such as the market value of energy. In recent years, the market value of conventional energy, which is heavily influenced by natural gas prices, has declined. Additionally, renewable energy prices have declined. Both of these factors cause the PCIA to increase even though the contracted volume of the energy resource may be less than the previous year.

Why is the PCIA of concern to CCAs?

The PCIA directly affects a CCA's ability to set rates competitive to the incumbent utility. The PCIA was initially conceived to prevent cost shifts between utility customers and direct access customers in 2001.

The issues with the PCIA are many:

- Non-transparency
- Lack of auditing of utility costs to determine accuracy
- Does not incentivize the utility to minimize or mitigate costs
- Leads to rate volatility
- Does not prevent cost shifts as required by statute



CEA's member agencies are able to pool their communities' energy demands and increase their purchasing power for higher renewable energy content. Revenue from the program will be reinvested in local energy infrastructure and energy efficiency programs for customers.

CEA is locally controlled and supported by ratepayers, with no taxpayer subsidies. By law, as a joint powers authority (JPA), CEA is a separate legal entity from its member agencies. Its budget is separate from the member cities' general funds. In addition, CEA is funded by program revenues and reserves.

Current members are:

- City of Carlsbad
- City of Del Mar
- City of Solana Beach

1 Your SDG&E Bill Account Number

You will need this information whenever you contact your CCA.

2 Total Amount Due

includes all your current and past due charges, including charges from your CCA.

3 Electric Delivery

is the total charges billed for electric delivery in this billing period.

4 CCA Electric Generation

is the total electric generation charges provided by your CCA during this billing period.

5 Your CCA provider and contact information.

6 Regulatory Notice

provides various information including the Competition Transition Charge (CTC). Through this charge, SDG&E recovers costs for power plants and long-term power contracts approved by state regulators that have been made uneconomic by the shift to competition. You will find a CTC line item in the Breakdown of Current Charges on your bill.



ACCOUNT NUMBER 1234 567 890 0
SERVICE FOR
SDGE CUSTOMER
4800 ELECTRIC AVE
YOUR TOWN, CA 00000

1

DATE MAILED Sep 11, 2018
sdge.com

Page 1 of 5

Prolonged hot weather means higher energy bills. For resources to help you save energy and money, visit sdge.com/summer.

Account Summary

Previous Balance			\$59.88
Payment Received	08/16/18	THANK YOU	- 59.88
Current Charges			+ 69.10
Total Amount Due			\$69.10

Summary of Current Charges

(See page 2 for details)

	Billing Period	Usage	Amount
Electric Delivery	Aug 6, 2018 - Sep 5, 2018	241 kWh	29.79
CCA Electric Generation			39.31
Total Charges this Month			\$69.10



Your electric energy is provided by My City CCA. If you have any questions about the Community Choice Aggregation (CCA) charges on your bill, please contact your CCA at 1-760-123-4567.

Regulatory Notices

- All customers are required to pay a Competition Transition Charge as part of the charges above, including those who choose an electric service provider other than SDG&E.

PLEASE KEEP THIS PORTION FOR YOUR RECORDS. (FAVOR DE GUARDAR ESTA PARTE PARA SUS REGISTROS.)

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT. (FAVOR DE DEVOLVER ESTA PARTE CON SU PAGO.)



SERVICE ADDRESS: 4800 ELECTRIC AVE YT CA 0000

Save Paper &
Postage
PAY ONLINE
sdge.com

ACCOUNT NUMBER
1234 567 890 0

DATE DUE Sep 30, 2018
AMOUNT DUE \$69.10

Please enter amount enclosed.

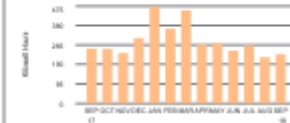
\$
Write account number on check and make payable to San Diego Gas & Electric.

SAN DIEGO GAS & ELECTRIC
PO BOX 25111
SANTA ANA CA 92799-5111

9 2 100003422244687000000069100000006910

DATE DUE Sep 30, 2018
AMOUNT DUE \$69.10

Electric Usage History (Total kWh used)



241 kWh used
8.0 Daily avg kWh
7.3 Daily avg kWh last month
11.1% Change in daily avg kWh from last year
9.6% Change in daily avg kWh from last month
30 Days in billing cycle

CLEAN
ENERGY
ALLIANCE

Detail of Current Charges


Electric Service

Rate: Standard - DR-Residential Climate Zone: Coastal
 Baseline Allowance: 266 kWh
 Billing Period: 6/7/18 - 7/9/18 Total Days: 32
 Meter Number: 00000001 (Next scheduled read date Aug 7, 2018) Cycle: 5
 Meter Constant: 1.000
 Circuit: 0000 Block: 000A

Billing Period	Days	Current Reading	Previous Reading	= Difference	x Meter Constant	= Total kWh
06/07/18 - 07/09/18	32	51855	51486	369	1.000	369

ELECTRIC CHARGES

Electricity Delivery (Details below)		369 kWh	Amount(\$)
SUMMER USAGE	0-130% of Baseline	131-400% of Baseline	
kWh used	346	23	
Rate/kWh	\$.09311	\$.29722	
23 of 32 Days	\$23.15	+ \$4.91	= 28.06
kWh used	346	23	
Rate/kWh	\$.09305	\$.29711	
9 of 32 Days	\$9.05	+ \$1.92	= 10.97

 **Rate Change This Billing Period:**
 There was a rate change on day 24 of your Billing Period. Therefore, your charges for the first 23 days were at Rate 1, and the remaining 9 days were at Rate 2.

DWR Bond Charge	369 kWh x \$.00549	2.03
Summer Electricity Generation	369 kWh x \$.17244	63.64
PCIA		8.36
Electricity Generation Credit		-63.64

Total Electric Charges \$49.42

(Continued on next page)

Important Phone Numbers



1-800-411-SDGE (7343) English
 1-800-311-SDGE (7343) Español
 1-877-889-SDGE (7343) TTY

M-F, 7am-8pm, Sat, 7am-6pm

For emergencies and to report outages, please call 24 hours a day, 7 days a week. **1-800-611-7343**

To locate underground cables & gas pipes, please call DigAlert, Monday-Friday, 6am-7pm. **8-1-1**

To make a payment using your credit or debit card via a third party vendor, call. **1-800-386-0067**

Payment Options \$ Please visit sdge.com/residential/pay-your-bill for more ways to pay your bill.



Online Bill Pay:

Register to make a secure payment now or schedule your payment at myaccount.sdge.com, or visit your bank's website for home banking options.



Mobile:

SDG&E's free app for your mobile device gives you more ways to connect with us. Visit sdge.com/mobileapps to download.



Need help paying your bill?

For payment options or to make payment arrangements, visit us at sdge.com/assistance or call 1-800-411-7343.



Credit/Debit:

Pay by credit/debit card via third party vendor (fee applies) by visiting sdge.com/residential/pay-your-bill. Click on the Bill Matrix link or call 1-800-386-0067 to make a payment.



In Person:

To find the nearest location and hours of operation, visit sdge.com/locations.



By Mail:

Mail your check or money order, along with the payment stub at the bottom of your bill, in the enclosed envelope to SDG&E, PO Box 25111, Santa Ana, CA 92799-5111.

Detail of Current Charges - Continued

TAXES & FEES ON ELECTRIC CHARGES

	Amount (\$)
Franchise Fee Equivalent Surcharge	.71
State Regulatory Fee	369 kWh x \$.000460 .17

Total Taxes & Fees on Electric Charges \$\$.88

Total Electric Service \$50.30

Energy Service Provider (ESP) Electric Charges

Your Electric energy is provided by the following ESP:

Solana Energy Alliance Phone: 1-858-720-4422

ESP Account Number: 1234567890 Bill Date: Jul 12, 2018 Billing Period: 6/8/18 - 7/10/18

	Amount (\$)
CCA CHARGE LINE 1	51.61
CCA CHARGE LINE 2	.11

Total ESP Electric Charges \$51.72

For more detail on your SEA bill

visit www.SolanaEnergyAlliance.org

Total Current Charges \$102.02

Breakdown of Current Charges

The total current charges include the following components. Definitions for these terms are shown on page 5 of your bill.



Electric Charges

Transmission	\$13.35
Distribution	\$36.84
Nuclear Decommissioning	-\$0.02
Competition Transition Charge	\$.62
Local Generation Charge	\$3.80
Reliability Services	\$.01
Total Rate Adj. Comp.	-\$20.71

Other Charges & Credits (Electric)

Public Purpose Programs	\$5.14
DWR Bond Charge	\$2.03
PCIA	\$8.36
Other	\$.88

Other Account Charges & Credits

Other	\$51.72
-------	---------

Total Current Charges \$102.02

Customer Outreach Strategy - CAC Role

- Identify key stakeholder groups to engage
 - Virtual meetings?
 - Provide printed materials?
 - Other form of engagement?
- Monitoring social media
 - Responding to inaccurate information
 - Mindful of Brown Act
- Town Hall Style Q&A
- Other ideas?

Thank you

Resources

- TheCleanEnergyAlliance.org
- Cal-CCA.org

Questions

- ceo@thecleanenergyalliance.org