



Board of Directors Meeting

September 26, 2024

Item 4: CEO Report

Completed Community Events

DATE	DESCRIPTION
August 29, 2024	VMW HOA Meeting
September 6, 2024	Carlsbad Regional Community Summit
September 6, 2024	Heroes of Oceanside and Camp Pendleton
September 6, 2024	Calcities CiticPAC Event
September 9, 2024	RE + Conference
September 11, 2024	Solana Beach City Council Presentation
September 18, 2024	Solana Beach Climate Action Commission Presentation
September 25, 2024	Vista Environmental Commission Presentation

Upcoming Community Events

DATE	DESCRIPTION
September 29, 2024	City of Vista Cyclovia
October 9, 2024	CPUC Small and Diverse Business Expo
October 9, 2024	Del Mar Climate Coalition
October 8, 2024	Carlsbad City Council Presentation
October 10, 2024	CPUC Supplier Diversity En Banc
October 18, 2024	NEXUS: San Diego Climate Summit
October 26, 2024	Kiwani's Oceanside Pacific Spaghetti Dinner
October 24, 2024	AWWEE Conference
October 30, 2024	CAISO Stakeholder Symposium

Oceanside & Vista Enrollment Stats

City	# of Eligible Customers	# of Opt-Downs to 50% Renewable	# of Opt-Ups to 100% Renewable	# of Opt-Outs	Participation Rate
Oceanside	67,004	167	63	3,212	95.2%
Vista	36,029	71	262	1,292	96.4%
TOTAL	103,033	238	325	4,504	95.6%

CEA Enrollment Stats

Member City	Clean Impact – 50% Renewable	Clean Impact Plus - 75% Carbon Free	Green Impact – 100% Renewable
Carlsbad	159	49,452	215
Del Mar	4	2,775	67
Escondido	138	53,228	63
Oceanside	167	66,774	63
San Marcos	118	34,671	63
Solana Beach	15	6,896	157
Vista	71	35,696	262
TOTAL ACCOUNTS	672	249,493	890

Self-Generation Incentive Program

- California's Self-Generation Incentive Program (SGIP) provides financial incentives to residential and commercial customers who install solar and energy storage systems.
- AB 209 expanded access to incentives for low-income customers
- SGIP incentive covers approximately 85% of the average energy storage system.
- Staff is working to expand the Solar Plus program to incorporate SGIP incentives for low-income customers.

CivicSpark Fellowship

- CEA is hosting a CivicSpark Fellow for 12-months to support program planning, customer service, and procurement.
- CivicSpark is an AmeriCorp program that places young professionals in local government or non profit organizations to address climate change, sustainability and community resilience.
- Welcome Olivia!

Procurement Updates

- Released an RFQ in June seeking respondents interested in developing future 1-20 MW solar and/or battery projects near CEA service territory.
 - To date, CEA has received 5 responsive submissions.
- Developed a process to intake product and project offers year-round via our new Open Offers Form.
 - Currently prioritizing projects offering local Resource Adequacy, local projects, alternative technologies, and near-term commercial operation dates

Solar Plus Update

- 21 Enrolled Contracts (as of 9/18/24)
 - Solana Beach - 1
 - Carlsbad - 2
 - Escondido - 4
 - San Marcos - 5
 - Oceanside - 5
 - Vista - 4

FY 2024/25 Budget Update

- Revenues through August are 112% of projected budget at \$88.2M actual to \$78.7M budgeted
- Expenditures through August are 99% of projected at \$55.7M actual to \$56M budgeted
- Change in Net Position through August is 144% of Budget at \$31.9M actual to \$22.2M budgeted

Questions/Discussion

Item 5: Regulatory Update

Clean Energy Alliance: Regulatory Update

Jake Schlesinger – Keyes & Fox LLP

September 26, 2024

Overview

- Income graduated fixed charges (IGFCs)
- PCIA bill presentment in GRC Phase 2
- SDREN approval
- “Proportional Allocation” of collections on past-due bills

IGFCs

- Aug. 13, 2024: SDG&E filed AL 4492-E to implement IGFCs pursuant to D.24-05-028
- Cal Advocates, SEIA, TURN and NRDC, CforAT, and CEJA filed protests
- Sept. 12, 2024: CPUC suspended the AL for 120 days until Jan 10, 2025

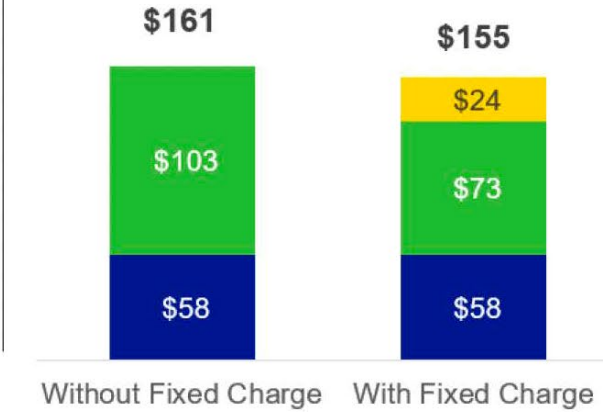
IGFCs

Illustrative Monthly Bill Impacts | Non-CARE/FERA

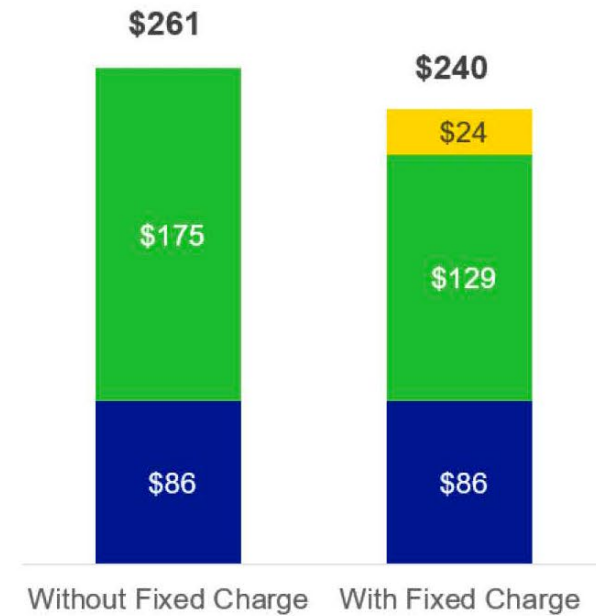
Low Usage



Average Usage



High Usage



■ Commodity ■ Delivery ■ Fixed Charge

PCIA Bill Presentment

- Live issue since CalCCA raised it in 2016
- CPUC approved minor revisions to bills in 2021 but directed, “[f]urther bill changes. . . would require changes to the utilities’ time-differentiated rate structures. **Such changes are out of scope of this resolution and should be addressed within each utility’s GRC phase 2 proceeding.**” (emphasis added)
- PG&E made these changes in its 2021 GRC Phase 2
- SDG&E opposes the same changes in its current GRC Phase 2

SDREN

- REN = authorized by the CPUC to serve as program administrators and deliver energy programs to local communities
- SDCP and the County of San Diego govern SDREN through an oversight committee
- SDCP acts as the lead portfolio administrator
- CPUC approved SDREN on Aug. 7, 2024, with a budget of \$124M+ through 2027

Proportional Allocation

- D.21-11-014 Re: Bill Debt from COVID-19 Pandemic: CPUC required IOUs to allocate payments on past-due electric utility bills proportionally between the IOUs and CCAs

“waterfall method”	“proportional allocation method”
Cal Advocates, PG&E, and SDG&E	CalCCA, SCE, and UCAN

- D.24-09-005 on Sept. 18, 2024: “The Commission finds the reasoning set out in D.21-11 014 still holds and therefore requires the electric IOUs to continue to use the proportional allocation method unless and until the Commission determines otherwise”

QUESTIONS?

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Item 6: Community Advisory Committee Policy Amendments

Item 6: CAC Policy Amendments

- Recommendation: That the CEA Board adopt Resolution No. 2024-018 approving amendments to the CAC Policy.

Background

- Currently, CEA Policy No. 20, Chair-Vice Chair Term Limit Policy states that the CEA Board will appoint a Board Alternate to serve as the CAC Chair, while the CAC Policy states the CAC appoints their Chair
- CAC members currently serve three-year terms with a two-term limit
- Current members have expressed an interest in continuing to serve though they will be reaching their term limit at the end of this calendar year

Proposed Amendments

- CAC Chair will be a Board Alternate appointed by the Board annually
- Terms of CAC Members will change from three-year terms to two-year terms to closer align with Board Member terms
- Removing the term limit for CAC Members
 - CAC Members who wish to continue serving at the end of their term may apply for reappointment

Questions/Discussion

Item 7: Direction on Program Funds

Item 7: Direction of Program Funds

- Recommendation:
 - That the Board provide input and direction regarding the distribution and use of FY 2024/25 budgeted Program Funds.

Background

- CEA Board approved \$600,000 for programs to CEA customers as part of the adopted Fiscal Year 2024/25 Budget.
- Section 7.6 of the CEA Joint Powers Authority (JPA) Agreement provides the following direction regarding expenditure of discretionary revenues:
 - Discretionary revenue may be used to:
 - Provide programs and develop projects of CEA;
 - Allow Member Agencies to direct funds into qualified CEA programs and projects or other customer benefits.
 - The Board shall endeavor to achieve a balanced distribution of program and project benefits substantially commensurate with each Member Agency's energy load;
 - The Board shall conduct periodic audits no less than every two years to verify the balanced distribution of program and project benefit and take corrective action necessary to achieve or continue to maintain a balanced distribution.

Background

MEMBER AGENCY	12-MONTHS USAGE (MWh)	Percentage (%) of Load	Allocation of Funds
City of Carlsbad	587,116	28%	\$168,000
City of Del Mar	25,178	1%	\$6,000
City of Escondido	443,426	21%	\$126,000
City of Oceanside	467,097	22%	\$132,000
City of San Marcos	260,126	12%	\$72,000
City of Solana Beach	57,264	3%	\$18,000
City of Vista	275,071	13%	\$78,000
Total Territory	2,115,278	100%	\$600,000

Background

MEMBER AGENCY	# OF CARE CUSTOMERS	\$ PER CUSTOMER
City of Carlsbad	5,002	\$33.58
City of Del Mar	95	\$63.15
City of Escondido	17,527	\$7.18
City of Oceanside	15,562	\$8.48
City of San Marcos	7,800	\$9.23
City of Solana Beach	409	\$44.01
City of Vista	10,221	\$7.63

Background

- CARE customers in CEA's territory are not distributed among its Member Agencies in the same proportion as load which creates a significant discrepancy in potential amount CARE customers would receive in each city.
- If the objective is to provide a benefit to customers most in need of a possible PCIA rebate, allocations would not equitably distribute such a benefit.
- It is also important to note:
 - This type of benefit would be a one-time rebate and would not provide an ongoing benefit/cost savings to CARE customers.
 - CEA's Member Agencies do not have to utilize their allocated program funds in the same program, which provides flexibility to evaluate other possible uses of the funds that would provide benefit to their customers.

Background

- Another Option:
 - Utilize Program Funds to help fund the solar and battery storage equipment cost provided through CEA's Solar Plus program.
 - Opportunity for ongoing savings for as long as the system is in use.
 - Staff is currently working on a proposed expansion of our Solar Plus program which would benefit CARE/FERA utilizing Self Generation Incentive Program (SGIP) grant funds from the California Public Utility Commission (CPUC)
 - Board Members could then consider utilizing Program Funds to further reduce customer electric bills through this new program.
 - The SGIP Solar Plus program will be coming to the Board for consideration at its October Board meeting.

Questions/Discussion