CLEAN ENERGY ALLIANCE

CEA-024

Member Agency Default Power Supply Change Policy

1.0 PURPOSE

Clean Energy Alliance's (CEA) Joint Powers Agreement (JPA) provides that CEA is to offer power supply product options from which the member agencies can select to achieve their Climate Action Plan (CAP) goals. The change in a Member Agency's Default Power Supply must take into consideration many factors, including impacts to customers, impacts to CEA procurement and impact to CEA rates. The purpose of this Default Power Supply Change Policy ("Policy") is to establish standard operating procedures and guidelines for addressing the considerations related to a change in a Member Agency's Default Power Supply.

2.0 APPLICABILITY

This Policy applies to all Default Power Supply change requests by Member Agencies.

3.0 DEFINITIONS

"Board" means CEA Board of Directors.

"CEA Rates" means the rates applicable to customers as established in CEA's rate schedule.

"CEA Power Supply Product" means power supply products approved by the Board and available to CEA customers. For example, Clean Impact, Clean Impact Plus or Green Impact.

"Default Power Supply" refers to the CEA Power Supply product that has been selected by the Member Agency as the default for customers within the Member Agency's territory. This is the power supply that customers are enrolled in unless the customer takes an action to change to a different CEA Power Supply Product.

"Default Power Supply Change Month". Default Power Supply changes will be effective November 1 of the year following the adoption of the City Council Resolution approving the change in Default Power Supply.

"Member Agency" is a "Party" as defined in Appendix A of CEA's Joint Powers Agreement.

"Opt Action" means an affirmative action taken by an individual CEA customer to select a CEA Power Supply Product that is different than the Default Power Supply for their location or to opt out of CEA service and return to San Diego Gas & Electric bundled service.

4.0 DEFAULT POWER SUPPLY CHANGE PROCESS

1) **Advance Notice of Intent to Change Default Power Supply**. If a Member Agency desires to change its Default Power Supply after its customers have been enrolled with CEA, the Member Agency must provide advance notice to CEA of its intent to change Default Power Supply no later than March 1 of the year prior to the year in which the Default Power Supply change will occur.

2) **Actions by CEA and the Member Agency Subsequent to Receipt of Advance Notice of Intent to Change Default Power Supply**.

    a. Upon receipt of the Advance Notice of Intent to Change Default Power Supply, CEA will evaluate the fiscal impact, procurement impact and rate impact of the change in Default Power Supply.

    b. CEA will report the results of the evaluation of fiscal impact, procurement impact and rate impact, including the schedule for the proposed Default Power Supply Change, to the Member Agency no later than June 1 following receipt of the Advance Notice of Intent to Change Default Power Supply.

    c. No later than October 1 of the year prior to the year in which the Default Power Supply change will occur, the City Council or governing board of the Member Agency shall adopt a Resolution that approves the change in Default Power Supply.

3) **Actions by CEA upon Receipt of Member Agency Resolution.** Upon receipt of the Member Agency Resolution, CEA may engage in any of the following activities:

    a. Procure or prepare to procure the appropriate amount of energy resources to meet the expected change in demand when the Default Power Supply is changed;

    b. Complete or prepare to complete additional regulatory compliance and reporting requirements, if any;

    c. Coordinate with CEA's data manager and Customer Service Center to prepare for the change of the Default Power Supply;

    d. Prepare a customer communications plan; and

    e. Take any other action necessary to effectuate the Member Agency's change in Default Power Supply.

4) **November Default Power Supply Change Implementation.** CEA will implement the change to the Default Power Supply in the month of November in the year following the adoption of the Resolution approving the Default Power Supply change by the City Council of the Member Agency pursuant to Section 4.2.c above. The individual customer transition will take place on the customer's first meter read date in November. Notwithstanding the foregoing, CEA and the Member Agency may mutually agree upon a different implementation schedule.

5) **Customer Communications.** CEA will notify customers affected by a Member Agency's Default Power Supply Change. CEA will lead, with support from the Member Agency, the development and dissemination of customer notices.

    a. Customers affected by a Member Agency's Default Power Supply Change shall be sent a minimum of two (2) notifications. A minimum of one (1) notification shall be sent one (1) month prior to the change going into effect.

    b. In addition to the two required notices referenced in Section 5.a above, CEA will coordinate with a Member Agency who wishes to develop and distribute additional customer notices and/or conduct additional communications such as on-bill messaging, bill inserts, social media campaigns, newsletters, etc.

    c. CEA will cover the cost of the required notices referred to in Section 5.a above for the first Default Power Supply Change. Costs related to additional customer noticing and outreach for the first Default Power Supply Change and all customer communications, including the required notices, for any subsequent Default Power Supply Change will be charged to the Member Agency.

6) **Exceptions to Application of Default Power Supply Change.** Notwithstanding anything contained in this Policy, in no event shall a Member Agency's change in the Default Power Supply affect the following:

    a. **Prior Customer Opt Actions.** Any customer that has affirmatively taken any Opt Action will be excluded from the Default Power Supply Change.

    b. **Additional Exceptions.** The CEA Chief Executive Officer is authorized to determine additional exceptions for customers that would be excluded from the Default Power Supply Change or to implement the change on a different schedule than as set forth herein, including postponement of the Default Power Supply Change. Additional exceptions will be communicated to the Member Agency.

7) **Frequency of Default Power Supply Change by a Member Agency.** A Member Agency may change its Default Power Supply no more than one (1) time every two (2) years.