CLEAN ENERGY ALLIANCE **AGENDA**

Board of Directors Regular Meeting Agenda
May 28, 2026, 2:00 p.m.
Leucadia Wastewater District, Board Room
1960 La Costa Ave, Carlsbad, CA 92009

Members of the public can observe the livestream of the meeting via Zoom by clicking:

https://us06web.zoom.us/j/81376410530
or telephonically by dialing:
(253) 215-8782
Meeting ID: 813 7641 0530

Members of the public can provide public comment in writing or orally in person as follows:

Written Comments: If you are unable to participate in person and you wish to make a comment, you may submit written comments prior to and during the meeting via email to: clerk@thecleanenergyalliance.org. All written comments will be posted online and become part of the meeting record. To ensure announcement of receipt of your written comments during the meeting, please submit all written comments by 12:00 p.m. prior to the commencement of the meeting. Public comments received in writing will not be read aloud at the meeting.

Oral Comments: Members of the public can address the Board on items on the agenda at the time the item is being addressed or during Public Comments for topics that are not listed on the agenda. Speakers are limited to three (3) minutes each. In conformance with the Brown Act, no Board action can occur on items presented during Public Comment.

If you desire to speak during Public Comment, please fill out a speaker card and submit it to the Board Clerk. When you are called to speak, please come forward to the podium and state your name. To address the Board regarding an item on the agenda, please fill out a speaker card and submit it to the Board Clerk before the Board Chair announces the item.

CALL TO ORDER

ROLL CALL

FLAG SALUTE

APPROVAL OF AGENDA

BOARD COMMENTS & ANNOUNCEMENTS

PUBLIC COMMENT

APPROVAL OF MINUTES
Minutes of the Special Meeting held April 30, 2026

Consent Calendar

Item 1: **Clean Energy Alliance Treasurer's Report for March 2026**

RECOMMENDATION:
Receive and file the Clean Energy Alliance Treasurer's Report for March 2026.

Item 2: **Consideration of Resolution No. 2026-025 Amending and Adopting an Anti-Discrimination and Sustainability Policy, CEA-08**

RECOMMENDATION:
Adopt Resolution No. 2026-025 Amending and Adopting an Anti-Discrimination and Sustainability Policy

Item 3: **Consideration of Resolution No. 2026-026 Adopting an Electronic Communications Retention and Disposition Policy**

RECOMMENDATION:
Adopt Resolution No. 2026-026, Adopting the Electronic Communications Retention and Disposition Policy and Authorizing Automatic Deletion of Certain Electronic Records

Reports

Item 4: **Clean Energy Alliance Chief Executive Officer Operational and Administrative Report**

RECOMMENDATION:
Receive and file the report.

Item 5: **5-Year Anniversary Impact Report**

RECOMMENDATION:
Receive and file the report.

Item 6: **Consider Adoption of Resolution No. 2026-027 Setting Time and Place for Clean Energy Alliance Board Meetings July 2026 – June 2027**

RECOMMENDATION:
Adopt Resolution No. 2026-027 Setting Time and Place for Clean Energy Alliance Board Meetings from July 2026 – June 2027.

Public Hearings

Item 7: **Consider Adoption of Resolution No. 2026-028 Setting Rates for Clean Energy Alliance Effective June 1, 2026.**

RECOMMENDATION:
1) Conduct the Public Hearing: Open the Public Hearing, Receive Public Testimony, and Close the Public Hearing;
2) Adopt Resolution No. 2026-028 Setting Rates for Clean Energy Alliance Effective June 1, 2026.

New Business

Item 8: **Regulatory Update**

RECOMMENDATION:
Receive the Regulatory update from Keyes and Fox.

Item 9: **Review Clean Energy Alliance Fiscal Year 2026/2027 Proposed Budget and Schedule Budget Adoption for June 25, 2026**

RECOMMENDATION:
That Clean Energy Alliance (CEA) Board of Directors review the proposed CEA Fiscal Year 2026/2027 Budget, provide direction on any additions/changes and schedule Budget Adoption for the June 25, 2026 Board Meeting.

BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS

NEXT MEETING: Regular Board Meeting June 25, 2026, Leucadia Wastewater District, 1960 La Costa Ave., Carlsbad, CA 92009.

If you are an individual with a disability and need a reasonable modification or accommodation pursuant to the Americans with Disabilities Act ("ADA"), please contact clerk@thecleanenergyalliance.org prior to the meeting for assistance.

CLEAN ENERGY ALLIANCE **MINUTES**

Board of Directors Regular Meeting Agenda
April 30, 2026, 2:00 p.m.
Leucadia Wastewater District, Board Room
1960 La Costa Ave, Carlsbad, CA 92009

CALL TO ORDER: Chair Melendez called to order the Regular Meeting of the Clean Energy Alliance at 2 p.m.

ROLL CALL: Board Members: Spelich, Bhat-Patel, Nuñez, Figueroa, Becker, Melendez.
Vice Chair Garcia joined the meeting at 2:05 p.m.

FLAG SALUTE: Chair Melendez led the flag salute.

BOARD COMMENTS & ANNOUNCEMENTS: None.

APPROVAL OF AGENDA: No changes.

Motion by Board Member Becker, seconded by Board Member Spelich, to approve the minutes as presented. Motion carried, 6/0 (Garcia - Absent).

PUBLIC COMMENT:
Dan Dominguez spoke about accounts that are in arrears and requested that information be shared at events to help account holders address outstanding balances.

APPROVAL OF MINUTES:
Minutes of the Special Meeting held on March 26, 2026.

Motion by Board Member Nuñez, seconded by Board Member Bhat-Patel, to approve the minutes as presented. Motion carried, 7/0.

Consent Calendar

Item 1: **Clean Energy Alliance Treasurer's Report for February 2026.**

RECOMMENDATION:
Receive and file the Clean Energy Alliance Treasurer's Report for February 2026.

Item 2: **Consider Adoption of Resolution No. 2026-019 Approving Amendment No. 1 to the Energy Storage Agreement with IEP Camp Pendleton Energy Storage 1, LLC, and Authorizing Execution of the Amendment**

RECOMMENDATION:
Adopt Resolution No. 2026-019, approving Amendment No. 1 to the Energy Storage Agreement with IEP Camp Pendleton Energy Storage 1, LLC and authorizing the Chief Executive Officer to execute the ESA Amendment, subject to Transactions Attorney approval.

Item 3: **Consider Adoption of Resolution No. 2026-020 Approving Amendment No. 2 to the Modified Cost Allocation Mechanism Confirm Agreement with San Diego Gas & Electric**

RECOMMENDATION:
Resolution No. 2026-020, approving Amendment No. 2 to the Modified Cost Allocation Mechanism Confirm Agreement with San Diego Gas & Electric and authorize the Chief Executive Officer (CEO) to sign all documents, subject to General Counsel approval.

Item 4: Consider Adoption of Resolution No. 2026-021 Approving of CEA's Load Management Standards Compliance Plan

RECOMMENDATION:
Adopt Resolution No. 2026-021 approving the Clean Energy Alliance Draft Load Management Standards Compliance Plan for submission and filing with the California Energy Commission.

Item 5: Consider Adoption of Resolution No. 2026-022 approving the Agreement with Atria Workspace for Office Space Expansion

RECOMMENDATION:
Adopt Resolution No. 2026-022 approving the Agreement with Atria Workspace and authorize the Chief Executive Officer to execute the Agreement.

Motion by Board Member Nuñez, seconded by Board Member Bhat-Patel to approve the Consent Calendar. Motion carried, 7/0.

Reports

Item 6: Clean Energy Alliance Chief Executive Officer Operational and Administrative Report

RECOMMENDATION:
Receive and file the report.

CEA Board received the report.

New Business

Item 7: Regulatory Update

RECOMMENDATION:
Receive the Regulatory update from Keyes and Fox.

CEA Board received the report.

Item 8: Consider Adoption of Resolution No. 2026-023 Approving the Professional Services Agreement with PFM Financial Advisors LLC and Authorizing Execution of the Agreement

RECOMMENDATION:
Adopt Resolution No. 2026-023 approving the proposed Professional Services Agreement with PFM Financial Advisors LLC and authorize the Chief Executive Officer to execute the Agreement.

Motion by Chair Melendez, seconded by Vice Chair Garcia, to adopt Resolution No. 2026-023. Motion carried, 7/0.

Item 9: **Approving Memorandum of Understanding with Encina Wastewater Authority and Authorizing Execution of the Agreement**

RECOMMENDATION:
Adopt Resolution No. 2026-024 approving Memorandum of Understanding (MOU) with Encina Wastewater Authority for preliminary exploration of a potential local biogas-to-energy generation project, and authorizing the Chief Executive Officer to execute the MOU.

Motion by Vice Chair Garcia, seconded by Board Member Nuñez, adopt Resolution No. 2026-024. Motion carried, 7/0.

Item 10: **Approving the Fourth Amendment to the Chief Executive Officer's Employment Agreement**

RECOMMENDATION:
Adopt Resolution No. 2026-025 approving the Fourth Amendment to the Chief Executive Officer's Employment Agreement in substantial form as Attachment B or as presented at the meeting, with nonsubstantive revisions approved by the Chair and reviewed and approved as to form by General Counsel.

Motion by Board Member Becker, seconded by Chair Melendez, to adopt Resolution No. 2026-025. Motion carried, 7/0.

BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS: None.

NEXT MEETING: Regular Board Meeting May 28, 2026, Leucadia Wastewater District, 1960 La Costa Ave, Carlsbad, CA 92009.

ADJOURNMENT: 3:11 p.m.

_____
Ana Marie Alarcon
Clerk to the Board/Executive Assistant

CLEAN ENERGY ALLIANCE

Staff Report

DATE: May 28, 2026

TO: Clean Energy Alliance Board of Directors

FROM: Andy Stern, Interim Chief Financial Officer/Treasurer

ITEM 1: Clean Energy Alliance Treasurer's Report

RECOMMENDATION:

That the Clean Energy Alliance (CEA) Board of Directors (Board) Receive and File the CEA Interim Treasurer's Report for March 2026.

BACKGROUND AND DISCUSSION:

This report provides the Board with the following financial information through March 31, 2026:

- Statement of Financial Position (Unaudited and preliminary) – Reports assets, liabilities, and financial position of the CEA as of March 31, 2026.
- Statement of Revenues, Expenses and Changes in Net Position (Unaudited and preliminary) for the period ended March 31, 2026.
- Budget to Actuals Comparison Schedule (Unaudited and preliminary) – Reports actual revenues and expenditures compared to the annual amended budget as of March 31, 2026.
- List of Payments Issued – Reports payments issued for March 2026.

As of March 31, 2026, liabilities represent invoices and estimated accruals for energy and services received but not yet paid.

FISCAL IMPACT:

As of March 31, 2026, reported Unrestricted Net Position was $74,454,006.

Submitted for Board consideration:



Gregory Wade
Chief Executive Officer

ATTACHMENTS:

A. Treasurer's Report for March 2026

CLEAN ENERGY ALLIANCE
STATEMENT OF NET POSITION
As of March 31, 2026

ASSETS	
Current assets	
Cash and cash equivalents	$ 63,996,739
Accounts receivable, net of allowance	30,996,874
Accrued revenue	14,954,770
Other receivables	147,146
Prepaid expenses	7,926,460
Deposits	1,035,938
Total current assets	119,057,927
Noncurrent assets	
Deposits	8,578
Total noncurrent assets	8,578
Total assets	119,066,505
LIABILITIES	
Current liabilities	
Accrued cost of electricity	35,791,964
Accounts payable	944,990
Deferred revenue	883,440
Other accrued liabilities	495,955
Security deposits - energy suppliers	297,750
Total current liabilities	38,414,099
Noncurrent liabilities	
Security deposits - energy suppliers	6,198,400
Total liabilities	44,612,499
NET POSITION	
Unrestricted	$ 74,454,006

These financial statements do not contain note disclosures, have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

CLEAN ENERGY ALLIANCE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Nine Months Ended March 31, 2026

OPERATING REVENUES	
Electricity sales, net	$ 301,327,029
Miscellaneous income	2,993
Total operating revenues	301,330,022
OPERATING EXPENSES	
Cost of electricity	240,497,248
Contract services	5,322,597
Staff compensation	1,903,527
Other operating expenses	950,242
Total operating expenses	248,673,614
Operating income (loss)	52,656,408
NONOPERATING REVENUES (EXPENSES)	
Investment income	957,720
Interest expense	(539,233)
Nonoperating revenues (expenses), net	418,487
CHANGE IN NET POSITION	53,074,895
Net position at beginning of year	21,379,111
Net position at end of period	$ 74,454,006

These financial statements do not contain note disclosures, have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

BUDGET TO ACTUALS COMPARISON SCHEDULE

At its June 2025 board meeting, the CEA Board approved the Fiscal Year (FY) 2025/26 budget approving $346,904,000 in total operating expenses. For the year-to-date, $249,213,000 of operating expenses have been expended. Revenues from electricity sales for the year-to-date reached $301,330,000. Nonoperating activity was a net expense of $418,000. The overall change in net position for the year-to-date was an increase of $53,075,000.

The Budget to Actuals Comparison Schedule is shown below.

CLEAN ENERGY ALLIANCE
BUDGETARY COMPARISON SCHEDULE
Nine Months Ended March 31, 2026

	Year-To-Date				Annual		
			Variance fav. (unfav.)				
	Actual	Budget	Amount	%	Annual Budget	Budget Less Actual YTD	Budget Remaining / Budget %
Electricity Sales, net	$ 301,330,022	$ 303,644,293	$ (2,314,271)	-1%	383,146,909	81,816,887	21%
Operating Expenses							
Cost of Energy	240,497,248	262,809,518	22,312,270	8%	333,540,321	93,043,073	28%
Other Operating Expenses	8,176,366	10,060,291	1,883,925	19%	13,363,246	5,186,880	39%
Total Operating Expenses	248,673,614	272,869,809	24,196,195	9%	346,903,567	98,229,953	28%
Operating Income (Loss)	52,656,408	30,774,484	21,881,924	71%	36,243,342	(16,413,066)	
Total Nonoperating Income/(Expense)	418,487	(293,297)	711,784	243%	(380,692)	(799,179)	210%
Change in Net Position	$ 53,074,895	$ 30,481,187	$ 22,593,708		$ 35,862,650	$ (17,212,245)	

These financial statements do not contain note disclosures, have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

LIST OF PAYMENTS ISSUED

The report on the following page provides the details of payments issued by CEA for the month. All payments were within approved budget.

Date	Vendor	Bill Memo	Payment Amount
3/2/2026	PARTICIPATE ENERGY FUND LLC	Jan'2026 PPA Period 01042026 02032026	1,617.49
3/2/2026	SDG&E (Procurement)	May 2026 - RA	340,942.10
3/2/2026	THE ENERGY AUTHORITY	February 25, 2026 2026 - CAISO Weekly Statement of Activity (2/5/26-2/11/26)	95,293.33
3/2/2026	THE ENERGY AUTHORITY	February 2026 - CAISO Weekly Statement of Activity (2/5/26-2/11/26) Total	283,260.73
3/3/2026	BURKE, WILLIAMS & SORENSEN, LLP	January 2026 - Legal services	18,460.60
3/3/2026	Summit Advocacy LLC	February 2026 Lobbying Consulting Services Services	7,000.00
3/5/2026	CALPINE ENERGY SOLUTIONS	January 2026 - Services	296,036.05
3/5/2026	EMPOWER (401a)	Employee Retirement -03/05/2026	11,015.62
3/5/2026	Hall Energy Law PC	January 2026 - Fees for Professional Services	8,812.50
3/6/2026	Alcaraz,Sophia	ER - Feb 23, 2026	581.41
3/6/2026	BRENTECH INCORPORATED	20 VEEAM Microsoft 365 Backup Protection (monthly subscription)	220.00
3/6/2026	EMPOWER (457b)	Employee Retirement -03/05/2026	6,230.21
3/6/2026	River City Bank CC	JAN/FEB 2026 CC Statement	11,321.45
3/6/2026	River City Bank CC	JAN 2026 CC Statement	1,203.25
3/6/2026	SAAVI ENERGY SOLUTIONS, LLC.	June 2026- Firm Resource Adequacy	769,500.00
3/6/2026	SAAVI ENERGY SOLUTIONS, LLC.	June 2026- Firm Resource Adequacy	327,000.00
3/6/2026	STERN, ANDREW	For the period from February 1, 2026 through February 28, 2026	13,000.00
3/6/2026	The Bayshore Consulting Group, Inc	FEB 2026 - CEA Consulting	1,925.00
3/9/2026	CHUBB	Policy: WORKERS COMPENSATION	3,169.00
3/9/2026	CHUBB	Policy: BENCHMARQ PACKAGE	1,051.00
3/9/2026	CHUBB	Policy: Umbrella	1,034.00
3/9/2026	CHUBB	Policy: COMMERCIAL AUTO	794.00
3/9/2026	THE ENERGY AUTHORITY	February 2026 - CAISO Weekly Statement of Activity (2/12/26-2/19/26) Total	68,052.02
3/9/2026	THE ENERGY AUTHORITY	February 2026 - CAISO Weekly Statement of Activity (2/12/26-2/19/26) Total	363,166.40
3/10/2026	USPS	First-Class Mail and First-Class Package Service	1,859.83
3/11/2026	Amy Williams	Expense Report Feb 3, 2026 to Feb 25, 2026	492.91
3/11/2026	Universidad Popular	Conducted a series of 8 workshops across CEA's service territory.	8,000.00
3/13/2026	MCCAULEY, KAYLIN	February 2026 2026 Consulting	340.00
3/13/2026	SDRMA	April 2026 Benefits Coverage	22,990.38
3/16/2026	BRENTECH INCORPORATED	Laptops and accessories	6,621.42
3/16/2026	Pacific Energy Advisors, Inc	FEB 2026 - Technical Consulting Advisors & Channelside	49,000.00
3/16/2026	THE ENERGY AUTHORITY	February 2026 - CAISO Weekly Statement of Activity (2/20/26-2/26/26) Total	58,511.22
3/16/2026	THE ENERGY AUTHORITY	February 2026 - CAISO Weekly Statement of Activity (2/20/26-2/26/26) Total	252,839.18
3/20/2026	Amy Williams	Expense Report Mar 1, 2026, to Mar 6, 2026	463.76
3/20/2026	BRAUN BLAISING SMITH WYNNE	January 2026 - General Matters	1,816.00
3/20/2026	BRB Law LLP	06/06/2025 Flat Fee: Community Solar Split - missed last year	1,092.50
3/20/2026	CALIFORNIA CHOICE ENERGY AUTHORITY	Resource Adequacy - February 2026	5,000.00
3/20/2026	EDF TRADING NORTH AMERICA	February 2026 - Capacity Purchase	392,500.00
3/20/2026	EMPOWER (401a)	Employee Retirement -03/20/2026	12,993.97
3/20/2026	EMPOWER (457b)	Employee Retirement -03/20/2026	7,086.47
3/20/2026	ES 1A Group 2 Opco, LLC	FEB 2026 - Resource Adequacy	108,360.00
3/20/2026	LEAPFROG POWER, INC.	March 2026 - RA	17,176.00
3/20/2026	Neyenesch Printers	MOVE_SPAN	450.50
3/20/2026	PECKHAM, DANIEL	Dan Peckham - Mar 10, 2026 to Mar 16, 2026	1,598.57

3/20/2026	SEMPRA	FEB 2026 - Capacity Purchases	881,250.00
3/20/2026	Tullett Prebon Americas Corp	1/15/26 through 12/31/26 - Carbon Free Specified Source	4,000.00
3/20/2026	WESTERN POWER & STEAM II, LLC	MAY 2026 RA	592,000.00
3/20/2026	WREGIS	Retired 71,000	284.00
3/23/2026	Citadel energy marketing llc	FEB 2026 - CAISO DA SP-15	1,576,503.44
3/23/2026	Constellation Generation Company, LLC	JAN 2026 - Power Purchase	3,411,314.76
3/23/2026	MORGAN STANLEY CAPITAL GROUP, INC.	February 2025 - Energy	1,957,769.40
3/23/2026	NRG	JAN 2026 MW	3,150,194.11
3/23/2026	SDG&E (Procurement)	FEB 2026 - REC Sales - VA	3,659,382.65
3/23/2026	Shell Oil North America	JAN 2026 - Power	3,317,413.85
3/23/2026	Tecolote Wind LLC	February 2026 - Resource Adequacy Benefits	124,437.50
3/23/2026	THE ENERGY AUTHORITY	March 2026 - CAISO Weekly Statement of Activity (2/27/26-3/5/26) Total	61,912.88
3/23/2026	THE ENERGY AUTHORITY	March 2026 - CAISO Weekly Statement of Activity (2/27/26-3/5/26) Total	268,819.73
3/24/2026	ATRIA WORKSPACE (AVANTI)	Booking of Space - March 2026 & April 2026 Rent	8,149.80
3/24/2026	Keyes & Fox LLP	February 2026- Transactional legal services	6,138.00
3/24/2026	Maher Accountancy	March 2026 - Accounting	13,000.00
3/24/2026	New Gen Strategies & Solutions	February 2026 -Project: CEA SDG&E ERRA REGULATORY SUPPORT 2024-2026	2,302.50
3/24/2026	Tripepi, Smith & Associates, Inc.	February 2026 - Retainer Communications and Marketing Services	2,930.00
3/24/2026	USPS	First-Class Mail and First-Class Package Service	512.38
3/25/2026	DYNASTY POWER	FEB 2026 - Environmental Attribute	340,417.50
3/25/2026	Powerex	PCC1 installment 4 of 12 (2026)	61,687.50
3/25/2026	Resi Station LLC (Renew Home)	February 2026 - Proxy Demand Response CEA	1,530.00
3/25/2026	THE ENERGY AUTHORITY	February 2026 - Resource Management Monthly Fees	21,440.03
3/26/2026	SDG&E(Service Fees)	For services rendered under Schedule CCA for period February 2026	53,170.95
3/26/2026	Tripepi, Smith & Associates, Inc.	March 2026 - Retainer Communications and Marketing Services	15,026.00
3/27/2026	Chevron Power Holdings Inc.	May 2026 - RA Capacity prepayment for the month of May 2026	1,400,000.00
3/30/2026	Ana Marie Alarcon	ER March 10, 2026	3,421.79
3/30/2026	BRENTECH INCORPORATED	5 Dell Pro 16 Laptops + Monitors and accessories	16,981.32
3/30/2026	CINDY KREBS CONSULTING, INC.	Final Billing for placements	33,000.00
3/30/2026	THE ENERGY AUTHORITY	March 2026 - CAISO Weekly Statement of Activity (3/6/26-3/12/26) Total	68,512.18
3/30/2026	THE ENERGY AUTHORITY	March 2026 - CAISO Weekly Statement of Activity (3/6/26-3/12/26) Total	241,934.93
3/31/2026	Tenaska Power Services	Physical Carbon Free Cert	400,000.00
multiple	Multiple Customer	NEM Cash Out	203,856.68

CLEAN ENERGY ALLIANCE

Staff Report

DATE: May 28, 2026

TO: Clean Energy Alliance Board of Directors

FROM: Gregory Wade, Chief Executive Officer

ITEM 2: Consideration of Resolution No. 2026-025 Amending and Adopting an Anti-Discrimination and Sustainability Policy CEA-08

RECOMMENDATION:

That the Board consider and adopt Resolution No. 2026-025 amending and adopting an Anti-Discrimination and Sustainability Policy as a clarification to and replacement of the Inclusive and Sustainable Workforce Policy CEA-08 and authorizing the Chief Executive Officer to make future updates to such policy consistent with applicable law and the Amended Clean Energy Alliance Joint Powers Agreement (JPA) and in a form approved by General Counsel and reported to the Board.

BACKGROUND AND DISCUSSION:

As stated in the JPA, the members of Clean Energy Alliance (CEA) sought to accomplish a variety of goals in establishing the authority. Sections 6(f), (g) and (j) of the Recitals to the JPA state three of these goals as:

> (f) Pursue the procurement of local generation of renewable power developed by or within member jurisdictions with an emphasis on local jobs, where appropriate, without limiting fair and open competition for projects or programs implemented by the Authority;
>
> (g) Provide a range of energy product and program options, available to all Parties and customers, that best serve their needs, their local communities, and support regional sustainability efforts;
>
> ***
>
> (j) Create an administering Authority that seeks to maximize economic benefits and is financially sustainable, well-managed and responsive to regional and local priorities.

Among the first policies that CEA's Board adopted was CEA-08. Originally entitled the "Inclusive and Sustainable Workforce Policy", CEA-08 was in part a policy to further JPA goals and in part an effort to

comply with anti-discrimination laws, including Title VII of the Civil Rights Act of 1964, which prohibits, among other things, the following unlawful employment practices:

> (1) to fail or refuse to hire or to discharge any individual, or otherwise to discriminate against any individual with respect to his compensation, terms, conditions, or privileges of employment, because of such individual's race, color, religion, sex, or national origin; or
>
> (2) to limit, segregate, or classify his employees or applicants for employment in any way which would deprive or tend to deprive any individual of employment opportunities or otherwise adversely affect his status as an employee, because of such individual's race, color, religion, sex, or national origin.

While CEA has always complied with such anti-discrimination laws and required its contractors to comply with them, revisions are necessary in light of certain recent Executive Orders as well as guidance from the U.S. Equal Employment Opportunity Commission.[1]

Therefore, while CEA has always acted legally, updates are recommended to Policy CEA-08, including changing the title to "Anti-Discrimination and Sustainability Policy".

FISCAL IMPACT:

There is no fiscal impact associated with this action.

Submitted for Board consideration:

Gregory Wade
Chief Executive Officer

ATTACHMENTS:

A. Resolution No. 2026-025
B. Anti-Discrimination and Sustainability Policy

[1] https://www.eeoc.gov/wysk/what-you-should-know-about-dei-related-discrimination-work

CLEAN ENERGY ALLIANCE
RESOLUTION NO. 2026-025

A RESOLUTION OF THE CLEAN ENERGY ALLIANCE BOARD OF DIRECTORS AMENDING AND ADOPTING ANTI-DISCRIMINATION AND SUSTAINABILITY POLICY

WHEREAS, as stated in the Amended Clean Energy Alliance Joint Powers Agreement (JPA), the members of Clean Energy Alliance (CEA) sought to accomplish a variety of goals in establishing CEA; and

WHEREAS, at various times, CEA's Board of Directors (Board) has adopted policies in furtherance of such goals, including CEA-08 entitled "Inclusive and Sustainable Workforce Policy"; and

WHEREAS, CEA has always complied with anti-discrimination laws, including Title VII of the Civil Rights Act of 1964, which prohibits, among other things, unlawful employment practices; and

WHEREAS, the Board desires to amend and update CEA-08 to confirm its compliance with anti-discrimination laws and applicable executive orders.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of Clean Energy Alliance, as follows:

Section 1. The recitals above are true and correct and incorporated fully herein as findings.

Section 2. The Board hereby amends CEA-08 and replaces it in full with CEA-08 entitled "Anti-Discrimination and Sustainability Policy" in the form presented to the Board on May 28, 2026.

Section 3. The Board hereby authorizes the Chief Executive Officer (CEO) to make future updates to such policy as may be advisable from time to time in consultation with General Counsel that are consistent with applicable law and the Amended Clean Energy Alliance Joint Powers Agreement (JPA), as they may be amended from time to time. The form of any such update must be approved by General Counsel and reported to the Board at its next regularly scheduled meeting.

The foregoing Resolution was passed and adopted this 28th day of May, 2026, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

_____
Katie Melendez, Board Chair

ATTEST:

_____
Ana Marie Alarcon, Clerk to the Board

CLEAN ENERGY ALLIANCE

Attachment B
Policy No. CEA-08
Date Revised XXX
Resolution No. 2026-XXX

ANTI-DISCRIMINATION & SUSTAINABLE WORKFORCE

The Clean Energy Alliance (CEA) Board of Directors desires to establish a policy that supports local jobs, sustainable and inclusive workforce opportunities, local economic sustainability, and diversity through contracting for power sources, procuring goods and services, and implementing hiring initiatives where appropriate, without limiting fair and open competition for projects or programs implemented by CEA and in a manner that is consistent with anti-discrimination laws. For the purposes of this policy, "local" shall mean San Diego County and any additional areas served by CEA.

Non-Discrimination Pledge

CEA does not and will not discriminate, and requires in its contracts with suppliers that they will not discriminate, on the basis of race, color, national origin, ancestry, age, disability (physical or mental), sex, sexual orientation, gender identity, marital or domestic partner status, religion, political beliefs or affiliation, familial or parental status (including pregnancy), medical condition (cancer-related), military service, or genetic information.

CEA Staff

CEA relies on its employees to provide clean, cost-effective, alternative energy to its customers. These customers live in different communities and an inclusive workforce of staff who reflect and are invested in these communities allows CEA to serve them more effectively. An inclusive staff also provides good jobs for people from diverse communities.

To help maintain and strengthen CEA's inclusive staff and in a manner that is consistent with anti-discrimination laws, CEA will:

1. Engage in broad outreach efforts across different communities, including disadvantaged and low-income communities, to ensure a diverse pool of candidates for open positions;
2. Provide fair compensation that aligns with regional market indicators for compensation levels for each position;
3. Be transparent about these practices and lessons learned; and
4. Provide contact information for staff who can answer questions about this policy.

Supply Chain

CEA also strives for anti-discrimination, inclusion, and transparency in its supply chain. Where and from whom CEA purchases goods and services have important consequences for businesses, customers, and their communities. Where appropriate and not discriminatory, an

inclusive and transparent supply chain is an important driver for successful delivery of CEA's services to its customers, and of fair and equitable economic development generally.

Where appropriate, without limiting fair and open competition, and in compliance with anti-discrimination laws, to support an inclusive and transparent supply chain, CEA will:

1. Use local businesses and provide fair compensation in the purchase of services and supplies;
2. Proactively seek services from local businesses that are taking steps to protect the environment;
3. Engage in efforts to reach different communities to ensure an inclusive pool of potential suppliers;
4. Collect information from suppliers and contractors on the inclusivity of their workforce;
5. Include questions about supplier anti-discrimination and inclusivity in requests for proposals (RFPs) for services;
6. Encourage reporting from developers and vendors on anti-discrimination and inclusivity in business ownership and staff;
7. Be transparent about these practices and lessons learned; and
8. Provide contact information for staff who can answer questions about this policy.

Inclusive Business Practices

To fulfill its goals of providing a range of energy products and programs to all CEA communities and customers that best serve their needs and their local communities and support local sustainability efforts, CEA will:

1. Provide information in the multiple languages commonly spoken in CEA's service area (including mailers, tabling materials, customer service, call center, workshops and outreach events, advertisements, and other means of customer engagement);
2. Conduct marketing and outreach in diverse communities with multi-lingual materials and/or speakers, including attending multi-cultural community events as appropriate, to increase awareness of CEA's services and programs; and
3. Share information about activities and initiatives that promote inclusion, access, and diverse engagement in the community.

Sustainable Workforce

Support of local businesses, fair compensation, apprenticeship and pre-apprenticeship programs that create employment opportunities, without limiting fair and open competition or being discriminatory, are important components of building and sustaining healthy and sustainable communities. It is in the interest of CEA to provide fair compensation and sustainable workforce opportunities, within a framework of fair and open competition, anti-discrimination and the promotion of renewable energy, energy efficiency and greenhouse gas reduction.

CEA recognizes the importance of locally-generated renewable energy (local is defined as within the San Diego County region) in assuring that California is provided with (1) adequate supplies of renewable energy for economic growth, (2) sustained local job opportunities and job creation, and (3) effective means to reduce the impacts of greenhouse gas emissions. CEA also recognizes the opportunities that energy efficiency programs provide for local workforce training and employment.

CEA encourages fair compensation and non-discrimination in direct hiring, renewable development projects, energy efficiency programs and in procurement of CEA services and supplies. CEA also encourages use of State of California approved apprenticeship and pre-apprenticeship training programs in construction craft occupations to foster long-term, fairly compensated employment opportunities for program graduates.

Where appropriate, without limiting fair and open competition and in compliance with anti-discrimination laws, CEA will pursue the following objectives:

1. Support for and direct use of local businesses;
2. Support for and direct use of green and sustainable businesses;
3. Encourage the use of skilled and trained workers who receive fair compensation; and
4. Encourage the use of State of California approved apprenticeship programs, and pre-apprenticeship programs within CEA's service territory.

CEA Power Purchase Agreements with Third Parties

CEA will encourage the submission of information from respondents to any bidding and/or RFP/RFQ process regarding planned efforts by project developers and their contractors to achieve the following goals:

- Employ workers and use businesses from the San Diego county area.
- Employ properly licensed contractors and California Certified electricians.
- Utilize local apprentices, particularly graduates of San Diego County pre-apprenticeship programs.
- Pay workers prevailing wage for each craft, classification and type of work performed.
- Provide workers compensation coverage to on-site workers.
- Support and use State of California approved apprenticeship programs.

Relevant information submitted by proposers will be used to evaluate potential impact on local jobs and workforce of the planned project.

CEA Owned Generation Projects

Each construction contractor or subcontractor performing work on any CEA-owned project is encouraged to use local labor and apprenticeship programs and follow fair compensation practices including proper assignment of work to crafts that traditionally perform the work. Contractors and subcontractors shall pay at least prevailing rate of wages, as defined in Article 2 (commencing with Section 1770) of Chapter 1 of Part 7 of Division 2 of the California Labor Code and are encouraged to use a skilled and trained workforce, as defined in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the California Public Contract Code.

CEA Feed-In Tariff Projects

CEA will encourage construction contractors or subcontractors performing work on any CEA Feed-In Tariff project utilize local businesses and local apprenticeship programs, and fair compensation practices including proper assignment of work to crafts that traditionally perform the work.

CEA encourages contractors and subcontractors performing work on any CEA Feed-In-Tariff project to pay at least prevailing rate of wages, as defined in Article 2 (commencing with Section 1770) of Chapter 1 of Part 7 of Division 2 of the California Labor Code and use a skilled and trained workforce, as defined in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the California Public Contract Code.

CEA Energy Efficiency Projects

CEA will strive to support local businesses and apprenticeship programs, in the implementation of its energy efficiency programs. CEA will encourage construction contractors or subcontractors performing work on any CEA energy efficiency program utilize local businesses and apprenticeship programs and fair compensation practices including proper assignment of work to crafts that traditionally perform the work.

Union Neutrality Pledge

CEA will remain neutral regarding whether its employees choose to join or support labor unions and will not interfere with decisions by its contractors' or suppliers' employees about whether to join or support labor unions.

CLEAN ENERGY ALLIANCE

Staff Report

DATE: May 28, 2026

TO: Clean Energy Alliance Board of Directors

FROM: Gregory Wade, Chief Executive Officer

ITEM 3: Consideration of Resolution No. 2026-026 Adopting an Electronic Communications Retention and Disposition Policy

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RECOMMENDATION:

That the Board consider adoption of Resolution No. 2026-026 Adopting an Electronic Communications Retention and Disposition Policy.

BACKGROUND AND DISCUSSION:

Clean Energy Alliance (CEA) conducts official business through various forms of electronic communication, including email, Microsoft Teams messages, and work-related text messages. These communications may constitute public records and are therefore subject to the California Public Records Act and other applicable state laws governing records retention and destruction.

CEA previously adopted an Electronic Records Retention Policy effective February 20, 2020, which established retention schedules for official records consistent with legal requirements. However, the increasing use of modern communication platforms necessitates a more detailed policy to guide employees, board members, and other representatives on the proper management, retention, and disposition of electronic communications.

The proposed Electronic Communications Retention and Disposition Policy (Policy) provides clear and consistent guidance for managing electronic correspondence. The Policy establishes a general retention period of two (2) years for routine electronic communications, while requiring communications that qualify as official records—such as those documenting decisions, approvals, policies, or substantive business actions—to be retained in accordance with CEA's approved records retention schedule.

The Policy also clarifies employee responsibilities, including the obligation to review electronic communications prior to automatic deletion, identify record-worthy content, and preserve required records in approved recordkeeping systems when longer retention is necessary. In addition, the Policy addresses Microsoft Teams messages and work-related text messages, recognizing that these communications may also constitute official records and must be managed accordingly.

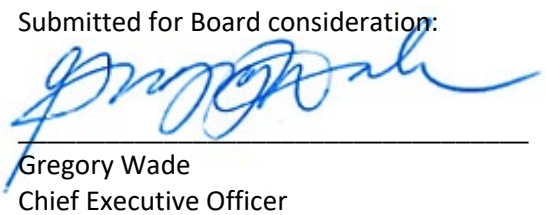
Consistent with Government Code section 34090, the attached resolution authorizes the automatic deletion of certain electronic communications after the applicable retention period, provided such records are not subject to a legal hold, audit, investigation, or public records request. The Policy expressly preserves all obligations to suspend deletion and retain records when required by law.

Adoption of this Policy promotes regulatory compliance, reduces legal risk, improves consistency in records management practices, and supports efficient and defensible disposition of electronic communications.

FISCAL IMPACT:

There is no fiscal impact with this action.

Submitted for Board consideration:



Gregory Wade
Chief Executive Officer

ATTACHMENTS:

A. Resolution No. 2026-026
B. Electronic Communications Retention and Disposition Policy

CLEAN ENERGY ALLIANCE
RESOLUTION NO. 2026-026

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CLEAN ENERGY ALLIANCE ADOPTING THE ELECTRONIC COMMUNICATIONS RETENTION AND DISPOSITION POLICY AND AUTHORIZING AUTOMATIC DELETION OF CERTAIN ELECTRONIC RECORDS

WHEREAS, the Clean Energy Alliance (CEA) is a joint powers agency, formed in November 2019, whose members include the cities of Carlsbad, Del Mar, Escondido, Oceanside, San Marcos, Solana Beach and Vista; and

WHEREAS, Section 34090 et seq. of the Government Code of the State of California authorizes the destruction of certain public records within specified time periods; and

WHEREAS, CEA has adopted an Electronic Records Retention Policy, effective February 28, 2026, which establishes retention schedules for official records; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Clean Energy Alliance, as follows:

Section 1. The records of the CEA, as set forth in the, Electronic Communications Retention and Disposition Policy attached hereto as "Exhibit A", are hereby authorized to be destroyed as provided by Section 34090 et seq. of the Government Code of the State of California and in accordance with the provision of said schedule upon the request of the Clerk to the Board and with the consent in writing of the General Counsel, without further action by the Board of Directors of CEA.

Section 2. With the consent of the Clerk to the Board and the General Counsel, updates are hereby authorized to be made to the Electronic Communications Retention and Disposition Policy without further action by the Board of Directors.

Section 3. The term "electronic records" as used in the attached Electronic Communications Retention and Disposition Policy shall include electronic communications such as email, Microsoft Teams messages, and work-related text messages are routinely used to conduct official CEA business and may constitute public records; and

Section 4. Nothing in this Resolution or the adopted policy authorizes the deletion or destruction of any record that is subject to a legal hold, audit, investigation, or public records request, or that otherwise must be retained pursuant to applicable law or CEA policy.

The foregoing Resolution was passed and adopted this 28th day of May, 2026, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

_____
Katie Melendez, Board Chair

ATTEST:

_____
Ana Marie Alarcon, Clerk to the Board

Electronic Communications Retention and Disposition Policy

PURPOSE

This policy provides clear guidance to employees on the management, retention, and disposition of electronic communications, including email, Microsoft Teams messages, and work-related text messages. This policy ensures consistent compliance with CEA-11 and applicable public records and legal requirements.

SCOPE

This Policy applies to all board members, committee members, employees, contractors and temporary staff who use organization-issued or organization-authorized systems to conduct official CEA business including:

1. Email (Microsoft Outlook);

2. Microsoft Teams (chat and channel messages); and

3. Work-related text messages (SMS/MMS) sent or received on organization-issued or personal devices when used for official business.

RETENTION

General electronic correspondence is retained for two (2) years, unless a longer retention period is required by the Records Retention Schedule, law, audit, litigation hold, or business need.

Messages that qualify as official records must be retained in accordance with the applicable retention category.

EMAIL

Emails are automatically deleted from Outlook after two (2) years pursuant to Board Resolution 2026-026.

Automatic deletions occur weekly.

Employee Responsibilities – Email

Before the two-year retention period expires, employees must:

1. Review emails to determine whether they constitute an official record that requires longer retention;

2. Save required records to the appropriate approved recordkeeping system (e.g., shared drive, document management system, or project file) using an appropriate filename and folder;

3. Retain complete records, including attachments and relevant context; and

4. Ensure record emails are captured and stored outside of Outlook when retention beyond two (2) years is required.

Emails that are transitory, informational, duplicative, or not required for business or legal purposes do not need to be saved and will be deleted automatically.

MICROSOFT TEAMS MESSAGES

Teams chats and channel messages are considered electronic correspondence under CEA-11 and are automatically deleted after two (2) years.

Teams messages that document decisions, direction, approvals, policies, or other substantive business activities may constitute official records.

Employee Responsibilities – Teams

Employees must:

1. Identify record-worthy content in Teams messages;

2. Export or copy the message content (including date, participants, and context) into an approved recordkeeping location if it must be retained beyond two (2) years; and

3. Not rely on Teams as the sole record repository for official records.

Routine chats, scheduling messages, and informal communication that do not document official business are considered transitory and do not need to be retained.

TEXT MESSAGES (SMS/MMS)

Text messages are retained for two (2) years and destroyed after Board authorization.

Work-related text messages sent or received on organization-issued or personal devices are subject to the same retention requirements as email.

Text messages may be considered public records when they relate to official business.

Employee Responsibilities – Text Messages

Employees must:

1. Avoid using text messaging for substantive or complex official business when possible;

2. Capture and retain record-worthy text messages by forwarding, screenshotting, or exporting them to an approved recordkeeping system; and

3. Ensure accessibility of retained messages for public records requests, audits, or litigation

LEGAL HOLDS AND PUBLIC RECORDS REQUESTS

When notified of a legal hold, audit, or public records request:

1. Automatic deletion processes do not apply to responsive records; and

2. Employees must immediately preserve all relevant communications and follow instructions provided by legal or administration.

Prohibited Practices

Storing official records solely in personal inboxes, Teams chats, or text messages beyond their retention period is prohibited.

Deleting or altering records subject to a legal hold or records request is prohibited.

Compliance

Failure to comply with this policy may result in disciplinary action and may expose the organization to legal or regulatory risk.

Questions

Questions regarding records retention or proper storage of electronic communications should be directed to the Board Clerk and General Counsel.

Electronic Communications Retention and Disposition Policy

PURPOSE

This policy provides clear guidance to employees on the management, retention, and disposition of electronic communications, including email, Microsoft Teams messages, and work-related text messages. This policy ensures consistent compliance with CEA-11 and applicable public records and legal requirements.

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Compliance

Failure to comply with this policy may result in disciplinary action and may expose the organization to legal or regulatory risk.

Questions

Questions regarding records retention or proper storage of electronic communications should be directed to the Board Clerk and General Counsel.

CLEAN ENERGY ALLIANCE

Staff Report

DATE: May 28, 2026

TO: Clean Energy Alliance Board of Directors

FROM: Greg Wade, Chief Executive Officer

ITEM 4: Clean Energy Alliance Chief Executive Officer Operational and Administrative Report

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RECOMMENDATION:

Receive and File the Chief Executive Officer (CEO) Operational and Administrative Report.

BACKGROUND AND DISCUSSION:

This report provides an update to the Clean Energy Alliance (CEA) Board of Directors (Board) regarding operational and administrative activity.

OPERATIONAL UPDATE

Rate Relief Credit Update

On January 29, 2026, the CEA Board approved a temporary Rate Relief Credit designed to achieve rate parity between CEA's Clean Impact power product and SDG&E's bundled customers, mitigating the impacts of the Power Charge Indifference Adjustment (PCIA) rates that went into effect on January 1, 2026.

The following table reflects customer opt-downs to our Clean Impact product since February 1, 2026, when the Rate Relief Credit went into effect. As of May 18, 2026, CEA has a total of 133 customer accounts that have opted down.

Member City	Commercial	Residential	Total
Carlsbad		39	39
Del Mar		2	2
Escondido	1	23	24
Oceanside		36	36
San Marcos	1	16	17
Solana Beach		2	2
Vista		13	13
TOTAL	**2**	**131**	**133**

CEA in the Community

To provide opportunities for the customers and communities we serve to meet with CEA staff and have their questions answered, staff continues to attend many in-person community events, organize and hold

community workshops and give presentations. CEA has been busy with many of these scheduled outreach efforts. Recent events and presentations that CEA participated in:

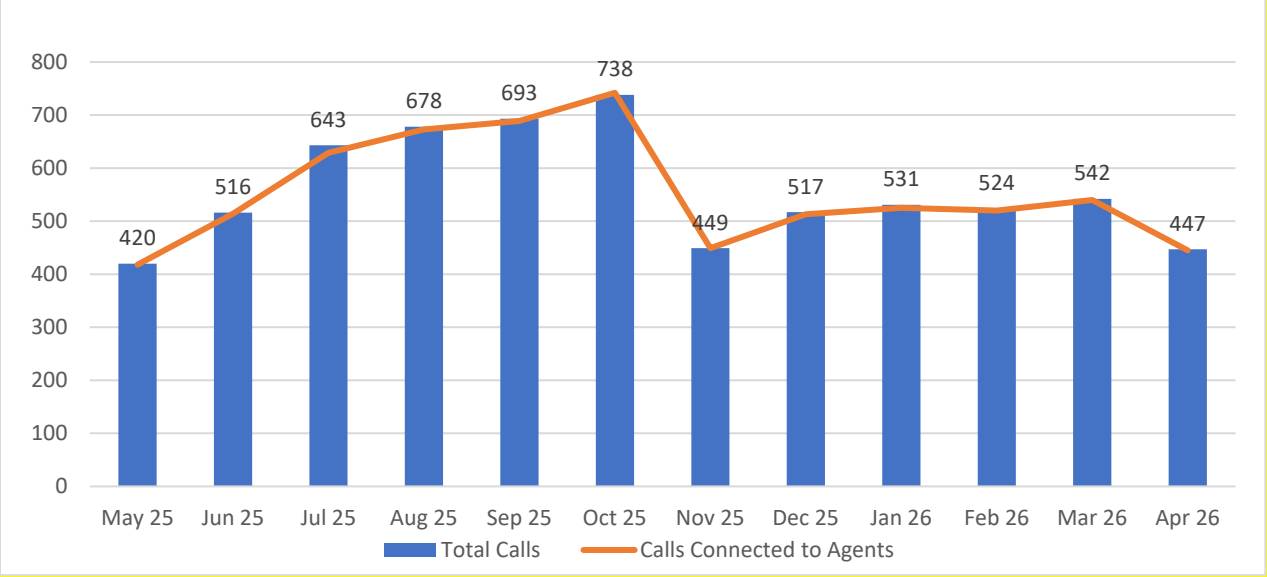
DATE	DESCRIPTION	CITY
April 30, 2026	Graze at the Fields	Carlsbad
May 1, 2026	Community Alliance for Escondido (CAFÉ)	Online
May 4, 2026	Green Business Recognition Mixer	Carlsbad
May 5, 2026	CSUSM Senior Experience Project - Marketing	San Marcos
May 6, 2026	North San Diego Business Chamber	Online
May 6, 2026	Calavera Elementary Student Project	Carlsbad
May 7, 2026	CSUSM Senior Experience Project – HR	San Marcos
May 12-14, 2026	CalCCA Conference	Sacramento
May 17, 2026	Escondido Street Festival	Escondido

Upcoming events in which CEA will be participating include:

DATE	DESCRIPTION	CITY
May 28, 2026	CEA 5-Year Anniversary	Carlsbad
May 30-31, 2026	Fiesta del Sol	Solana Beach
June 2, 2026	City of Del Mar City Council Presentation	Del Mar
June 20, 2026	Assemblymember Dr. Darshana Patel Youth & Family Festival	Escondido
June 20, 2026	NSDC NAACP Juneteenth Festival	Oceanside

Call Center Activity and Participation Statistics

The following chart reflects customer activity through May 1, 2026.



Call volumes to CEA's Call Center decreased 18% from March 2026 to April 2026. The most common call topics for all customers (commercial and residential) were related to billing inquiries, Net Energy Metering, and general information.

The total number of calls received, response times, and call duration through April 1, 2026, were as follows:

Call Center Monthly Summary – April 2026					
Stats by Month	**Apr**	**Mar**	**Feb**	**Jan**	**Total**
Total Calls	447	542	524	531	35,891
Total Calls Connected to Agents	445	540	520	525	35,237
Average Seconds to Answer	0:00:08	0:00:04	0:00:08	0:00:09	
Average Call Duration	0:09:35	0:09:18	0:09:12	0:08:45	

The following table reflects enrollments in CEA's power supply products by city. As of May 1, 2026, CEA has a total of 256,949 enrolled customer accounts as follows:

Member City	**Eligible Accounts**	**Clean Impact – 50% Renewable**	**Clean Impact Plus - 75% Carbon Free**	**Green Impact – 100% Renewable**	**Participation Rate**
Carlsbad	55387	197	49468	658	91%
Del Mar	3031	9	2760	71	94%
Escondido	57293	179	53473	70	94%
Oceanside	74812	236	69381	103	93%
San Marcos	38158	133	35390	71	93%
Solana Beach	7975	18	7138	148	92%
Vista	39597	95	37009	342	94%
TOTAL	**276253**	**867**	**254619**	**1463**	**93%**

Solar Plus and Battery Bonus Update

As of May 8, Solar Plus has 28 active applicants and 12 participants with fully installed systems that have received Permission to Operate (PTO). Battery Bonus has four participants with operational systems. Solar Plus Connect has 34 active applicants and Battery Bonus Connect has 56, quantities that are subject to change if waitlist applications are approved or funding applications are rejected. Battery Bonus Connect has 39 systems installed with PTO. Self-Generation Incentive Program (SGIP) funding has been nearly exhausted and new Solar Plus Connect and Battery Bonus Connect applications are limited to the waitlist.

In the following chart, "Complete" means a system has been installed and has received PTO.

Member City	Solar Plus		Solar Plus Connect		Battery Bonus		Battery Bonus Connect	
Status	**Active**	**Complete**	**Active**	**Complete**	**Active**	**Complete**	**Active**	**Complete**
Carlsbad	3	1	3	0	0	3	4	6
Del Mar	0	0	1	0	0	0	1	0
Escondido	5	5	13	0	0	0	3	8
Oceanside	9	2	6	0	0	0	2	11
San Marcos	7	2	3	0	0	0	2	5
Solana Beach	0	0	1	0	0	0	1	1
Vista	4	2	7	0	0	1	4	8
TOTAL	**28**	**12**	**34**	**0**	**0**	**4**	**17**	**39**

SGIP funding for Solar Plus Connect and Battery Bonus Connect totals $970,490 and $1,151,796 respectively, in either approved or submitted funding. SGIP funding applied to Connect program customers may fluctuate as applications are reviewed, adjusted and approved. A breakdown of SGIP funding by member city is provided in the following table.

Member City	Solar Plus Connect	Battery Bonus Connect
Carlsbad	$85,120	$178,200
Del Mar	$26,032	$19,800
Escondido	$398,748	$237,600
Oceanside	$180,315	$246,599
San Marcos	$89,877	$158,400
Solana Beach	$25,426	$39,600
Vista	$164,972	$271,596
TOTAL	**$970,490**	**$1,151,796**

PeakSmart Savers Update

As of May 8, 2026, the PeakSmart Savers program has 54 active participants. Since the program's launch, CEA has enrolled an average of approximately four customers per month. The highest number of enrollments occurred in November and December of 2025, primarily due to the end of the bill protection eligibility period, which was set to end at the end of 2025 and was later extended to the end of 2026.

To date, no PeakSmart Days have been called in 2026.

PeakSmart enrollment by member city is as follows:

Member City	PeakSmart Savers Participants
Carlsbad	11
Del Mar	1
Escondido	8
Oceanside	16
San Marcos	3
Solana Beach	0
Vista	15
TOTAL	**54**

Equitable Building Decarbonization

The California Energy Commission's Equitable Building Decarbonization (EBD) program recently opened enrollment for single-family home upgrades. Income-qualified owners and renters may apply to receive no-cost upgrades, which may include home weatherization and air sealing, heat pump water heaters, heat pump heating and cooling systems, electric laundry appliances, induction cooktops, low voltage lighting, low-flow showerheads and other electrification improvements.

Within CEA's service area, four member agencies are designated as Initial Community Focus Areas (ICFAs): Escondido, Oceanside, San Marcos and Vista. Through a grant from the County of Los Angeles, which serves as the Southern California EBD program administrator, CEA is participating as an EBD Community Partner. In this role, CEA is responsible for outreach and assisting residents with enrollment in the ICFAs.

CEA will share EBD program information at upcoming regularly scheduled community events and will host targeted neighborhood meetings to support enrollment for eligible homeowners and renters.

Additional details and the enrollment form are available at TheCleanEnergyAlliance.org/EBD.

Frontwave Arena Sponsorship Update

CEA has partnered with Frontwave Arena located in the City of Oceanside to participate in several promotional activities across select professional sports games, including the San Diego Sockers and San Diego Clippers. Promotional activities include game ticket giveaways for 9 games, on-site tabling during events at 4 games, one already completed CEA Sponsorship night, one Day of Service, and a social media content series. To date, CEA has completed 5 ticket giveaways through our Website Scavenger Hunt, two on-site tabling events, as well as our CEA Sponsorship Night on March 27th, 2026. This update is to provide metrics on the sponsorship to date.

Website Scavenger Hunt

CEA selected five games at Frontwave Arena across both the San Diego Clippers and San Diego Sockers for the 2025-2026 season, for which we distributed up to 50 tickets per game to the Website Scavenger Hunt Participants. Participants entered through the CEA website for a chance to receive up to four complimentary tickets after answering four CEA-related questions. Promotion of this scavenger hunt occurred via CEA's social media platforms, in-person events, community networks and the website.

The initiative was designed to:

- Increase engagement with the CEA website
- Raise brand awareness among current and prospective customers
- Serve as a customer retention and community engagement tool

Overall results indicate strong performance, with a 67.9% ticket utilization rate, consistent attendance across events, and significant social media awareness driven primarily through Facebook and Instagram.

<u>Ticket Utilization and Attendance</u>

- Tickets Distributed: 221
- Tickets Used (Scanned): 150
- Overall Utilization Rate: 67.9%
- Average Tickets Used per Game: 30

<u>Scavenger Hunt Engagement</u>

- Total Form Responses: 91
- Scavenger Hunt Page Visits: 215

CLEAN ENERGY ALLIANCE

Per-game ticket usage was nearly identical across all events, with San Diego Sockers games showing a slightly higher average attendance. During the March 27th CEA Sponsorship Night, the event attracted 2,119 total attendees, 1,000 CEA-branded power banks were distributed, and CEA staff hosted two tables on the concourse for in-person tabling. Form completion trends show that most entries occurred within 1–3 days of a social media post, reinforcing the importance of timely digital promotion.

Social Media Performance

- Total Posts: 5
- Best Performing Post: January 29 – Frontwave Ticket Giveaway Kickoff
- Total Impressions by Platform:
  - Facebook: 11,135
  - Instagram: 2,751
  - LinkedIn: 240
  - X: 91

Facebook and Instagram were the dominant drivers of reach and engagement. The January 29 kickoff post generated the largest spike in scavenger hunt submissions and overall impressions, demonstrating the importance of a strong promotional launch.

CEA staff are in continued discussions with Frontwave Arena to coordinate the remaining four ticket giveaways for the 2026-2027 season, Day of Service, social media content series, and two additional in-person tabling opportunities.

Risk Contracts $50,000 - $100,000 entered into by Chief Executive Officer

VENDOR	DESCRIPTION	AMOUNT
None.		

FISCAL IMPACT:

There is no fiscal impact with this action.

Submitted for Board consideration:

_____

Gregory Wade
Chief Executive Officer

ATTACHMENTS: None.

CLEAN ENERGY ALLIANCE

Staff Report

DATE: May 28, 2026

TO: Clean Energy Alliance Board of Directors

FROM: Greg Wade, Chief Executive Officer

ITEM 5: 5-Year Anniversary Impact Report

RECOMMENDATION:

Receive and File the Clean Energy Alliance 5-Year Anniversary Impact Report.

BACKGROUND AND DISCUSSION:

In May 2026, Clean Energy Alliance (CEA) celebrated five years since launching electric service to customers in May 2021. CEA was first operational in its three inaugural Joint Powers Authority member cities, Solana Beach, Del Mar and Carlsbad, before later expanding service to San Marcos, Escondido, Oceanside and Vista. Today, CEA provides electric generation services to approximately 256,000 customers across seven member communities with a participation rate of 93%.

To commemorate this milestone, staff prepared a Five-Year Anniversary Impact Report highlighting CEA's accomplishments, key milestones and the organization's path ahead. The report documents CEA's first five years of bringing 50% to 100% renewable and/or carbon-free electricity to our member communities, supporting member agencies' climate action goals and achieving more than 746,000 metric tons of CO_2-equivalent in greenhouse gas emission reductions.

Overall, the report demonstrates CEA's progress towards a 100% clean energy future, the organization's advocacy on behalf of customers at the regulatory and legislative level, customer programs launched to date, the agency's strong fiscal practices and ongoing efforts to engage directly with the communities we serve.

FISCAL IMPACT:

There is no fiscal impact with this action.

Submitted for Board consideration:

_____
Gregory Wade
Chief Executive Officer

ATTACHMENTS:

A. Clean Energy Alliance 5-Year Anniversary Impact Report

Attachment A



Celebrating Five Years of Clean Energy Alliance

Impact Report 2026

CLEAN ENERGY ALLIANCE

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Letter from the CEO

Five years ago, the cities of Carlsbad, Del Mar and Solana Beach came together to offer their communities a new choice for electricity: Clean Energy Alliance (CEA). While service to our customers began overnight on May 1, 2021, the path to that switch was not simple. CEA's formation was the result of our member cities' multi-year preparation and decades of statewide persistence from people who believe our communities deserve cleaner energy and a more sustainable future.

CEA builds on the work of those who came before us. In 2018, Solana Energy Alliance became San Diego County's first Community Choice Aggregation (CCA), following years of local advocacy. As the city manager of Solana Beach at the time, I saw firsthand the hard work and dedication of city staff, elected officials and residents. Progress began even earlier at the state level, with statewide advocacy that led to legislation enabling CCAs in 2002, the launch of California's first CCA, Marin Clean Energy, in 2010 and the formation of the California Community Choice Association (CalCCA) in 2016.

We extend our gratitude to the many advocates who worked to make CCAs possible, to those who laid the foundation by launching the first CCA in California and to local leaders and residents who brought this model to San Diego County. Their commitment paved the way for CEA's formation and our ability to serve clean energy to the communities of Carlsbad, Del Mar, Solana Beach, San Marcos, Escondido, Oceanside and Vista.

In our first five years, CEA has delivered meaningful local impact, advancing cleaner power and supporting our member agencies' climate action plan goals. Approximately 256,000 residents and businesses are powered by electricity that is 50% to 100% renewable and/or carbon-free through CEA. With a strong foundation and continued collaboration, the next five years will continue setting the stage for a sustainable future in our region and beyond.

I am proud of what we have achieved together and optimistic about our path ahead.

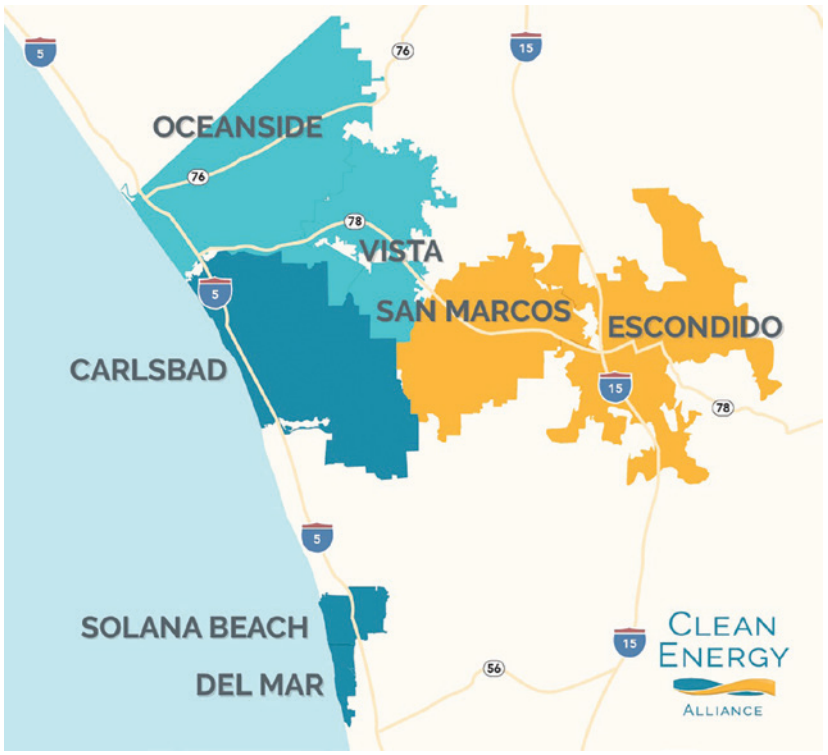


Sincerely,

Greg Wade

Who We Are

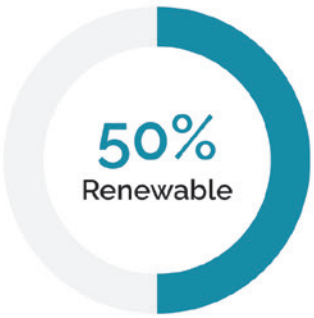
Clean Energy Alliance (CEA) powers approximately 256,000 customers across the cities of Carlsbad, Del Mar, Solana Beach, San Marcos, Escondido, Oceanside and Vista. As a locally governed community choice aggregator (CCA), CEA offers clean electricity, competitive rates and local benefits to the communities we serve. CEA has proudly served customers since May 2021.



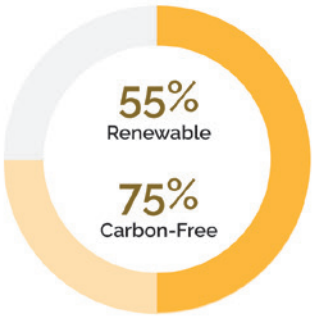
Mission

To empower local communities with the choice of sustainable and affordable energy for all customers, accelerating the transition to clean energy and fostering local economic growth, environmental responsibility, inclusivity and community well-being.

CLEAN IMPACT
CLEAN ENERGY ALLIANCE



CLEAN IMPACT PLUS
CLEAN ENERGY ALLIANCE



GREEN IMPACT
CLEAN ENERGY ALLIANCE



CEA offers customers three energy choices, all of which offer more renewable and carbon-free energy than required by California's standards.

By the Numbers

"Celebrating CEA's fifth anniversary is a powerful reminder of the impact local advocacy and leadership can have. As the founding Board Chair, I had the privilege of seeing CEA take shape from the very beginning—defining a vision to serve our communities with clean, renewable energy. Today, I'm proud to see that vision realized through meaningful greenhouse gas reductions and energy choices that go beyond state standards. I'm excited for the progress still ahead."



Kristi Becker
Founding Board Chair and current Board Member



Our customers are helping build a clean energy future through their adoption of solar and battery storage.

505MW
Behind-the-meter solar in CEA's service area

38MW
Behind-the-meter battery storage in CEA's service area

CEA's GHG reductions are equivalent to emmissions (1 m) from driving roundtrip from San Diego to New York 363,000 times with a gas-powered car.

7
Member Cities

256,877
Total Customers

93%
Participation Rate

225,724
Residential Customers

31,153
Commercial Customers

845
Customers Enrolled in Clean Impact

254,571
Customers Enrolled in Clean Impact Plus

1,461
Customers Enrolled in Green Impact

56,724
Customers Enrolled in CARE, FERA or Medical Baseline

746,092
Metric Tons of CO_2-equivalent GHG[1] Reductions from Launch to 2024

[1] Based on data from 2021-2024. Emission reductions are based on what the emissions would've been if customer(s) had purchased electricity from SDG&E.

Securing a Clean Energy Future for All

CEA proudly secures energy for more than 256,000 customers, reliably powering homes and businesses while leading the transition to a cleaner, more sustainable future. We are committed to expanding renewable energy for the communities we serve in a way that is fiscally sound.

Our goal is to achieve 100% renewable energy by 2035, a decade earlier than California's statewide target of reaching this milestone by 2045.

Building the Foundation for 100% Renewable Energy

Reaching a clean energy future requires planning today. That's why CEA is prioritizing new renewable energy projects that add clean power to the grid, like solar, wind and geothermal. CEA helps make these projects possible by committing to buying their electricity as they are built and begin operating.

CEA is also preparing for a future of 100% renewable energy by investing in battery storage projects. These batteries store excess energy when renewable energy generation is high and release it when it's needed most, such as using daytime solar power at night.

Clean Energy Investments at a Glance

190 MW
New renewable energy projects or under development

$750+ MILLION
Committed to new build renewable energy projects

197 MW
New build battery storage projects

"Why renewable energy? An important goal shared by all of CEA's member cities is to reduce greenhouse gas emissions. Transitioning to renewable energy is a key to achieving that goal. Investing in clean, renewable energy means investing in public health, protecting natural resources and building a more resilient future for generations to come. I'm proud to have served on our Board since the beginning, helping make these investments possible for our community."



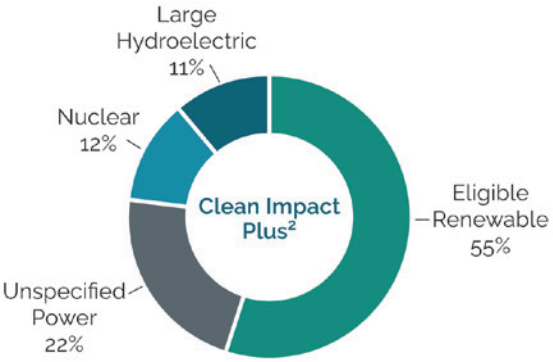
Priya Bhat-Patel
Founding and current Board Member

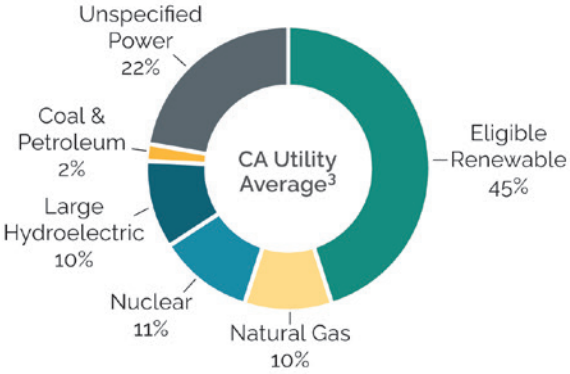


Image courtesy of Vistra Corp

Together, CEA's clean energy investments will produce enough energy to power approximately 122,000 homes in CEA's territory and supply clean, non-fossil fuels equaling about 33% of CEA's annual peak electricity needs.

Our Power Sources

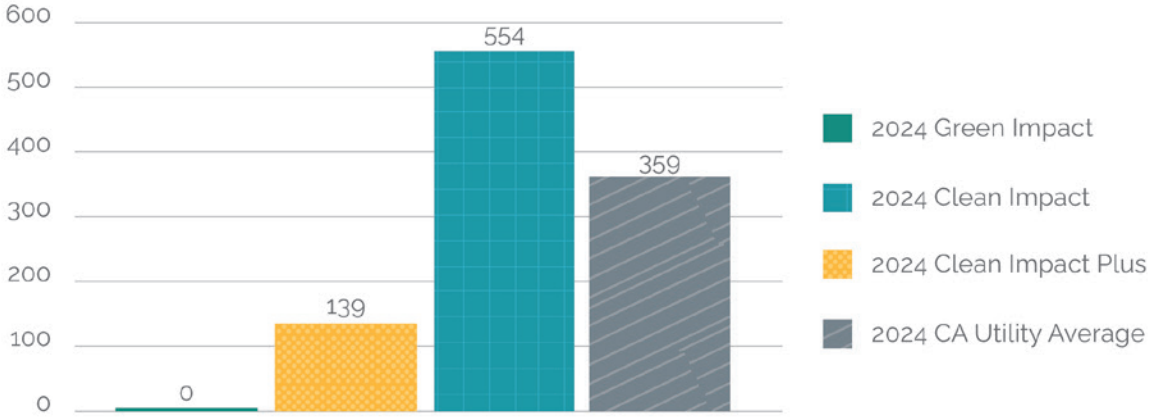




[2] Based on the 2025 Power Content Label. The average CEA customer is enrolled in Clean Impact Plus.

[3] Per the 2024 Power Content Label.

Greenhouse Gas Emissions Intensity (lb CO2e/MWh)





Advocating for Our Customers Since Day One

CEA offers our communities a choice in who they buy their electricity from and the choice to purchase cleaner energy. For decades, customers in San Diego County could only buy power from San Diego Gas & Electric. In North County San Diego, CEA changed that for our customers in our member cities, and today we continue to work every day to protect that choice.

2024 - SDG&E General Rate Case (Phase 1)

CEA successfully urged the CPUC to require SDG&E to justify how it split costs between customers, stopping a costly infrastructure project that wouldn't benefit unbundled customers, like CEA's customers, and set a rule for future projects.

2023 - Integrated Resource Plan (IRP)

Through the IRP process, CEA and San Diego Community Power prevented customers from paying twice for electricity resources that offered them no benefit, saving customers an estimated $54 million over 12 years.

2024 - SDG&E General Rate Case (Phase 2)

CEA improved bill transparency by securing a CPUC requirement for SDG&E to clearly show the Power Charge Indifference Adjustment on customer bills and tariffs, helping customers understand and track these costs.

2024 – SDG&E ERRA Compliance

CEA strengthened oversight and accountability by obtaining detailed disclosures from SDG&E on its sales of excess Resource Adequacy, which prompted the CPUC to formally review these practices in current and future proceedings.



Advocacy at a Glance

130+

Filings with the CPUC advocating for CEA customers

$165.4 MILLION

Positive customer cost impacts associated with Energy Resource Recovery Account (ERRA) proceedings since 2020

"Since the beginning, CEA has worked with local governments, businesses and community advisors to provide renewable energy to our region. Together, we are moving forward with solutions to climate change and cost concerns, including expanding access to community solar and battery storage, offering rate relief options to address affordability and making strategic power-purchasing decisions that grow clean energy in our region while keeping rates competitive for our customers.

Now, with the development of a Strategic Plan, we will continue to invest in community programs, govern with transparency and build a sustainable future for North County San Diego."



Katie Melendez
Current Board Chair



CEA legislative staff joined the Community Choice Energy Alliance (CCEA) and CCA partners from across the country at the 2026 National CCA Advocacy Days in Washington, D.C., focusing on federal engagement around policies shaping the future of community choice energy.

CEA staff joined CalCCA and CCA colleagues from across the state in Sacramento for CalCCA's Annual Lobby Day. Through this annual effort, CEA works alongside CalCCA and other CCAs to advocate at the state Capitol for policies that advance affordability, reliability and clean energy for our customers.





Bridging the Gap to an Affordable Clean Energy Future

CCAs offer a unique benefit as revenues can be reinvested in local communities instead of paid to shareholders. CEA leverages this model to deliver programs that help address unmet needs, reduce barriers to participation and advance community priorities.

In its first five years, CEA has focused on paying down startup debt, building financial reserves and launching programs with minimal investment needed. As CEA strengthens its financial position, we are stepping into a position of being able to expand customer-facing programs, which will be guided by the FY 2025/26-2030/31 Energy Programs Plan.

Programs Pillars

1. **Clean Energy Supply and Grid Resilience**
2. **Building Electrification and Energy Efficiency**
3. **Transportation Electrification**
4. **Local Workforce and Community Education**

SOLAR PLUS Residential

SOLAR PLUS Business

BATTERY BONUS

Clean Energy Alliance LOCAL SOLAR

PEAKSMART SAVERS

GREEN IMPACT CHAMPION 100% RENEWABLE ENERGY CUSTOMER

Programs at a Glance

8
CEA-led programs available to customers

19
Program initiatives identified in CEA's 2025/26 – 2030/31 Energy Programs Plan

398kW
Total solar installed or pending installation through suite of Solar Plus programs

1,339kWh
Total battery storage installed or pending installation through suite of Solar Plus programs

188
Total program participants across all CEA existing programs

$2,102,485
Self-Generation Incentive Program funds secured for customers to install solar and battery systems

1,461
Total Green Impact customers





"Serving on the CAC from the beginning has been a meaningful experience. It's been especially rewarding to support efforts around programs like solar and battery storage, which not only move us toward sustainability but also strengthen reliability and long-term resilience for our community. For me, this service is about more than energy, it's about making sure our community is informed, included and able to benefit from a cleaner, more resilient future."



Debra Schade, PhD
Founding CAC Member
and current CAC Chair

Planning for a Future of Community Reinvestment

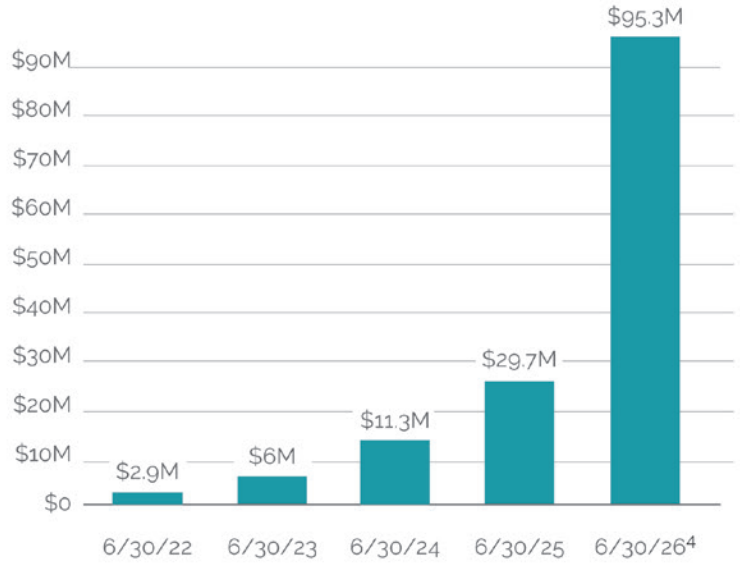
Building and maintaining financial stability is at the core of CEA's mission. Our strategic plan calls for long-term financial sustainability and building reserves: a key component of offering stable, competitive rates and reinvesting in the communities we serve.

Like many CCAs, CEA spent its early years paying down startup debt. We are proud to share that in fiscal year 2024/2025, CEA reached a net positive position, a significant milestone that reflects strong fiscal management. This progress has enabled growth in our Days Liquidity on Hand (DCOH), which supports our pursuit of an investment-grade credit rating and strengthens our ability to secure better energy contracts for our customers. CEA conducts annual independent audits and publishes quarterly financial statements, ensuring transparency remains central to our operations.



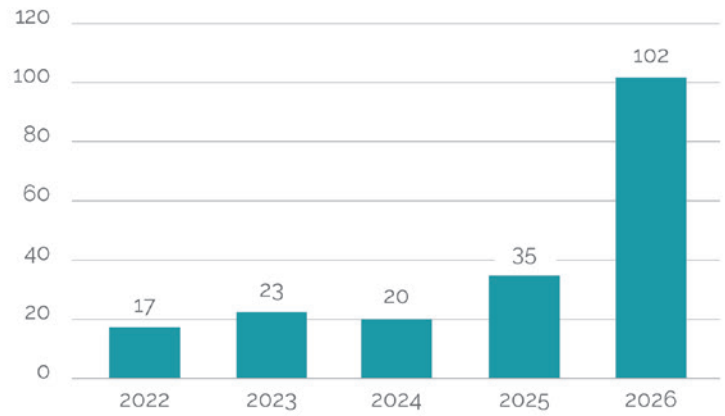
In early 2026, CEA's financial strength allowed us to provide a rate relief credit to customers to help offset rising Power Charge Indifference Adjustment fees. Between February and December 2026, $10.6 million in rate relief was available to residential and commercial customers.

Annual Liquidity since Launch



[4] *The June 2026 liquidity is a forecast*

Days Liquidity on Hand [DCOH]





"I am proud to see CEA celebrate this major milestone and its accomplishments. In bringing cleaner energy at a competitive price to north county San Diego, CEA helped grow the number of CCAs statewide. The organization's success in meeting climate action plans of its members is another powerful example of the meaningful impact CCAs are delivering for communities across our state."



Barbara Boswell
Founding CEO





Connecting with Our Communities

CEA was created to offer the communities we serve more choice, and connecting with those communities is at the heart of our mission. Our strong presence at local events and consistent engagement online helps us raise awareness about CEA and how we can help customers participate in and benefit from a clean energy future.

We're dedicated to reaching customers in ways that meet their needs. Whether someone prefers to engage through social media or receive information in person, CEA makes multiple options available. For customers who do not speak English, CEA provides translated materials, a call center with agents who speak English and Spanish and access to a language service line that supports other languages.



"I'm proud to have played a role in CEA's formation. I joined the CAC early on and saw the agency grow from its initial three city members to the organization it is today. It was the dream of the early founders for the public to have a greener, more cost effective and more responsive public entity to manage power in the north county. CEA has fulfilled that dream well beyond my expectations."



Dwight Worden
Founding CAC Chair

Outreach at a Glance

7,280
Estimated number of people engaged at community events since 2024

151
Community engagements, including presentations, booths, sponsorships and event attendance since 2024

$125,865
Investment in community participation since 2024

$77,640
Investment in sponsorships to expand awareness of CEA since 2024

2,216
Social media followers across all platforms

3,479
Social media posts across all platforms since CEA's launch

23,485
Social media engagement across all platforms since CEA's launch

3
Full-time Spanish-speaking employees

35,792
Customer support calls since launch

250+
Language support available with CEA's call center language access line

Our Path Ahead

Strategic Plan Core Guiding Principles and Goals

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 STABILITY

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

Continue to create and cultivate an organization that fosters employee creativity and engagement in meeting CEA's goals, recognizes employee achievements and supports employee development and growth.

"After working many years advocating for community choice energy as a viable means of addressing climate change at the local level, I was pleased to be nominated to serve on the CAC and continue advocating along others to bring renewable energy to our communities. It is my hope that our efforts and guidance to the CEA Board results in equitable and sustainable programs that make a meaningful impact in reducing greenhouse gas emissions in our region and beyond."



Paige DeCino
Founding and current CAC Member

Contact Us!

CLEAN ENERGY ALLIANCE

TheCleanEnergyAlliance.org

(833) 232-3110

AskCEA@TheCleanEnergyAlliance.org

5857 Owens Ave., Suite 300
Carlsbad, CA 92008

Connect With Us!

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Instagram.com/TheCleanEnergyAlliance

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YouTube.com/@CleanEnergyAlliance

LinkedIn.com/Company/The-Clean-Energy-Alliance



CLEAN ENERGY ALLIANCE

Staff Report

DATE: May 28, 2026

TO: Clean Energy Alliance Board of Directors

FROM: Greg Wade, Chief Executive Officer

ITEM 6: Consider Adoption of Resolution No. 2026-027 Setting Time and Place for Clean Energy Alliance Board Meetings July 2026 – June 2027

RECOMMENDATION:

That the Clean Energy Alliance (CEA) Board of Directors (Board) adopt Resolution No. 2026-027 setting the time and place for CEA Board Meetings for July 2026 – June 2027.

BACKGROUND AND DISCUSSION:

Pursuant to Section 4.8 of the CEA Joint Powers Authority (JPA) Agreement, the CEA Board shall establish the date, hour, and place of each regular meeting annually by resolution and may rotate the location of the meeting. The proposed schedule sets meetings on the last Thursday of the month at 2 p.m. with the location at Leucadia Wastewater District, 1960 La Costa Ave., Carlsbad, CA 92009.

Staff recommends the following exceptions to the meeting date:

November Meeting – Schedule November 19, 2026 (3rd Thursday)
December Meeting – Cancelled

Adopting the Board meeting calendar by resolution meets the Brown Act requirements (Government Code §54954) and provides the CEA Board the opportunity to notify the public of its scheduled regular meetings. Special meetings may be called as needed by providing 24-hour notice before the time of the special meeting. The meeting schedule will be posted to the CEA website.

FISCAL IMPACT:

There is no fiscal impact associated with this item.

Submitted for Board consideration:

Gregory Wade
Chief Executive Officer

ATTACHMENTS:

A. Resolution 2026-027, Setting Time and Place for Clean Energy Alliance Board Meetings July 2026 – June 2027

CLEAN ENERGY ALLIANCE
RESOLUTION NO. 2026-027

A RESOLUTION OF THE BOARD OF DIRECTORS OF CLEAN ENERGY ALLIANCE SETTING TIME AND PLACE FOR CLEAN ENERGY ALLIANCE BOARD MEETINGS JULY 2026 – JUNE 2027

WHEREAS, Clean Energy Alliance (CEA) is a joint powers agency, formed in November 2019, whose members include the cities of Carlsbad, Del Mar, Escondido, Oceanside, San Marcos, Solana Beach and Vista; and

WHEREAS, the CEA Board of Directors has determined it will establish its regular meetings annually by resolution; and

WHEREAS, the Ralph M. Brown Act (Government Code §54954) provides for the establishment of an annual regular meeting calendar procedure; and

WHEREAS, special meetings of the Board of Directors will be called as necessary and following the requirements of the Brown Act (Government Code §54954).

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of Clean Energy Alliance as follows:

Section 1. The Board of Directors of Clean Energy Alliance hereby establishes the following dates, times, and location, for regular Board meetings during fiscal year 2026/27:

Location: Leucadia Wastewater District, Board Room
1960 La Costa Ave.
Carlsbad, CA 92009

July 30, 2026	2 p.m.
August 27, 2026	2 p.m.
September 24, 2026	2 p.m.
October 29, 2026	2 p.m.
November 19, 2026	2 p.m.
January 28, 2027	2 p.m.
February 25, 2027	2 p.m.
March 25, 2027	2 p.m.
April 29, 2027	2 p.m.
May 27, 2027	2 p.m.
June 24, 2027	2 p.m.

Section 2. That the fiscal year 2026-27 meeting calendar will be posted to the Clean Energy Alliance website.

Resolution No. 2026-027
Time and Place for CEA
Board Meetings 2026/2027

The foregoing Resolution was passed and adopted this 28th day of May 2026, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

_____
Katie Melendez, Board Chair

ATTEST:

_____
Ana Marie Alarcon, Clerk to the Board

CLEAN ENERGY ALLIANCE

Staff Report

DATE: May 28, 2026

TO: Clean Energy Alliance Board of Directors

FROM: Gregory Wade, Chief Executive Officer

ITEM 7: Public Hearing to Consider Adoption of Resolution No. 2026-028, Setting Rates for Clean Energy Alliance Effective June 1, 2025

RECOMMENDATION:

That the Clean Energy Alliance (CEA) Board of Directors (Board):

1) Conduct the Public Hearing: Open the Public Hearing, Receive Public Testimony, and Close the Public Hearing;
2) Adopt Resolution No. 2026-028 Setting Rates for Clean Energy Alliance Effective June 1, 2026.

BACKGROUND AND DISCUSSION:

At the Board Meeting on November 20, 2025, staff presented information regarding the 2026 San Diego Gas & Electric (SDG&E) Energy Resource Recovery Account (ERRA) rate proceeding in which the preliminary Power Charge Indifference Adjustment (PCIA) rates were projected to increase dramatically effective January 1, 2026. Staff advised that Board that these increases could materially impact CEA customers and reduce customer savings compared to SDG&E bundled service rates.

In response, at the January 29, 2026 Board meeting, the Board approved a temporary Rate Relief Credit for customers enrolled in CEA's Clean Impact product that was designed to achieve cost parity, or better, for all customer classes and PCIA vintage years, with the exception of agricultural rates. At that same meeting, the Board also adopted Resolution No. 2026-10 approving a 6.9% reduction to agricultural generation rates to address disparities specific to agricultural customers.

On March 2, 2026, SDG&E filed Advice Letter 4791-E (AL 4791-E) which implemented an expansion for the Super Off-Peak (SOP) period, the establishment of a new Medium Commercial customer class, adjustment to PCIA & commodity rates, and several other modifications, all of which became effective April 1, 2026. Subsequently, at the March 26, 2026 Board meeting, the Board adopted Resolution No. 2026-018 expanding the SOP period and establishing a medium commercial customer class.

DISCUSSION:

Following implementation of these changes, staff conducted an updated analysis of CEA rates and customer bill impacts. That analysis determined that the previously approved Rate Relief Credit no longer

consistently achieved the Board's intended objective of maintaining cost parity, or better, for Clean Impact customers across all applicable PCIA vintage years.

The April 1 rate changes affected approximately 165,000 residential customers and 300 agricultural customers. As a result, staff is recommending targeted adjustments to certain residential and agricultural rates to restore the objective of the Rate Relief Credit.

The average bill comparisons for TOU-DR1 residential customers and TOU-PA agriculture customers for the various PCIA vintage years after taking into account the Rate Relief Credit and the proposed rate adjustments are shown in the table below (negative value indicates rate savings):

Residential (Average Monthly Bill = $164.53)

Vintage Year	Cities	Current Avg Monthly Bill Variance to SDG&E for Clean Impact	Proposed Avg Monthly Bill Variance to SDG&E for Clean Impact
2017	Solana Beach	$0.48 per month	($0.10) per month
2020	Carlsbad & Del Mar	$0.58 per month	Parity
2022	Escondido & San Marcos	($1.49) per month	($2.07) per month
2023	Oceanside & Vista	($2.11) per month	($2.69) per month

Agricultural (Average Monthly Bill = $296.26)

Vintage Year	Cities	Current Avg Monthly Bill Variance to SDG&E for Clean Impact	Proposed Avg Monthly Bill Variance to SDG&E for Clean Impact
2017	Solana Beach	$4.27 per month	($0.24) per month
2020	Carlsbad & Del Mar	$4.51 per month	Parity
2022	Escondido & San Marcos	($0.06) per month	($4.45) per month
2023	Oceanside & Vista	($1.22) per month	($5.73) per month

FISCAL IMPACT:

Under the proposed rate adjustment:

- Agricultural generation rates would decrease by an average of approximately 8%;
- Agricultural demand charges would decrease by an average of 25%; and
- Select residential generation rates would decrease by an average of 4%.

The proposed rate adjustments improve customer bill impacts across all applicable PCIA vintages while remaining within previously anticipated cost assumptions. The table below shows the original customer opt-down assumptions presented to the Board on January 1, 2026 and the current opt-down levels.

CUSTOMER CLASS	EST. OPT DOWN ASSUMPTION	EST. FINANCIAL IMPACT	CURRENT OPT DOWNS
Residential	30,000 customers (13% of total)	$5,156,000	131
Small Commercial	20% of customers	$1,778,000	1
Medium/Large Commercial	20% of customers	$3,589,000	1
Agriculture	20% of customers	$23,000	0
Lighting	20% of customers	$46,000	0
TOTAL ESTIMATED FINANCIAL IMPACT		**$10,592,000**	**134**

Actual customer opt-down activity has remained substantially below projected assumptions; indicating that the proposed rate adjustments can be accommodated within the estimated Rate Relief Credit fiscal impact, while continuing to support customer retention and rate competitiveness.

Submitted for Board consideration:

_____

Gregory Wade
Chief Executive Officer

ATTACHMENTS:

A. Resolution No. 2026-028, Setting Rates for Clean Energy Alliance Effective June 1, 2026
B. Rate Setting Public Hearing Notice

CLEAN ENERGY ALLIANCE
RESOLUTION NO. 2026-028

A RESOLUTION OF THE BOARD OF DIRECTORS OF CLEAN ENERGY ALLIANCE SETTING RATES FOR THE CLEAN ENERGY ALLIANCE EFFECTIVE JUNE 1, 2026

WHEREAS, Clean Energy Alliance (CEA) is a joint powers authority established on November 4, 2019, and organized under the Joint Exercise of Powers Act (Government Code Sections 6500 *et seq*.); and

WHEREAS, section 4.6 of the Joint Powers Authority (JPA) Agreement establishes the specific responsibility of the CEA Board of Directors to adopt retail rates for power; and

WHEREAS, the current CEA rates and time-of-use schedule were established through the adoption of Resolution 2024-009 and Resolution 2026-018 ; and

WHEREAS, the Public Hearing Notice was published in the San Diego Union Tribune on May 15 and May 22, 2026.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of Clean Energy Alliance, as follows:

Section 1. The Board of Directors of CEA hereby approves CEA Rates as detailed in Exhibit A.

Section 2. Rates are to be effective June 1, 2026.

The foregoing Resolution was passed and adopted this 28th day of May, 2026, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

_____
Katie Melendez, Board Chair

ATTEST:

_____
Ana Marie Alarcon, Clerk to the Board

Clean Energy Alliance
Proposed Amended Rate Schedule
Effective June 1, 2026

CCA Rate Name	Season	Charge Type	Time of Use Period	New Rate	Current Rate	% Change
DR	Summer	Generation	Total	0.27582	0.27829	-1%
DR	Winter	Generation	Total	0.10824	0.10921	-1%
DR-LI-MB	Summer	Generation	Total	0.27582	0.27829	-1%
DR-LI-MB	Winter	Generation	Total	0.10824	0.10921	-1%
DR-SES	Summer	Generation	On-Peak	0.47445	0.51684	-8%
DR-SES	Summer	Generation	Off-Peak	0.14645	0.15975	-8%
DR-SES	Summer	Generation	Super Off-Peak	0.04515	0.04961	-9%
DR-SES	Winter	Generation	On-Peak	0.22400	0.24430	-8%
DR-SES	Winter	Generation	Off-Peak	0.14475	0.15782	-8%
DR-SES	Winter	Generation	Super Off-Peak	0.04735	0.05187	-9%
TOU-DR-1	Summer	Generation	On-Peak	0.55397	0.55922	-1%
TOU-DR-1	Summer	Generation	Off-Peak	0.22298	0.22509	-1%
TOU-DR-1	Summer	Generation	Super Off-Peak	0.04914	0.04961	-1%
TOU-DR-1	Winter	Generation	On-Peak	0.19791	0.19979	-1%
TOU-DR-1	Winter	Generation	Off-Peak	0.08433	0.08513	-1%
TOU-DR-1	Winter	Generation	Super Off-Peak	0.05138	0.05187	-1%
TOU-DR-2	Summer	Generation	On-Peak	0.53685	0.55922	-4%
TOU-DR-2	Summer	Generation	Off-Peak	0.14663	0.15274	-4%
TOU-DR-2	Winter	Generation	On-Peak	0.19180	0.19979	-4%
TOU-DR-2	Winter	Generation	Off-Peak	0.06703	0.06982	-4%
TOU-PA-S	Summer	Generation	On-Peak	0.32109	0.33354	-4%
TOU-PA-S	Summer	Generation	Off-Peak	0.15887	0.16498	-4%
TOU-PA-S	Winter	Generation	On-Peak	0.18646	0.19366	-4%
TOU-PA-S	Winter	Generation	Off-Peak	0.0641	0.06654	-4%
TOU-PA-P	Summer	Generation	On-Peak	0.31997	0.33167	-4%
TOU-PA-P	Summer	Generation	Off-Peak	0.15811	0.16394	-4%
TOU-PA-P	Winter	Generation	On-Peak	0.18566	0.19248	-4%
TOU-PA-P	Winter	Generation	Off-Peak	0.06368	0.06608	-4%
TOU-PA-2-S	Summer	Demand	On-Peak	13.1	17.47	-25%
TOU-PA-2-S	Summer	Generation	On-Peak	0.18409	0.20464	-10%
TOU-PA-2-S	Summer	Generation	Off-Peak	0.10294	0.11449	-10%
TOU-PA-2-S	Summer	Generation	Super Off-Peak	0.05627	0.06264	-10%
TOU-PA-2-S	Winter	Generation	On-Peak	0.20402	0.22679	-10%
TOU-PA-2-S	Winter	Generation	Off-Peak	0.09287	0.10330	-10%
TOU-PA-2-S	Winter	Generation	Super Off-Peak	0.06058	0.06742	-10%
TOU-PA-2-P	Summer	Demand	On-Peak	13.04	17.39	-25%
TOU-PA-2-P	Summer	Generation	On-Peak	0.18332	0.20369	-10%

TOU-PA-2-P	Summer	Generation	Off-Peak	0.10254	0.11394	-10%
TOU-PA-2-P	Summer	Generation	Super Off-Peak	0.05611	0.06227	-10%
TOU-PA-2-P	Winter	Generation	On-Peak	0.20296	0.22552	-10%
TOU-PA-2-P	Winter	Generation	Off-Peak	0.09238	0.10264	-10%
TOU-PA-2-P	Winter	Generation	Super Off-Peak	0.06038	0.06702	-10%
TOU-PA-3-S <20kW	Summer	Generation	On-Peak	0.37013	0.38939	-5%
TOU-PA-3-S <20kW	Summer	Generation	Off-Peak	0.18164	0.19113	-5%
TOU-PA-3-S <20kW	Summer	Generation	Super Off-Peak	0.06528	0.06874	-5%
TOU-PA-3-S <20kW	Winter	Generation	On-Peak	0.16731	0.17606	-5%
TOU-PA-3-S <20kW	Winter	Generation	Off-Peak	0.07108	0.07484	-5%
TOU-PA-3-S <20kW	Winter	Generation	Super Off-Peak	0.04313	0.04543	-5%
TOU-PA-3-P <20kW	Summer	Generation	On-Peak	0.36852	0.38731	-5%
TOU-PA-3-P <20kW	Summer	Generation	Off-Peak	0.1808	0.19001	-5%
TOU-PA-3-P <20kW	Summer	Generation	Super Off-Peak	0.06491	0.06821	-5%
TOU-PA-3-P <20kW	Winter	Generation	On-Peak	0.16653	0.17502	-5%
TOU-PA-3-P <20kW	Winter	Generation	Off-Peak	0.07071	0.07430	-5%
TOU-PA-3-P <20kW	Winter	Generation	Super Off-Peak	0.04292	0.04510	-5%
TOU-PA-3-S >=20kW	Summer	Demand	On-Peak	4.2	5.60	-25%
TOU-PA-3-S >=20kW	Summer	Generation	On-Peak	0.36323	0.39697	-8%
TOU-PA-3-S >=20kW	Summer	Generation	Off-Peak	0.18349	0.20054	-9%
TOU-PA-3-S >=20kW	Summer	Generation	Super Off-Peak	0.05302	0.05795	-9%
TOU-PA-3-S >=20kW	Winter	Generation	On-Peak	0.15151	0.16559	-9%
TOU-PA-3-S >=20kW	Winter	Generation	Off-Peak	0.06312	0.06899	-9%
TOU-PA-3-S >=20kW	Winter	Generation	Super Off-Peak	0.03742	0.04090	-9%
TOU-PA-3-P >=20kW	Summer	Demand	On-Peak	4.18000	5.57	-25%
TOU-PA-3-P >=20kW	Summer	Generation	On-Peak	0.36389	0.39509	-8%
TOU-PA-3-P >=20kW	Summer	Generation	Off-Peak	0.18380	0.19956	-8%
TOU-PA-3-P >=20kW	Summer	Generation	Super Off-Peak	0.05297	0.05746	-8%
TOU-PA-3-P >=20kW	Winter	Generation	On-Peak	0.15153	0.16453	-8%
TOU-PA-3-P >=20kW	Winter	Generation	Off-Peak	0.06298	0.06837	-8%
TOU-PA-3-P >=20kW	Winter	Generation	Super Off-Peak	0.03730	0.04044	-8%
PA-T-1-S	Summer	Demand	On-Peak	7.59	10.12	-25%
PA-T-1-S	Summer	Generation	On-Peak	0.17574	0.19774	-11%
PA-T-1-S	Summer	Generation	Off-Peak	0.09907	0.11149	-11%
PA-T-1-S	Summer	Generation	Super Off-Peak	0.06191	0.06967	-11%
PA-T-1-S	Winter	Generation	On-Peak	0.21853	0.24588	-11%
PA-T-1-S	Winter	Generation	Off-Peak	0.10132	0.11401	-11%
PA-T-1-S	Winter	Generation	Super Off-Peak	0.06726	0.07569	-11%
PA-T-1-P	Summer	Demand	On-Peak	7.56000	10.07	-25%
PA-T-1-P	Summer	Generation	On-Peak	0.17492	0.19658	-11%
PA-T-1-P	Summer	Generation	Off-Peak	0.09859	0.11077	-11%
PA-T-1-P	Summer	Generation	Super Off-Peak	0.06167	0.06929	-11%
PA-T-1-P	Winter	Generation	On-Peak	0.21756	0.24449	-11%
PA-T-1-P	Winter	Generation	Off-Peak	0.10086	0.11332	-11%

PA-T-1-P	Winter	Generation	Super Off-Peak	0.06698	0.07526	-11%
PA-T-1-T	Summer	Demand	On-Peak	7.23000	9.65	-25%
PA-T-1-T	Summer	Generation	On-Peak	0.1685	0.18627	-10%
PA-T-1-T	Summer	Generation	Off-Peak	0.09428	0.10424	-10%
PA-T-1-T	Summer	Generation	Super Off-Peak	0.05854	0.06476	-10%
PA-T-1-T	Winter	Generation	On-Peak	0.20979	0.23188	-10%
PA-T-1-T	Winter	Generation	Off-Peak	0.09625	0.10642	-10%
PA-T-1-T	Winter	Generation	Super Off-Peak	0.0635	0.07003	-9%
G-PA-T-1-P	Summer	Demand	On-Peak	1.4	2.80	-50%
G-PA-T-1-P	Summer	Generation	On-Peak	0.08978	0.09351	-4%
G-PA-T-1-P	Summer	Generation	Semi-Peak	0.08763	0.09125	-4%
G-PA-T-1-P	Summer	Generation	Off-Peak	0.04997	0.05199	-4%
G-PA-T-1-P	Winter	Generation	On-Peak	0.30711	0.31989	-4%
G-PA-T-1-P	Winter	Generation	Semi-Peak	0.1164	0.12122	-4%
G-PA-T-1-P	Winter	Generation	Off-Peak	0.1163	0.12110	-4%
G-PA-T-1-T	Summer	Demand	On-Peak	1.35	2.69	-50%
G-PA-T-1-T	Summer	Generation	On-Peak	0.0895	0.09276	-4%
G-PA-T-1-T	Summer	Generation	Semi-Peak	0.08749	0.09067	-4%
G-PA-T-1-T	Summer	Generation	Off-Peak	0.05121	0.05307	-3%
G-PA-T-1-T	Winter	Generation	On-Peak	0.3066	0.31774	-4%
G-PA-T-1-T	Winter	Generation	Semi-Peak	0.11604	0.12027	-4%
G-PA-T-1-T	Winter	Generation	Off-Peak	0.11594	0.12015	-4%
G-TOU-PA-S	Summer	Generation	On-Peak	0.36253	0.37659	-4%
G-TOU-PA-S	Summer	Generation	Semi-Peak	0.13985	0.14527	-4%
G-TOU-PA-S	Summer	Generation	Off-Peak	0.06301	0.06545	-4%
G-TOU-PA-S	Winter	Generation	On-Peak	0.17244	0.17912	-4%
G-TOU-PA-S	Winter	Generation	Semi-Peak	0.05304	0.05510	-4%
G-TOU-PA-S	Winter	Generation	Off-Peak	0.05296	0.05501	-4%
G-TOU-PA-P	Summer	Generation	On-Peak	0.36042	0.37439	-4%
G-TOU-PA-P	Summer	Generation	Semi-Peak	0.13890	0.14429	-4%
G-TOU-PA-P	Summer	Generation	Off-Peak	0.06257	0.06488	-4%
G-TOU-PA-P	Winter	Generation	On-Peak	0.17160	0.17790	-4%
G-TOU-PA-P	Winter	Generation	Semi-Peak	0.05254	0.05452	-4%
G-TOU-PA-P	Winter	Generation	Off-Peak	0.05247	0.05444	-4%
G-TOU-PA-2-S	Summer	Demand	On-Peak	2.36722	3.16	-25%
G-TOU-PA-2-S	Summer	Generation	On-Peak	0.10324	0.11476	-10%
G-TOU-PA-2-S	Summer	Generation	Semi-Peak	0.09338	0.10385	-10%
G-TOU-PA-2-S	Summer	Generation	Off-Peak	0.05645	0.06283	-10%
G-TOU-PA-2-S	Winter	Generation	On-Peak	0.31693	0.35230	-10%
G-TOU-PA-2-S	Winter	Generation	Semi-Peak	0.12252	0.13628	-10%
G-TOU-PA-2-S	Winter	Generation	Off-Peak	0.12237	0.13620	-10%
G-TOU-PA-2-P	Summer	Demand	On-Peak	2.35949	3.15	-25%
G-TOU-PA-2-P	Summer	Generation	On-Peak	0.10277	0.11419	-10%
G-TOU-PA-2-P	Summer	Generation	Semi-Peak	0.09295	0.10329	-10%

G-TOU-PA-2-P	Summer	Generation	Off-Peak	0.05626	0.06244	-10%
G-TOU-PA-2-P	Winter	Generation	On-Peak	0.31530	0.35034	-10%
G-TOU-PA-2-P	Winter	Generation	Semi-Peak	0.12191	0.13545	-10%
G-TOU-PA-2-P	Winter	Generation	Off-Peak	0.12182	0.13536	-10%
TOU-DR-1-PK	Summer	Generation	On-Peak	0.38778	0.39145	-1%
TOU-DR-1-PK	Summer	Generation	Off-Peak	0.15609	0.15756	-1%
TOU-DR-1-PK	Summer	Generation	Super Off-Peak	0.04914	0.04961	-1%
TOU-DR-1-PK	Winter	Generation	On-Peak	0.13854	0.13985	-1%
TOU-DR-1-PK	Winter	Generation	Off-Peak	0.05903	0.05959	-1%
TOU-DR-1-PK	Winter	Generation	Super Off-Peak	0.05138	0.05187	-1%
TOU-DR-2-PK	Summer	Generation	On-Peak	0.37580	0.39145	-4%
TOU-DR-2-PK	Summer	Generation	Off-Peak	0.10264	0.10692	-4%
TOU-DR-2-PK	Winter	Generation	On-Peak	0.13426	0.13985	-4%
TOU-DR-2-PK	Winter	Generation	Off-Peak	0.04692	0.04887	-4%

PUBLIC HEARING NOTICE
CLEAN ENERGY ALLIANCE

The Board of Directors of Clean Energy Alliance (CEA) will conduct a public hearing to consider adopting a resolution reducing various CEA's rates for its Community Choice Aggregation program, effective June 1, 2026. As proposed, the impacted rates will be reduced to account for the Rate Relief Credit implemented on February 1, 2026. The exact proposed rates are available on CEA's website at TheCleanEnergyAlliance.org/billing-rates/.

DATE OF HEARING:	Thursday, May 28, 2026
TIME OF HEARING:	2:00 p.m. or as soon thereafter as the matter may be heard
PLACE OF HEARING:	Leucadia Wastewater District, Boardroom 1960 La Costa Avenue Carlsbad, CA 92009

All interested persons are invited to attend the meeting and comment on adopting a Resolution Amending Rates for CEA. Members of the public unable to attend the public hearing may submit their comments and recommendations in writing to CEA, via email to clerk@thecleanenergyalliance.org, which must be received no later than 12:00pm on Thursday, May 28, 2026 to ensure consideration by the Board.

Ana Marie Alarcon

DATED: May 15, 2026

Ana Marie Alarcon, CMC
Clerk to the Board

Published:	Friday May 15, 2026 Friday May 22, 2026	Published: San Diego Union Tribune
Posted:	Friday May 15, 2026	Leucadia Wastewater District, Boardroom

CLEAN ENERGY ALLIANCE

Staff Report

DATE: May 28, 2026

TO: Clean Energy Alliance Board of Directors

FROM: Gregory Wade, Chief Executive Officer

ITEM 8: Receive Regulatory Update from Keyes & Fox

RECOMMENDATION:

Receive the Regulatory Update from Keyes & Fox.

BACKGROUND AND DISCUSSION:

Clean Energy Alliance (CEA) contracts Keyes & Fox for regulatory advocacy activities. Each month, Keyes & Fox provides an update to the CEA Board on key items of interest. This month's update will focus on SDG&E's Energy Resource Recovery Account (ERRA) filing for 2027, including initial Power Charge Indifference Adjustment (PCIA) rates; key developments related to data centers and behind-the-meter (BTM) distributed energy resource (DER) dynamic pricing; and a PCIA update, including the kickoff of Track 3 (full PCIA reform) and progress on Track 2 (banked Renewable Energy Credits, or RECs).

FISCAL IMPACT:

There is no fiscal impact from this action.

Submitted for Board consideration:

Gregory Wade
Chief Executive Officer

ATTACHMENTS:

A. Keyes & Fox May Regulatory Memo

KEYES&FOX LLP

Attachment A
EQ Research

Clean Energy Alliance

Regulatory Monitoring Report

To:	Clean Energy Alliance (CEA) Board of Directors
From:	Tim Lindl, Partner, Keyes & Fox LLP Jacob Schlesinger, Partner, Keyes & Fox LLP Jason Hoyle, Director of Research, EQ Research LLC
Subject:	Monthly Regulatory Memo
Date:	May 18, 2026

Keyes & Fox LLP and EQ Research LLC are pleased to provide CEA's Board of Directors with this informational memo describing recent developments in key California regulatory and compliance-related updates from the California Public Utilities Commission (CPUC). Additional information is available in CEA's Digest of Regulatory Updates.

NEW SDG&E 2027 ERRA Forecast (A.26-05-009)

- On May 15, SDG&E submitted its 2027 ERRA Forecast Application seeking approval of a total revenue requirement of $893 million for 2027, which is $69 million higher than the 2026 amount of $824 million approved in D.25-12-008 and a $13 million increase over the currently effective revenue requirement. The 2027 revenue requirement will be updated in mid-October 2026 and is expected to include the valuation of pre-2019 banked RECs based on the initial outcome of the PCIA/ERRA Reform proceeding (R.25-02-005). Clean Energy Alliance and San Diego Community Power also have a pending Request for Rehearing of D.25-12-008. Protests and responses will be due 30 days after the Application appears in the CPUC's Daily Calendar.

NEW SDG&E and SoCalGas SAP Migration (A.26-05-002)

- On May 1, SDG&E and SoCalGas submitted an Application requesting approval of a $348 million revenue requirement increase to support the migration of their enterprise software platform prior to the vendor (SAP SE) discontinuing maintenance at the end of 2027. Of the $348 million, $62 million of O&M expenses are forecast between 2026 and 2030, and the remaining $286 million of capital investment is projected to occur between 2027 and 2030. Phase 1A was authorized in the Companies' last general rate case by D.24-12-074 and is expected to be complete by May 2027. Protests and responses to the Application are due June 4 and replies are due June 15.

Electric Rate Design (R.26-04-009)

- Comments on the preliminary scope and schedule for the recently established rulemaking proceeding to address advanced electric rate design policies and update residential and non-residential rate structures, including data centers were submitted on May 11. Reply comments are due by May 21, after which a prehearing conference will be held, and the Assigned Commissioner will issue a scoping memo and ruling.

- CalCCA's comments recommended that the Commission ensure that an tariff changes preserve customer choice and the role of CCAs as the default generation providers for customers within their service areas; that the proposed scope be expanded to include (1) statewide information-sharing requirements between IOUs and CCAs regarding large load interconnection requests and new customer development, and (2) the consideration of rate designs to best leverage behind-the-meter storage as a grid asset; that the proceeding be organized into tracks and phases and have clearly established coordination mechanisms with other related proceedings; and that the proceeding first consider whether data centers tariffs should be treated as distinct from other large load tariffs, and the not address changes to the Base Service Charge until broader rate reform issues are addressed. SDG&E's comments recommended the proceeding be split into three tracks starting with Track A for Base Services Charge issues, followed by Track B for large load issues, and finally Track C for general rate design issues. SDG&E also emphasized the importance of differences between the IOUs and encouraged the Commission to adopt a guidance-based approach. CalAdvocates' comments

proposed multiple phases and tracks, and on scoping issues the comments emphasized electric affordability and ratepayer protections from potential risks associated with large loads.

ERRA/PCIA Reform (R.25-02-005)

- An April 24 Ruling tentatively scheduled the evidentiary hearing for June 2, which was confirmed in a May 14 Ruling if parties request a hearing by May 26. A proposed decision is expected in early August in time for a final decision to be heard at the September 17 Commission meeting and incorporated into the October Update for the 2027 ERRA Forecasts.

- On May 13, an ALJ Ruling scheduled a series of in-person workshops in San Francisco during early June to inform the scope of Track 3. The first workshop will be a high-level discussion of principles and approaches for achieving indifference, including stakeholder interest in alternative approaches to indifference. The second workshop's focus will be on issues proposed to be included in the scope, with an objective of informing specific scheduling and scoping considerations regarding those issues. Finally, the third workshop's focus will be on data access and confidentiality issues.

2028-2035 Energy Efficiency Portfolio Business Plans (A.26-03-009, et al.)

- On May 1, parties submitted responses and protests to more than a dozen energy efficiency business plan applications. Cost effectiveness tests that apply to Regional Energy Networks (RENs), such as the San Diego REN (SDREN) were a central point of disagreement between the IOUs and CCAs with the IOUs and some other parties recommending that REN proposals be evaluated on the basis of the CPUC's traditional cost-effectiveness tests, while nearly all CCAs and RENs recommended modified or adjusted cost-effectiveness evaluations that included equity considerations and accounted for programs intended to support hard-to-reach and other underserved customers. In particular, there was strong support among CCAs and RENs for SDREN's request for revision of Net-to-Gross ratios to address the structural barriers and different characteristics of equity populations. Replies to protests and responses

- A May 14 Ruling scheduled the prehearing conference for June 19, after which a scoping memo and ruling is expected.

SDG&E Demand Flexibility Rates (A.26-02-001)

- On April 30, the Assigned Commissioner issued a Scoping Memo and Ruling defining the scope for consideration of SDG&E's Application to implement demand flexibility rates to include the reasonableness of the proposal, the implementation timeline, the requested $11.3 million revenue requirement, and when and how frequently SDG&E should share data with Load Serving Entities like CEA, among other issues. SDG&E supplemental/revised testimony is due June 1, intervenor testimony is due September 11, rebuttal testimony is due November 9, and a proposed decision is expected in Q2 of 2027.

CLEAN ENERGY ALLIANCE

Staff Report

DATE: May 28, 2026

TO: Clean Energy Alliance Board of Directors

FROM: Andy Stern, Chief Financial Officer

ITEM 9: Review Clean Energy Alliance Fiscal Year 2026/2027 Proposed Budget and Schedule Budget Adoption for June 25, 2026

RECOMMENDATION:

That the Clean Energy Alliance (CEA) Board of Directors (Board) reviews the proposed CEA Fiscal Year (FY) 2026/2027 Budget, provide direction on any additions/changes and schedule Budget Adoption for the June 25, 2026 Board Meeting.

BACKGROUND AND DISCUSSION:

The proposed FY 2026/2027 Budget ("Proposed Budget," detail below) reflects projected power supply costs based on current forward price curves and existing contracts, regulatory compliance requirements, staffing requirements for pending new hires, and professional and legal services required to support operations.

The following key assumptions were used to develop the Proposed Budget:

- Revenue based on current adopted rates and projected energy usage
- Power supply costs based on actual executed contracts and recent forward price curves
- Reasonable power supply cost contingency based on historical volatility
- Consulting services based on approved contracts

Current Fiscal Year 2025/2026 Year End Estimates

As part of developing the FY 2026/2027 Proposed Budget, staff has made projections for the current FY 2025/2026 ending net results.

Reserves/Liquidity

CEA's current Financial Reserve Policy calls for CEA to contribute 5% of annual revenues to reserves with a target to reach 25% on a cumulative basis. It is currently estimated that FY 2025/2026 performance will end the year at a cumulative level of 13.5%. The current Proposed Budget for FY 2026/2027 detailed below would further add to that level by an additional 8.2% toward the reserve target for the fiscal year. If achieved, the cumulative level would reach 21.7%. Based on the current 5-year outlook, the cumulative 25% target would be achieved by the end of FY2028.

An adequate level of reserves and liquidity is necessary to manage the business risks and volatility that are part of the energy markets and maintaining large energy portfolios. Adequate liquidity is also necessary for a Community Choice Aggregation (CCA) program to better withstand unexpected events, such as power

outages and commodity price volatility, as well as economic downturns. Rating agencies that monitor CCAs use Liquidity (measured as Days Liquidity on Hand or DLOH) to evaluate the ability for CEA to meet its long-term and ongoing obligations. Although not an exact metric, rating agencies will look for CEA to maintain a level of 150-200 DLOH for an investment grade credit rating. Based on the Proposed Budget, CEA is expected to achieve these levels in the middle of calendar year 2027.

Clean Energy Alliance
FY 2025/2026 Year End Estimates compared to Approved Budget

	YTD Actuals through 2/28/26	Full Year Forecast FY2025-2026	Full Year Budget FY2025-2026	Variance: Favorable / (Unfavorable)
Total Operating Revenues	$277,975,403	$377,122,038	$383,146,909	($6,024,870)
OPERATING EXPENSES				
Total Cost of Goods Sold (Energy Expense)	217,332,330	308,641,283	333,540,321	24,899,038
Other Operating Expenses (excluding COGS)	7,144,314	11,146,998	13,363,246	2,216,248
Total Operating Expenses	$224,476,643	$319,788,281	$346,903,567	$27,115,286
OPERATING INCOME/(LOSS)	$53,498,760	$57,333,758	$36,243,342	$21,090,416
NON-OPERATING REVENUES (EXP.)				-
Total Nonoperating Income/(Expense)	240,156	837,864	(380,692)	1,218,556
				-
CHANGE IN NET POSITION	$53,738,916	$58,171,622	$35,862,650	$22,308,971

Net Results of Operations are forecasted to exceed Adopted Budget by $22.3M, or 62%.

Revenues are expected to end the year 1.6% or $6.0 million below Adopted Budget. The revenue shortfall is a result of lower-than-expected usage by large commercial customers and unexpectedly low usage by many residential customers in the midday hours likely due to higher-than-expected rooftop solar installation and usage.

Total Operating Expenses are also expected to end the FY $27.1 million below budget mitigating all of the revenue shortfall. Energy expenses below budget were the primary reason, as the budget included a $ contingency, only a small amount of which was necessary. While expenses for Net Surplus Compensation to rooftop solar customers were higher than expected, energy and energy attribute prices, including Resource Adequacy (RA) and Renewable Energy Credits (RECs), were all well below the historical highs they reached in prior years.

Finally, non-operating expenses, which mostly reflect net interest earnings and interest expense for credit line usage, is forecasted to be a positive $0.8 million, significantly better than Budget, as use of the credit line decreased substantially from expected levels.

Proposed Fiscal Year 2026/2027 Operating Budget

The FY 2026/2027 proposed budget (Proposed Budget) is based on the following priorities and goals:

- Financial Stability
- Meeting Regulatory Compliance
- Increasing Renewable Energy Content to Achieve Goal of 100% Renewable Energy by 2035

A. Energy Expenses

By far the biggest expense category for CEA is Energy Expenses which make up nearly than 96% of all expenses. Energy costs are budgeted to increase in the upcoming fiscal year compared to the current year by approximately $32.0 million. Some of the energy categories that are tracked are expected to increase as prices start to drift upward to more normal levels, however, the majority of the increase from the prior year is largely due to again including an assumed cost contingency on CEA's basic energy costs. While the budgeted contingency was not needed in the prior year, staff believes strongly that it is important to continue to include it so that financial performance is not impacted by the possibility that some of the various cost categories suffer similar increases in the coming year that we saw two years ago when prices skyrocketed to historical highs.

B. Other Operating Expenses

The Proposed Budget also reflects an increase of approximately $1.0 million in Other Operating Expenses. With that increase, Operating Expenses will make up just 3.7% of Total Expenses including an allocation of $0.5 million for energy programs. The biggest increases in expenses are in two primary areas:

Staffing: Costs for Staffing, which include salaries, benefits, and retirement are budgeted at approximately $4.6 million. Pursuant to prior Board authorization, CEA will start the upcoming Fiscal Year 2026/2027 at 17 full-time employees compared to starting the prior year at 10 employees. It is also anticipated that an additional 4 new employees will be added during the FY 2026/2027 Fiscal Year.

Programs: The budget includes $0.5 million of funding to initiate implementation of the Energy Programs Plan with customer programs and the enhancement of early pilot programs. While that is less than the $2.0 million budgeted in the prior year, it is important to note that no program funds were expended in FY 2025/2026.

A summary of Other Operating expenses is as follows:

	Full Year Forecast FY2025-2026	Proposed Budget FY2026-2027	% of Revenues
Communications and Outreach	387,500	656,674	0.2%
Data Management and SDG&E Svcs	4,256,063	4,356,000	1.1%
Staffing Costs	2,748,113	4,596,088	1.2%
Legal	691,675	1,000,000	0.3%
Consultants & Professional Services	1,733,707	1,802,885	0.5%
General and Administrative	1,329,940	1,433,000	0.4%
Energy Programs	-	500,000	0.1%
Other Operating Expenses (excluding COGS)	**11,146,998**	**14,344,647**	3.7%

C. Revenues

The primary source of CEA revenue comes from payment of customer electricity rates. CEA sets customer rates based on the following priorities:

- JPMorgan credit line covenant compliance
  - Result in revenues sufficient to recover costs and fund reserves
  - Meet Debt Service Coverage Ratio & Days Liquidity on Hand
- Address cash flow needs
- Rate Stability
- Financial stability and credit rating
- Fund Board established operating reserve policy
- Sufficient funding to support increased renewable energy procurement to achieve climate goals and implement local programs
- Rate competitive to SDG&E

No rate increase is assumed in the revenue forecast for the coming fiscal year. The Board last approved rate increases at its meeting in June 2024, and based on that action, current rates are expected to generate sufficient revenue to fund operations for the upcoming fiscal year and for at least the next few years while building sufficient reserves.

CEA's revenue estimates for FY 2025/2026 and the Proposed Budget for FY 2026/2027 are shown on the following page.

Clean Energy Alliance
FY 2025/2026 Year End Estimates and FY 2026/2027 Proposed Budget

	Full Year Forecast FY2025-2026	Proposed Budget FY2026-2027	% of Revenues
Total Operating Revenues	**$377,122,038**	**$384,413,959**	
OPERATING EXPENSES			
Total Cost of Goods Sold (Energy Expense)	**308,641,283**	**340,612,436**	88.6%
Communications and Outreach	387,500	656,674	0.2%
Data Management and SDG&E Svcs	4,256,063	4,356,000	1.1%
Staffing Costs	2,748,113	4,596,088	1.2%
Legal	691,675	1,000,000	0.3%
Consultants & Professional Services	1,733,707	1,802,885	0.5%
General and Administrative	1,329,940	1,433,000	0.4%
Energy Programs	-	500,000	0.1%
Other Operating Expenses (excluding COGS)	**11,146,998**	**14,344,647**	3.7%
Total Operating Expenses	**$319,788,281**	**$354,957,083**	92.3%
OPERATING INCOME/(LOSS)	**$57,333,758**	**$29,456,877**	
Total Nonoperating Income/(Expense)	**837,864**	**2,006,548**	
CHANGE IN NET POSITION	**$58,171,622**	**$31,463,425**	
Beginning Net Position	**21,379,112**	**79,550,734**	
Ending Net Position	**79,550,734**	**111,014,159**	
Days Liquidity on Hand	**107**	**128**	

The Proposed Budget will be brought back to the Board for formal adoption at the June 25, 2026 regular Board meeting.

5-Year Outlook

Managing energy purchases and providing electricity generation for the customers in CEA's territories requires a long-term view to ensure financial stability. To that end, a 5-year outlook has been prepared based on expected energy costs over that period.

Clean Energy Alliance
FY 2026/2027 to FY 2030/2031 Budget Outlook

	Preliminary Budget	Forecast	Forecast	Forecast	Forecast
	Total Year FY27	Total Year FY28	Total Year FY29	Total Year FY30	Total Year FY31
Total Operating Revenues	384,413,959	389,040,360	388,291,377	388,140,331	387,973,336
OPERATING EXPENSES					
Total Cost of Energy	340,612,436	312,064,686	308,408,984	301,241,228	312,484,459
Other Operating Expenses (excluding COGS)	14,344,647	17,232,732	20,689,868	24,774,933	29,592,171
Total Operating Expenses	354,957,083	329,297,417	329,098,851	326,016,161	342,076,630
Operating Income (Loss)	29,456,877	59,742,943	59,192,526	62,124,171	45,896,706
Total Nonoperating Income/(Expense)	2,006,548	3,000,918	4,382,129	5,858,098	7,229,661
CHANGE IN NET POSITION	31,463,425	62,743,860	63,574,655	67,982,269	53,126,367
Net Position at the beginning of period	79,550,734	111,014,159	173,758,019	237,332,675	305,314,943
Net Position at the end of period	111,014,159	173,758,019	237,332,675	305,314,943	358,441,310
Days Liquidity on Hand	128	207	275	353	395

The projection of revenues and expenses over the next 5 years is forecast to generate reasonable positive net positions and should contribute to increasing financial stability. Such growth should position CEA to be better able to consider achieving an investment grade credit rating which would yield lower energy prices and better credit terms with energy suppliers.

Submitted for Board consideration:

_____
Gregory Wade
Chief Executive Officer

ATTACHMENTS:

A. CEA Budget Book FY2026-2027

CLEAN ENERGY ALLIANCE

FY2026-2027 Fiscal Year

Operating Budget

Initial Review

May 28, 2026

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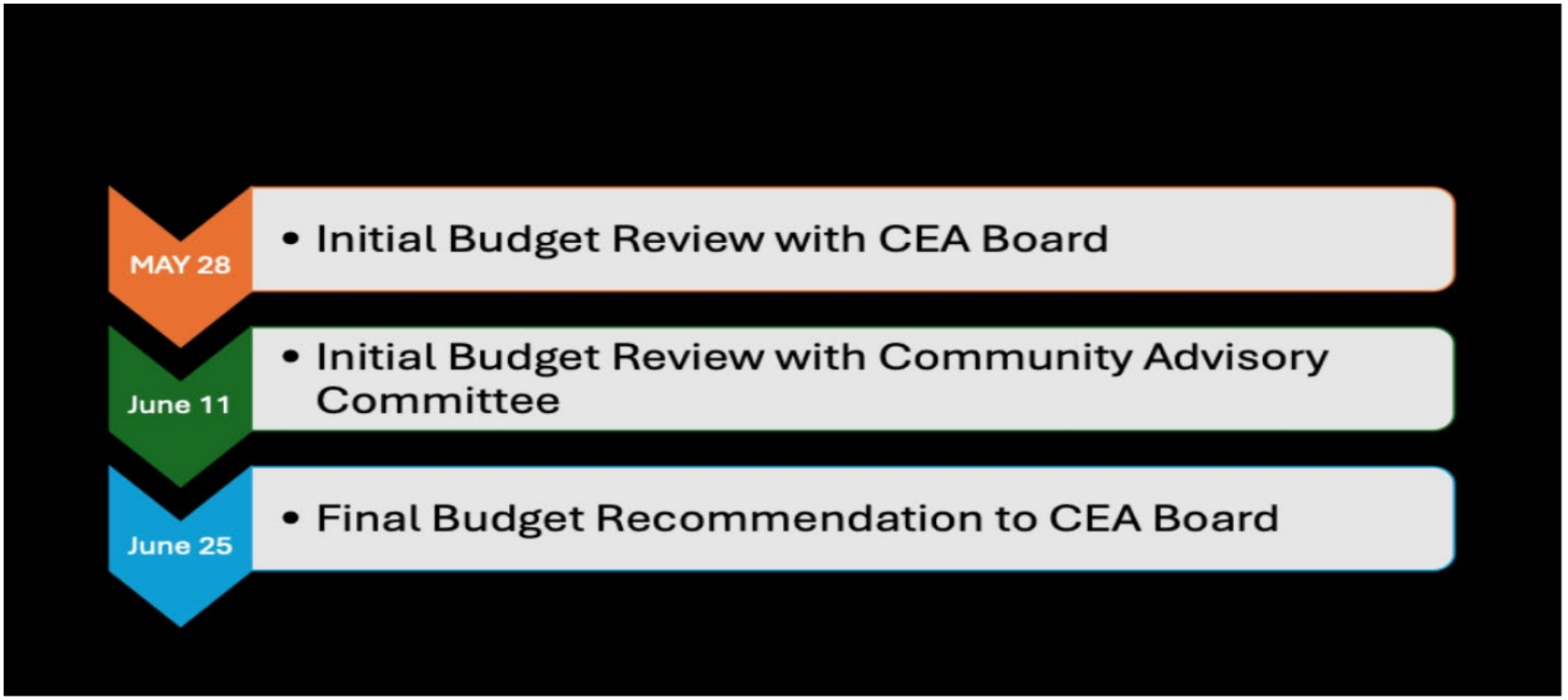
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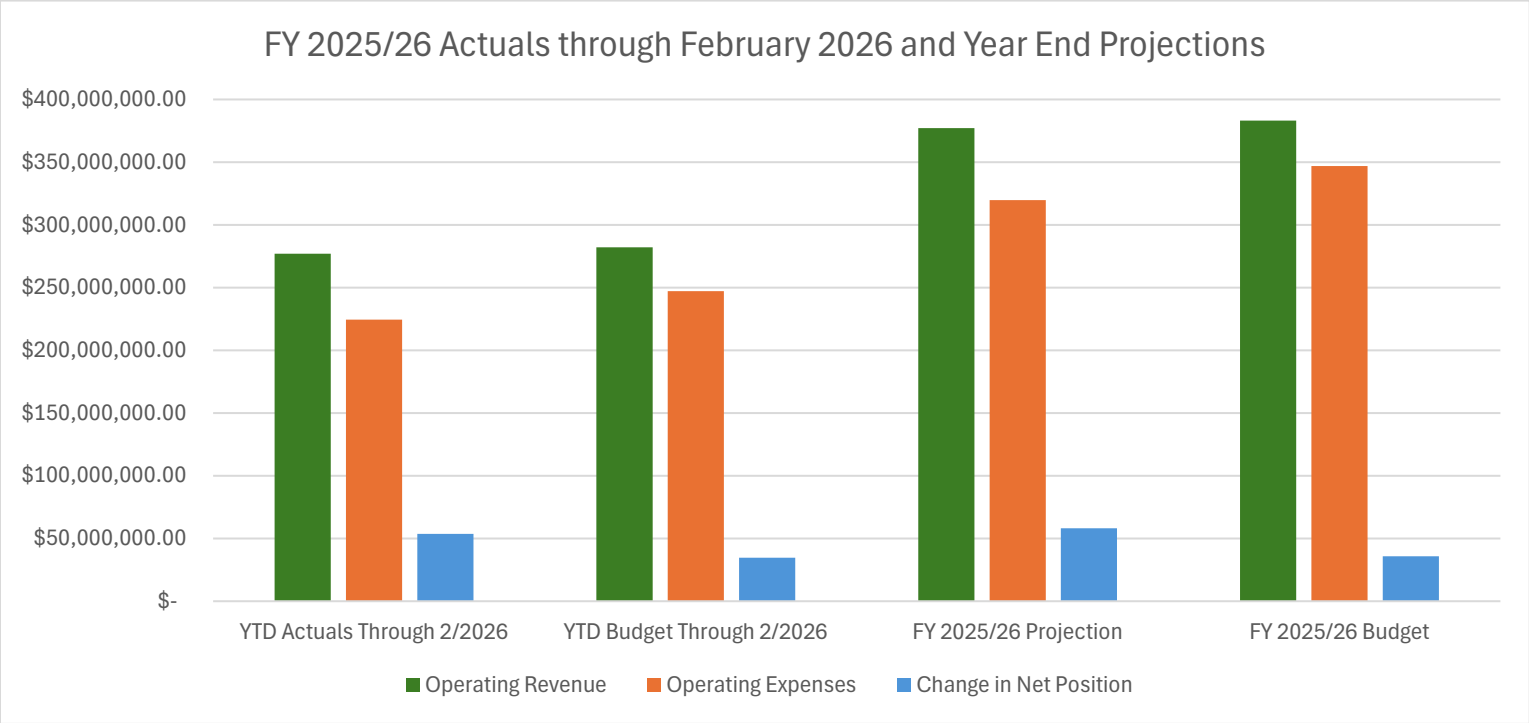
Budget Review Timeline

Fiscal Year Operating Budget 2026-2027



Fiscal Year 2025-2026 Actuals and Year-End Forecast

Compare to Budget



- Revenues slightly below Budget for YTD and Forecasted Year-end
- Expenses below Budget for YTD and Forecasted Year-end
- Change in Net Position above Budget

Fiscal Year 2025-2026 Actuals and Year-End Forecast

Compare to Budget

	Year-to-date			Full Year		
	YTD Actuals through 2/28/26	YTD Budget through 2/28/26	Variance: Favorable / (Unfavorable)	Full Year Forecast FY2025-2026	Full Year Budget FY2025-2026	Variance: Favorable / (Unfavorable)
OPERATING REVENUES						
Total Operating Revenues	$277,975,403	$282,134,299	($4,158,896)	$377,122,038	$383,146,909	($6,024,870)
OPERATING EXPENSES						
Total Cost of Goods Sold (Energy Expense)	217,332,330	238,216,348	20,884,018	308,641,283	333,540,321	24,899,038
Other Operating Expenses (excluding COGS)	7,144,314	8,957,918	1,813,604	11,146,998	13,363,246	2,216,248
Total Operating Expenses	$224,476,643	$247,174,265	$22,697,622	$319,788,281	$346,903,567	$27,115,286
OPERATING INCOME/(LOSS)	$53,498,760	$34,960,034	$18,538,726	$57,333,758	$36,243,342	$21,090,416
NON-OPERATING REVENUES (EXP.)			-			-
Total Nonoperating Income/(Expense)	240,156	(273,003)	513,160	837,864	(380,692)	1,218,556
			-			-
CHANGE IN NET POSITION	$53,738,916	$34,687,030	$19,051,886	$58,171,622	$35,862,650	$22,308,971
Beginning Net Position	21,379,112	14,787,266		21,379,112	14,787,266	
Ending Net Position	$75,118,029	$60,478,972		79,550,734	$50,649,916	
DLOH	114	94		107	81	

Fiscal Year 2025-2026 Year-end Forecast

Observations and Highlights

Revenues

- Total revenues expected to be 1.6% below Budget ($6.0 million lower)
  - Residential and Small Commercial Customer usage lower than expected
  - Likely due to higher NEM adoption and use than anticipated

Energy Expenses

- Total energy expenses expected to be $24.9 million below Budget (7.5% less than Budget)
  - Savings mostly represent unused Budget contingency
  - Prices for energy, renewable content and Resource Adequacy have been at multi-year lows for most of this fiscal year
- Forward price expectations by most analysts for energy and other energy attributes see significant rises

Operating Expenses

- Other operating expenses expected to be $2.2 million below Budget (7.8% less)
- Almost all of that savings is from unspent Energy Program budget ($2.0 million)
- Total of all other expenses within 1.9% of Budget
- Total of operating expenses remains less than 3% of revenues
  - Well below all other CCAs

FY2026-2027 Fiscal Year

Recommended Operating Budget

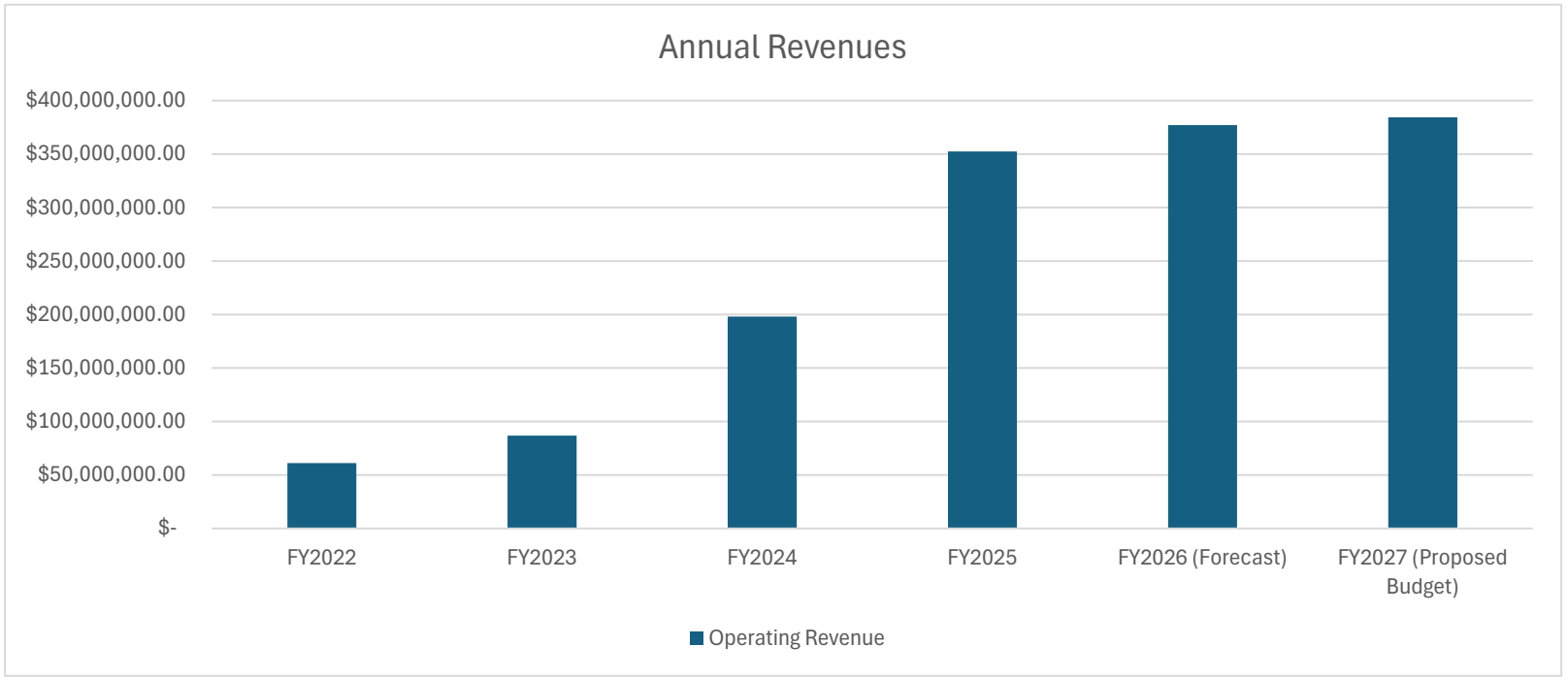
Fiscal Year 2026-2027 Proposed Budget

Summary

	Full Year Forecast FY2025-2026	Full Year Budget FY2025-2026	Variance: Favorable / (Unfavorable)		Proposed Budget FY2026-2027	% of Revenues
Total Operating Revenues	**$377,122,038**	**$383,146,909**	**($6,024,870)**		**$384,413,959**	
OPERATING EXPENSES						
Total Cost of Goods Sold (Energy Expense)	**308,641,283**	**333,540,321**	**24,899,038**		**340,612,436**	88.6%
Communications and Outreach	387,500	409,791	22,292		656,674	0.2%
Data Management and SDG&E Svcs	4,256,063	4,659,600	403,537		4,356,000	1.1%
Staffing Costs	2,748,113	2,730,818	(17,295)		4,596,088	1.2%
Legal	691,675	807,047	115,371		1,000,000	0.3%
Consultants & Professional Services	1,733,707	1,675,354	(58,353)		1,802,885	0.5%
General and Administrative	1,329,940	1,080,635	(249,305)		1,433,000	0.4%
Energy Programs	-	2,000,000	2,000,000		500,000	0.1%
Other Operating Expenses (excluding COGS)	**11,146,998**	**13,363,246**	**2,216,248**		**14,344,647**	3.7%
Total Operating Expenses	**$319,788,281**	**$346,903,567**	**$27,115,286**		**$354,957,083**	
OPERATING INCOME/(LOSS)	**$57,333,758**	**$36,243,342**	**$21,090,416**		**$29,456,877**	
NON-OPERATING REVENUES (EXP.)			-			
Total Nonoperating Income/(Expense)	**837,864**	**(380,692)**	**1,218,556**		**2,006,548**	
			-			
CHANGE IN NET POSITION	**$58,171,622**	**$35,862,650**	**$22,308,971**		**$31,463,425**	
Beginning Net Position	**21,379,112**	**14,787,266**			**79,550,734**	
Ending Net Position	**79,550,734**	**$50,649,916**			**111,014,159**	
DLOH	**107**	**81**			**128**	

Fiscal Year 2026-2027 Proposed Budget

Revenues – Historical Trend



Fiscal Year 2026-2027 Proposed Budget

Revenue Assumptions – Background and Key Highlights

CEA's revenue primarily derives from retail electricity sales, driven by generation rates designed to cover power procurement, operating and non-operating expenses, capital expenditures, and contributions to the operating reserve to ensure financial stability and sustainability.

Demand Forecast: Total retail load consumption is projected at XXXX GWh for FY2026/27.

CEA Customer Rates: No change in current rates

- Clean Impact (50% Renewable): Close to Parity with SDG&E
- Clean Impact Plus (50% Renewable & 75% Carbon Free): Clean Impact rate plus $0.001 per KWh
- Green Impact (100% Renewable): Clean Impact rate plus $0.0075 per KWh

Load growth: Assume flat usage

5-year Forecast rates: Assumption of no change in rates in the next 5 years. Current levels enable alignment with the CEA Strategic Plan for financial sustainability.

Uncollectible Accounts: Accrual set at 1.0% of Revenues (reduced from 1.3% in FY2025) reflecting a low incidence of accounts that are slow or non-paying. Lower than general CCA average.

Fiscal Year 2026-2027 Proposed Budget

Energy Cost Assumptions – Background and Key Highlights

Procurement: CEA procures electricity from renewable sources, such as solar and wind, to meet customer demand; SDG&E manages delivery, billing, and infrastructure maintenance. CEA's energy costs are impacted by market fluctuations, seasonal demand surges (e.g. summer heat waves), and increasing customer load, which may necessitate purchasing additional power at elevated market rates.

Regulatory: Regulatory requirements, including California's Resource Adequacy (RA) mandates, require CEA to secure sufficient energy capacity, potentially raising costs, especially during peak periods.

Hedge Contracts: To address some of these challenges, CEA employs hedge contracts and long-term power purchase agreements while maintaining a diverse renewable energy portfolio. Hedge contracts enable CEA to lock-in supply and prices in advance, thereby ensuring resource sufficiency when needed and cost predictability for the Budget.

Net Energy Metering (NEM): CEA's territory has among the highest rooftop solar usage and penetration in California. CEA offers competitive compensation for excess solar generation and Net Surplus Compensation (NSC).

Fiscal Year 2026-2027 Proposed Budget

Energy Cost Assumptions – Cost of Energy Components

- Power Supply: Includes system energy, renewable energy (RECs and carbon-free attributes), and CAISO fees. The total power supply costs for the upcoming FY2026/27 fiscal year are estimated at $232.8 million, or 68.4% of total energy cost Budget.
    - The proposed Budget is $4.2 million less than the FY2025/2026 forecast.

- Resource Adequacy (RA): A reliability obligation required by the CPUC providing committed generating capacity for system reliability, estimated at $73.9 million or 21.7% of FY2026/27 total energy cost Budget.
    - The proposed Budget is $6.9 million more than the FY2025/2026 forecast.

- Contingency: Energy costs are highly volatile and, sometimes, unpredictable. To ensure that there are adequate resources to mitigate any such volatility, CEA's Budget includes a conservative estimate for Contingency. The FY2026/27 includes an estimate of $28.3 million for Contingency. Any amount of that full allocation that remains at the end of the fiscal year will flow directly back to general reserves.

- Net Energy Metering: The estimated payout for the NEM program to customers in FY2026/27 is $5.6 million.
    - The proposed Budget is $0.9 million more than the FY2025/2026 forecast as robust solar adoption continues in CEA's territory.

Fiscal Year 2026-2027 Proposed Budget

Energy Cost Assumptions – Cost of Energy Components

Fiscal Year 2026-2027 Proposed Budget

Energy Cost Assumptions – Cost of Energy Components

Resource Adequacy	66,948,683	69,054,700	2,106,018		73,888,876	
Energy (including RECs, GHG, CAISO)	237,066,097	233,160,158	(3,905,938)		232,843,787	
Contingency	-	28,716,809	28,716,809		28,327,968	
Subtotal Cost of Energy	304,014,779	330,931,667	26,916,888		335,060,631	
NEM Expense	4,626,504	2,608,654	(2,017,850)		5,551,804	
Total Cost of Goods Sold (Energy Expense)	**308,641,283**	**333,540,321**	**24,899,038**		**340,612,436**	88.6%

FY2025/26: Energy Costs are expected to end the year at $24.9 million below Budget as a result of the included Contingency. Without the Contingency, Energy Expenses would have been $3.8 million over Budget.

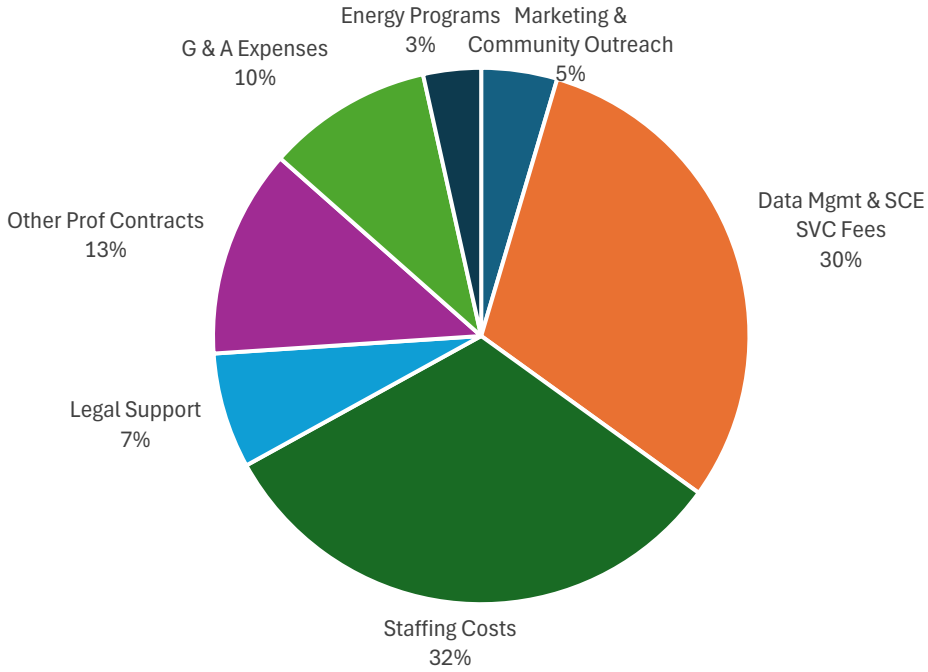
For FY2026/27, it is anticipated that Energy Purchases and Resource Adequacy costs will experience increases. Uncertainty in world energy markets necessitates conservative Contingency planning to maintain adequate resources to mitigate cost volatility.

Fiscal Year 2026-2027 Proposed Budget

Operating Cost Assumptions – Background and Key Highlights

CEA's operating expenses are categorized into seven primary categories:

- Marketing and Community Outreach
- Data Management & SCE Service Fees
- Staffing Costs
- Legal Support
- Other Professional Contracts
- General and Administrative Expenses
- Energy Programs



Fiscal Year 2026-2027 Proposed Budget

Operating Cost Components – Marketing and Community Outreach

CEA is a community-focused public agency that prioritizes meaningful engagement with its customers to build trust, strengthen relationships, and advance its mission of delivering clean, affordable energy. Through a variety of communication channels, CEA actively connects with local communities to raise awareness of OCPA, educate the public on the benefits of community choice energy, and promote sustainability initiatives. Additionally, the budget provides for sponsorships of community events and partnerships with local organizations.

The FY2026/2027 Budget includes allocation of funds that will substantially increase:

- Digital Marketing and Advertisement
- Community Sponsorships

	Full Year Forecast FY2025-2026	Full Year Budget FY2025-2026	Variance: Favorable / (Unfavorable)		Proposed Budget FY2026-2027	% of Revenues
Advertising	24,682	33,174	8,492		172,700	
Marketing Consultants	226,151	251,174	25,023		253,080	
Sponsorships	36,111	17,482	(18,629)		111,275	
Promotional Items	29,142	26,400	(2,742)		33,230	
Printing	28,339	42,577	14,238		32,330	
Postage	43,074	38,984	(4,090)		54,059	
Communications and Outreach	387,500	409,791	22,292		656,674	0.2%

Fiscal Year 2026-2027 Proposed Budget

Operating Cost Components - Data Management and SDG&E Service Fees

Data Management Services: Provided by Calpine, these services encompass all customer billing data validation and coordination with SDG&E, call center operations, customer enrollment database management, move-in/move-out services, and data reporting.

SDG&E Services: SDG&E provides meter reading, data processing, and customer billing and collection services, as mandated by the California Public Utilities Commission (CPUC), with associated fees reflecting these regulatory requirements.

These costs are based on customer counts and account activity. Given that the number of customers is relatively stable, these costs are somewhat stable and predictable.

	Full Year Forecast FY2025-2026	Full Year Budget FY2025-2026	Variance: Favorable / (Unfavorable)		Proposed Budget FY2026-2027	% of Revenues
Data Management Services	3,545,669	3,841,200	295,531		3,600,000	0.9%
Service Fees - SDG&E	710,395	818,400	108,005		756,000	0.2%
Data Management and SDG&E Svcs	4,256,063	4,659,600	403,537		4,356,000	1.1%

Fiscal Year 2026-2027 Proposed Budget

Operating Cost Components – Staffing Costs and Related Expenses

Staffing costs include salaries, payroll taxes, health and welfare benefits for staff and their dependents, and retirement contributions. The projections account for full-year financial impacts of existing staff, merit-based salary increases, and recruitment of several new positions. It is assumed that approximately $150,000 in staffing expenses per year are eligible for reimbursement through funding from the Equitable Building Decarbonization Direct Install (EBD-DI) Program.

In FY2025, on the advice of Human Resources Counsel, CEA discontinued participation in the Federal Social Security program. CEA's contribution to employee retirement accounts was increased to offset some of that prior participation.

Staffing

- Approved Staffing. The current fiscal year includes 11 full-time employees and 1 part-time employee.
- Planned hires prior to start of FY2026/27 Fiscal Year – 5 new, full-time employees are expected to start employment in May 2026. And the one part-time employee is expected to convert to full-time on June 1, 2026.

Fiscal Year 2026-2027 Proposed Budget

Operating Cost Components – Staffing Costs and Related Expenses (continued)

FY2026/27 Staffing

- CEA will start the FY2026/2027 Fiscal Year with 17 full-time employees
- The Staffing Budget assumes the addition of 4 new employees in the upcoming Fiscal Year that will be reviewed and approved with the Board prior to commencing the recruitment for those positions

	Full Year Forecast FY2025-2026	Full Year Budget FY2025-2026	Variance: Favorable / (Unfavorable)		Proposed Budget FY2026-2027	% of Revenues
Employee benefits	238,969	203,792	(35,177)		416,281	
Payroll tax expense	63,007	61,138	(1,869)		133,210	
Retirement plan contributions	266,701	264,930	(1,771)		432,932	
Salaries and wages	2,010,777	2,037,924	27,147		3,330,246	
Workers comp insurance	3,169	-	(3,169)		5,000	
Payroll Service Charges	9,490	10,190	700		12,000	
Temp Employee/PTO expenses	156,000	152,844	(3,156)		266,420	
Staffing Costs	2,748,113	2,730,818	(17,295)		4,596,088	1.2%

Fiscal Year 2026-2027 Proposed Budget

Operating Cost Components – Legal Support

CEA's business is complex and engages legal services in multiple disciplines to support many of those complex areas. CEA retains legal support for general operations, public agency governance, regulatory and legislative support, and advocacy efforts.

These services include general and special counsel representation, support for power supply procurement transactions and negotiations, participation in regulatory proceedings (e.g., SDG&E's ERRA Applications, SDG&E GRC assessment, and other compliance obligations), non-energy contracting support, employment matters, governance and general liability management, clerk support, and regulatory and legislative advocacy.

In FY2026/27, CEA anticipates significantly more contracting activity related to long-term energy transactions.

Regulatory	325,000	375,000	50,000		450,000	
Contracts/Transactions	150,000	200,000	50,000		225,000	
General/Other	216,675	232,047	15,372		325,000	
Legal	691,675	807,047	115,372		1,000,000	0.3%

Fiscal Year 2026-2027 Proposed Budget

Operating Cost Components – Other Professional Contracts

CEA follows industry best-practices by leveraging external consultants while progressively building internal staffing capacity to handle non-technical tasks. This strategic approach ensures operational efficiency and cost-effectiveness as CEA continues its transition to greater self-reliance.

Contract services include the following professional support services:

- Energy Procurement and Portfolio Management: Encompasses scheduling coordination, Congestion Revenue Rights (CRR) purchases and sales, and California Independent System Operator (CAISO) settlements and reporting.
- Financial and Other Services: Includes accounting, financial management, annual financial audit, information technology support, and human resources support.

	Full Year Forecast FY2025-2026	Full Year Budget FY2025-2026	Variance: Favorable / (Unfavorable)		Proposed Budget FY2026-2027	% of Revenues
Administration	39,114	109,121	70,007		53,000	
Accounting	171,000	149,600	(21,400)		179,000	
Forecasting and Scheduling	258,763	273,439	14,676		289,429	
Recruiting	-		-		100,000	
IT Consulting	79,800	66,000	(13,800)		60,000	
Technical/Power Consultants	703,986	450,000	(253,986)		585,456	
Audit Services	58,333	28,540	(29,794)		40,000	
Other Consultants	422,711	598,654	175,944		496,000	
Consultants & Professional Services	1,733,707	1,675,354	(58,353)		1,802,885	0.5%

Fiscal Year 2026-2027 Proposed Budget

Operating Cost Components – General and Administrative

General & Administrative (G&A) expenses support CEA's daily operations and include office rent, maintenance, insurance, bank fees, dues for California Community Choice Association (CalCCA), and office supplies. This category also covers IT equipment and software. Discretionary spending for conferences, professional development, travel, and business meals is managed prudently.

	Full Year Forecast FY2025-2026	Full Year Budget FY2025-2026	Variance: Favorable / (Unfavorable)		Proposed Budget FY2026-2027	% of Revenues
Bank Fees	427,615	371,094	(56,521)		500,000	
Building Maintenance	875		(875)		-	
Business Meals	6,161	2,912	(3,249)		6,000	
Conferences & Prof Development	12,623	18,186	5,563		15,000	
Subscriptions and Publications	7,500	8,524	1,024		2,500	
HR and Related G&A	98	12,071	11,973		20,000	
Dues - Misc Industry Membership	37,692	24,767	(12,925)		25,000	
Dues	519,999	520,000	1		600,000	
Insurance	64,814	17,030	(47,783)		7,500	
Public Notices/Misc G&A	2,568	1,427	(1,141)		25,000	
Office Supplies	6,500	1,572	(4,928)		5,000	
Late Payment and Interest Charges	191	-	(191)		-	
Occupancy	54,243	21,722	(32,520)		108,000	
Rent-Office	34,312	-	(34,312)		-	
Small equipment	50,538	57,066	6,528		30,000	
Software	86,407		(86,407)		60,000	
Phone, Internet & Utlities	2,646	1,930	(716)		3,000	
Travel - Mileage/fuel	4,912	4,815	(98)		5,000	
Parking and Tolls	727	761	34		1,000	
Airfare	3,378	4,516	1,138		10,000	
Travel - Lodging	6,142	12,242	6,100		10,000	
General and Administrative	1,329,940	1,080,635	(249,305)		1,433,000	0.4%

Fiscal Year 2026-2027 Proposed Budget

Operating Cost Components – Energy Programs

CEA is committed to reinvesting in the community through energy programs that directly support its customers. These programs will be designed to address the specific energy needs of households and businesses while advancing the transition from fossil fuels to clean energy solutions.

In FY2025/26, the Budget assumed that CEA would spend up to $2.0 million on Energy Programs. As those programs are complex and take significant time to plan and roll-out, almost none of those funds were spent.

However, recently, Staff presented the long-term strategy for Community Energy Programs to its Board of Directors. That plan will start to roll out in the FY2026/2027 Fiscal Year and increase each year with a goal of targeting 3% of Revenues by the end of FY2031. That level is consistent with other, similar CCAs that are in the 3-5% range.

- FY2027 - $0.5 million (0.3% of revenues)
- FY2028 - $2.5 million (0.6%)
- FY2029 - $5.0 million (1.3%)
- FY2030 - $8.0 million (2.1%)
- FY2031 - $11.7 million (3.0%)

Fiscal Year 2026-2027 Proposed Budget

Summary

	Full Year Forecast FY2025-2026	Full Year Budget FY2025-2026	Variance: Favorable / (Unfavorable)		Proposed Budget FY2026-2027	% of Revenues
Total Operating Revenues	**$377,122,038**	**$383,146,909**	**($6,024,870)**		**$384,413,959**	
OPERATING EXPENSES						
Total Cost of Goods Sold (Energy Expense)	**308,641,283**	**333,540,321**	**24,899,038**		**340,612,436**	88.6%
Communications and Outreach	387,500	409,791	22,292		656,674	0.2%
Data Management and SDG&E Svcs	4,256,063	4,659,600	403,537		4,356,000	1.1%
Staffing Costs	2,748,113	2,730,818	(17,295)		4,596,088	1.2%
Legal	691,675	807,047	115,371		1,000,000	0.3%
Consultants & Professional Services	1,733,707	1,675,354	(58,353)		1,802,885	0.5%
General and Administrative	1,329,940	1,080,635	(249,305)		1,433,000	0.4%
Energy Programs	-	2,000,000	2,000,000		500,000	0.1%
Other Operating Expenses (excluding COGS)	**11,146,998**	**13,363,246**	**2,216,248**		**14,344,647**	3.7%
Total Operating Expenses	**$319,788,281**	**$346,903,567**	**$27,115,286**		**$354,957,083**	
OPERATING INCOME/(LOSS)	**$57,333,758**	**$36,243,342**	**$21,090,416**		**$29,456,877**	
NON-OPERATING REVENUES (EXP.)			-			
Total Nonoperating Income/(Expense)	**837,864**	**(380,692)**	**1,218,556**		**2,006,548**	
			-			
CHANGE IN NET POSITION	**$58,171,622**	**$35,862,650**	**$22,308,971**		**$31,463,425**	
Beginning Net Position	**21,379,112**	**14,787,266**			**79,550,734**	
Ending Net Position	**79,550,734**	**$50,649,916**			**111,014,159**	
DLOH	**107**	**81**			**128**	

Fiscal Year 2026-2027 Budget

Liquidity and Financial Sustainability

CEA is committed to maintaining healthy financial reserves. Adequate reserves enable the organization to withstand and mitigate potential financial and operational risks including:

- Change in member participation – “Opt-outs”
- PCIA and SDG&E Generation Rate uncertainty
- Energy price volatility, scarce RA supply, collateral postings
- Customer defaults in the event of an economic downturn
- Regulatory and legislative changes

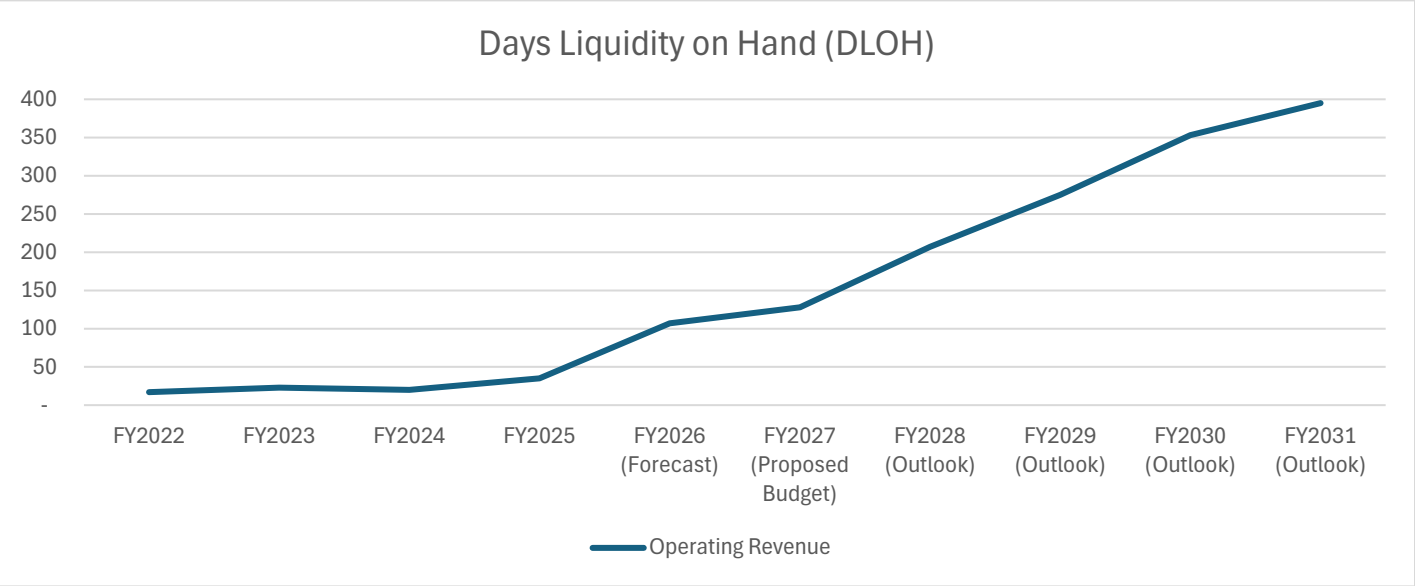
Further, adequate financial reserves are required by rating agencies in assessing CEA’s qualifications for investment grade ratings. An investment grade rating is an industry-standard measure used by suppliers to determine financial viability and to enable CEA to negotiate more favorable contract terms.

The most visible financial metric that rating agencies use is Days Liquidity on Hand (DLOH) which calculates the number of days of regular expenses that an organization holds in available cash and credit lines. The general standard is 180 +/- days. Under the current projections, CEA is expected to achieve 180 days sometime in FY2028. Once an investment grade rating is achieved, the result of confidence of CEA’s ability to maintain that level, CEA’s Board can consider customer rate reductions or more investment in Energy Programs or a combination of actions to return savings to customers.

Fiscal Year 2026-2027 Proposed Budget and the next 5 years

Liquidity and Financial Sustainability – Days Liquidity on Hand

CEA's cash and liquidity reserves have improved substantially in the past year, and projections indicate that healthy increases will likely continue for the next few years. It is anticipated that the metric will reach a likely investment grade level in the next 18 months. Once that happens, the focus can turn from building reserves to sustaining healthy financial reserves and the organization can start to look at lower customer electricity rates that would have the effect of lowering the growth in the years after FY2028 or FY2029.



Fiscal Year 2026-2027 Proposed Budget

5-Year Pro-forma Forecast

	Current Year	Initial Budget	Forecast	Forecast	Forecast	Forecast
	Total Year FY26	Total Year FY27	Total Year FY28	Total Year FY29	Total Year FY30	Total Year FY31
OPERATING REVENUES						
Total Operating Revenues	**377,122,038**	**384,413,959**	**389,040,360**	**388,291,377**	**388,140,331**	**387,973,336**
OPERATING EXPENSES						
Total Cost of Energy	**308,641,283**	**340,612,436**	**312,064,686**	**308,408,984**	**301,241,228**	**312,484,459**
Other Operating Expenses (excluding COGS)	**11,146,998**	**14,344,647**	**17,232,732**	**20,689,868**	**24,774,933**	**29,592,171**
Total Operating Expenses	**319,788,281**	**354,957,083**	**329,297,417**	**329,098,851**	**326,016,161**	**342,076,630**
Operating Income (Loss)	**57,333,758**	**29,456,877**	**59,742,943**	**59,192,526**	**62,124,171**	**45,896,706**
Total Nonoperating Income/(Expense)	837,864	2,006,548	3,000,918	4,382,129	5,858,098	7,229,661
CHANGE IN NET POSITION	**58,171,622**	**31,463,425**	**62,743,860**	**63,574,655**	**67,982,269**	**53,126,367**
Net Position at the beginning of period	21,379,112	79,550,734	111,014,159	173,758,019	237,332,675	305,314,943
Net Position at the end of period	**79,550,734**	**111,014,159**	**173,758,019**	**237,332,675**	**305,314,943**	**358,441,310**
Total Cash	53,485,500	85,068,655	147,271,514	208,469,358	275,751,963	330,505,594
Days Liquidity on Hand	**107**	**128**	**207**	**275**	**353**	**395**