



Board of Directors Meeting

July 31, 2025

Item 7: CEO Report

CEA Enrollment Stats

| Member City | Eligible Accounts | Clean Impact – 50% Renewable | Clean Impact Plus – 75% Carbon Free | Green Impact – 100% Renewable | Participation Rate |
|--------------|-------------------|------------------------------|-------------------------------------|-------------------------------|--------------------|
| Carlsbad | 54,883 | 177 | 49,520 | 233 | 91% |
| Del Mar | 3,019 | 11 | 2,750 | 73 | 94% |
| Escondido | 57,024 | 148 | 53,271 | 71 | 94% |
| Oceanside | 74,023 | 199 | 68,788 | 101 | 93% |
| San Marcos | 36,994 | 110 | 34,394 | 75 | 93% |
| Solana Beach | 7,749 | 14 | 6,892 | 161 | 91% |
| Vista | 39,435 | 82 | 36,949 | 324 | 95% |
| TOTAL | 272,910 | 738 | 252,318 | 1,025 | 93% |

CEA serves a total of 254,081 customer accounts across its seven member agencies

Completed Community Events

| DATE | DESCRIPTION | CITY |
|-----------------|---|--------------|
| July 9-10, 2025 | California Climate & Energy Collaborative Forum | San Jose, CA |
| July 19, 2025 | Solar Saturday Workshop | Solana Beach |
| July 24, 2025 | Downtown Business Association Merchant Mixer | Escondido |

Upcoming Community Events

| DATE | DESCRIPTION | CITY |
|-----------------|---|------------|
| August 9, 2025 | Flapjacks for Backpacks | San Marcos |
| August 9, 2025 | 2 nd Annual Back 2 School: An Artful Start | Escondido |
| August 14, 2025 | North County Health & Wellness Fair | Oceanside |
| August 25, 2025 | Sustainability Advisory Committee | Del Mar |

Solar Plus & Battery Bonus Update

| Member City | Solar Plus | | Solar Plus Connect | | Battery Bonus | | Battery Bonus Connect | |
|--------------|------------|----------|--------------------|----------|---------------|----------|-----------------------|----------|
| | Active | Complete | Active | Complete | Active | Complete | Active | Complete |
| Carlsbad | 4 | 1 | 2 | 0 | 0 | 0 | 9 | 0 |
| Del Mar | 0 | 0 | 1 | 0 | 0 | 0 | 1 | 0 |
| Escondido | 13 | 0 | 14 | 0 | 0 | 0 | 12 | 0 |
| Oceanside | 2 | 1 | 5 | 0 | 0 | 0 | 16 | 0 |
| San Marcos | 0 | 1 | 1 | 0 | 0 | 0 | 7 | 0 |
| Solana Beach | 1 | 0 | 0 | 0 | 0 | 0 | 1 | 0 |
| Vista | 2 | 1 | 2 | 0 | 0 | 0 | 12 | 0 |
| TOTAL | 22 | 4 | 25 | 0 | 0 | 0 | 58 | 0 |

Data as of 7/24/25

PeakSmart Savers Update

| Member City | PeakSmart Savers Signups |
|--------------|--------------------------|
| Carlsbad | 0 |
| Del Mar | 2 |
| Escondido | 3 |
| Oceanside | 5 |
| San Marcos | 0 |
| Solana Beach | 0 |
| Vista | 5 |
| TOTAL | 15 |

Data as of 7/25/2025

Questions/Discussion – Item 7

Item 8: Amending Clean Energy Alliance Rate Schedule to Update the Wholesale Market Access Tariff Rate Effective August 1, 2025

Recommendation

- Conduct Public Hearing
- Adopt Resolution No. 2025-035 Amending the Clean Energy Alliance Rate Schedule to Update the Wholesale Market Access Tariff Rate Effective August 1, 2025

Background

- October 26, 2023 – Board approved the Wholesale Market Access Tariff (WMAT) Terms & Conditions
 - New rate program for large commercial customers whose annual energy usage exceeds 150 GWh
- October 31, 2024 – Board approved initial WMAT Rate
 - Rate based on projected revenues and expenditures
 - Set to ensure sufficient revenue generated to recover costs

Recommended Amendment

- Increase rate from \$0.10150/kWh to \$0.11350/kWh
- Rate change ensures revenue meets current projected expenditures of the WMAT program
- Proposed effective date of August 1, 2025
- Public Hearing notices were published July 19 and 25, 2025

Questions/Discussion – Item 8

Item 9: Regulatory Update

Clean Energy Alliance: Regulatory Update

Jake Schlesinger – Keyes & Fox LLP

July 31, 2025

Overview

- Application 25-04-014: Application of SDG&E to Withdraw from Regional Energy Efficiency (EE) Program Administration
- Rulemaking 20-05-012: SGIP Comments on Demand Response (DR) Enrollment Requirement
- Rulemaking 25-02-005: Application for Rehearing of Proposed Decision Changing the PCIA methodology

A.25-04-014: SDG&E EE Application

- SDG&E seeks Commission approval to discontinue regional EE program administration
- PUC Code Sec. 381.1(e)-(f) provides CCAs the opportunity to elect to administer EE programs
- D.14-01-033, the Commission adopted the following calculation to determine the maximum amount of funding available for a CCA's ETA annual portfolio:

Total electricity EE NBCs from the CCA's customers
- (Total electricity EE NBCs from the CCA's customers
x % of the IOU authorized budget for statewide and regional programs up to 96%)
= CCA ETA maximum funding

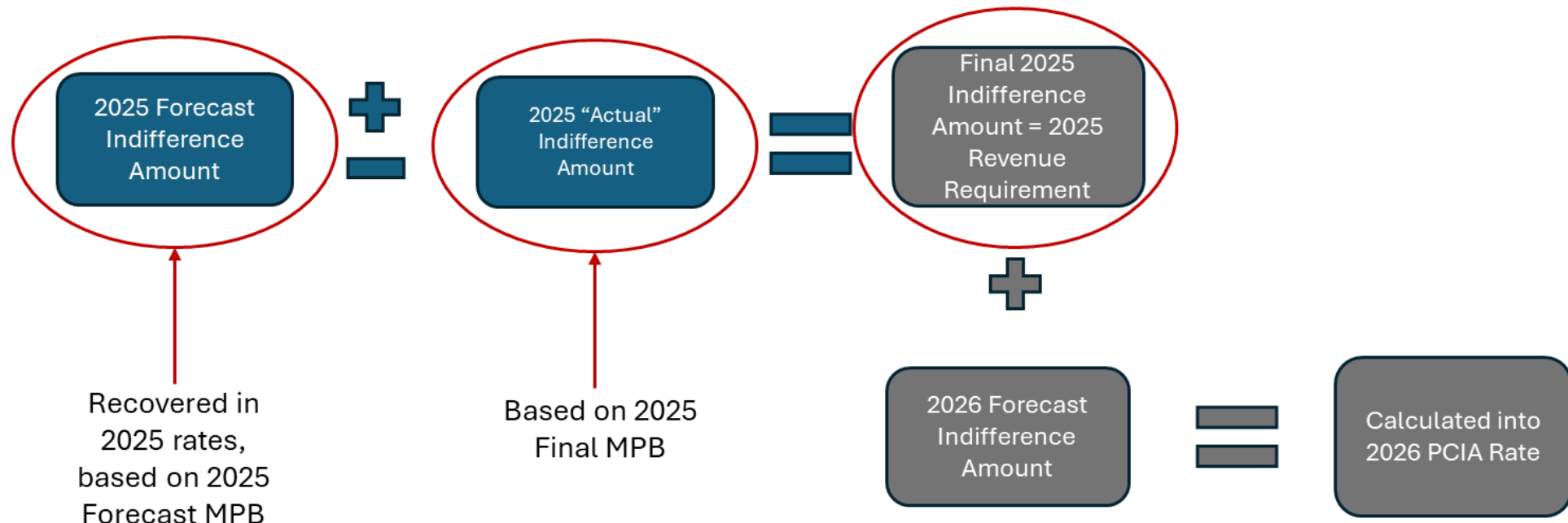
- SDG&E requests an approximately \$300 million reduction in the PPP EE NBC rates to support its reduced EE portfolio

R.20-05-012 SGIP Comments on QDR Req.

- **12/20/23** - D.24-03-071 Commission ordered that SGIP Program Administrators (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
- **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 CCA Comments, including CEA filed in support
 - An estimated 700 low-income residential customers participating in CCA programs (with an incentive value of approximately \$17 million) are stuck in the SGIP queue
 - The Commission should consider exempting **all** residential customers from the QDR requirement because PG&E and SDG&E customers have no existing IOU or CCAQ QDR

R.25-05-005 PCIA Methodology Change AFR

- D. 25-06-049 Modified calculation methodology for the RA MPB, but applies changes to 2025 PCIA rates, finding they are not “*general rates*”
- CalCCA AFR filed on 7/28/25



QUESTIONS?

Jake Schlesinger
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Questions/Discussion – Item 9

Item 10: Approving 10-Year Power Purchase Agreement (PPA) with IP Darden III, LLC and Authorizing Execution of the PPA

Recommendation

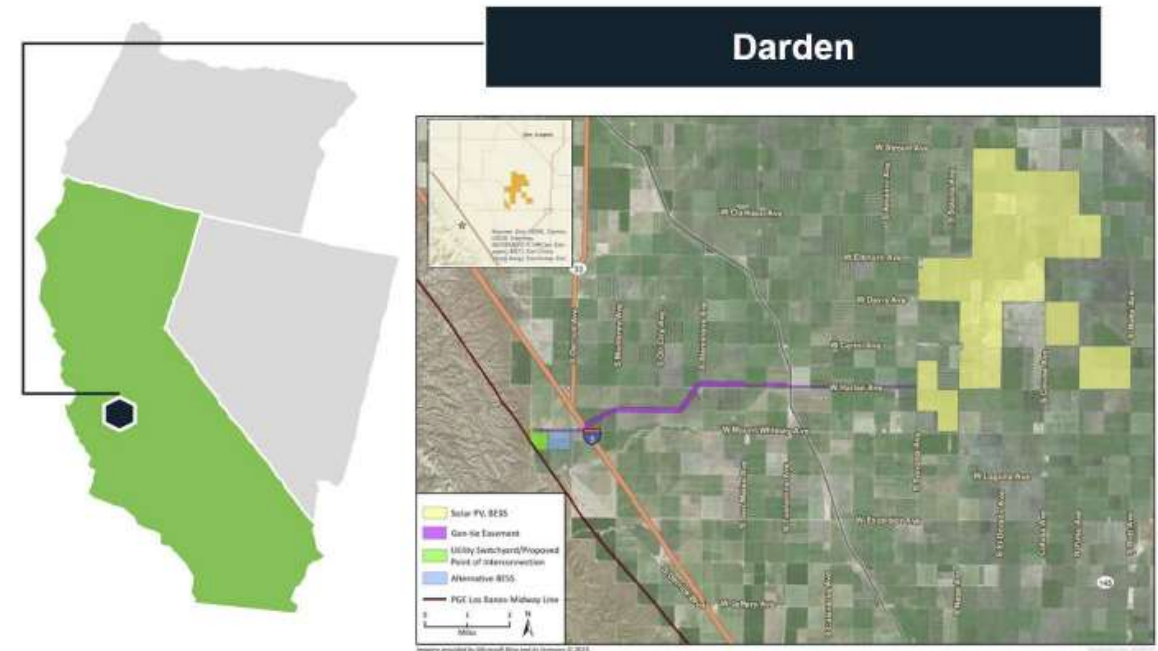
- That the CEA Board adopt Resolution No. 2025-036 approving a 10-Year Power Purchase Agreement (PPA) with IP Darden III, LLC for a new-build co-located project that includes 137.22 MW of photovoltaic solar and 137.22 MW of 4-hour battery storage.
- Authorize the Chief Executive Officer to execute all documents, subject to Transactions Attorney approval.

Background

- Long-term agreements for new-build renewable energy projects are critical to meeting CEA's environmental and compliance goals and provide financial value to CEA by locking in power supply costs.
- To facilitate receipt of these PPA offers, CEA issued a Request for Proposals (RFP) for new-build renewable energy projects – Intersect Power, a national developer with an office in CEA territory (Solana Beach), submitted the Darden project under this RFP.
- Darden is a co-located solar and storage project, with CEA's 137MW portion of the project expected to generate 404,641 MWh of renewable energy per year.
- The substantial size of the project and CEA's offtake will lock in a meaningful amount of future power supply costs and will contribute materially CEA's long-term 100% renewable target.

IP Darden III, LLC Co-located Solar + Storage Project

- Project is located on former agricultural land retired by the State's groundwater sustainability goals and is ideal for solar development
- The project will connect into a brand new 500kV switchyard built by Intersect Power and deeded to PG&E, allowing for greater control over cost and schedule
- 10-year contract with project company IP Darden III, LLC, starting in June, 2028, located in Fresno, CA
 - 137.22 MW of solar + 137.22 MW of 4-hour battery storage*
 - CEA benefits from the Project include:
 - Hedge on long-term energy prices
 - Portfolio Content 1 (PCC1) renewable energy
 - Potential for Midterm Reliability (MTR) eligibility
 - Resource Adequacy (RA) 4-hour battery capacity



* Note: As the project design is finalized, there may be potential to increase the solar to 139.52MW.

IP Darden III, LLC Fire Safety

- The project uses lithium-ion phosphate (LFP) technology
 - IP Darden III, LLC has worked to ensure that the risk of fire to the storage units and the surrounding area is heavily mitigated.
 - Project will be fully compliant with NFPA 855 requirements.
 - Storage units will be housed in containerized units to localize any potential fire and prevent its spread.
 - Site is equipped with a local fire command center to protect the surrounding environment.

Questions/Discussion – Item 10

Item 11: Approve Execution of 10-Year Energy Storage Resource Adequacy Agreement with Circle City Energy Storage LLC

Recommendation

- That the CEA Board adopt Resolution No. 2025-037 approving a 10-Year Energy Storage and Resource Adequacy Agreement (ESRAA) with Circle City Energy Storage LLC for a 28MW 4-hour battery.
- Authorize the Chief Executive Officer to execute all documents, subject to Transactions Attorney approval.

Background

- CPUC Decisions 21-06-035 (Mid-Term Reliability Requirement) & 23-02-040 (Supplemental Mid-Term Reliability Procurement)
 - Procurement of additional resources to ensure sufficient resources are available for reliability as older non-renewable resources are retired
 - Incremental requirements for each LSE for new capacity online on or before each year from 2023 through 2028
 - Available for minimum 10 years
 - Non-fossil fueled (for generation resources)
 - Goal to increase resource diversity with clean firm resources such as geothermal and long-duration storage, in addition to battery storage

Circle City Energy Storage LLC Battery Project

- Engie, a developer who has built renewable energy and battery projects across the US and abroad, submitted battery storage offers in response to CEA and CalChoice's joint solicitation in January 2024
- The project is sited on previously-developed, industrial zoned land, which means the project will not impact any federal, state, or local conservation designations, nor will it impact any protected areas, habitats, or urbanized open space.
- Engie's Circle City project is located in the greater LA Basin area between Anaheim and Riverside, in an industrial zoned area of Corona
- 10-year project, starting in June, 2026 in Corona, CA
 - 28MW of 4-hour battery storage
- The battery capacity will aid CEA in meeting its MTR requirements as set by the CPUC
- CEA's contract is for the RA capacity of the project, which CEA will use to meet its RA obligations



Questions/Discussion – Item 11

Item 12: Approving a Default Power Supply Change Policy

Recommendation

That the Clean Energy Alliance (CEA) Board (Board) adopt Resolution No. 2025-038 Approving a Member Agency Default Power Supply Change Policy

Background

- CEA's Joint Powers Agreement (JPA) allows member agencies to select their default power supply from CEA's three power supply options:
 - Clean Impact – minimum 50% renewable energy increasing to 100% by 2035
 - Clean Impact Plus – minimum 50% renewable energy and 75% carbon free energy
 - Green Impact – 100% renewable energy
- All cities have so far have selected Clean Impact Plus as their default power supply

Background

- Member Agencies may choose to change the default power supply for their community to meet CAP or other goals
- Staff has developed a Default Power Supply Policy (Policy) that:
 - Ensures CEA has procured enough energy and/or has adjusted its portfolio in the event a Member Agency chooses to modify its default power supply, and
 - Provides sufficient time for CEA to evaluate any rate implications of such actions

Discussion

- The Policy sets forth a 20-month process with the desired default power supply change effective in November of the year following initiation of a default power supply change
- The steps ensure customers receive sufficient notification of the default power supply change
- The Policy ensures CEA has prepared appropriately to serve customers on the new power supply product.
- Given the steps/time involved, the Policy establishes a maximum frequency of 1 change every 2 years for a Member Agency

Year 0 – Year Prior to the Date of Default Change

Advance
Notice
provided
to CEA

March 1

City Council adoption
of Resolution
approving change in
default power supply

October 1



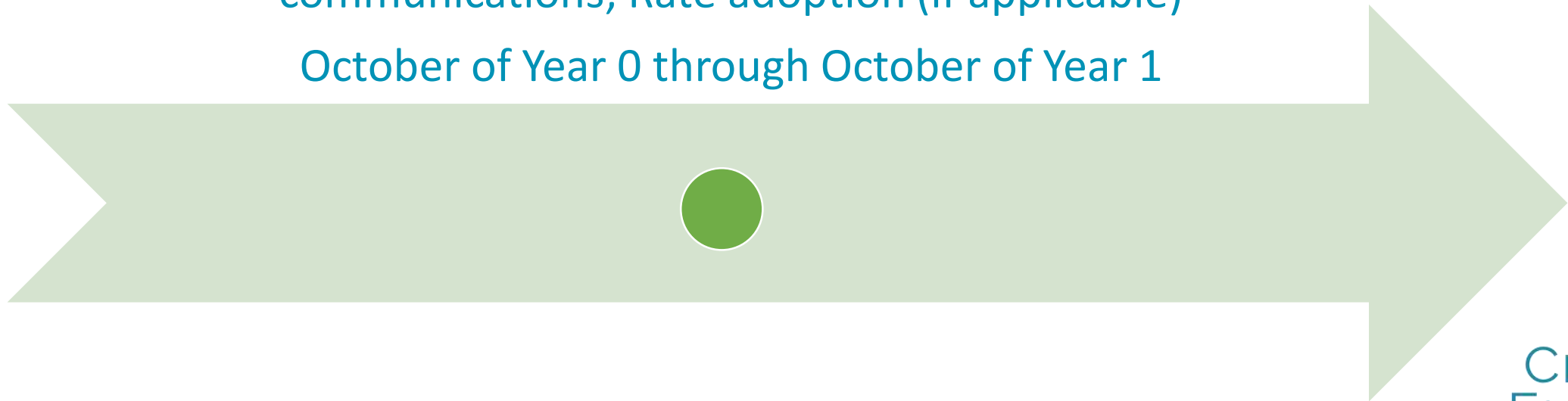
June 1

Report of fiscal impact
procurement impact and
rate impact prepared by
CEA and provided to
Member Agency

Year 0 through 1 Steps

CEA begins procurement; regulatory compliance and reporting updates; coordination with Data Manager and Customer Service Center; customer communications; Rate adoption (if applicable)

October of Year 0 through October of Year 1



Year 1 Steps



Questions/Discussion – Item 12

Item 13: Changing the Venue for Clean Energy Alliance (CEA) Board and Community Advisory Committee (CAC) Meetings from September 2025 through June 2026 and Discuss Time of Board Meetings

Recommendation

That the Clean Energy Alliance (CEA) Board (Board) adopt Resolution No. 2025-039 changing the Place/Venue for Clean Energy Alliance (CEA) Board and Community Advisory Committee (CAC) Meetings for September 2025 – June 2026 to the Leucadia Wastewater District Board Meeting Room and provide additional direction regarding the time and place of the CEA Board Meeting as needed

Background

- CEA Board has over the years expressed an interest in periodic rotation of the Board/CAC meeting location within CEA's service territory to accommodate travel times and convenience for all those who attend these meetings
- Staff has been considering two potential options for these meeting locations:
 - Board Meeting Room of the Leucadia Wastewater District at 1960 La Costa Avenue in Carlsbad
 - City of Vista City Council Chambers at 200 Civic Center Drive

Background

- Leucadia Wastewater District has offered their location at no cost and on the Thursday afternoon meetings times of both the Board and the CAC
- The location has plenty of free parking and is equipped with updated teleconference technology as well as a Board Closed Session Room
- They have offered use of other rooms if needed as well
- On July 24, 2025, after considering our request, Vista staff advised that they could not accommodate our needed meeting times/dates

Leucadia Wastewater District



Leucadia Wastewater District



Leucadia Wastewater District



Leucadia Wastewater District



Leucadia Wastewater District



Leucadia Wastewater District



Leucadia Wastewater District

Given its availability at no charge, readily available and free parking, staff recommends moving to this location beginning with the September 2025 Board Meeting

Questions/Discussion – Item 13