CLEAN ENERGY ALLIANCE

Clean Energy Alliance

Strategic Plan

FY 2024/25 – FY 2026/27

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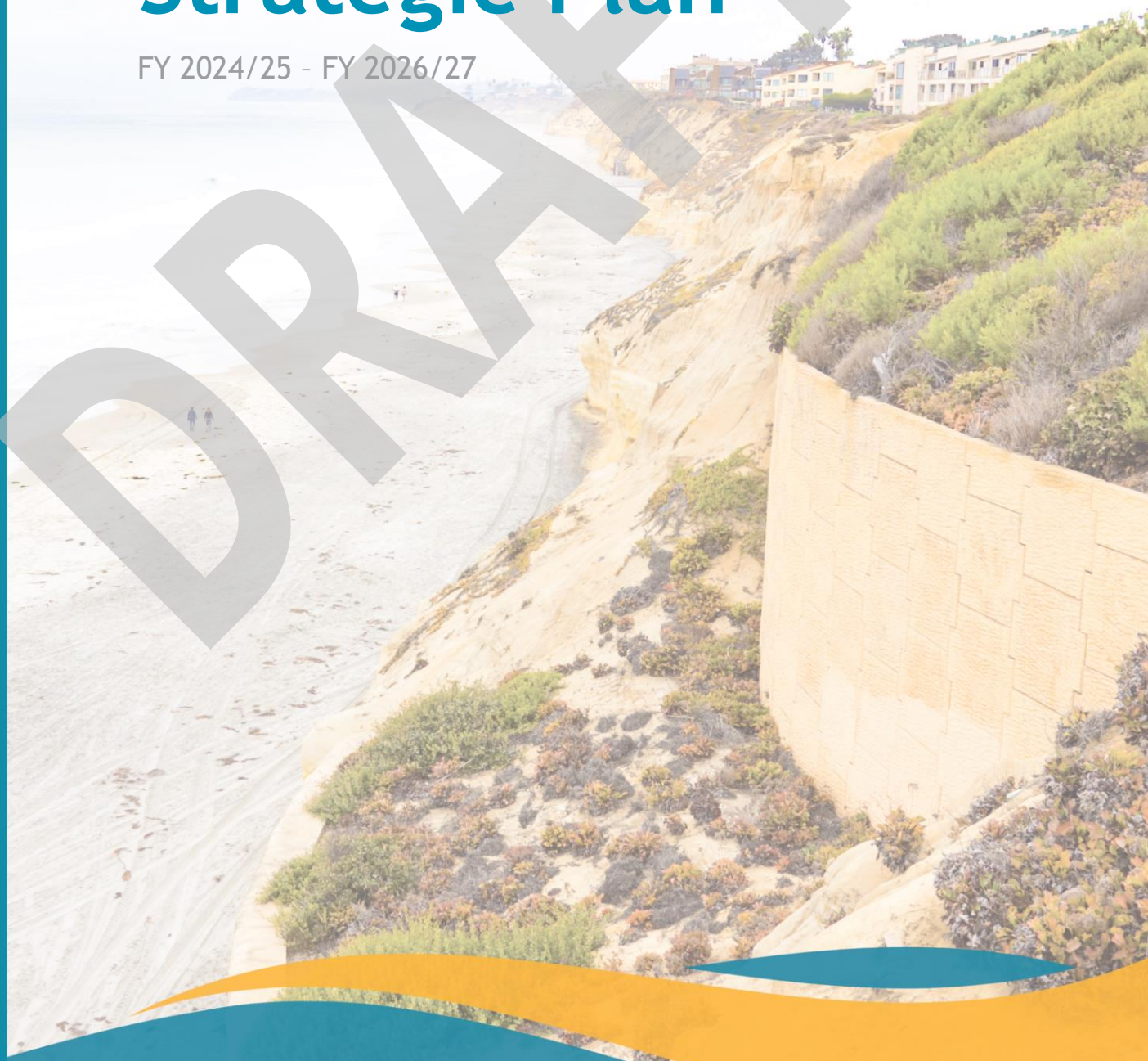

Purpose

To establish a strategic plan including guiding principles, goals, and strategic objectives for Clean Energy Alliance (CEA) through FY2026/27.

Outcomes

- Gather background information on CEA's goals and focus areas based on foundational documents, Community Advisory Committee (CAC) input, and CEA Board (Board) direction, and consolidate into core guiding principles.
- Formalize CEA's Core Guiding Principles, Goals, and Mission Statement and define Strategic Objectives in the current staff Work Plan that are in support of these.
- Establish a process for updating the Work Plan, incorporating it into the budget, and regularly reporting on its progress.

Process

Fall 2024	Review Joint Powers Authority (JPA) Agreement and other foundational documents for baseline guidance on service and focus areas.
December 2024	Gather input from staff and strategic advisory partners.
January 2025	Present first draft/first phase to Board for initial feedback on components of the Strategic Plan: • Core Guiding Principles • Mission Statement • Goals • Objectives
February 2025	Gather additional input from CAC and update based on input from Board and CAC.
March 2025	Present final draft of Strategic Plan reflecting input received to Board for consideration of adoption.
April-May 2025	Incorporate principles, goals, and objectives into an updated Work Plan that informs the budget.

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Foundation

Background - Foundational Guidance

Since formation in 2019, CEA has been focused on successful enrollments: 2021 (Carlsbad, Del Mar & Solana Beach), 2023 (Escondido and San Marcos), 2024 (Oceanside and Vista) and 2025 (Channelside). Now that CEA is at a stable state and nearing full enrollment in its service territory, it is appropriate to identify its focus for the next two (2) fiscal years.

There are several sections of the CEA JPA Agreement that provide guidance on areas of focus over the next few years. These include:

- 6(b) *… rates … that are competitive with those offered by …San Diego Gas & Electric (SDG&E), for similar products with a target generation rate at least 2 percent below SDG&E's based product generation rate;*
- 6(c) *… achieving – and sustaining – the Climate Action Plan goals of the Parties;*
- 6(d) *…lower greenhouse gas (GHG) emission than SDG&E, … achievement of the Parties' greenhouse gas reduction goals and renewable electricity goals;*
- 6(e) *… energy portfolio that incorporates energy efficiency and demand response programs;*
- Section 6.4 **Renewable Portfolio Standards**. *"…achieve – and sustain – a renewable energy portfolio with 100 percent renewable energy … by no later than 2035…*
- Section 6.5 **Power Supply Requirements** *"… power supply base product will be greater than or equal to 50% qualified renewable sources…. In no event … a lesser amount of renewable resources than the base product provided by SDG&E to its customers."*
- Section 7.6 **Discretionary Revenues** *… establish policies concerning the expenditure of discretionary revenues… discretionary revenues may be used to:*
  (1) provide programs and develop projects of the Authority or
  (2) allow Parties to direct funds into qualified Authority programs and projects, or provide other ratepayer benefits.

The Board shall endeavor to achieve a balanced distribution of program and project benefits substantially commensurate with each Party's energy load ("balanced distribution").
The Board shall conduct periodic audits no less than every two years in order to verify the balanced distribution of program and project benefits and take any corrective action necessary to achieve or continue to maintain a balanced distribution.

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In addition to the directives identified in the JPA Agreement, CEA has a responsibility to ensure long-term financial stability and compliance with legal, regulatory and contractual requirements.

Core Guiding Principles and Goals

Core Guiding Principles and Goals

Based on the above background as well as staff input reflecting the importance of organizational development in achieving successful overall outcomes for CEA, the following five Guiding Principles have been identified. For each guiding principle, staff have developed a goal statement that drives that principle.

1. ***Promote Use & Development of Clean Energy***
   – reduce GHG emissions by providing 100% renewable energy as the default product for all CEA customers by 2035.

2. ***Build & Maintain Financial Sustainability***
   – achieve financial sustainability and build reserves.

3. ***Provide Beneficial Customer Programs***
   – offer a variety of programs that serve the needs of our customers, promote affordability, and further reduce GHG emissions.

4. ***Actively Engage in Customer Advocacy***
   – engage and advocate for CEA and its customers in regulatory and legislative matters.

5. ***Provide Exceptional Customer Service & Engagement***
   – provide highly responsive and helpful customer service and opportunities for our staff to engage with our customers.

6. ***Promote Organizational Development***
   – create an organization that fosters employee creativity and engagement in meeting CEA's goals, recognizes employee achievements and supports employee development and growth.

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Mission Statement

Mission Statement

Building on the foundational background, guiding principles, and goals discussed so far, the CEA board has developed the following mission statement:

"To empower communities with the choice of sustainable and affordable energy, fostering local economic growth, environmental responsibility, and community well-being."

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Strategic Objective

Strategic Objectives

Below are objectives currently underway or planned in support of the Core Guiding Principles and Goals as described above. Collectively, these guiding principles, goals, and objectives will guide future operational work plans, staffing, and budget proposals.

1. GUIDING PRINCIPLE: PROMOTE USE & DEVELOPMENT OF CLEAN ENERGY

Goal: Reduce GHG emissions by providing 100% renewable energy as the default product for all CEA customers by 2035.

Objectives:

a) Gradually increase CEA's Renewable Portfolio Standard (RPS) to achieve 100% renewable energy.
b) Support customer retention and engagement by highlighting customers that have opted up to CEA's 100% renewable energy Green Impact product.
c) Support achievement of member agencies' CAP building decarbonization and energy efficiency goals through customer access to grant-funded and/or ratepayer-funded energy efficiency programs.
d) Pursue local generation projects, including in partnership with member agencies to utilize publicly owned facilities for solar and energy storage projects.

2. GUIDING PRINCIPLE: BUILD & MAINTAIN FINANCIAL STABILITY

Goal: Achieve financial sustainability and build reserves.

Objectives:

a) Achieve sufficient financial reserves with a minimum of one hundred twenty (120) days liquidity on hand (DLOH) to support rate stability.
b) Manage procurement and financing costs through achievement of an investment-grade credit rating.
c) Analyze and adjust the rate premiums for the Clean Impact Plus and Green Impact energy products to ensure appropriate cost recovery.
d) Support customer retention by offering competitive rates while maintaining financial stability and achieving renewable/clean energy goals.
e) Reduce Resource Adequacy (RA) costs by reducing peak load through energy demand management programs.

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3. GUIDING PRINCIPLE: PROVIDE BENEFICIAL CUSTOMER PROGRAMS

Goal: Offer a variety of programs that serve the needs of our customers, promote affordability, and further reduce GHG emissions.

Objectives:

a) Provide customers with access to programs that reduce energy use and address high electric bills.
b) Provide access to solar and battery storage to all segments of the community that contributes to cost savings; decreases energy usage during peak periods while increasing reliance on clean energy.
c) Expand access to solar and battery systems at significantly reduced costs to low-income customers.
d) Retain customers and encourage participation in State funded income-based assistance programs.
e) Work with member agencies to identify and design energy programs for government on City-owned properties or community hubs.
f) Collaborate with San Diego Regional Energy Network (SDREN) and Southern California Regional Energy Network (SoCal REN) to expand programs offered to CEA customers.

4. GUIDING PRINCIPLE: ACTIVELY ENGAGE IN CUSTOMER ADVOCACY

Goal: Engage and advocate for CEA and its customers in regulatory and legislative matters.

Objectives:

a) Maintain participation in legislative and regulatory proceedings that support CEA's guiding principles and goals.
b) Actively advocate for CEA and its customers in issues such as affordability, renewable energy procurement, and local control.
c) Monitor and advocate for fair and reasonable Power Charge Indifference Adjustment (PCIA) charges.
d) Engage with local elected officials to communicate benefits CEA provides its customers and influence legislative decisions that support CEA's goals.

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5. GUIDING PRINCIPLE: PROVIDE EXCEPTIONAL CUSTOMER SERVICE & ENGAGEMENT

Goal: Provide highly responsive and helpful customer service and opportunities for our staff to engage with our customers.

Objectives:

a) Increase CEA's presence in the communities served and provide accurate information to customers.
b) Promote CEA as the preferred customer-focused renewable energy service provider in North San Diego County and add value to the community and the environment.
c) Engage with CEA customers to provide information about CEA's programs, services and benefits; maintain strong customer participation and communication; and, gather feedback from customers and community members.
d) Develop a comprehensive costumer communications strategy to reach CEA's diverse communities.

6. GUIDING PRINCIPLE: PROMOTE ORGANIZATIONAL DEVELOPMENT

Goal: Create an organization that fosters employee creativity and engagement in meeting CEA's goals, recognizes employee achievements, and supports employee development and growth.

Objectives:

a) Achieve continuity in operations by developing or expanding upon key operational processes and procedures such as key workflows, performance evaluations, and recruitment and onboarding.
b) Support employee development through participation in California Community Choice Association's committees, workshops and conferences.
c) Encourage employee participation in professional education opportunities.

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Next Steps

Upon finalization of this Strategic Plan, incorporating Board input, next steps include:

Work Plan

1. Review with Community Advisory Committee.
2. Present final to Board for adoption.
3. Finalize a Work Plan for FY 25-27 from the goals and objectives that includes key performance indictors to track success.
4. Develop a budget and staffing plan to present to the Board for consideration.

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