



Community Advisory Committee Meeting

February 12, 2026

Item 1: Chair/Vice Chair Election

Chair/Vice Chair Appointment

Chair and Vice Chair Term Limits Policy

- *2.2 Policy for Chair and Vice Chair of CAC*
 - *The CAC shall appoint a Chair and a Vice Chair from members of the CAC at the first meeting of the calendar year. The terms of office for the Chair and Vice Chair of CAC continue for one year. The CAC Chair shall attend CEA Board of Directors Meetings on a regular basis to update the Board on current priorities.*
 - *It shall be the Policy of CEA that no person shall be appointed to serve as the CAC Chair for more than two full consecutive one-year terms and no CAC member shall be appointed to serve as the Vice Chair for more than two full consecutive one-year terms. There is no limit on the total number of years that a person can be appointed the Chair of the CAC or appointed as the Vice Chair of the CAC, as long as the consecutive limit is observed. A person may be appointed to serve as Chair directly following service as the Vice Chair and may serve as the Vice Chair directly following service as the Chair in succession.*

Questions/Discussion – Item 1

Item 2: Board Organization Update/Work Plan Review

CAC 2026 Work Plan

MEETING DATE	WORK PLAN/TOPICS
February 12, 2026 1 pm – 3 pm Leucadia Wastewater District Board Room	Chair/Vice Chair Election Board Organization Update/Work Plan Review Rate Relief Measures Programs Plan
March 12, 2026 1 pm – 3 pm Leucadia Wastewater District Board Room	Discussion of Ad-Hoc CAC Subcommittee Formation for 2026 Work Plan Items Energy Programs Plan/Survey Results
May 14, 2026 1 pm – 3 pm Leucadia Wastewater District Board Room	CEA Budget Update Hydrogen Vehicle Fueling Stations
July 9, 2026 1 pm – 3 pm Leucadia Wastewater District Board Room	Review CEA Draft FY 2026/27 Budget Programs Update New DER Technologies and integration
September 10, 2026 1 pm – 3 pm Leucadia Wastewater District Board Room	Update on outside organization collaboration Social Media Marketing Efforts & Website Updates
November 12, 2026 1 pm – 3 pm Leucadia Wastewater District Board Room	Ad Hoc Subcommittee Work for Board Presentation 2026 Achievements and 2027 Workplan Suggestions

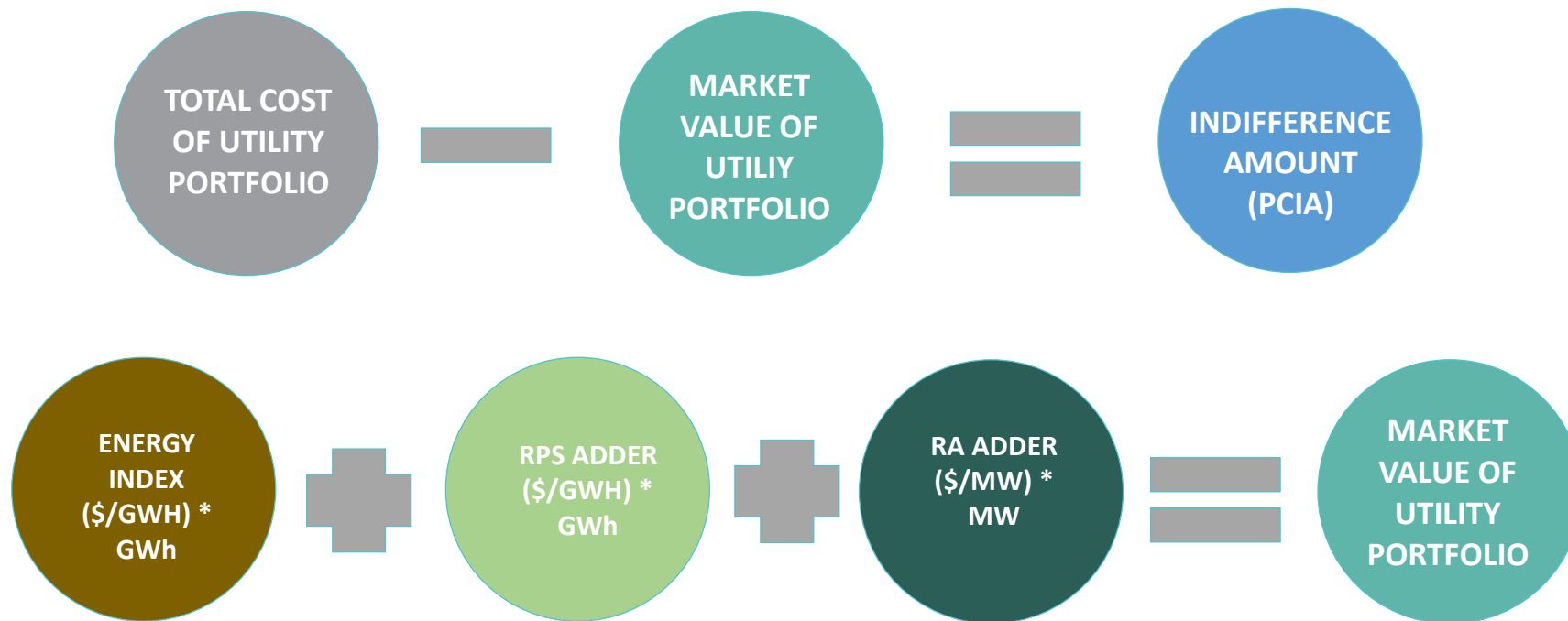
Questions/Discussion – Item 2

Item 3: Rate Relief Measures

Setting PCIA Rates



Setting PCIA Rates



Background: December ERRA Update

- SDG&E published final electricity generation and PCIA rates
 - Released on December 31:
 - SDG&E's Bundled Generation Rates increased by 14% on average (up by 1.6 to 3.1 cents per kWh depending on rate class)
 - PCIA rates increased significantly more – an average increase of 4.8 cents per kWh across all CEA rate classes and Vintage Years
 - As usual, different vintages are affected differently
 - All CEA vintages went from negative PCIAs to positive ones
 - Vintage Year 2023 (Oceanside and Vista) increased the most
 - Vintage Year 2020 (Carlsbad and Del Mar) is now the highest (by a very slight amount)
- Based on CEA's current rates
 - All of CEA's customers will be paying more than comparable SDG&E rates on an average monthly basis in 2026

Adjust Clean Impact Rate to SDG&E Parity

- CEA has 3 product offerings for Customer Enrollment
- New CEA Customers are automatically enrolled in Clean Impact Plus

<u>Product</u>	<u>Product Content</u>	<u>Customers</u>
Clean Impact (Base)	50% Renewable	737
Clean Impact Plus (Default)	50% Renewable 75% Carbon Free	253,417
Green Impact (Premium)	100% Renewable	1,473
	Total	255,627

- **Proposal:**
 - Adjust the rate for Clean Impact for 11 months
 - Any customer could elect to “Opt Down” to Clean Impact
 - Receive an overall electricity rate that is equal to or lower than SDG&E
 - Was implemented with service starting on February 1, 2026

Comparison of Residential (TOU-DR1) Rates

Average Usage of 361 KWh per Month		SDG&E	CEA Products		
		Bundled Residential Customers	<u>Clean Impact (Base)</u>	<u>Clean Impact Plus (Default)</u>	<u>Green Impact (Premium)</u>
		41.4% Renewable	50% Renewable	50% Renewable + 75% Carbon Free	100% Renewable
Average Monthly Bill	Vintage				
SDG&E		\$ 174.25			
Solana Beach	2017		\$ 188.12	\$ 188.48	\$ 190.83
Carlsbad/Del Mar	2020		\$ 188.23	\$ 188.59	\$ 190.93
Escondidos/San Marcos	2022		\$ 186.06	\$ 186.42	\$ 188.77
Oceanside/Vista	2023		\$ 185.43	\$ 185.79	\$ 188.14
Average Monthly Premium as Compared to SDG&E					
SDG&E		\$ -			
Solana Beach	2017		\$ 13.87	\$ 14.23	\$ 16.58
Carlsbad/Del Mar	2020		\$ 13.97	\$ 14.34	\$ 16.68
Escondidos/San Marcos	2022		\$ 11.81	\$ 12.17	\$ 14.52
Oceanside/Vista	2023		\$ 11.18	\$ 11.54	\$ 13.88

- VY 2020 (Carlsbad/Del Mar) has the highest expected PCIA, so its customers would pay the most
- Average premium for Clean Impact Plus is \$13.07/month; Clean Impact is \$12.71/month
- Most of CEA's residential customers are enrolled in the TOU-DR1 rate class

Option Approved for Rate Relief

- Adjusts the rate for CEA's Base Product (Clean Impact) to Parity with SDG&E for the Vintage Year (VY) with highest PCIA (VY 2020)
- Rates Selected to establish Rate Relief Credit
 - TOU-DR1 rate – the majority of **Residential** customers are on this rate
 - TOU-AS rate – more than 80% of **Non-Residential** customers
- For those customers that choose Clean Impact Product (Base – 50% renewable)
 - Residential customers
 - **Rate Relief Credit of \$0.03871 per Kilowatt-Hour (kWh)**
 - VY 2020 customers – average monthly bill would be equal to SDG&E
 - All other customers and all other VYs would have a monthly savings as compared to SDG&E
 - Non-Residential (Commercial) customers
 - **Rate Relief Credit of \$0.02657 per kWh**
 - VY 2020 Small Commercial customers – average monthly bill would be equal to SDG&E
 - All other customers in all rate classes (except Agricultural) and all other vintages would have a monthly savings as compared to SDG&E

Residential – Rate Relief Impact

Residential		SDG&E	CEA Products		
Average Usage of 361 KWh per Month		Bundled Residential Customers	Clean Impact (Base)	Clean Impact Plus (Default)	Green Impact (Premium)
		41.4% Renewable	50% Renewable	50% Renewable + 75% Carbon Free	100% Renewable
Average Monthly Bill	Vintage				
SDG&E		\$ 174.25			
Solana Beach	2017		\$ 174.15	\$ 188.48	\$ 190.83
Carlsbad/Del Mar	2020		\$ 174.25	\$ 188.59	\$ 190.93
Escondidos/San Marcos	2022		\$ 172.09	\$ 186.42	\$ 188.77
Oceanside/Vista	2023		\$ 171.45	\$ 185.79	\$ 188.14
Avg Monthly Premium/(Savings) Relative to SDG&E					
SDG&E		\$ -			
Solana Beach	2017		\$ (0.10)	\$ 14.23	\$ 16.58
Carlsbad/Del Mar	2020		\$ -	\$ 14.34	\$ 16.68
Escondidos/San Marcos	2022		\$ (2.16)	\$ 12.17	\$ 14.52
Oceanside/Vista	2023		\$ (2.80)	\$ 11.54	\$ 13.88

- Customer Savings of \$13.07 per month relative to current Clean Impact Base rate
- Customer Savings of up to \$2.80 per month compared to SDG&E

Small Commercial – Rate Relief Impact

		SDG&E Bundled Customers	Clean Impact (Base) Product		
			<u>Before Rate Adjustment</u>	<u>After Rate Adjustment</u>	
SMALL COMMERCIAL					
Average Monthly Bill	Vintage	1056 KWh			
SDG&E		\$ 445.67			
Solana Beach	2017		\$ 473.49	\$ 445.43	
Carlsbad/Del Mar	2020		\$ 473.73	\$ 445.67	
Escondidos/San Marcos	2022		\$ 467.35	\$ 439.30	
Oceanside/Vista	2023		\$ 465.72	\$ 437.66	
Average Monthly Premium as Compared to SDG&E					
SDG&E					
Solana Beach	2017		\$ 27.82	\$ (0.24)	Savings
Carlsbad/Del Mar	2020		\$ 28.06	\$ -	
Escondidos/San Marcos	2022		\$ 21.68	\$ (6.38)	Savings
Oceanside/Vista	2023		\$ 20.04	\$ (8.02)	Savings

- Customer Savings of up to \$8.02 per month compared to SDG&E

Agriculture – Rate Relief Impact

		SDG&E Bundled Customers	Clean Impact (Base) Product		
			<u>Before Rate Adjustment</u>	<u>After Rate Adjustment</u>	
Agriculture					
Average Monthly Bill	Vintage	1,222 kWh			
SDG&E		\$ 353.82			
Solana Beach	2017		\$ 397.75	\$ 365.28	
Carlsbad/Del Mar	2020		\$ 398.08	\$ 365.61	
Escondidos/San Marcos	2022		\$ 391.80	\$ 359.33	
Oceanside/Vista	2023		\$ 389.98	\$ 357.51	
Average Monthly Premium as Compared to SDG&E					
SDG&E					
Solana Beach	2017		\$ 43.93	\$ 11.46	Above SDG&E
Carlsbad/Del Mar	2020		\$ 44.26	\$ 11.79	Above SDG&E
Escondidos/San Marcos	2022		\$ 37.98	\$ 5.51	Above SDG&E
Oceanside/Vista	2023		\$ 36.16	\$ 3.69	Above SDG&E

- Even after applying the Non-Residential Rate Relief amount, Agricultural customers would still be above SDG&E (CEA has approximately 291 Agriculture customers)
- Close look at Agriculture rates indicated that Ag rates have gotten out of sync with SDG&E's rates
- Propose 6.9% rate reduction to all Agriculture rates to recalibrate

Agriculture – 6.9% Rate Reduction and Rate Relief

		SDG&E Bundled Customers	Clean Impact (Base) Product		
			<u>Before Rate Adjustment</u>	<u>After Rate Adjustment</u>	
Agriculture					
Average Monthly Bill	Vintage	1,222 kWh			
SDG&E		\$ 353.82			
Solana Beach	2017		\$ 385.84	\$ 353.37	
Carlsbad/Del Mar	2020		\$ 386.17	\$ 353.70	
Escondidos/San Marcos	2022		\$ 379.89	\$ 347.42	
Oceanside/Vista	2023		\$ 378.06	\$ 345.60	
Average Monthly Premium as Compared to SDG&E					
SDG&E					
Solana Beach	2017		\$ 32.02	\$ (0.45)	Savings
Carlsbad/Del Mar	2020		\$ 32.35	\$ (0.12)	Savings
Escondidos/San Marcos	2022		\$ 26.07	\$ (6.40)	Savings
Oceanside/Vista	2023		\$ 24.25	\$ (8.22)	Savings

- After applying the Non-Residential Rate Relief amount and the 6.9% rate decrease, Agricultural customers would be less expensive than SDG&E
- Customer savings of up to \$8.22 per month compared to SDG&E

Financial Impact

- Rate Relief

<u>Residential</u>			\$	5,156,185	if 30,000 customers Opt Down (13%)	
<u>Small Commercial</u>			\$	1,778,423	if 20% of customers Opt Down	
<u>Medium/Large Commercial</u>			\$	3,589,109	if 20% of customers Opt Down	
<u>Agriculture</u>			\$	22,676	if 20% of customers Opt Down	
<u>Lighting</u>			\$	45,574	if 20% of customers Opt Down	
	Total		\$	10,591,967		

- Agriculture Rate Decrease

<u>Agriculture</u>			\$	38,728
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Financial Projection

	Through June 30, 2026			Through December 31, 2026	
	<u>Budget</u>	Financial Projection		Financial Projection	
		<u>Before Proposal</u>	<u>After Proposal</u>	<u>Before Proposal</u>	<u>After Proposal</u>
Change in Net Position	\$ 35,862,650	\$ 43,415,990	\$ 39,981,217		
Ending Net Position	\$ 50,649,916	\$ 64,795,102	\$ 60,360,330	\$ 102,568,306	\$ 92,842,129
Days Liquidity on Hand	81	88	84	135	126

- CEA's current financial forecast is to end the current Fiscal Year better than Budget
- It is expected that financial performance will still be better than Budget even if the assumed number of customers elect to Opt Down
- Impact to credit worthiness would not be materially affected even if all assumed Opt Downs occur

Communications Strategy

- Provide communications toolkits to all member cities, Board Members/elected officials and stakeholder groups
- Social media outreach targeted to communities of concern
- Bill Calculator Tool launch and press release to emphasize cost comparison/transparency
- CEA website article/press release and FAQs (include link to PCIA FAQ to learn more)
- Customer rate-related webinar(s)

Board Actions

- Adopted Resolution No. 2026-009 approving a Rate Relief Credit to CEA's Base Product (Clean Impact) to Parity with SDG&E
 - Residential Credit of \$0.03871 per kWh; Non-Residential Credit of \$0.02657
 - Offers an opportunity to any customer to reduce average monthly costs to at or below SDG&E's average monthly bill
 - Limited time-period of 11 months – could be extended
 - Minimal impact on financial projections and credit rating timeline
 - Staff will report to Board at the end of CY 2026 on SDG&E's 2027 ERRA Forecast and number of Opt-Downs
- Adopted Resolution No. 2026-010 approving a decrease to CEA's Agriculture class rates of 6.9%
 - Brings CEA's Ag rates more in line with SDG&E's rates
 - Will have minimal impact on financial projections and credit rating timeline

Questions/Discussion – Item 3

Item 4: Energy Programs Plan



Review of Draft Energy Programs Plan

Introduction & Purpose of the Plan



Core Guiding Principles and Goals

- CEA Strategic Plan third guiding principle:
 - Provide Beneficial Customer Programs – Offer a variety of programs that serve the needs of our customers, promote affordability and further reduce greenhouse gas emissions.
- Develop a general framework for implementation of programs that support CEA's mission and align with the organization's strategic goals.

Community Engagement Overview

- Plan incorporates community input gathered through:
 - Results from community needs survey
 - Input from community workshops
 - Perspectives from member cities



Community Needs Survey



- Partnership with True North Research on a scientific survey conducted in April 2025.
- Targeted a random sample of residential and commercial customers.
- Surveyed participants on customer awareness, opinions, priorities and behaviors related to energy issues, initiatives and programs.
- An overview of key findings was presented to the Board on April 24, 2026

Community Workshops

- Partnership with Universidad Popular, a trusted grassroots organization in North County San Diego.
- Hosted seven bilingual workshops across CEA's service area, engaging participants in open discussions focused on energy topics.

	Date	Location	Language	Attendees
Workshop #1	Sept. 8, 2025	Escondido	English, Spanish	36
Workshop #2	Sept. 16, 2025	San Marcos	English, Spanish	88
Workshop #3	Sept. 17, 2025	Carlsbad	English, Spanish	19
Workshop #4	Sept. 24, 2025	Zoom	English, Spanish	14
Workshop #5	Oct. 20, 2025	Vista	English, Spanish	22
Workshop #6	Nov. 5, 2025	Oceanside	English, Spanish	19
Workshop #7	Nov. 6, 2025	Solana Beach/Del Mar	English, Spanish	13

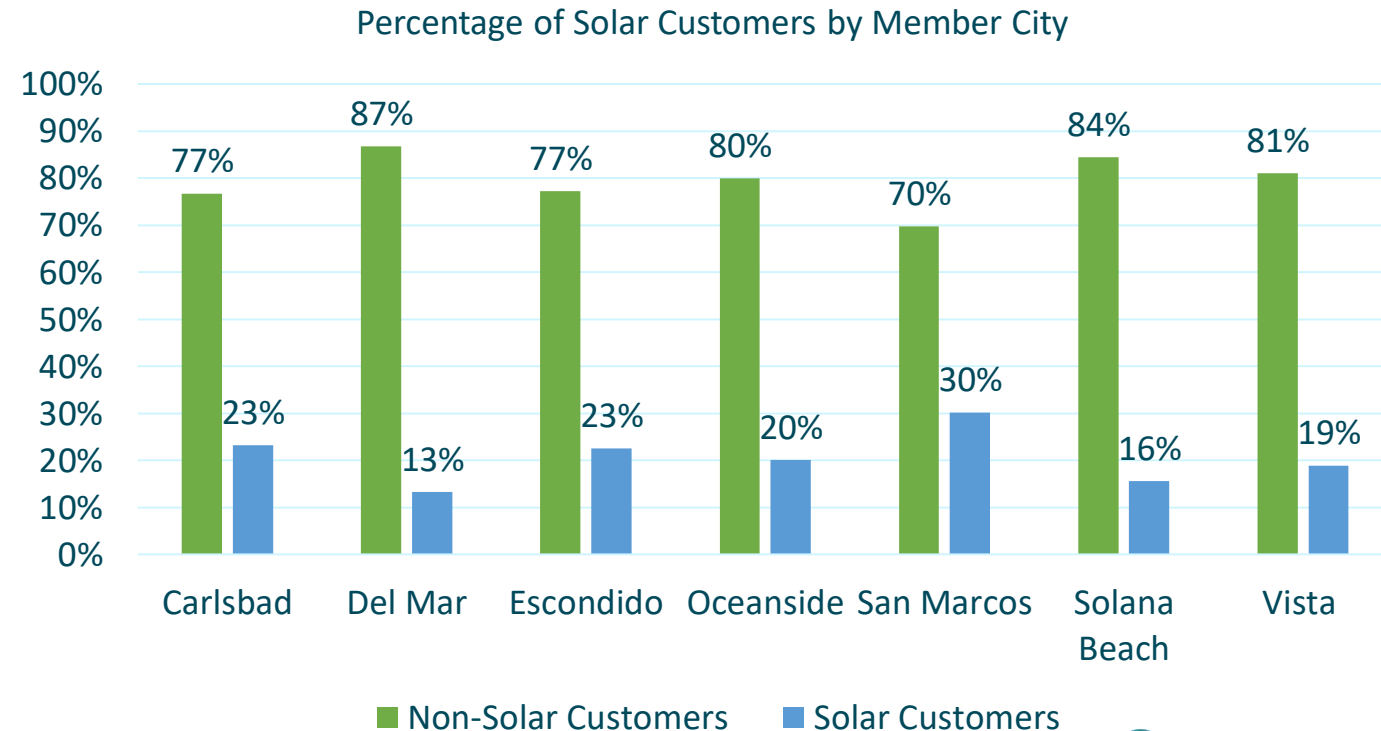
Member City Insights

- Review of each member city's Climate Action Plan.
- Survey of staff contacts at member cities to further understand city-specific priorities.



Service Area Analysis

- Gathered insights on customer demographics using U.S. Census Bureau data.
- Analyzed internal customer data to understand customer profile and energy use patterns.



Recommended Program Portfolio

Program Pillars



Clean Energy Supply & Grid Resilience



Building Electrification & Energy Efficiency



Transportation Electrification



Local Workforce and Community Education

Business Case Analysis

- Peak Reduction Value
 - Impact of a program on CEA's peak load.
- Renewable Content Value
 - How a program supports CEA's move toward 100% renewable energy.
- Anticipated Revenue Impact
 - How programs affect CEA revenue.
- Anticipated Administrative Costs
 - Expected costs and effort to operate the program.

Pillar 1: Clean Energy Supply & Grid Resilience

Program Initiative	Timing	Description	Target
Residential Behind-the-Meter Solar & Battery Storage/Battery Storage Only	Ongoing	Provide access to rooftop solar and storage or battery-only systems.	Residential single family
Commercial Behind-the-Meter Solar & Battery Storage/Battery Storage Only	Near-Term	Provide access to rooftop solar and storage or battery-only systems.	Small businesses and critical facilities
Community Resilience Hubs	Long-Term	Collaborate with member cities and school districts to equip municipal facilities with behind-the-meter solar and storage to support resiliency.	Public agencies
Demand Response	Near-Term	Expand PeakSmart Savers program to commercial customers and support compliance with Load Management Standards.	Commercial customers
Load Flexibility + Virtual Power Plant	Mid-Term	Incentives for customers to shift load and aggregate distributed energy resources (DERs) into a Virtual Power Plant for grid support.	Residential and commercial customers
Discounted Green Impact Rate for Income-Qualified Customers	Long-Term	Design a discounted rate for income-eligible customers to participate in 100% renewable energy.	Low-income customers

Pillar 2: Building Electrification & Energy Efficiency

Program Initiative	Timing	Description	Target
Electrification Incentives	Mid-Term	Incentives for switching from gas to high-efficiency electric heat pumps, water heaters, induction cooktops, etc.	Residential income-qualified customers
Energy Efficiency Kits	Near-Term	Free or low-cost kits filled with simple equipment for self-service energy efficiency upgrades.	Income-qualified and/or residential
Refrigeration Efficiency	Near-Term	Support energy-efficient refrigeration upgrades to reduce energy costs.	Small commercial
Building Electrification Navigator	Mid-Term	Technical assistance for medium-sized businesses and public agencies, including energy assessments.	Medium commercial

Pillar 3: Transportation Electrification

Program Initiative	Timing	Description	Target
EV Charger Rebate	Mid-Term	Rebates for smart Level 2 chargers integrated with time-of-use optimization.	Residential customers
Multi-Unit Dwelling (MUD) Charging	Long-Term	Support turnkey solutions for multi-family buildings lacking EV infrastructure.	Renters
EV Managed Charging and Virtual Power Plant	Mid-Term	Leverage advanced technology to integrate EV's into CEA's VPP and incentive charging to maximize savings and renewable energy.	EV owners
Municipal & Fleet Electrification Partnerships	Long-Term	Vehicle fleet advisory services and/or incentives for member cities, school districts and public agencies.	Public agencies

Pillar 4: Local Workforce & Community Education

Program Initiative	Timing	Description	Target
Clean Energy Equity Fund	Long-term	Establish dedicated funding for grants supporting income-qualified programs, financing pilots and community-led clean energy projects.	Low-income customers, non-profits, community partners
Workforce Training & Pre-Apprenticeship Programs	Long-Term	Support workforce training programs, including efforts by the California Energy Commission's Equitable Building Decarbonization grant and the San Diego Regional Energy Network.	Educational institutions and community partners
Community Innovation Grants	Long-Term	Annual competitive grants to pilot new climate solutions and education programs.	Non-profits and member agencies
Energy Literacy and Education Campaign	Ongoing	Multilingual, digital outreach and workshops to engage hard-to-reach communities.	Non-profits and community partners

Next Steps

- Implement CAC feedback and finalize plan
- Present at March Board Meeting

Questions/Discussion – Item 4

Item 5: Committee Member Announcements

Appendix Slides

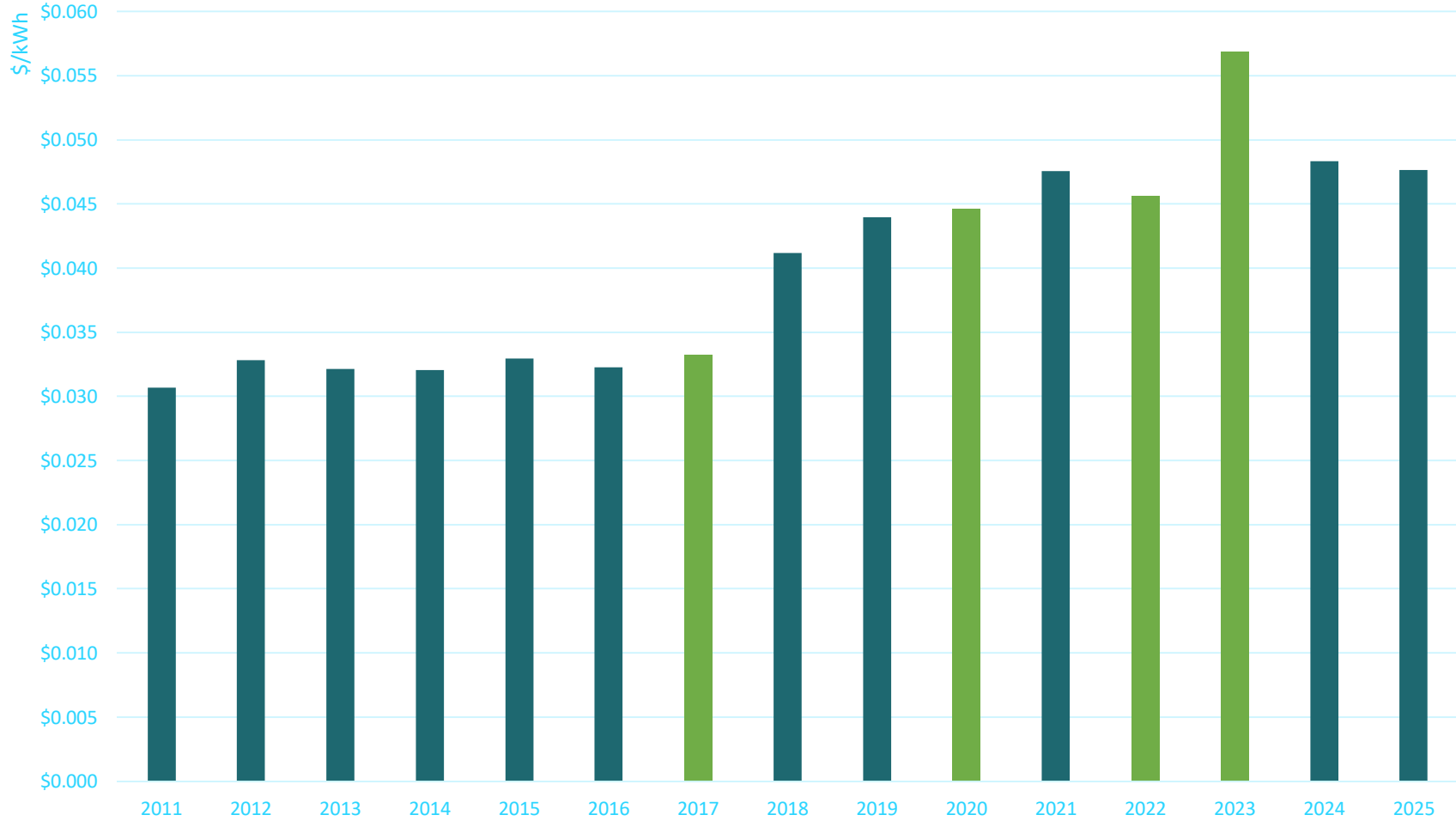
Final Decision

- CPUC issued Decision 25-12-008 on December 4, 2025
- Ordered the utility to use RECs generated after 2018 before it uses “pre-2019 Banked RECs” to meet RPS compliance obligations and to value those at the RPS MPB

Final 2026 PCIA Rates

Vintage	2025 Rates	November 17 Advice Letter (2026)	December 30 Advice Letter (2026)	2026 Increase Over 2025 Rates
Bundled Customer (Generation + PCIA)	\$0.15515/kWh	\$0.17394/kWh	\$0.17676/kWh	\$0.02161/kWh
Solana Beach PCIA (Vintage 2017)	\$0.00004/kWh	\$0.03423/kWh	\$0.03325/kWh	\$ 0.03321/kWh
Carlsbad & Del Mar PCIA (Vintage 2020)	(\$0.01109)/kWh	\$0.03375/kWh	\$0.03352/kWh	\$0.04461/kWh
Escondido & San Marcos (Vintage 2022)	(\$0.01910)/kWh	\$0.02714/kWh	\$0.02655/kWh	\$0.04565/kWh
Oceanside & Vista PCIA (Vintage 2023)	(\$0.03216)/kWh	\$0.02412/kWh	\$0.02475/kWh	\$0.05690/kWh

SDG&E PCIA Rate Increase by Vintage
Effective January 1, 2026 - From AL 4757-E



**(Less) Large
Increases
Across the
Board**

CEA Vintages

Application for Rehearing

- CalCCA Commission's D.25-06-049 to retroactively apply a new methodology to calculate RA Adder (retroactive ratemaking is prohibited by statute)
- The ERRA Forecast decision implemented D.25-06-049, significantly reduced the value of SDG&E's RA portfolio on a retroactive basis (i.e., in 2025) which increases your 2026 PCIA rates
- CEA filed an Application for Rehearing the ERRA Forecast decision to protest such retroactive implementation

Med/Large Commercial – Rate Relief Impact

		SDG&E Bundled Customers	Clean Impact (Base) Product		
			<u>Before Rate Adjustment</u>	<u>After Rate Adjustment</u>	
MEDIUM/LARGE					
Average Monthly Bill	Vintage	21,631 kWh			
SDG&E		\$ 9,665.38			
Solana Beach	2017		\$ 9,992.44	\$ 9,417.70	
Carlsbad/Del Mar	2020		\$ 9,998.50	\$ 9,423.76	
Escondidos/San Marcos	2022		\$ 9,799.06	\$ 9,224.32	
Oceanside/Vista	2023		\$ 9,756.01	\$ 9,181.28	
Average Monthly Premium as Compared to SDG&E					
SDG&E					
Solana Beach	2017		\$ 327.06	\$ (247.67)	Savings
Carlsbad/Del Mar	2020		\$ 333.12	\$ (241.62)	Savings
Escondidos/San Marcos	2022		\$ 133.68	\$ (441.06)	Savings
Oceanside/Vista	2023		\$ 90.63	\$ (484.10)	Savings

- Customer Savings of up to \$484.10 per month compared to SDG&E

Lighting – Rate Relief Impact

		SDG&E Bundled Customers	Clean Impact (Base) Product		
			<u>Before Rate Adjustment</u>	<u>After Rate Adjustment</u>	
Lighting					
Average Monthly Bill	Vintage	933 kWh			
SDG&E		\$ 351.06			
Solana Beach	2017		\$ 353.70	\$ 328.91	
Carlsbad/Del Mar	2020		\$ 353.90	\$ 329.11	
Escondidos/San Marcos	2022		\$ 348.26	\$ 323.47	
Oceanside/Vista	2023		\$ 347.08	\$ 322.29	
Average Monthly Premium as Compared to SDG&E					
SDG&E					
Solana Beach	2017		\$ 2.64	\$ (22.15)	Savings
Carlsbad/Del Mar	2020		\$ 2.84	\$ (21.95)	Savings
Escondidos/San Marcos	2022		\$ (2.80)	\$ (27.59)	Savings
Oceanside/Vista	2023		\$ (3.98)	\$ (28.77)	Savings

- Customer Savings of up to \$28.77 per month compared to SDG&E