

Board of Directors Meeting Agenda

October 28, 2021, 2:00 p.m.
City of Del Mar | Virtual Meeting

Pursuant to Government Code Section 54953 (3) (Assembly Bill 361), and in the interest of public health and safety, we are temporarily taking actions to prevent and mitigate the effects of the COVID-19 pandemic by holding Clean Energy Alliance Joint Powers Authority meetings electronically or by teleconferencing. All public meetings will comply with public noticing requirements in the Brown Act and will be made accessible electronically to all members of the public seeking to observe and address the Clean Energy Alliance Joint Powers Authority Board of Directors.

Members of the public can watch the meeting live by clicking the Live Stream Link at:

<https://thecleanenergyalliance.org/agendas-minutes/>

or

<https://www.youtube.com/channel/UCGXJILzITUJOCZwVGpYoC8Q>

This is a view-only live stream.

Members of the public can observe and participate in the meeting by clicking <https://us06web.zoom.us/j/81376410530> or Dial: (253) 215-8782 Meeting ID: 813 7641 0530

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

Written Comments: If you are unable to connect by Zoom or phone and you wish to make a comment, you may submit written comments prior to and during the meeting via email to: Secretary@thecleanenergyalliance.org. Written comments received up to one hour prior to commencement of the meeting will be announced at the meeting and become part of the meeting record. Public comments received in writing will not be read aloud at the meeting.

Oral Comments: You can participate in the meeting by providing oral comments either: (1) online by using the raise your hand function and speaking when called upon or (2) using your telephone by pressing *9 to raise your hand and speaking when called upon.

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



CALL TO ORDER

ROLL CALL

FLAG SALUTE

BOARD COMMENTS & ANNOUNCEMENTS

PRESENTATIONS

PUBLIC COMMENT

APPROVAL OF MINUTES

Minutes of the Regular meeting held September 30, 2021

Consent Calendar

Item 1: Clean Energy Alliance Treasurer's Report

RECOMMENDATION

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

New Business

Item 2: Clean Energy Alliance Interim Chief Executive Officer Operational, Administrative and Regulatory Affairs Update

RECOMMENDATION

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

BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS

ADJOURN

NEXT MEETING: December 30, 2021, 2:00 p.m., hosted by City of Solana Beach (Virtual Meeting)

**Clean Energy Alliance - Board of Directors
Meeting Minutes
September 30, 2021, 2:00 p.m.
Virtual Meeting
Teleconference Locations per State of California Executive Order N-29-20**

CALL TO ORDER: Chair Becker called to order the regular meeting of the Clean Energy Alliance at 2:00 p.m.

ROLL CALL: Board Member Druker, Vice Chair Bhat-Patel, Chair Becker

FLAG SALUTE: Vice-Chair Bhat-Patel led the flag salute.

BOARD COMMENTS & ANNOUNCEMENTS: None

PRESENTATIONS

Report from the Clean Energy Alliance Community Advisory Committee Chair of the September 9, 2021, Meeting (This presentation followed Special Counsel Tosdal's update.)

Chair Worden presented highlights of the CAC meeting noting that Climate Action Plans of the cities of Carlsbad, Del Mar, and Solana Beach were presented with a focus on what CEA might be able to do to help facilitate implementation of plans and noted that the next meeting of the CAC in December will focus preparing recommendations in that regard.

CEO Boswell commented regarding the enthusiasm and resource of the CAC and initiating ideas for programs that the CEA might consider as it starts to develop the next fiscal year budget to help with each of the member cities achieve their Climate Action Plan goals. In addition, the CAC is interested in potentially having more frequent meeting and a request will be forthcoming to the Board for consideration in developing the plan for next year.

Vice Chair Bhat-Patel commented on ensuring that the Board is doing everything possible to empower and further engaging the CAC in providing policy recommendations to the Board.

PUBLIC COMMENT: None

APPROVAL OF MINUTES

Minutes of the Regular Meeting held August 26, 2021

Minutes of the Special Meeting held September 16, 2021

Motion by Board Member Druker, second by Vice Chair Bhat-Patel, to approve the minutes of the regular meeting held August 26, 2021, and the minutes of the special meeting held September 16, 2021, as submitted.

Motion carried unanimously, 3/0.

Consent Calendar

Item 1: Clean Energy Alliance Treasurer's Report

RECOMMENDATION

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

Item 2: Amendment to Agreement with Bayshore Consulting Group Revising Scope to Remove Interim from Title of Chief Executive Officer

RECOMMENDATION

Approve amendment to agreement with Bayshore Consulting Group revising scope to remove Interim from the title Chief Executive Officer, and authorize Clean Energy Alliance Board Chair to execute amendment, subject to General Counsel approval.

Motion by Board Member Druker, second by Vice Chair Bhat-Patel, to approve the consent calendar. Motion carried unanimously, 3/0.

New Business

Item 3: Clean Energy Alliance Interim Chief Executive Officer Operational, Administrative and Regulatory Affairs Update

RECOMMENDATION

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

CEO Barbara Boswell introduced the item and General Counsel Greg Stepanicich who updated the Board Members on AB 361 commenting that the new legislation allows CEA to continue to hold virtual meetings if certain conditions are met. Mr. Stepanicich indicated that the following certain findings need to be made prior to the start of the virtual October Clean Energy Alliance Board Meeting and that additional finding will need to be made every 30 days thereafter to continue remote meetings: 1) Governor proclaimed state of emergency, 2) State or local officials have recommended measures to promote social distancing, and 3) the CEA Board has determined that as result of proclaimed state of emergency, meeting in person would present imminent risks to the health and safety of attendees. In addition, procedures for allowing real time public comments must be in place.

CEO Barbara Boswell updated the Board on CEA expansion and continuing discussions with north county cities including positive developments with San Clemente and Oceanside and gave an overview of timeline involved.

Board member Druker inquired regarding the interest of the cities of Vista, San Marcos, and Escondido. CEO Boswell commented that staff is reaching out and to set up meetings and encouraging that the recommendation be brought before their respective

city councils and that Chair Becker has been participating in calls with elected officials of each city. Board member Druker commented on reaching out to the Mayors of Vista and San Marcos.

CEO Boswell updated the Board on programs including the marketing partnership with OhmConnect which provides free thermostats to customers available through the end of October and allows customers to earn rewards for reducing energy usage during peak times, and the request for proposals for the Commercial Storage Battery Program. Chair Becker commented on encouraging customers to opt up to the 100% renewable energy program and recognizing those enrolled.

Special Counsel Ty Tosdal updated the Board on the following regulatory affairs: the formal protest filed to an advice letter that SDG&E filed making changes to Financial Security Requirements (FSR) raising concerns regarding changes with Resource Adequacy (RA) values and planning reserve margins and receiving better notice regarding changes to the FSR; developments regarding Power Charge Indifference Adjustment (PCIA) including comments submitted on a proposed change to the schedule in the Energy Resource Recovery Account (ERRA) proceedings to allow for additional time for review and advance the date for the release of the Market Price Benchmark and updates; the advice letter regarding a RPS Voluntary Auction Market Offer (VAMO) designed to provide CCA programs with access to Renewable Portfolio Standard (RPS) resources in the utility portfolio for which the PCIA is being paid; and changes in the Resource adequacy framework requiring Load Serving Entities (LSEs) to maintain enough energy or capacity to meet the peak for each time period throughout the day and adjusted by season.

CEA Board received and filed reports.

Item 4: Adopt Resolution Amending Clean Energy Alliance Joint Powers Agreement Related to Term of Board Chair and Vice Chair

RECOMMENDATION

Adopt Resolution amending Clean Energy Alliance Joint Powers Agreement related to term of Board Chair and Vice Chair from fiscal year to calendar year.

CEO Barbara Boswell presented the item and General Counsel Stepanicich clarified timeline of the terms.

Motion by Board Member Druker, second by Vice Chair Bhat-Patel, to adopt Resolution 2021-12 amending Clean Energy Alliance Joint Powers Agreement related to term of Board Chair and Vice Chair from fiscal year to calendar year. Motion carried unanimously, 3/0.

Item 5: Approve Assignment of Shell Energy North America Portfolio Category 1 Long-Term Renewable Agreement from Solana Energy Alliance to Clean Energy Alliance

RECOMMENDATION

Approve assignment of Shell Energy North America Portfolio Category 1 Long-Term Renewable Energy Agreement from Solana Energy Alliance to Clean Energy Alliance for delivery period 2022-2034, for an amount not to exceed \$1,131,000 and authorize the Chief Executive Officer to execute all documents.

CEO Barbara Boswell presented the item and there answered questions of Board Member Druker regarding the percentage of long-term contracts commenting that the minimal renewable increases annually.

Motion by Board Member Druker, second by Vice Chair Bhat-Patel, to approve assignment of Shell Energy North America Portfolio Category 1 Long-Term Renewable Energy Agreement from Solana Energy Alliance to Clean Energy Alliance for delivery period 2022-2034, for an amount not to exceed \$1,131,000 and authorize the Chief Executive Officer to execute all documents. Motion carried unanimously, 3/0.

BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS: Chair Becker commented regarding placing an item on the agenda to set the work plan for the CAC.

ADJOURN: Chair Becker adjourned the meeting at 2:39 p.m.

Susan Caputo, MMC
Interim Board Clerk



Staff Report

DATE: October 28, 2021

TO: Clean Energy Alliance Board of Directors

FROM: Marie Marron Berkuti, Interim Treasurer

ITEM 1: Clean Energy Alliance Treasurer's Report

RECOMMENDATION

Receive and File Clean Energy Alliance (CEA) Interim Treasurer's Report for September 2021.

BACKGROUND AND DISCUSSION

This report provides the Board with the following financial information through September 30, 2021:

- Statement of Financial Position (Unaudited) – Reports assets, liabilities, and financial position of the CEA as of September 30, 2021.
- Statement of Revenues, Expenses and Changes in Net Position (Unaudited) for the three months ended September 30, 2021.
- Budget to Actuals Comparison Schedule (Unaudited) – Reports actual revenues and expenditures compared to the monthly and year-to date adopted budget as of September 30, 2021.
- Budget Reconciliation to Statement of Revenues, Expenses and Changes in Net Position
- List of Payments Issued – Reports payments issued for September 2021.

As of September 30, 2021, liabilities represent invoices received for services, but not yet paid. The noncurrent accounts payable are amounts due to the cities of Carlsbad, Del Mar and Solana Beach for the \$150,000 advance made by each member agency 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.

SEPTEMBER 30, 2021 REPORTS

STATEMENT OF FINANCIAL POSITION (Unaudited)

**CLEAN ENERGY ALLIANCE
STATEMENT OF NET POSITION
As of September 30, 2021**

ASSETS

Current Assets

Cash Operating Account	\$ 3,670,618.20
Lockbox Account	1,015,731.76
A/R Customers	7,519,512.25
A/R NEMS	1,167,268.72
Prepaid Expense	500.00

Total Current Assets 13,373,630.93

Noncurrent Assets

Deposits	
CCA Bond	147,000.00
CAISO Collateral Deposit	500,000.00
SDG&E Collateral Deposits	585,000.00

Total Noncurrent Assets 1,232,000.00

Total Assets 14,605,630.93

LIABILITIES

Current Liabilities

Accounts Payable	441,397.74
Accrued Liabilities	15,423.12
Electric Energy Surcharge	54,884.53

Total Current Liabilities 511,705.39

Noncurrent Liabilities

Due to Member Agencies	
Due to City of Carlsbad	186,571.79
Due to City of Del Mar	151,892.97
Due to City of Solana Beach	165,552.69
Total Due to Member Agencies	504,017.45

JPMorgan Revolving Credit Agreement 5,750,000.00

Total Noncurrent Liabilities 6,254,017.45

Total Liabilities 6,765,722.84

NET POSITION

Unrestricted (deficit) 7,839,908.09

Total Net Position \$ 7,839,908.09

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (Unaudited)

CLEAN ENERGY ALLIANCE	
STATEMENT OF REVENUES, EXPENSES	
AND CHANGES IN NET POSITION	
For the three months ended September 30, 2021	
Operating Revenues	<u>\$ 18,428,394.11</u>
Operating Expenses	
Power Supply	\$ 7,200,740.85
Data Manager	211,073.00
Staffing/Consultants	35,591.25
Legal Services	68,206.95
Professional Services	150,220.41
Software & Licenses	1,014.00
Membership Dues	28,399.50
Print/Mail Services	44,495.81
Bank Fees	369.38
Miscellaneous	<u>738.74</u>
Total Operating Expenses	<u>7,740,849.89</u>
Operating Income (Loss)	<u>10,687,544.22</u>
Non-Operating Expenses	
Interest Expense	<u>(27,003.47)</u>
Change in Net Position	10,660,540.75
Net Position at beginning of period	<u>(2,820,632.66)</u>
Net Position at end of period	<u>\$ 7,839,908.09</u>

BUDGET TO ACTUALS COMPARISON SCHEDULE

At its June 24, 2021 board meeting, the CEA Board adopted the Fiscal Year (FY) 2021/22 budget approving \$51,547,500 in total operating expenses and uses of funds. For the year-to-date budget amount through September 2021 of \$19,191,125.00, \$7,767,853.36 has been expended, leaving \$11,423,271.64.

At its January 21, 2021 board meeting, the CEA Board approved a Credit Agreement with JPMorgan for \$6MM to provide start-up funding for cash flow needs and a line of credit should the need arise. Drawdowns through June 30, 2021 equaled \$5MM. A drawdown was made on July 12, 2021 in the amount of \$250,000 and on September 9, 2021 in the amount of \$500,000 for a total borrowing of \$5,750,000.

The Budget to Actuals Comparison Schedules for the month of September and for the year-to-date through September 2021 is shown on the next page.

CLEAN ENERGY ALLIANCE
BUDGET TO ACTUALS COMPARISON SCHEDULE
For the three months ended September 30, 2021

	ADOPTED BUDGET	Month of September			Year to Date		
		BUDGET	ACTUALS	VARIANCE	BUDGET	ACTUALS	VARIANCE
Operating Revenues							
Energy Sales	\$ 53,573,000.00	\$ 6,964,490.00	\$ 7,971,114.51	\$ 1,006,624.51	\$20,357,740.00	\$ 18,428,394.11	\$ (1,929,345.89)
Total Operating Revenue	53,573,000.00	6,964,490.00	7,971,114.51	1,006,624.51	20,357,740.00	18,428,394.11	(1,929,345.89)
Operating Expenses							
Power Supply	48,700,000.00	6,331,000.00	2,260,988.49	4,070,011.51	18,506,000.00	7,200,740.85	11,305,259.15
Data Manager	811,000.00	67,583.33	69,939.00	(2,355.67)	202,750.00	211,073.00	(8,323.00)
Staffing/Consultants	235,700.00	19,641.67	11,853.75	7,787.92	58,925.00	35,591.25	23,333.75
Legal Services	510,000.00	42,500.00	21,894.84	20,605.16	127,500.00	68,206.95	59,293.05
Professional Services							
Technical	283,200.00	23,600.00	23,600.00	-	70,800.00	70,800.00	-
Schedule Coordinator	155,400.00	12,950.00	11,700.00	1,250.00	38,850.00	35,100.00	3,750.00
Marketing	115,000.00	9,583.33	7,891.58	1,691.75	28,750.00	23,674.74	5,075.26
SDGE Service Fees	270,000.00	22,500.00	-	22,500.00	67,500.00	19,770.67	47,729.33
Other Professional Services	25,000.00	2,083.33	-	2,083.33	6,250.00	875.00	5,375.00
	848,600.00	70,716.67	43,191.58	27,525.09	212,150.00	150,220.41	61,929.59
Audit Services	25,000.00	-	-	-	-	-	-
Software & Licenses	9,100.00	758.33	298.00	460.33	2,275.00	1,014.00	1,261.00
Membership Dues	116,000.00	-	-	-	29,000.00	28,399.50	600.50
Print/Mail Services	43,100.00	3,591.67	1,467.20	2,124.47	10,775.00	44,495.81	(33,720.81)
Advertising	15,000.00	1,250.00	-	1,250.00	3,750.00	-	3,750.00
Insurance	7,000.00	-	-	-	-	-	-
Bank Fees	2,000.00	166.67	-	166.67	500.00	369.38	130.62
Miscellaneous	-	-	250.00	(250.00)	-	738.74	(738.74)
Total Operating Expenses	51,322,500.00	6,537,208.33	2,409,882.86	4,127,325.47	19,153,625.00	7,740,849.89	11,412,775.11
Operating Income (Loss)	2,250,500.00	427,281.67	5,561,231.65	5,133,949.98	1,204,115.00	10,687,544.22	9,483,429.22
Non-Operating Expenses							
Interest Expense	225,000.00	-	2,702.43	(2,702.43)	37,500.00	27,003.47	10,496.53
Other Sources and Uses							
Sources							
JPMorgan Credit Agreement	-	-	-	-	-	750,000.00	750,000.00
Total Sources	-	-	-	-	-	750,000.00	750,000.00
Net Increase (Decrease) in Available Fund Balance	\$ 2,025,500.00	\$ 427,281.67	\$ 5,558,529.22	\$ 5,131,247.55	\$ 1,166,615.00	\$ 11,410,540.75	\$ 10,243,925.75
	-			-			-
Total Operating and Non-Operating Expenses and Uses of Funds	\$ 51,547,500.00	\$ 6,537,208.33	\$ 2,412,585.29	\$ 4,124,623.04	\$ 19,191,125.00	\$ 7,767,853.36	\$ 11,423,271.64

BUDGET RECONCILIATION TO STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

**CLEAN ENERGY ALLIANCE
BUDGET RECONCILIATION TO STATEMENT OF
REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the three months ended September 30, 2021**

Net Increase (Decrease) in Available Fund Balance per Budgetary Comparison Schedule	\$ 11,410,540.75
Adjustments needed to reconcile to the changes in Net Position in the Statement of Revenues, Expenses, and Changes in Net Position	
Subtract Advances-JPMorgan Revolving Credit Agreement	(750,000.00)
Change in Net Position	<u>\$ 10,660,540.75</u>

LIST OF PAYMENTS ISSUED

The report on the following page provides the detail of payments issued by CEA for September 2021. All payments were within approved budget.

**Clean Energy Alliance
List of Payments Issued September 2021**

Date	Via	Vendor	Description	Amount
09/02/21	ACH	California Dept Tax & Fee Admin	Q2 063021	\$ 14,515.48
09/02/21	ACH	USPS	09/01/21 Mailing	228.52
09/02/21	ACH	Calpine	July 2021 Services - 71,610 meters @ \$1.00	70,610.00
09/02/21	ACH	Tosdal APC	Jul 2021 Regulatory Counsel Svcs	7,606.50
09/02/21	ACH	Tullett Prebon Americas Corp	07/13/21 Brokers Fee (Shell RA)	875.00
09/02/21	ACH	Pacific Energy Advisors, Inc	Jul 2021 Technical Consulting Svcs	23,600.00
09/02/21	ACH	The Energy Authority (TEA)	Jul 2021 Scheduling Coordinator & CRR Management Services	11,700.00
09/02/21	ACH	Neyenesch Printers	Summary of Invoices through 08/31/21	8,713.97
09/02/21	ACH	Bayshore Consulting Group, Inc	Jul CEO Services	7,940.00
09/02/21	ACH	Tripepi, Smith & Associates, Inc.	Jul 2021 Retainer	7,891.58
09/02/21	ACH	Richards, Watson & Gershon	Jun 2021 General Counsel Svcs	2,104.50
09/02/21	ACH	Keyes & Fox LLP	Jul 2021 ERRRA Forecast Counsel Services	7,668.75
09/02/21	ACH	Hall Energy Law PC	Jul 2021 Energy Procurement Counsel Svcs	1,249.50
09/02/21	ACH	Tripepi, Smith & Associates, Inc.	August 2021 Retainer	7,891.58
09/03/21	VV001	Deluxe Corporation	echeck and print + mail order	370.00
09/08/21	WIRE	The Energy Authority (TEA)	08/13/21-08/19/21	173,436.79
09/13/21	WIRE	The Energy Authority (TEA)	08/20/21-08/26/21	99,711.46
09/16/21	Checks	CEA Customers	NEM Term Cash Out-June 2021	595.80
09/20/21	ACH	USPS	09/16/21 Mailing (ACH kickback)	259.83
09/20/21	ACH	OneStream Networks, LLC	Aug 2021 Telephone	205.45
09/20/21	WIRE	SDG&E	Aug 2021 RA Sales	623,837.80
09/20/21	WIRE	Direct Energy	Aug 2021 PWR-CAP CAPACITY	254,500.00
09/20/21	WIRE	The Energy Authority (TEA)	08/26/21-09/01/21	227,549.98
09/20/21	ACH	OneStream Networks, LLC	Prepaid on Account	500.00
09/27/21	WIRE	Powerex	PCC1 Prepayment (# 1 of 3)(2021)	82,250.00
09/27/21	WIRE	Powerex	PCC2 Prepayment (# 4 of 6)(2021)	44,409.17
09/27/21	WIRE	The Energy Authority (TEA)	09/02/21-09/09/21	345,240.96
09/28/21	ACH	Tosdal APC	Aug 2021 Regulatory Counsel Svcs	8,384.00
09/28/21	ACH	Tullett Prebon Americas Corp	April 2020 Brokers Fee-RA (CPA of So Ca)(SENA)	13,038.00
09/28/21	ACH	Calpine	Aug 2021 Services - 70,524 meters @ \$1.00	70,524.00
09/28/21	ACH	The Energy Authority (TEA)	August 2021 Scheduling Coordinator & CRR Management Servic	11,700.00
09/28/21	ACH	Hall Energy Law PC	August 2021 Energy Procurement Counsel Svcs	6,128.50
09/28/21	ACH	Neyenesch Printers	766 CEA New Move Letter Maling - 8/18 and 8/25 (Gross)	289.85
09/28/21	ACH	Pacific Energy Advisors, Inc	Aug 2021 Technical Consulting Svcs	23,600.00
09/28/21	ACH	Bayshore Consulting Group, Inc	Aug 2021 CEO Services	10,797.50
09/28/21	ACH	Keyes & Fox LLP	Aug 2021 ERRRA Forecast Counsel Services	6,017.25
09/28/21	ACH	Braun Blaising Smith Wynne	July 2021 Legal Services	1,896.61
09/28/21	ACH	Richards, Watson & Gershon	Jul 2021 General Counsel Svcs	1,799.00
09/28/21	WIRE	JPMorgan	1-Jul-2021 30-Sep-2021 92 days 2.150000% (unutilized)	4,285.07
09/28/21	ACH	Tullett Prebon Americas Corp	May 2021 Brokers Fee-RA (Peninsula CE)(SENA)	3,255.00
09/28/21	ACH	Neyenesch Printers	772 CEA New Move Letter Maling - 8/31 and 9/7 (Net)	285.64
09/30/21	ACH	USPS	09/28/21 Mailing	177.36
			Total September Payments-Operating Account	\$ 2,187,640.40
09/23/21	Wire	Morgan Stanley Capital Group, Inc.	July 2021 Power Sale	\$ 876,627.66
09/23/21	Wire	Direct Energy	July 2021 PWR-PHYS Custom	1,593,677.37
09/23/21	Wire	Shell Oil North America	July 2021 SYSTEM DA 1ST Power Sale	1,651,161.80
			Total September Payments-Lockbox Account	\$ 4,121,466.83

FISCAL IMPACT

There is no fiscal impact associated with these items.



Staff Report

DATE: October 28, 2021

TO: Clean Energy Alliance Board of Directors

FROM: Barbara Boswell, Chief Executive Officer

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

RECOMMENDATION

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

BACKGROUND AND DISCUSSION

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

OPERATIONAL UPDATE

Expansion of Clean Energy Alliance

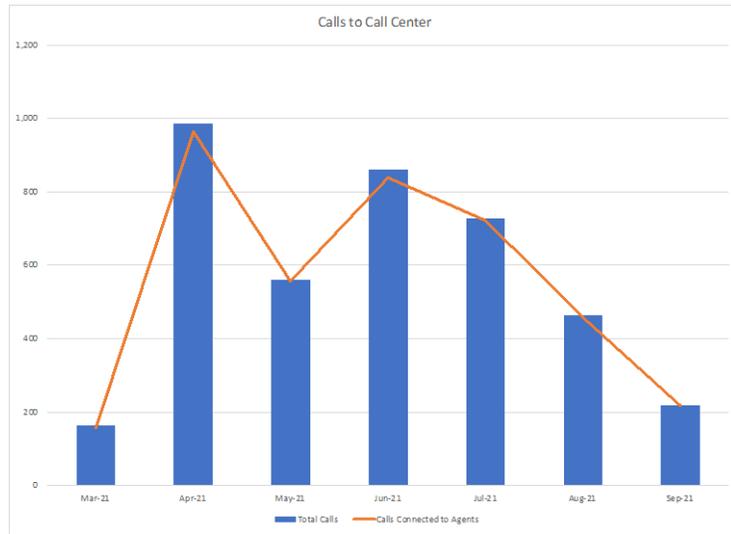
Interest in joining CEA continues to be high, with the City of Escondido City Council considering membership at its October 27 meeting, the City of San Marcos discussing joining CEA at a workshop on November 3, both looking at a 2023 CCE implementation. The City of Vista is considering joining CEA with a potential 2024 CCE implementation. At its October 19 meeting, the City of San Clemente City Council selected CEA as the option to bring community choice energy to their community, which would also be a 2024 launch.

Programs Update

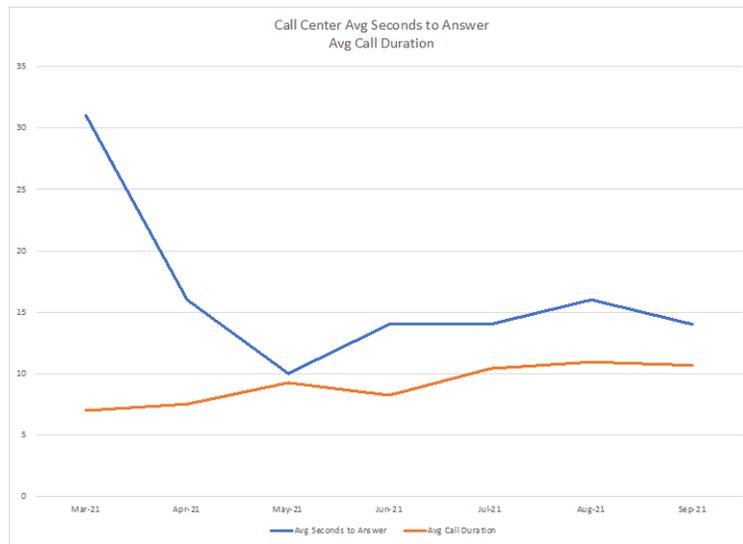
CEA's Request for Proposal (RFP) 2021-001 issued September 1, 2021, seeking interested parties to develop and implement a program that provides behind-the-meter battery storage at no cost to the customer or CEA closed on October 1, with CEA receiving two responses. Staff is reviewing the responses and anticipates bringing a recommendation to the Board for award at its next meeting.

Call Center Activity

The chart below reflects call activity to CEA's call center through September 30, 2021:

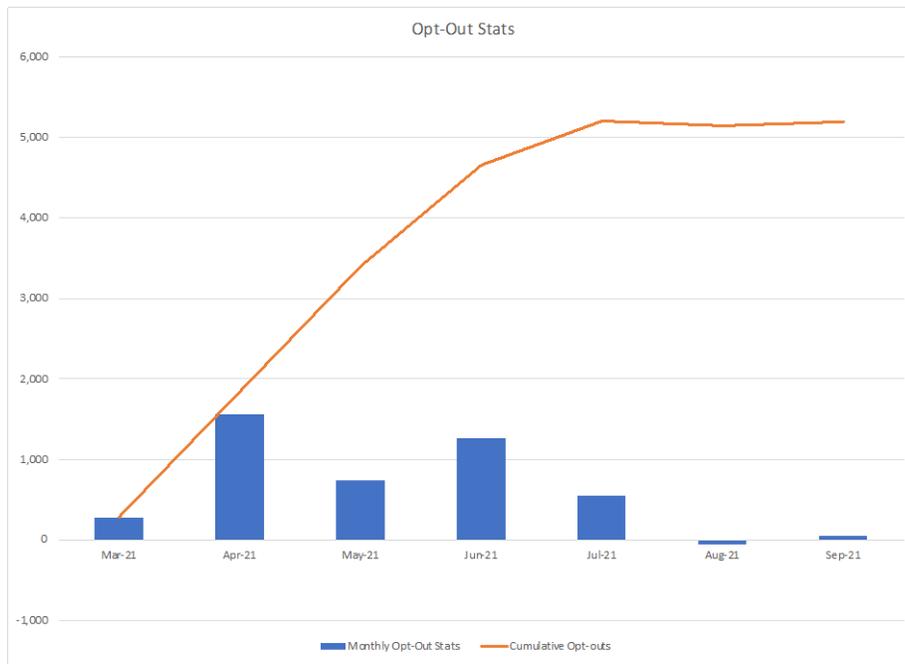


The call center continues to see a drop off in activity, which is expected as enrollments have now been completed, and final notices have now gone out.



Calls are being answered within 14 seconds on average, with an average duration of approximately 10 minutes.

The chart below reflects the monthly and cumulative opt-outs for CEA.



CEA’s overall participation rate is currently at 92.1%, with 53 opt outs in September.

There continues to be Interest in CEA’s 100% renewable energy product, Green Impact, with 352 customers enrolled. Customers also have the option to opt down to Clean Impact, of which 102 have selected.

Resource Adequacy Compliance

As a load serving entity serving customers in 2021, CEA has an obligation to procure Resource Adequacy (RA), based on quantities allocated by CPUC and California Independent System Operator (CAISO). RA procurements do not supply any energy to CEA or its customers, rather it commits the seller to be available to supply energy to the grid if called upon by the CAISO and reduce the possibility of outages. This process is key to ensuring grid reliability. CEA successfully procured all its 2021-2023 RA requirements and is fully compliant with its RA obligation. CEA is in progress of procuring its 2022-2024 RA obligations, which are required to be completed by October 2021.

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

VENDOR	DESCRIPTION	AMOUNT
None		

REGULATORY UPDATE

CEA’s regulatory attorney, Ty Tosdal, will provide an update to the Board on current regulatory activities (Attachment A).

FISCAL IMPACT

There is no fiscal impact by this action.

ATTACHMENTS

Attachment A – Tosdal APC Regulatory Update Report

Clean Energy Alliance Regulatory Update

Tosdal APC

October 28, 2021

Overview

- **Customer Debt Proceeding (R. 21-02-014)**
- **Percentage of Income Payment Plan**
- **Integrated Resource Plan: Update on Resources under D. 19-11-016**
- **SDG&E 2021 ERRRA Forecast Update (A. 21-04-010)**



Customer Debt

Proposed Decision on IOU-CCA Payment Allocations

- Customer charges are typically subject to the waterfall approach.
- Arrearage Management Program (AMP) was established to provide financial assistance to customers with outstanding debt and to reduce disconnections.
- Issue: Should the waterfall approach continue to be used for outstanding debt payments, or should another approach be used?
- CCAs took the position that proportional payments represent the most equitable approach and should be used.
- Proposed Decision orders the IOUs to “allocate payments received on outstanding customer accounts proportionally between utility charges and Community Choice Aggregator charges through September 2024, regardless of customer disconnection status.”



Percentage of Income Payment Plan

CCA Participation

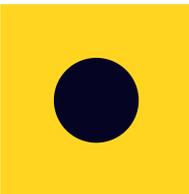
- Percentage of Income Payment Plan (PIPP) pilot sets a customer's bill payment at an affordable percentage of income.
 - Monthly bill caps are set in two tiers at 0-100% and 100% to 200% of Federal Poverty Guidelines
 - 15,000 customers total will participate statewide, with SDG&E being issued a 1,000 customer cap.
 - Costs will be recovered from the public purpose program charge and gas transportation rates.
- CCA program participation was in question, but the Commission clarified that CCA programs may participate.
- Steps required —
 - Provide notice to SDG&E
 - Serve notice on the service list
 - PIPP working group
 - Advice letter



IRP Resources Under D. 19-11-016

D. 19-11-016

- LSEs including SDG&E were ordered to purchase System RA to meet a 3,300 MW long-term need.
- CEA and other CCA programs including SDCP formed after the decision and received no allocation or resource adequacy credit.
- Cost recovery and other issues to be developed under a modified Cost Allocation Mechanism (mCAM), but it was never developed.
- Advocacy efforts —
 - Outreach to similarly situated CCA programs
 - Several meetings with Energy Division



SDG&E 2021 ERRA Update

A. 21-04-010

- SDG&E commodity or power rates, Power Charge Indifference Adjustment (PCIA) and EcoChoice rates set.
- Discovery continues to be very challenging and an uphill battle.
 - Eg) Workpapers from previous ERRA filings.
- November testimony update is scheduled for Friday, November 5, and it provides the best advance indicator of forthcoming rates.

