

2024

Franchise Compliance Review Committee Report

COMPLIANCE PERIOD: JULY 8, 2021 TO JULY 7, 2023

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1. Introduction

The City of San Diego's (City) franchise agreements grant San Diego Gas & Electric (SDG&E, an investor-owned utility) the right to operate within its right-of-way to transmit and distribute electricity and gas to consumers. These franchise agreements for gas and electricity (Agreements) were recommended by the Mayor and approved by the City Council on June 8, 2021, with an effective date of July 8, 2021.

The Agreements have primary terms of 10 years (to July 2031) that will be automatically renewed/extended for another 10 years (to July 2041) subject to the provisions delineated in Section 15 (electric) and Section 13 (gas) of the Agreements. As noted in Sections 15(d) and 13(d) of the Agreements, the City reserves the right to void the automatic renewal no sooner than the ninth year (July 2030) of the agreements. As noted in Sections 15(e) and 13(e), the City also has the right to terminate the Franchise if the City Council, or the electors of the City, adopt an ordinance that authorizes the City to municipalize the provision of electric or gas services in the City pursuant to Section 104 of the City Charter or other applicable law.

1.1. Overview of the Process Leading to the Current Franchise Agreements

The City's previous Franchise Agreements were for 50-year terms with the last Agreement concluding on June 1, 2021. Anticipating the end of the previous Agreements, the City initiated a lengthy process endeavoring to negotiate a better deal for the City in the new/current Agreements. This process included two Invitations to Bid, considerable negotiation with SDG&E, public outreach, and feedback from Councilmembers and citizens/ratepayers. Some organizations and members of the public suggested the City consider terminating the Franchise and alternatively pursuing a municipal public power corporation (municipalization). Others opposed this approach for a variety of reasons. Ultimately, the Mayor recommended, and City Council approved (with a 6-3 vote in favor) the new Agreements on May 25, 2021.

The Mayor recommended the new Agreements to the City Council as a better deal for San Diegans but also acknowledged it did not include everything that the City or SDG&E had hoped for. He noted that Councilmembers had requested the new agreements include more money, a shorter term, with easy off ramps (options to terminate or pursue municipalization). The Mayor stated that in addition to more money, the new deal would advance the City's Climate Action Plan goals and distribute environmental benefits more equitably, all while being more transparent and having more accountability measures than before. In recommending the new deal to Councilmembers, the Mayor described it as "a re-set of our relationship with SDG&E that acknowledges our collective priorities are climate action, transparency, and accountability."

With respect to better accountability and financial transparency measures, the Chief Operating Officer recommended the new Agreement to the City Council highlighting-highlighted the following:

- Biannual audits by an independent auditor
- \$5 million performance bond
- Options for liquidated damages
- Increased insurance requirements
- Citizen-focused Franchise Compliance Review Committee

1.2. Charge of the Franchise Compliance Review Committee (FCRC)

The roles and responsibilities of the FCRC, and the independent auditor, are provided for in Section 6 of the Agreements. The FCRC is to consist of five (5) members: three (3) appointees selected by the City Council and two (2) appointees selected by the Mayor. The FCRC is to be created and established by City Council resolution every two years.

Section 6 provides that the FCRC shall meet publicly and comply with the Ralph M. Brown Act. The Committee is to establish a mechanism that allows members of the public to communicate with the FCRC concerning the City's Franchise Agreements with SDG&E. The independent audit report is to be completed and provided to the FCRC no later than sixty (60) calendar days before the outside due date of the FCRC's report to the City Council.

The FCRC is charged with reviewing the independent auditor's report, and then providing the auditor's report along with its own written report and recommendations to the City Council within 180 calendar days of the end of each two-year period of the Franchise term. The FCRC report is to provide a recommendation to the City Council on the question of automatic renewal for the secondary 10-year term of the Franchise, based on compliance with the Franchise and Energy Cooperation Agreements.

2. Activities of the FCRC to Date

FCRC Members: Four of five public members were appointed to the FCRC in the spring/summer of 2022 with one replacement member being appointed in April 2023. The public member appointees are:

Mayor appointees: Jeff Kavar
Marcela Escobar-Eck

Council appointees: Council appointees: James Tomasulo
Jared Quient
(Vacant Position)

Public Meetings/Communication: Given extensive delays in onboarding the City's independent auditor, the FCRC did not convene its first public meeting until January of 2023. The Committee has since conducted 12 Brown Act compliant public meetings through May of 2024. All FCRC meetings have allowed for public participation/comment in person or online. In keeping with our charge of facilitating communication with members of the public, the FCRC has welcomed public comment and held our noticed public meetings in accessible places. Most of our meetings to date have been held in the Mary Hollis Clark Conference Center on the first floor of the downtown public library.

We have received excellent staff support from the Sustainability and Mobility (SUMO) Department. They have established a City web page for the FCRC (<https://www.sandiego.gov/sustainability-mobility/energy/sdge-franchise/crc>) that includes meeting agendas and minutes, docketed materials, and video replays of all our meetings to date. In response to a request from the FCRC, staff have endeavored to summarize major and recurring comments/concerns shared during the public comment portion of our meetings. This staff summary of public comments, along with all written comments submitted to the FCRC for consideration, is provided in **Appendix A**.

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Initial Meeting Agendas: The FCRC initially discussed the nature of the City’s Franchise Agreements with SDG&E. Acknowledging the complexity of the Agreements, we planned our initial meeting agendas to receive presentations from City staff regarding the four major component parts of the Agreements (financial obligations, Administrative MOU, Utilities Undergrounding MOU, and the Energy Cooperation Agreement).

Agendas Involving SDG&E: SDG&E was invited to make an informational presentation to the FCRC on July 6, 2023 regarding their efforts and activities to comply with the City Franchise Agreements. In response to SDG&E’s presentation, FCRC members discussed and developed a list of written follow-up questions for SDG&E. SDG&E responded in writing to these questions and returned to the FCRC to answer questions on August 29, 2023. FCRC questions for SDG&E and SDG&E’s responses to these questions can be found in **Appendix B**.

Presentation from San Diego Community Power (SDCP): Since May of 2022, San Diego residents have had the choice of purchasing electricity from either SDCP or SDG&E. It was reported that about 96% of the City’s customer base has Over 90% have elected to purchase their electricity through SDCP. SDG&E facilitates customer billing for SDCP and must otherwise work cooperatively/collaboratively with SDCP to comply with certain provisions in the Franchise Agreement. SDCP was invited to present and respond to questions from FCRC on November 2, 2023. A copy of FCRC questions and SDCP’s PowerPoint presentation is provided in **Appendix C**.

FCRC Review and Development of Report Workplan: The FCRC used its first two meetings of 2024 to recap Franchise related information received and discussed in 2023. Further clarification was requested regarding the status and timing of the independent auditor’s audit report. A tentative work plan and timeline for FCRC report development was developed anticipating further progress and delivery of the independent auditor’s report.

Receipt of Draft and Final Audit Report from the Independent Auditor: The FCRC scheduled two meetings in May and June of 2024 to receive audit information from the ~~Independent Auditor~~. At the May 9th meeting, the Independent Auditor presented a substantially final draft of their audit report and the FCRC was able to ask questions. At our June 3rd meeting, the FCRC received the final audit report from the Independent Auditor. It is important to note that this first independent audit only covers the first two years of the Franchise Agreement through July 7th 2023 and the final audit was received by the FCRC almost a year later in June of 2024. The second independent audit will cover Franchise Agreement performance from July of 2023 through July of 2025. auditor. The Committee is concurrently working to draft the FCRC report to the City Council. [this paragraph to be completed pending receipt of the final and feedback from FCRC members].

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Development of the FCRC Report to the City Council: The independent audit report was initially expected to be completed in the fall of 2023 and the FCRC would develop and present our report to the City Council 60 days thereafter - in early 2024. Due to delays in the City onboarding an independent auditor and in turn the delayed receipt of the independent audit in June 2024, the FCRC was asked if we could endeavor to develop our report while waiting for the final audit report to be delivered. This was in part driven by a desire for the FCRC to present the audit and the FCRC report to the Environment Committee in June 2024 and to the City Council in July 2024. Given these circumstances, the FCRC used our best efforts to develop this first FCRC report at our meetings on May 9th and June 3rd. The final FCRC report was approved in substantially final form on June 3, 2024.

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3. Public Comment Overview

The FCRC convened 12 noticed public meetings in accessible places between January of 2023 and June of 2024. As noted in Section 2, all meetings were Brown Act compliant and allowed for public comment in person or online. Meetings were also video-recorded and posted on the City's website so the public could watch at their convenience.

Commented [OM1]: Following the outline developed during the April 11 meeting, Section 3 would discuss an overview of public comment. As drafted, this seems to be woven into the section above. Would the Committee members like to leave the report as written and consolidate Sections 2 and 3?

Understanding that part of our charge was to facilitate communication with the public regarding the Franchise Agreements, this section of the report endeavors to summarize some of the recurring public comment themes heard at the FCRC meetings. These themes, summarized by City staff, are provided in Appendix A along with all written comments submitted to the FCRC for consideration through our final public meeting on June 3, 2024.

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3.4. Comments Regarding the Independent Auditor's Report

On May 9, 2024, the FCRC Franchise Compliance Review Committee (FCRC) received a draft of the independent auditor's report, along with a formal presentation. ~~This report is report~~ summarized the auditor's assessment of San Diego Gas & Electric's (SDGE's) SDG&E's compliance with the franchise agreement. The FCRC's review focused on ensuring the audit aligned with the Committee's and the auditor's roles as outlined in the Agreements. The Committee then provided comments on the initial findings.

The independent auditor received the FCRC's questions/comments at our May 9, 2024 public meeting and provided a revised final audit report to the FCRC on June 3, 2024, on May 28, 2024.

Below is a summary of the comments regarding the independent auditor's report provided by the committee:

General:

- This audit was conducted using a limited sample size. To enhance the analysis, the next phase 2 audit should consider employing a more extensive sample.
- To ensure continuous improvement, SDG&E should provide a response outlining how they will address recommendations prior to the commencement of the Phase 2 audit.
- During the auditor's presentation, it was noted there was a significant volume of communication, with over 700 comments and responses exchanged during the audit between the auditor and SDG&E. To improve audit efficiency in the future, we recommend analyzing these communications to identify areas for streamlining the process for the phase 2 audit.
- The Auditor initially identified deficiencies in Items 3 and 4 of the report. However, SDG&E has since implemented corrective actions to address these noted items. The final report should ~~clear~~clearly acknowledge this resolution to ensure transparency.
- The draft audit report identified four key findings. The auditor is currently collaborating with the ~~city~~City to obtain a management letter that will provide additional franchise performance

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related comments. This management letter should be appended (attached as a separate document) to the final audit report and made publicly available.

- We recommend that the auditor conduct a more in-depth review and provide detailed comments on [SDG&E's compliance with](#) Section 10A of the franchise agreement.

Administrative MOU

- The agreement requires SDG&E to utilize the category projects portal which has since been identified as needing improvement. The City and SDG&E staff collaboratively developed a new process that eliminates the need for the portal. To ensure transparency and reflect this change, the franchise agreement should be amended to remove the outdated requirement and outline the new process collaboratively developed by the City and SDG&E.

Utility Underground MOU

- The absence of a publicly available undergrounding project master plan, which would coordinate projects with the City's initiatives, hinders transparency. The FCRC's recommendations section also notes this deficiency.
- The limited sample size of undergrounding project data identified in this report necessitates a more comprehensive review during the Phase 2 audit.

Energy Cooperation Agreement (ECA)

- Finding #4 of the independent auditor's report highlights the need for periodic updates and revisions to the Energy Cooperation Agreement (ECA) to ensure its continued effectiveness. This is noted in the FCRC's recommendations section.
- Section 8.B of the Energy Cooperation Agreement (ECA) requires SDG&E to support the City's affordable housing initiatives. However, the auditor's review found that SDG&E provided only snapshots of affordable housing data to City staff, limiting transparency and effective collaboration. While this might have satisfied the requirement as identified in the agreement, the agreement should be amended to explicitly require SDG&E to provide comprehensive and up-to-date data on its efforts to support the City's affordable housing initiatives. SDG&E and the City should establish a clear process for ongoing communication and collaboration regarding affordable housing initiatives. This is noted in the FCRC's recommendations section.

4.5. Other Recommendations to City Council

This ~~committee~~ ~~FCRC~~ was tasked with providing recommendations to ~~City Council~~ ~~city council~~ following our review and investigation into the franchise agreement between SDG&E and the ~~City~~ ~~city~~. The recently updated City of San Diego Climate Action Plan ("CAP") has aggressive goals to reduce greenhouse gas "GHG" emissions and accelerate the clean energy transition. As an inducement to enter into a long-term franchise ~~agreements~~ ~~agreement~~ with SDG&E in 2021, the parties entered into an Energy Cooperation Agreement ("ECA") alongside the ~~Franchise a~~ ~~Agreements~~ ~~franchise agreement~~ in an effort to ensure SDG&E acts as a partner to the ~~City~~ ~~city~~ as it pursues its Climate Action Plan goals. A review and assessment of the parties' performance of this ~~ECA~~ ~~agreement~~ was included in the scope of this committee, but the agreement itself is difficult to assess because many of the provisions are aspirational and difficult to enforce. We also learned more about SDCP and its broad mandate as a new

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regional organization tasked with procuring renewable energy and the interplay between SDCP, the eCitycity, and SDG&E.

The committee FCRC recommends that the city council City Council take the following actions:

1. Convene the Cooperation Agreement Summit (as described in section 3 of the ECA) ("CAS") as soon as possible to comprehensively revise the ECA to meet the current needs and policy objectives of the cityCity. Such revision should impose enforceable and easy to measure obligations on SDG&E to ensure SDG&E acts as an active partner to both the cityCity and San Diego Community Power ("SDCP") in their efforts to meet the city's City's CAP goals. The current ECA is vague and ambiguous at times, making it difficult to assess compliance by SDG&E, particularly in the areas that are the most impactful to the cityCity meeting its CAP goals.
 - a. In particular, the committee FCRC recommends revisions and additions be made to section 5 of the ECA, Clean Energy Collaboration Opportunities. One thing we have learned during this process is how impactful and important SDCP is to the cityCity achieving its overall energy transition goals. As such, we recommend that SDCP has a seat at the table at the Cooperation Agreement Summit to ensure the agreement is structured to meet SDCP's goals and that it imposes enforceable and easy to measure metrics on SDG&E to ensure compliance. As part of this CAS, the committee also recommends the city explore facilitating a stand-alone enforceable agreement between SDCP and SDG&E. With the cityCity at the table, SDG&E would have more incentive to take positions and agree to take or not take certain actions to the long-term benefit of SDCP and the city's CAP progress.
 - b. The committee FCRC also recommends that the cityCity investigate whether SDG&E has taken actions to undermine SDCP and the exploration of municipalization by the cityCity and incorporate provisions in the next ECA that prevent SDG&E from taking actions opposite the city's City's stated clean energy goals and that undermine the city's City's efforts to explore municipalization.
 - c. The committee FCRC also recommends forming a working group with stakeholders from the environmental community, SDG&E, SDCP, and city staff to do a review of the ECA and make recommendations on additional areas that are appropriate for regulation as part of this agreement.
2. Improve the Franchise Review Committee process
 - a. Begin the process and committee earlier to give the committee more time to gather information and provide findings. The hiring of the Independent Auditor and the delivery of their final report was significantly delayed for this FCRC. We recommend the next independent audit be delivered much earlier to the next FCRC. This will allow the next FCRC (and members of the public) a more reasonable timeframe to review and comment on the final audit report.
 - b. Fill the committee early and to its fullest. The Ordinance and Resolution creating the FCRC calls for the City Council to appoint three members, yet this Committee has operated with only two City Council appointees. Understanding that finding good appointees can be challenging, recommend the City Council begin the appointee solicitation process well in advance of the next FCRC so the Committee can be fully appointed as contemplated.

- c. Convene a hearing with the [franchise review committee FCRC](#) and [Environment](#) [Committee](#) members at the outset of the process so the committee can ask questions and learn about concerns the current [Council](#) has going into the review process.
 - d. With capable staff support, this FCRC endeavored to make our meetings accessible to the public in person and online. Meetings were videotaped, recorded, and posted online for public review. Despite best efforts by staff and the FCRC, we repeatedly heard from the public that there were meeting room and audio/visual challenges that made online participation challenging for those members of the public who participated online. Recommend staff be provided with a meeting room and equipment resources to help the next FCRC improve audio and video for online public participation. Could the FCRC use the Council Committee Room, or other meeting rooms better equipped for audio/video, for FCRC meetings?
3. Improve the public portal on [Undergrounding](#)
- a. As part of [franchise review committee FCRC](#) presentations and meetings, we were given the opportunity to access the Undergrounding mapping information provided by the [City's City's](#) web portal below:
<https://webmaps.sandiego.gov/portal/apps/Cascade/index.html?appid=929e10afa0b64837a21e49e3df343149>
 - b. The portal provides information on the process of [undergrounding-Undergrounding](#) and project level updates for active projects. The portal gives a color-coded map of the various neighborhoods and the phased approach to undergrounding projects.
 - c. Recommendation: While the information given is helpful and provides a general overview of each neighborhood, including more details about currently under-construction streets and a master plan timeline for future location would be beneficial. This would give consumers a more accurate picture of upcoming projects, both in the near term and beyond. A 10-year master plan of projects is a typical approach to planning work. This allows for flexibility based on schedule and budgeting changes but identifies timelines and scoping.

5.6. Recommendations on the Automatic Renewal of the Secondary Term

This report is to provide a recommendation to the City Council on the question of automatic renewal for the secondary 10-year term of the Franchise, based on compliance with the Franchise and Energy Cooperation Agreements. It should be noted that the Agreements stipulate the City Council's right to void the automatic renewal cannot occur before the ninth anniversary of the effective date of the current Franchise (July 2030). The City could terminate the Franchise at any time if the City Council, or the electors of the City, adopt an ordinance that authorizes the City to municipalize the provision of electric or gas services in the City pursuant to Section 104 of the City Charter or other applicable law.

Given that a renewal decision cannot be made until 2030, the FCRC believes it is premature to make a recommendation about renewal for a secondary 10-year term. The FCRC has not received information to date that would lead it to recommend the City Council void the automatic renewal provision in 2030. We also understand that future FCRCs will have the benefit of more SDG&E performance data which will better inform their recommendations to the City Council about automatic renewal.

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The FCRC recommends the City Council continue to closely monitor SDG&E's compliance with the numerous provisions of the Franchise Agreements by soliciting feedback from involved City staff and the public; requesting annual Franchise compliance presentations from SDG&E and involved City staff; convening the CAS to revise the ECA explore facilitating a standalone agreement between SDGE and SDCP; and reviewing the findings of the independent audit and FCRC reports every two years.

By diligently monitoring SDG&E compliance and continuing to obtain information about potential alternative options for energy distribution, the City is best positioned to take action should there be a need or desire to discontinue the current Agreements. Any future decision to void automatic renewal or otherwise terminate the Franchise Agreements will require significant/sufficient lead time for either municipalization or to solicit and information about other potential/viable franchisees.

In July 2023, the Environment Committee received a highly informative report (Phase 1 report) related to the City's Public Power Feasibility Study. This report was presented by staff and a City consultant team headed by NewGen Strategies & Solutions. The Phase 1 report provided several interesting preliminary findings including:

- Municipalization is feasible, but the cost may be too high for it to be practicable depending on the purchase price (?)
- Will take 10 years to operationalize a Municipal Electric Utility (MEU)
- MEU would NOT be a City department and not provide gas service
- Municipalization is not easy and involves potential benefits and risks
- Requires substantial resources, long-term commitment, & political will
- The process makes the City an informed and effective counterpart

A decision to pursue municipalization will require even more lead time to thoughtfully plan for significant financial, legal, labor, and asset acquisition/maintenance challenges. The FCRC commends the City's acquisition of the Phase 1 report and recommends the City Council continue to budget for staff/consultants to complete the Phase 2 report currently targeted for release in the summer of 2025. The Council may also wish to consider the formation of a Citizens Public Power Feasibility Study Task Force as a means of involving interested citizens to provide input to staff and City consultants in preparing the Phase 2 Report. The Committee understands this was recommended for consideration by staff at the Rules Committee meeting in October of 2021.

As noted in the last of the bulleted findings above, gathering more information about the viability (including potential benefits and risks) of municipalization makes the City a more informed and effective counterpart. The City is a better negotiator and better able to make good decisions on behalf of its residents and businesses when it better understands its options.

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Appendix A - Public Comment Themes from the Franchise Compliance Review Committee

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Public Comment Themes from the Franchise Compliance Review Committee

In 2021, the San Diego City Council passed O-21327 and O-21328, which awarded the Gas and Electric Franchises to SDG&E. Section 6 of both ordinances established the Franchise Compliance Review Committee (Review Committee). Further outlined in Section 6(a), “[t]he Review Committee, which shall meet publicly and comply with the Ralph M. Brown Act, shall establish a mechanism by which members of the public may communicate with the Review Committee concerning the Franchise.”

Below is a list of the themes and topics the public raised during the Review Committee’s meetings. Also linked below are the written public comments that have been submitted to the Committee.

- General Franchise Comments
 - Vacant Council-appointed seat on the Franchise Compliance Review Committee
 - Concerns regarding increased SDG&E rates and SDG&E profits
- Underground MOU
 - Concerns regarding visibility and ease of public access to the status of undergrounding projects
 - In support of increasing transparency of undergrounding project timelines and project costs
- Energy Cooperation Agreement
 - Considerations regarding positions SDG&E has taken on the NEM 3.0 proceeding in relation to the commitments made within the ECA.
 - In support of increasing specificity of the actions in the Energy Cooperation Agreement Implementation Plan
 - Concerns regarding SDG&E interconnection timeline

Attachments:

- [Feb. 13, 2023, Public Comments](#)
- [Apr 19, 2023, Public Comments](#)
- [May 31, 2023, Public Comments](#)
 - [May 31, 2023, Public Comments Attachments](#)
- [Jul 6, 2023, Public Comments](#)
- [Aug. 29, 2023, Public Comments](#)
- [May 9, 2024, Public Comments](#)
- [June 3, 2024, Public Comments](#)

Appendix B - FCRC Questions for SDG&E and
SDG&E's Responses

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Franchise Compliance Review Committee Follow-up Questions from for SDG&E

Other Questions:

- Delivery of service – A significant issue developers face is delays in service delivery. Can SDG&E speak about their process, workflow, and timing for these requests? And, as appropriate, how these processes may differ for affordable housing projects, private developer projects, city ROW projects, etc. Can SDG&E allow training and self-certification of contractors to do some of the work that is severely backlogged?
- How SDG&E's stance on NEM 3.0 further local renewable energy and the commitments made within the ECA? What is SDG&E doing to educate and be more transparent on this issue?
- Please provide SDGE's average customer electricity and gas rates for the two years leading up to the execution of the franchise agreement (2019 and 2020) and then the average rates for the two years following the execution (2021 and 2022)

Section 1

- Throughout this agreement, SDG&E has made various commitments to helping San Diego achieve 100% clean energy and net zero GHG, including a requirement to assist in the city's building electrification efforts. However, since the franchise agreement was signed, SDGE's parent company, Sempra, has donated \$1.5M to the America Gas Association, which is one of the leading opponents to electrification and achievement of 100% clean energy. How can we reconcile the actions of SDG&E and its parent company, Sempra?
- What role did Sempra or the AGA play in supporting the lawsuit against the city of Berkeley, which has stalled their implantation of a reach code? Did Sempra donate any funds that directly or indirectly funded opposition efforts?

Section 2

- The ECA Implementation Plan was presented to the City's Council's Environment Committee on 3-18-22. Has the Plan been presented to the full City Council as contemplated in Section 2 of the ECA? If not, is there a plan to do so?
 - Staff Response: When the item was presented to the Environment Committee, there was no recommendation from the Committee to present it to the full Council. Therefore, it did not go to the full Council. This recommendation can come from the Compliance Review Committee as they see fit.

Section 4

- Section 4 of the ECA discusses the costs for mutually agreeable projects and programs. It provides that project funding may include ratepayer funding with approval from CPUC; CEC, local, state, and federal grants; and other sources. Are there projects in the Implementation Plan that are fully (or partially) funded with discretionary SDG&E funding (like shareholder funds – funding other than grant or CPUC approved ratepayer revenue)? Can estimated costs and funding sources be included/noted for each identified project in the Implementation Plan?

Section 5.a

- What is the current percentage/number of City of San Diego residents purchasing electricity through SDCP and what percentage/number opted out to continue purchasing electricity through SDG&E? Same question for business or industrial entities in the City of San Diego.
- How has SDG&E helped their customers understand the recent change in the format of customer bills, given the recent migration of most SDG&E customers to SDCP for electricity procurement? How has SDG&E worked with SDCP in this regard? Are customers directed to ask some bill questions to SDCP and others to SDG&E? From SDG&E's perspective, are there any ongoing challenges in working with SDCP (of any sort) that are being worked on or remain to be addressed? What is SDG&E doing to educate and be more transparent on this issue?

Section 5.c

- Slide 6 references the goal of planting 2,500 trees in 10 years and indicates that 980 of the 1,360 trees planted to date (72%, or 39% of total goal) were planted in just three communities (Allied Gardens, Cherokee Point, Bay Terraces). This seems a little imbalanced. How are prioritization decisions made as to where to plant trees? How is go-forward tree maintenance covered/ensured? Does SDG&E plan to stop or continue planting trees once it reaches the 2,500-tree goal?

Section 5.d

- Provide more details on the green waste recycling vendors and what SDG&E has done to bring in more vendors.

Section 5.e

- EV Chargers maintenance – Was any ratepayer money used to subsidize private EV chargers that are no longer being maintained as operational?
- How are EV charging stations (like those installed in SDG&E's PYD program) funded? Is SDG&E responsible for the ongoing maintenance of these stations.

Section 5.e

- Energy Benchmarking – Has SDG&E provided the information and assistance to support the City's benchmarking efforts?

Section 5.g

- What is SDGE's position on the city's proposed reach code? What has SDGE done to support such efforts?
- How does Sempra's vocal opposition and monetary support of the AGA affect SDGE's positions and ability to comply with this provision?

Section 5.h

- Slide 9 mentions three new battery storage microgrids in the City of San Diego. Including these three, what is the total number of microgrids in the City and how many customers could they potentially support? How many more are planned for the years ahead? Are all or most microgrids ratepayer funded and are they considered to be an expensive source of electricity? If

so, is there an expectation that the cost of these projects might come down and become more competitive with other energy projects/sources anytime soon?

- GHG Reduction Analysis – The Implementation Matrix states that SDG&E will share GHG inventory with the City. Has this happened? The matrix further states that SDG&E will share its Path to Net Zero study, which was released on April 5, 2022. Did SDG&E share this with the City?

Section 6.a

- What coordination is occurring with Cities to clear brush adjacent to SDGE easements?
- With respect to Section 6(a), has SDG&E made any investments (or have plans to make) in new fire-fighting air resources to protect the City since the inception of the ECA? The Implementation Plan notes SDG&E has provided funding for Community Emergency Response Teams (CERTs) and Fire Safe Councils (FSCs) in communities of concern across San Diego – can the Committee receive information on how much funding was provided and when? Has the plan to achieve the goal of continued support for CERTs and FSCs in underserved communities been planned or facilitated yet?

Section 7

- What are examples of Distributed Energy Resource (DER) project opportunities discussed in Section 7 of the ECA? (solar panels, battery storage, ???). Specific City examples? SDG&E examples? Why does SDG&E think SDCP has not yet identified any DER project opportunities? Do all DER projects need to be coordinated with SDG&E's power distribution network?
- Slide 16 notes CPUC approval of the Microgrid Incentive Program (MIP) in April 2023. The MIP would provide funding for the development of clean energy microgrids for vulnerable communities impacted by grid outages. SDG&E mentioned there would be \$200 million available statewide for underserved communities. At this point, can SDG&E estimate how much of this \$200 million statewide might be available for City of San Diego communities? What is the process for securing a MIP funding commitment from the State?

Section 8.a

- Slide 17 - If an income qualifying home previously rented solar panels via other programs, can they convert to ownership via your program?

Section 8.b

- Slide 18 – “SDGE is building collaboration with developers to avoid surprises....” How is this happening? SDGE is still the number one complaint on every single construction project as the single biggest delay in the process.
- Where did the 50% or more Affordable housing number come from. It seems this really only captures the 100% AH projects. Complete Communities is 40% and other density bonus programs are 5% Very low or 10% Low. The threshold should capture at least the Complete Community projects also.

Section 8.c

- Slide 19 – Can the training program be expanded to include contractors that can then self certify certain parts of the process? (e.g. disconnects?)

Section 8.d

- Is there an updated Undergrounding Master Plan that identifies what has been accomplished as well as the criteria for project selection, etc.

Section 8.e

- A recent news story indicated (as of 3-31-23) SDG&E had approximately 337,000 residential customer accounts with statements more than one month past due with an average debt of about \$744. This represents a notable increase that is being experienced throughout the state. How is SDG&E working with their delinquent customers? Does SDG&E expect this higher delinquency experience will continue or believe that it might adversely impact rates?

Section 8.f

- Slide 22 – Are there any plans to underground larger KV lines?



Follow-up Questions related to the Energy Cooperation Agreement (ECA)

- 1. The ECA Implementation Plan was presented to the City's Council's Environment Committee on 3-18-22. Has the Plan been presented to the full City Council as contemplated in Section 2 of the ECA? If not, is there a plan to do so.**
 - a. When the Plan was presented to Environment Committee, there was no recommendation from Committee to move it to the full Council.
 - b. We are happy to go to full Council if requested to do so, however the recommendation to the Council should come from the Environment Committee.
 - c. We leave this decision to the discretion of the Environment Committee.

- 2. Section 4 of the ECA discusses the costs for mutually agreeable projects and programs. It provides that project funding may include ratepayer funding with approval from CPUC; CEC, local, state, and federal grants; and other sources. Are there projects in the Implementation Plan that are fully (or partially) funded with discretionary SDG&E funding (like shareholder funds – funding other than grant or CPUC approved ratepayer revenue)? Can estimated costs and funding sources be included/noted for each identified project in the Implementation Plan?**
 - a. Yes, the Solar Equity program (Section 8(a)) is funded by shareholder dollars as are some of the tree planting funds that go through the San Diego Parks Foundation.
 - b. Yes, SDG&E will work with the City to address these requests pursuant to the ECA. We will seek to add estimates.

- 3. What is the current percentage/number of City of San Diego residents purchasing electricity through SDCP and what percentage/number opted out to continue purchasing electricity through SDG&E? Same question for business or industrial entities in the City of San Diego.**

- a. According to the public reporting from SDCP to their Board of Directors, as of their July 27, 2023 Board Meeting, 597,995 customers in the City of San Diego, out of a total eligible population of 618,489, are enrolled in service with SDCP, indicating a total participation rate of approximately 96.7%.
- b. SDCP does not break down their enrollment by customer class in their publicly available reporting. We assume that information can be provided by SDCP if requested.

4. A recent news story indicated (as of 3-31-23) SDG&E had approximately 337,000 residential customer accounts with statements more than one month past due with an average debt of about \$744. This represents a notable increase that is being experienced throughout the state. How is SDG&E working with their delinquent customers? Does SDG&E expect this higher delinquency experience will continue or believe that it might adversely impact rates?

- a. SDG&E continues to work with customers on solutions to help them manage their energy bills. SDG&E offers a wide range of customer assistance programs including:
 - i. Flexible payment plans to pay down past due balances over time;
 - ii. Low-Income Home Energy Assistance Program (LIHEAP) and Neighbor-to-Neighbor funding to pay down past due balances;
 - iii. Monthly bill discounts such as CARE and FERA for eligible customers; and
 - iv. Debt forgiveness through the Arrearage Management Payment (AMP) Plan for eligible customers.
- v. Please see our website for more information:
<https://www.sdge.com/residential/pay-bill/get-payment-bill-assistance>

5. What are examples of Distributed Energy Resource (DER) project opportunities discussed in Section 7 of the ECA? (solar panels, battery storage, ???). Specific City examples? SDG&E examples? Why does SDG&E think SDCP has not yet identified any DER project opportunities? Do all DER projects need to be coordinated with SDG&E's power distribution network?

- a. Distributed energy resources (DERs) are small-scale energy resources usually situated near sites of electricity use, such as rooftop solar panels and battery storage.
- b. We cannot speculate on the operations of SDCP, but since we still have 8 years under this agreement to work together, we will continue to work with SDCP in an attempt to address these items.
- c. In order to manage the connection of new sources, any interconnection of any generation resource into the grid must be coordinated with SDG&E through our Generation Interconnection team, including DERs as well as larger scale installations.

6. How has SDG&E helped their customers understand the recent change in the format of customer bills given the recent migration of most SDG&E customers to SDCP for electricity procurement? How has SDG&E worked with SDCP in this regard? Are customers directed to ask some bill questions to SDCP and others to SDG&E? From SDG&E's perspective, are there any ongoing challenges in working with SDCP (of any sort) that are being worked on or remain to be addressed?

- a. SDG&E has website resources available to help customers understand their CCA service and the bill that includes CCA charges. A new video was created which included a walkthrough of a sample customer bill walkthrough. The video complements the existing bill video created by SDCP. In addition, customers may visit SDGE.com to find links to several resources available online. SDG&E's call center has the same information available for customers who call and who may not feel comfortable using a computer. Finally, customers who use SDG&E's MyAccount portal to make payments now see a picture/graphic representation of the different types of charges – whether they are from SDCP or SDG&E – clearly on their MyAccount home to help explain.
- b. SDG&E is bound to a CPUC "Code of Conduct" that prohibits the utility from 1) speaking on behalf of a CCA program; 2) giving any appearance of speaking on behalf of any CCA program; or 3) making any statement relating to the community choice aggregator's rates or terms and conditions of service. For this reason, SDG&E does not answer questions about CCA rates and directs customers to call their CCA if they have questions specifically about CCA services.
- c. SDG&E and SDCP staff work closely together on all operational issues, speaking sometimes daily to ensure that all issues are addressed timely. The positive working relationship benefits both SDG&E and SDCP and generally makes it easy for any issues to be quickly resolved.

7. PCIA: Power Charge Indifference adjustment? Is that on both SDCP customers and SDG&E customers?

- a. The PCIA is a charge to ensure that all customers (regardless of who procures energy on their behalf) pay their fair share of legacy contract costs. SDG&E entered into energy contracts on behalf of their customers based on their needs at the time. Even though many customers have since transitioned to CCAs for their commodity service, SDG&E is still responsible for paying for the costs of the contracts.
- b. The PCIA is not a new charge. All customers in SDG&E's service territory have been paying the PCIA to cover the costs of older long-term energy contracts. The PCIA was previously bundled in with other generation charges rather than called out as a separate line item on the energy bill. The California Public Utilities Commission

required a separate line item on the bill for the PCIA charge as a way to raise awareness that all customers are responsible for paying for the costs of legacy contracts. As of November 1, 2021, all customers' bills include a PCIA line item.

8. Slide 6 references the goal of planting 2,500 trees in 10 years and indicates that 980 of the 1,360 trees planted to date (72%, or 39% of total goal) were planted in just three communities (Allied Gardens, Cherokee Point, Bay Terraces). This seems a little imbalanced. How are prioritization decisions made as to where to plant trees? How is go-forward tree maintenance covered/ensured? Does SDG&E plan to stop or continue planting trees once it reaches the 2,500-tree goal?

- a. **Prioritization:** SDG&E tree planting efforts are informed by various activities, including input from community-based organizations and discussions with our jurisdictional partners. SDG&E works closely with Brian Widener, the City of San Diego Forester, who leads the prioritization of street tree planting. The City Forester identifies not just the community/area for street tree planting, but also provides SDG&E with a specific map of empty tree wells that have been prioritized for planting, as well as a list of preferred tree species. The City of San Diego and SDG&E perform site visits for conflict checks with utility infrastructure before finalizing each planting location and species type. For the three examples identified, Bay Terraces, Cherokee Point and Allied Gardens, SDG&E purchased the trees and paid for the crews to plant the trees. The watering and ongoing maintenance is the responsibility of the City of San Diego, or in some cases private residents.
- b. SDG&E has also provided support to the San Diego Parks Foundation to plant trees in City of San Diego-owned parks. Those park locations are identified solely by the City of San Diego Parks & Recreation Department and San Diego Parks Foundation. SDG&E funding to the San Diego Parks Foundation covers the cost of the trees, the additional irrigation materials, and any overtime staffing by Parks & Recreation grounds maintenance to plant the trees.
- c. **Ongoing Commitment:** As part of SDG&E's Sustainability Strategy, we aspire to plant/donate at least 10,000 trees annually throughout our service territory. The City of San Diego will continue to benefit from that effort. This goes beyond our ECA commitments and benefits the entire region. (<https://www.sdge.com/more-information/environment/sustainability-approach>)

9. More detail on green waste recycling, what vendors? Has SDG&E increased the number of vendors?

- a. SDG&E diverts green waste to San Pasqual Valley Soils, Miramar Greenery, AgriService El Corazon, and is looking for additional vendors to take green waste.

- b. Our last RFP in 2020 added one additional vendor (AgriService).
- c. We are also currently discussing how to bring on more vendors with our sustainability and procurement team.

10. How are EV charging stations (like those installed in SDG&E's PYD program) funded? Is SDG&E responsible for the ongoing maintenance of these stations?

- a. Every program is different and based on the results from a decision issued by the CPUC.
- b. Under certain Power Your Drive programs, customers have the choice to own their charging stations, or to allow SDG&E to own them. For the installations where SDG&E owns the charging stations, we also provide the maintenance for the life of the program. When owned by the customer, they are responsible for providing all maintenance and covering the maintenance costs.
- c. We have installed 3,400 chargers in our service territory. SDG&E has supported legislation intended to make it easier for third parties to implement their own charges and you will see more private charging infrastructure increase as the demand increases. SDG&E's Power Your Drive programs provide "behind-the-meter" EV charging infrastructure at low to no-cost to customers by removing EV charging infrastructure cost barriers. These programs serve schools, parks and beaches, apartments and condos, workplaces and medium and heavy-duty fleets. Active participants in these programs include school districts, universities, transit agencies, municipalities, public agencies, tribes and private companies. With the assistance of these SDG&E clean transportation programs along with other local, state and federal funding, customers' transition to EV transportation is more accessible.

11. EV Chargers maintenance – Was any ratepayer money used to subsidize private EV chargers that are no longer being maintained as operational?

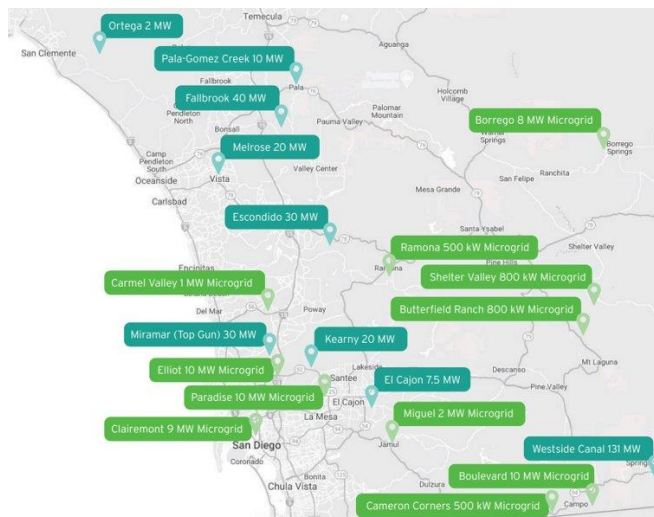
SDG&E is responsible for maintenance on charging stations that are owned by SDG&E for the life of the Power Your Drive programs; since these programs are still active, we still continue to maintain the chargers that we own.

12. Slide 9 mentions three new battery storage microgrids in the City of San Diego. Including these three, what is the total number of microgrids in the City and how many customers could they potentially support? How many more are planned for the years ahead? Are all or most microgrids ratepayer funded and are they considered to be an expensive source of electricity? If so, is there an expectation that the cost of these projects might come down and become more competitive with other energy projects/sources anytime soon?

The three microgrids discussed (Elliott, Clairemont and Paradise) are the first microgrids deployed by SDG&E in the City of San Diego. During microgrid operation, each of the three circuit-level energy storage microgrid projects are designed to serve the entire circuit to the extent that it is safe to do so. This encompasses all customers associated with the circuit, including the critical facilities. See the table below for a description of the number and type of customers on each respective circuit.

| | Clairemont | Paradise | Elliott |
|-----------------|------------|----------|---------|
| Commercial | 80 | 67 | 81 |
| Industrial | 25 | 7 | 5 |
| Residential | 3,772 | 3,199 | 1,879 |
| Total Customers | 3,877 | 3,273 | 1,965 |

SDG&E continues to explore opportunities to provide resiliency in the City of San Diego. At this time, SDG&E has not identified a future microgrid project in the City of San Diego. It is difficult to generalize how microgrids are funded, as it depends on several factors which include whether the microgrid is located in front of or behind the customer meter. The funding of the microgrids referenced in the table above was approved by the CPUC in Decision (D.) 21-12-004 and the costs are recovered from all customers. With the passage of the federal Inflation Reduction Act, and leveraging investment tax credits for clean technologies such as storage, SDG&E has and continues to seek the utilization of such investment tax credits to reduce the net costs of these projects. In addition, the projects referenced in the table above will participate in the CAISO market providing energy, capacity and ancillary services to the grid. Currently, with limited supply, and because the demand for electric vehicles and stand-alone energy storage continues to grow, the energy storage market is very dynamic and difficult to forecast in the nearer term. Generally speaking, however, the cost of implementing new technologies (such as energy storage) is expected to decline over time.



- 13. Slide 16 notes CPUC approval of the Microgrid Incentive Program (MIP) in April 2023. The MIP would provide funding for the development of clean energy microgrids for vulnerable communities impacted by grid outages. SDG&E mentioned there would be \$200 million available statewide for underserved communities. At this point, can SDG&E estimate how much of this \$200 million statewide might be available for City of San Diego communities? What is the process for securing a MIP funding commitment from the State?**

Please visit www.sdge.com/MIP for more information on the forthcoming program. This website was updated on October 11, 2023, to include SDG&E's MIP handbook which explains how MIP works and how potential applicants can apply for MIP funding. SDG&E has a total of \$17.46 million to award to successful MIP applicants with one individual applicant (i.e., a community microgrid project) being eligible for up to \$14 million in incentives for management, engineering and development costs, such as in front-of-the-meter batteries and clean generation resources, as well as being eligible for up to \$1 million in interconnection related costs. SDG&E expects to open its MIP application window around mid-2024 with consultation opportunities between SDG&E and potential community microgrid projects to take place between November 2023 and mid-2024.

- 14. With respect to Section 6(a), has SDG&E made any investments (or have plans to make) in new fire-fighting air resources to protect the City since the inception of the ECA? The Implementation Plan notes SDG&E has provided funding for Community Emergency Response Teams (CERTs) and Fire Safe Councils (FSCs) in communities of concern across San Diego – can the Committee receive information on how much funding was provided and when? Has the plan to achieve the goal of continued support for CERTs and FSCs in underserved communities been planned or facilitated yet?**

- a. Aviation Assets:
 - i. The Bell and the Firehawk (which is not operational yet) were both purchased after July 1, 2021. The Air Crane, Blackhawk, and H135 are exclusive use leases. The H145 was purchased in 2018, the Firehawk in December 2021, and the Bell in January 2023.
- b. On alert 365 days a year for CAL FIRE dispatch: 2 Type-1 Helicopters
 - i. Erickson S-64 Air Crane- 2,650 gallon drop capability
 - ii. Sikorsky S-60 Blackhawk- 850 gallon drop capability
- c. Additional US Forest Service certified aircraft for CAL FIRE as call-when-needed:
 - i. Airbus H145- Command and control, camera (HD and IR)
 - ii. Airbus H135- Command and control, camera (HD and IR)
 - iii. Bell 412 EPX- 420-gallon drop capability
- d. Drone support: on-call for surveillance and situational oversight

- e. Future program: S-60M Firehawk for additional capability above the Blackhawk with 1000-gallon drop capability.
- f. SDG&E's SAFE San Diego shareholder-funded giving initiative has supported public safety and emergency preparedness programs for more than a decade. During the period of the ECA, SDG&E has made the following shareholder-funded donations to support Community Emergency Response Teams and Fire Safe Councils that provide services to San Diego and beyond.

| Total Countywide Funding | | | |
|--|------------------------|------------------------|------------------------|
| | 2021 Amount | 2022 Amount | 2023 Amount |
| Community Emergency Response Teams (CERT) Totals | \$37,000 | \$38,000 | \$39,000 |
| Fire Safe Council (FSC) Totals | \$84,750 | \$80,000 | \$95,000 |
| Total | \$121,750 | \$118,000 | \$134,000 |

| City of San Diego Specific Funding | | | |
|---|------------------------|------------------------|------------------------|
| | 2021 Amount | 2022 Amount | 2023 Amount |
| City of San Diego Fire-Rescue Dept CERT | \$2,000 | \$2,500 | \$3,000 |
| Spanish CERT | \$2,500 | \$2,500 | \$3,000 |
| San Diego County Fire Protection District CERT | \$2,500 | \$2,500 | \$3,000 |
| Coastal Canyon FSC | \$5,300 | \$2,000 | N/A |
| Kensington FSC | \$4,393 | \$8,000 | \$8,000 |
| Rancho Peñasquitos FSC | \$2,500 | N/A | N/A |
| University City FSC | \$3,580 | \$5,000 | \$4,500 |
| Total | \$22,773 | \$22,500 | \$21,500 |

15. Can SDGE allow training and self-certification of contractors to do some of the work that is severely backlogged?

SDG&E has several contractors who support gas and electric construction. Each contractor goes through a robust qualification process before performing work in the SDG&E territory. SDG&E does not currently allow contractors or developers to self-certify. We have very clear standard guidelines that we must enforce, as the safety of our customers is our number one priority. However, SDG&E is reviewing resourcing strategies, including outsourcing of certain types of work to planning & design contractors in an attempt to help with the continued high volume of customer requests.

16. Slide 19 – Can the training program be expanded to include contractors that can then self-certify certain parts of the process? (e.g. disconnects?)

To expand on the prior answer, SDG&E has a Contractor Safety Services (CSS) department which is dedicated to the oversight of the Class 1 Contractors engaged with SDG&E. A Class 1 Contractor is a Contractor engaged to perform work that can reasonably be anticipated to expose the Contractor's employees, subcontractors or SDG&E employees to one or more hazards that have the potential to result in serious injury or illness.

Our CSS team is tasked with managing compliance with the SDG&E Contractor Safety Program. Our team is made up of internal resources and a number of third-party contracted resources (safety professionals) to support the various field construction activities in an oversight capacity.

SDG&E has established a consistent pre-qualification process for all Class 1 Contractors that includes but is not limited to the following items:

- Class 1 Contractor Safety Manual
- Standard G8308
- Contractor Pre-qualification
- Incident and Near Miss reporting requirements
- Safety observations
- SDG&E scorecard

SDG&E is committed to being a world class safety leader and is committed to using the safest contractors who can demonstrate they meet or exceed SDG&E's Contractor Safety Program minimum requirements. Furthermore, SDG&E is regulated by the CPUC and has an obligation to follow its established programs which have reporting requirements associated with them.

Because of these overlapping obligations and aspirations, SDG&E does not allow contractors to "self-certify" and we will continue to follow the current program with the goal of providing efficient and proper safety oversight.

17. Slide 18 – "SDGE is building collaboration with developers to avoid surprises...." How is this happening? SDGE is still the number one complaint on every single construction project as the single biggest delay in the process.

A consistent theme in developer feedback has been, "Tell me the process, how long it takes, and preferably when critical steps will occur. Then be predictable and consistent with outcomes." To that end, SDGE has published both the [Builder Process Guidebook](#)

and the [Project Lifecycle Overview](https://www.sdge.com/builder-services) on our Builder Services resources page (<https://www.sdge.com/builder-services>), which describe the general process, requirements, and timeline for new development projects. Additionally, every customer who submits a new project receives a more detailed process flow for each job type (Underground, Gas, Overhead, and Applicant Design). These outline the utility and customer responsibilities as well as expected timing for utility activities throughout each of the 5 project phases (Initiation to Energization). Using that document, SDGE planners and project managers should be able to align on expectations with the customer throughout the project lifecycle and revisit expectations as each job enters the construction phases. As the job progresses, the Builder Services Portal (BSP) reflects live job status with respect to critical milestones so that the current status is visible to all stakeholders with BSP access. Upcoming features in the BSP will include forecasting critical utility activities such as design, estimated dates and permit status tracking. SDGE has worked through the Building Industry Association and the Affordable Housing Collaborative Committee to educate the developer community on the availability of these tools as well as current utility risks such as transformer shortages, Public Utilities Code section 851 land rights reviews, escalation contacts, and significant legislative or regulatory changes. SDG&E is actively looking for opportunities to provide more detailed education and collaboration with developer teams as well as operationalizing the path to net zero through a proactive and intentional approach to forecasting upcoming projects and electrification impacts.

18. Where did the 50% or more Affordable housing number come from. It seems this really only captures the 100% AH projects. Complete Communities is 40% and other density bonus programs are 5% Very low or 10% Low. The threshold should capture at least the Complete Community projects also.

SDG&E utilized the numbers that the City's Development Service Department and Sustainability and Mobility Department asked for in the dashboard. Moving forward, and if the City wants SDG&E to track affordable housing projects using a different threshold, we are open to discussing and adjusting our reporting parameters so that we capture the most valuable information in as efficient a manner as possible.

19. Delivery of service – A significant issue developers face is delays in service delivery. Can SDG&E speak about their process, workflow, and timing for these requests? And, as appropriate, how these processes may differ for affordable housing projects, private developer projects, city ROW projects, etc. Can SDG&E allow training and self-certification of contractors to do some of the work that is severely backlogged?

SDG&E's planning and design process is consistent across all customers, while addressing specifics and nuances of the particular project. SDG&E does not, and is obligated not to, prioritize certain projects or customer classes over others. The complexity of the project dictates the review requirements and involvement of various functional groups (land rights, permits, etc.). Please see our website that provides builders resources and timelines: <https://www.sdge.com/builder-services>. As stated

previously, SDG&E is looking at resourcing opportunities to outsource certain scopes of work but self-certification of contractors is not permitted.

20. Is there an updated Undergrounding Master Plan that identifies what has been accomplished as well ask the criteria for project selection, etc.

The City maintains an Undergrounding Master Plan and sets criteria for project selection as well as project selection itself. In accordance with Undergrounding MOU, each year by July 30th, the City provides SDGE with a list of projects SDGE should expect to receive in the upcoming fiscal year. Throughout the year, the City then issues a Notice to Proceed (NTP) for each project to SDGE along with all required environmental approvals and approved maps and resolutions so that SDGE can begin the project.

21. Request for service –What is the process as it relates to City of San Diego project, customer trying to connect solar, and private developer projects.

- a. Below are the public web links that direct you to the process for how to connect solar. For any request for new service or an upgrade to existing service, requests are submitted through the Builders Services Portal. For NEM or R21 requests, there is a separate and parallel process to submit for interconnection. Both are found via sdge.com.
- b. NEM: <https://www.sdge.com/residential/solar/solar-application-portal>
- c. Rule 21 Non-NEM: <https://www.sdge.com/more-information/customer-generation/electric-rule-21>

22. Slide 17 - If an income qualifying home previously rented solar panels via other programs, can they convert to ownership via your program?

We do not offer programs that convert existing solar installations from rent to own. We work directly with contractors to install solar on low income homes. The San Diego Solar Equity Program is not set up to take over existing systems but to rather increase the total number of systems in communities of concern and is for residents who have historically been unable to afford residential rooftop solar of any type.

23. What coordination is occurring with Cities to clear brush adjacent to SDGE easements?

SDG&E mows, grades, and refreshes pursuant to our easements using best management practices within the footprint of approved access roads as needed. When the City inquires about easements, every effort is made to determine property lines and responsibilities (per California Fire Code) to ensure a prompt response, including field assistance if needed.

24. Slide 22 – Are there any plans to underground larger KV lines?

SDG&E is committed to undergrounding distribution lines in the region's High Fire Threat District (HFTD) to mitigate impacts to those who may be impacted by a higher frequency of public safety power shutoffs. A Public Safety Power Shutoff (PSPS) is a last resort measure used by the company to help protect communities at risk during high fire risk conditions. SDG&E has completed hardening transmission lines of Tier 3 of the HFTD. The Company plans to complete system hardening in Tier 2 by the end of 2026. The frequency of PSPS due to transmission lines is very low so there are no plans to underground the transmission lines except where there have been permitting or other drivers to underground.

25. How does SDG&E's stance on NEM 3.0 further local renewable energy and the commitments made within the ECA? What is SDG&E doing to educate and be more transparent on this issue?

- a. SDG&E firmly believes solar is a critical component in California's drive to build a carbon-neutral energy portfolio to power our economy by 2045.
- b. Our Path to Net Zero study, released last April, shows that we need approximately 250 GW of energy from solar, wind and batteries in San Diego to reach net zero by 2045. SDG&E has sought to be very transparent about this and our Path to Net Zero study is available on our website: <https://www.sdge.com/netzero>.
- c. Like all CPUC proceedings, the NEM proceeding was a public and transparent proceeding where consumer advocates, and many others, participated in the process.
- d. Nationwide, the City of San Diego is ranked No. 3 in solar capacity per capita, behind Honolulu and the City of Las Vegas, and it is ranked No. 2 in terms of total solar capacity, behind the City of Los Angeles, according to Environment California's report [Shining Cities 2022: The Top U.S. Cities for Solar Energy](#). Among major energy provider in California, SDG&E has the highest percentage of solar penetration – over 20% of its residential customer base of 1.3 million have rooftop panels.

26. Please provide SDGE's average customer electricity and gas rates for the two years leading up to the execution of the franchise agreement (2019 and 2020) and then the average rates for the two years following the execution (2021 and 2022)

Current and historical rate information, broken down by customer type, is available at the [sdge.com](http://www.sdge.com) website. www.sdge.com/total-electric-rates

27. Energy Benchmarking – Has SDG&E provided the information and assistance to support the City's benchmarking efforts?

- a. Yes, in 2020-2022, SDG&E provided energy use data to the City relating to eligible commercial and multifamily buildings pursuant to AB 802 (Williams, 2015).

- b. In addition, the City has their own account access via the Benchmarking website called Energy Star Portfolio where staff has full access to view their meters and data at all times.
- c. SDG&E has also created an enhancement to identify changes to existing meter numbers such as new meter installations and removals in the field (April 2023)

28. GHG Reduction Analysis – The Implementation Matrix states that SDG&E will share GHG inventory with the City. Has this happened? The matrix further states that SDG&E will share its Path to Net Zero study, which was released on April 5, 2022. Did SDG&E share this with the City?

SDG&E shared the Path to Net Zero with the City in a presentation to the Environment Committee on May 26th 2022. In the initial implementation plan matrix, SDG&E laid out further GHG reduction efforts to start in 2024.

29. Throughout this agreement, SDG&E has made various commitments to helping San Diego achieve 100% clean energy and net zero GHG, including a requirement to assist in the city’s building electrification efforts. However, since the franchise agreement was signed, SDGE’s parent company, Sempra, has donated \$1.5M to the America Gas Association, which is one of the leading opponents to electrification and achievement of 100% clean energy. How can we reconcile the actions of SDG&E and its parent company, Sempra? What is SDGE's position on the city's proposed reach code? What has SDGE done to support such efforts?

- a. We cannot speak on behalf of our parent company or the American Gas Association but would note the American Gas Association, an industry trade group with over 200 members has stated their goal is to support the safe, reliable, affordable and sustainable delivery of natural gas. While we continue to support the City’s climate goals, SDG&E would like to acknowledge that we serve over 900,000 existing gas customers and have hundreds of union employees who continue to make the gas system safe for our communities, industry groups help us stay informed of best practices.
- b. SDG&E has been very clear with both the City and the public that it supports the City’s net zero goals.
- c. Additionally, we continue to work with the City to support their Climate Action Plan by facilitating the Solar Equity program, EV programs, electrification pilots, microgrids and battery storage. Please see other goals we have set as a company to reduce emissions in our Sustainability Strategy (<https://www.sdge.com/more-information/environment/sustainability-approach>)

30. What role did Sempra or the AGA play in supporting the lawsuit against the city of Berkeley, which has stalled their implantation of a reach code? Did Sempra donate any funds that directly or indirectly funded opposition efforts? How does Sempra's vocal opposition and monetary support of the AGA affect SDGE's positions and ability to comply with this provision?

We cannot speak on behalf of our parent company.

SDG&E is not a party to that litigation, nor has it sought to intervene in the matter.

Appendix C - FCRC Questions for SDCP and SDCP's
Presentation

DRAFT

Questions and Topics for SDCP presentation to FCRC

1. Provide the FCRC with a big-picture overview of the creation and evolution of SDCP (a not-for-profit public agency) to date. To include, but not limited to:
 - a. Purpose
 - b. Members of the JPA – initially and those subsequently added
 - c. Composition of SDCP Board
 - d. Organizational Chart
 - e. Organizational goals for providing affordable clean energy, community investment, and develop innovative solutions to address climate change
 - f. Implementation dates for each user category in City of San Diego
 - g. Explain how SDCP works and how it must coordinate with SDG&E
 - h. Clarify that you only procure and provide electricity, not gas
2. Explain how SDCP has been able to source a greater percentage (as compared to SDG&E) of clean (or cleaner) energy at a lower cost. Anything on the horizon in terms of new technologies or opportunities that might hasten SDCP's ability to provide affordable clean energy sooner?
3. Many City of San Diego customers do not understand what SDCP does. Some may not even know they procure their electric power through SDCP as they continue to receive their bill from SDG&E. What is SDCP doing to help customers better understand their role and how they are helping customers to obtain clean energy at more affordable prices?
4. Comment on the transition of electric procurement service from SDG&E to SDCP. How did it go? Has the migration of customers leveled off or is it continuing to evolve? Any challenges?
5. With respect to billing, what does SDCP do to inform their customers that their electric charges are included in the bills sent by SDG&E? Do you inform customers how they can compare what their electric bill is with SDCP to what it would have been had they opted to remain with SDG&E (for same usage/billing period) by looking at the aggregate billing statement sent by SDG&E? Are customers confused when they have billing questions – some of which should be directed to SDG&E (for gas, electric delivery, other charges) and others to SDCP (for electric generation charges). How does SDCP work independently, and with SDG&E, to make it easier for customers to understand their energy bills?
6. Following up on the questions above, Section 5 (a.) of the City's Energy Cooperation Agreement with SDG&E requires SDG&E to "form and strengthen a dedicated team to be the primary interface between SDG&E and staff from SDCP ...". "SDG&E shares a goal with SDCP of making the customer experience as seamless as possible". Please comment on the status of communication and cooperation in this regard.
7. With respect to time-of-use pricing (on-peak, off-peak, super off-peak) to manage demand and incentivize conservation/customer savings, does SDCP differentiate tiered pricing levels in much the same way as SDG&E? Has tiered pricing been successful, and will it likely continue as currently structured?
8. Section 5 (b.) of the City's Energy Cooperation Agreement with SDG&E requires SDG&E to cooperatively work with the City, SDCP, and third-party statewide implementers to identify energy efficiency and demand response programs which the City may administer or in which they may participate. Can SDCP please comment on anything happening in this regard?
9. Section 11 of the City's Electric Franchise Agreement requires SDG&E to cooperate with the City and SDCP: "... shall provide all such assistance required by law for the City's implementation of

CCA. Grantee shall at all times abide by the CCA Code of Conduct.” From SDCP’s perspective, have there been or are there any ongoing challenges in working with SDG&E (of any sort) that are being worked on or remain to be addressed?

10. Has there been any breach or perceived violation by SDGE of the CCA Code of Conduct?
11. Has SDGE taken any positions or taken any action directly or indirectly at the PUC that has been opposed to SDCP's interests?
12. Has SDGE done anything with its rates or rate structure that you believe hurts your efforts to bring energy choice to San Diego residents?
13. Has SDGE timely and fully provided SDCP grid services and customer information in accordance with SDGE Tariff Rule 27 and associated CPUC orders and proceedings?
14. Has SDGE maintained a strong dedicated team to be the primary interface between SDGE and SDCP staff?
15. How would you describe the state of your relationship with SDGE?
16. Do you think SDGE helps you achieve your goals broadly?
17. Where do they help most specifically?
18. What (if any) are areas that you feel SDGE hinders your goals?
19. Has SDGE ever been a roadblock to any of your goals? Please provide any examples of such situations
20. How would you like to see your relationship with SDGE improve?
21. Can you please provide examples of how/when SDGE worked with you to identify energy efficiency and demand response programs that you have administered or participated in?
22. Do you think the city should be exploring an energy municipalization strategy?
23. Has SDGE worked with you to identify an appropriate distributed energy resource (DER) project for development within the city? Are there plans to do so?
24. Can you confirm that SDGE is abiding by each and every obligation in the Energy Cooperation Agreement dated 5/25/2021 (ECA) as it relates to its relationship with SDGE?
25. Are there other areas / programs outside of SDGE's obligations in the ECA that you believe would benefit additional/improved cooperation?
26. Given that the ECA is a living document, and SDCP continues to grow and expand the programs it can offer to San Diego residents, do you think it would be helpful to negotiate a stand alone cooperation agreement between SDCP and SDGE as a component of the ECA to ensure SDGE further supports SDCP goals in the coming years?
27. Has SDGE taken any positions at the CPUC or in any legislative proceedings that has been opposite or detrimental to SDCP's goals or objectives? If so, pls explain
28. Has SDGE taken any positions at the CPUC or in any legislative proceedings in support of or in furtherance of SDCP's goals or objectives?
29. Has SDGE been a helpful partner in securing resource adequacy for SDGE?
30. Has SDGE done anything via its rate case / rate fluctuations to hurt / hinder SDCP's goals or objectives?



San Diego Community Power Franchise Compliance Review Committee Update

November 2, 2023



Who we are

Who is San Diego Community Power?





Mission & Vision

Mission Statement:

San Diego Community Power is a community-owned organization that provides affordable clean energy and invests in the community to create an equitable and sustainable future for the San Diego region.

Vision Statement:

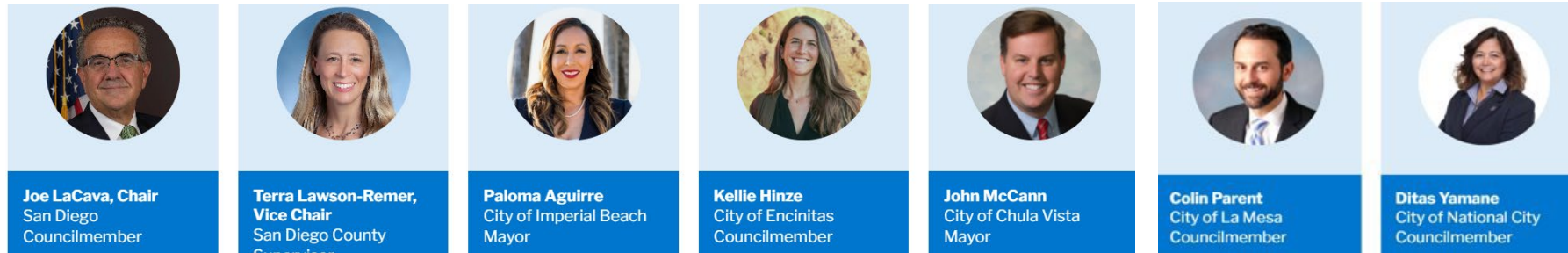
A global leader inspiring innovative solutions to climate change by powering our communities with 100% clean affordable energy while prioritizing equity, sustainability, and high-quality jobs.



SDCP Governance & Oversight

Board of Directors

The Board of Directors is made up of one elected official from each of the communities we serve. Board members represent everyone's interests, and ensure that once costs are covered, the remaining revenues are reinvested for the benefit of all participating communities and cultures.



Community Advisory Committee

We also rely on the guidance of our Community Advisory Committee (CAC), comprising of two representatives from each community.

San Diego

Eddie Price
Matthew Vasilakis

County of San Diego

Peter Andersen
(Vacant)

Imperial Beach

Anna Webb
(Vacant)

Encinitas

Gary L. Jahns
Tara Hammond

Chula Vista

Carolyn Scofield
Anthony Sclafani

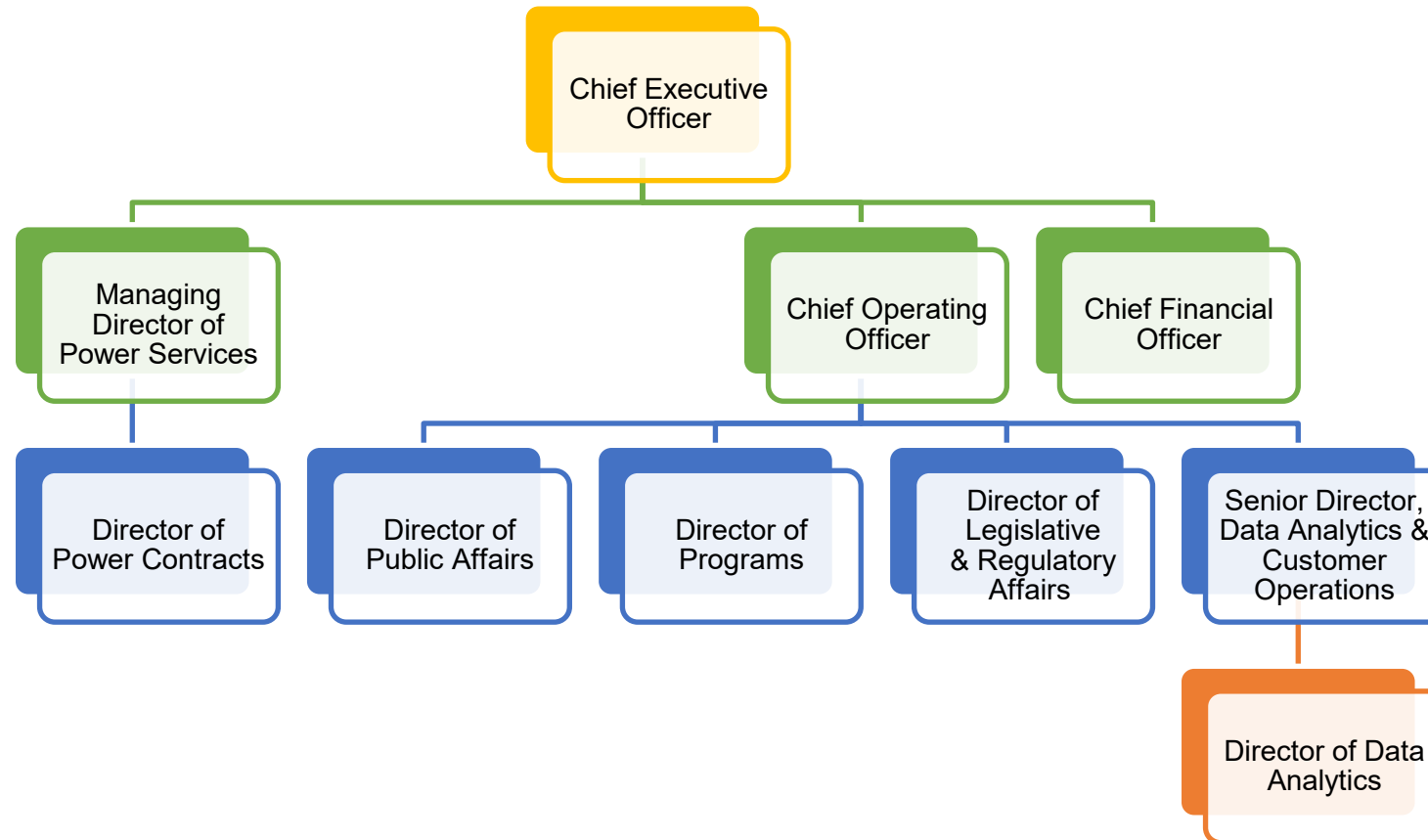
La Mesa

David Harris
Lauren Cazares

National City

Aida Castañeda
Larry Emerson

SDCP Leadership



Our SMART Goals

- **Financial Stability:** Practice fiscal strategies to promote long-term organizational sustainability
- **Energy Portfolio Development:** Provide sufficient, reasonably priced, clean electricity to our customers
- **Community Program Delivery:** Implement energy projects and programs that reduce greenhouse gas emissions, align energy supply and demand, and provide benefits to community stakeholder groups
- **Brand Building:** Develop trusted brand reputation to help drive participation in programs and support customer service and retention
- **Public Policy:** Advocate for public policies that advance SDCP organizational priorities
- **Customer Service:** Ensure high customer retention and satisfaction
- **Organizational Excellence:** Ensure excellence by adopting sustainable business practices and fostering a workplace culture of innovation, diversity, transparency and integrity

Energy Cooperation



SDCP

Buys electricity from renewable sources

SDG&E

Delivers power and maintains the grid

You

Cleaner power, local control and competitive rates

Rates & Billing

Enrollment Status – COMPLETED!



*NEM customers will continue be enrolled according to their true-up dates through March 2024

Current Rates

| TOU Period Weekdays | Summer June 1 - October 31 | Winter November 1 - May 31 |
|---------------------|--|--|
| On-Peak | 4:00 p.m. - 9:00 p.m. | 4:00 p.m. - 9:00 p.m. |
| Off-Peak | 6:00 a.m. - 4:00 p.m.; 9:00 p.m. - midnight | 6:00 a.m. - 4:00 p.m. Excluding 10:00 a.m. - 2:00 p.m. in March and April; 9:00 p.m. - midnight |
| Super-Off Peak | Midnight - 6:00 a.m. | Midnight - 6:00 a.m. 10:00 a.m. - 2:00 p.m. in March and April |

| TOU Period Weekends and Holidays | Summer June 1 - October 31 | Winter November 1 - May 31 |
|----------------------------------|--|--|
| On-Peak | 4:00 p.m. - 9:00 p.m. | 4:00 p.m. - 9:00 p.m. |
| Off-Peak | 2:00 p.m. - 4:00 p.m.; 9:00 p.m. - midnight | 2:00 p.m. - 4:00 p.m.; 9:00 p.m. - midnight |
| Super-Off Peak | Midnight - 2:00 p.m. | Midnight - 2:00 p.m. |

| TOU-DR-1 | Residential Time-Of-Use | | |
|----------|-------------------------|--------------------|-----------|
| Season | Charge Type | Time of Use Period | PowerOn |
| Summer | Generation | On-Peak | \$0.53024 |
| Summer | Generation | Off-Peak | \$0.22959 |
| Summer | Generation | Super Off-Peak | \$0.07169 |
| Winter | Generation | On-Peak | \$0.16831 |
| Winter | Generation | Off-Peak | \$0.08724 |
| Winter | Generation | Super Off-Peak | \$0.06372 |

| DR-SES | Domestic Time-Of-Use For Households With A Solar Energy System | | |
|--------|--|--------------------|-----------|
| Season | Charge Type | Time of Use Period | PowerOn |
| Summer | Generation | On-Peak | \$0.49211 |
| Summer | Generation | Off-Peak | \$0.17080 |
| Summer | Generation | Super Off-Peak | \$0.07169 |
| Winter | Generation | On-Peak | \$0.19977 |
| Winter | Generation | Off-Peak | \$0.13863 |
| Winter | Generation | Super Off-Peak | \$0.06372 |

Joint Rate Comparison

Time of Use – TOUDR-Residential

| Residential: TOUDR | SDG&E 44.5% Renewable | SDCP PowerOn 54.9% Renewable + 5% Carbon Free | SDCP Power100 100% Renewable |
|---------------------------------|--------------------------|---|---------------------------------|
| Generation Rate (\$/kWh) | \$0.15454 | \$0.17602 | \$0.18353 |
| SDG&E Delivery Rate (\$/kWh) | \$0.25571 | \$0.25571 | \$0.25571 |
| SDG&E PCIA (\$/kWh) | \$0.04439 | \$0.01687 | \$0.01687 |
| Franchise Fees (\$/%) | \$0.00376 | \$0.00376 | \$0.00376 |
| Total Electricity Cost (\$/kWh) | \$0.45840 | \$0.45236 | \$0.45987 |
| Average Monthly Bill (\$) | \$182.90 | \$180.49 | \$183.49 |

Average Monthly Usage: 399 kWh

Rates current as of February 1, 2023

SDCP customers will save 1-2% on their total bills based on current rates

Standard – DR-Residential

| Residential: DRLI | SDG&E 44.5% Renewable | SDCP PowerOn 54.9% Renewable + 5% Carbon Free | SDCP Power100 100% Renewable |
|---------------------------------|--------------------------|---|---------------------------------|
| Generation Rate (\$/kWh) | \$0.16002 | \$0.18134 | \$0.18883 |
| SDG&E Delivery Rate (\$/kWh) | \$0.26099 | \$0.26099 | \$0.26099 |
| SDG&E PCIA (\$/kWh) | \$0.04438 | \$0.01687 | \$0.01687 |
| Franchise Fees (\$/%) | \$0.00512 | \$0.00512 | \$0.00512 |
| Total Electricity Cost (\$/kWh) | \$0.47052 | \$0.46432 | \$0.47181 |
| Average Monthly Bill (\$) | \$217.85 | \$214.98 | \$218.45 |

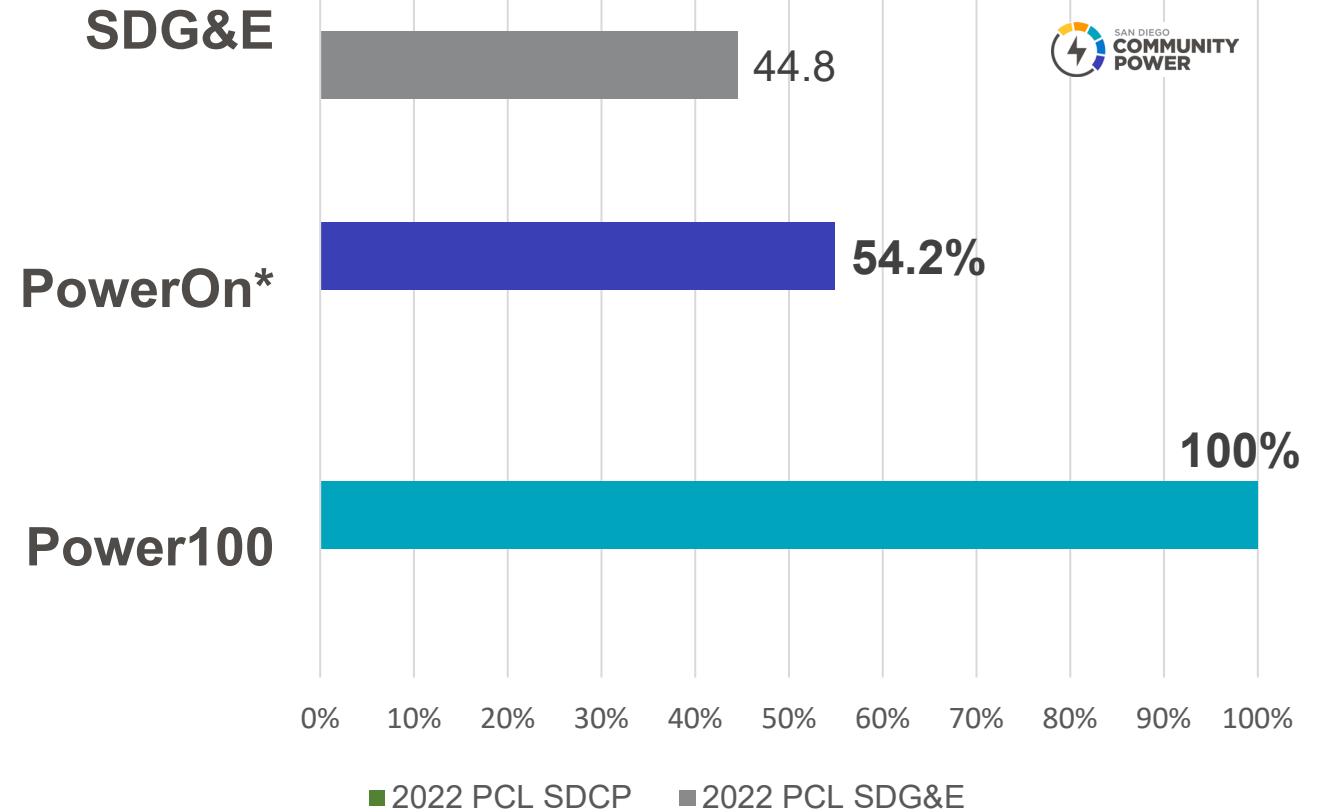
Average Monthly Usage: 463 kWh

Rates current as of February 1, 2023

Compare Renewable Energy

2022 Power Content Label

| 2022 POWER CONTENT LABEL | | | | | |
|---|------------------------------|-------------------------|---|------------------------------|-------------------|
| San Diego Community Power | | | | | |
| https://sdcommunitypower.org/resources/key-documents/ | | | | | |
| Greenhouse Gas Emissions Intensity (lbs CO ₂ e/MWh) | | | Energy Resources | | |
| 2022 SDCP PowerOn Power Mix | 2022 SDCP Power100 Power Mix | 2022 CA Utility Average | 2022 SDCP PowerOn Power Mix | 2022 SDCP Power100 Power Mix | 2022 CA Power Mix |
| 375 | 0 | 422 | Eligible Renewable ¹ | 54.2% | 100.0% |
| | | | Biomass & Biowaste | 1.2% | 0.0% |
| | | | Geothermal | 2.6% | 0.0% |
| | | | Eligible Hydroelectric | 1.3% | 0.0% |
| | | | Solar | 25.5% | 50.0% |
| | | | Wind | 23.6% | 50.0% |
| | | | Coal | 0.0% | 0.0% |
| | | | Large Hydroelectric | 12.8% | 0.0% |
| | | | Natural Gas | 0.0% | 0.0% |
| | | | Nuclear | 0.0% | 0.0% |
| | | | Other | 0.0% | 0.0% |
| Unspecified Power ² | 33.1% | 0.0% | | | |
| TOTAL | 100.0% | 100.0% | | | |
| Percentage of Retail Sales Covered by Retired Unbundled RECs ³ : | | | 0% | 0% | |
| ¹ The eligible renewable percentage above does not reflect RPS compliance, which is determined using a different methodology. ² Unspecified power is electricity that has been purchased through open market transactions and is not traceable to a specific generation source. ³ Renewable energy credits (RECs) are tracking instruments issued for renewable generation. Unbundled renewable energy credits (RECs) represent renewable generation that was not delivered to serve retail sales. Unbundled RECs are not reflected in the power mix or GHG emissions intensities above. | | | | | |
| For specific information about this electricity portfolio, contact: | | | San Diego Community Power 1 (888) 382-0169 | | |
| For general information about the Power Content Label, visit: | | | https://www.energy.ca.gov/programs-and-topics/programs/power-source-disclosure-program | | |



*SDCP's PowerOn product is at least 50% Renewable in 2022 was 67% carbon free

What (didn't) Change?

What Didn't Change

- Billing (still one bill from SDG&E)
- Service reliability (SDG&E still responsible)
- Rate structures (rate schedules align with SDG&E offerings, including the Time-of-Use periods)
- Discounts (e.g., CARE/FERA)
- Your day-to-day

What Changed

- Competitive rates (3% generation discount)
- Higher renewable energy
- An effective customer service team
- Reinvesting back into the community
- Net Energy Metered Program that pays you more for your excess generation
- New programs addressing local needs

Understanding Your Bill

Online Bill Estimator

Account Information
[Where do I find my account information?](#)

Rate
Select Rate

Service Location
Select Location

Bill Ending Month
Select Month

CALCULATE


Understanding Your Bill



Summary of Current Charges

(See page 2 for details)

| | Billing Period | Usage | Amount(\$) |
|---------------------------------|-----------------------------|---------|-----------------|
| Electric Delivery | Aug 19, 2021 - Sep 17, 2021 | 879 kWh | 203.50 |
| CCA Electric Generation | | | 124.91 |
| Total Charges this Month | | | \$328.41 |

 Your electric energy is provided by San Diego Community Power . If you have any questions about the Community Choice Aggregation (CCA) charges on your bill, please contact your CCA at 1-888-382-0169.

Community Power Plan



Community Power Plan

A five-year strategic plan for customer energy program offerings

May 2023

CPP Program Types

Short-term Program Types (FY 23/24 – FY 24/25)

Energy Awareness and Education

Application Assistance

Disadvantaged Communities Green Tariff and Community Solar Green Tariff

Pilot Programs

Grant Programs

Mid-term Program Types (FY 25/26 – FY 26/27)

Building Electrification: Appliances

Building Electrification: Heat Pump Technologies

Distributed Energy Resources: Energy Storage Systems

Distributed Energy Resources: Demand Response & Load Modification

Energy Efficiency

Transportation Electrification: Infrastructure

Transportation Electrification: Light-Duty Vehicles

Transportation Electrification: Medium- and Heavy-Duty Vehicles



Pilot Programs

1) Building Electrification

- Example: Emergency Water Heater Loaner Pilot
 - Most water heaters are only replaced when they fail
 - Provide a loaner gas water heater while electrical upgrades/permit work is completed to support a heat pump water heater

2) Distributed Energy Resources

- Example: DAC-SASH Enabling Roof Repair Pilot
 - Provide roof repairs for homes eligible to participate in DAC-SASH but with a roof in bad condition

3) Energy Efficiency

- Example: ENERGY STAR Refrigerator/Freezer Swap Out Pilot
 - Apply for CDFA grant on behalf of small commercial customers and facilitate the upgrade to energy efficient refrigerators/freezers in corner stores

4) Load & Demand Management

- VPP Pilot w/ Recurve & Calpine



Grant Programs

- Provide funding to community-based organizations and SDCP member agencies to implement clean energy projects or innovative program ideas
- Support creative ideas that may not be possible through traditional funding sources
- Create tangible trust and relationship-building opportunities
- Increase visibility of SDCP within the communities it serves



Building Community

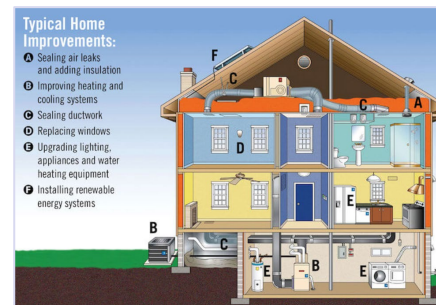
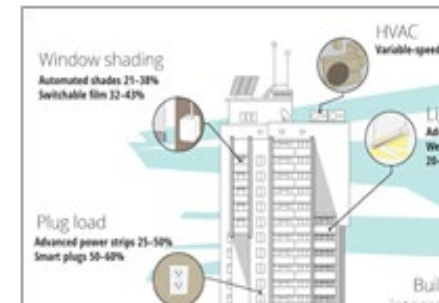
Regional Energy Network (REN)

In 2012, the CPUC issued a decision inviting local governments to collaborate and submit proposals for a **new model for administering energy efficiency programs**. REN criteria includes:

- Activities that utilities cannot or do not intend to undertake
- Pilot activities where there is no current utility offering and where there is potential for scalability to a broader geographic reach, if successful
- Activities serving hard-to-reach markets, whether or not there is another utility program that may overlap

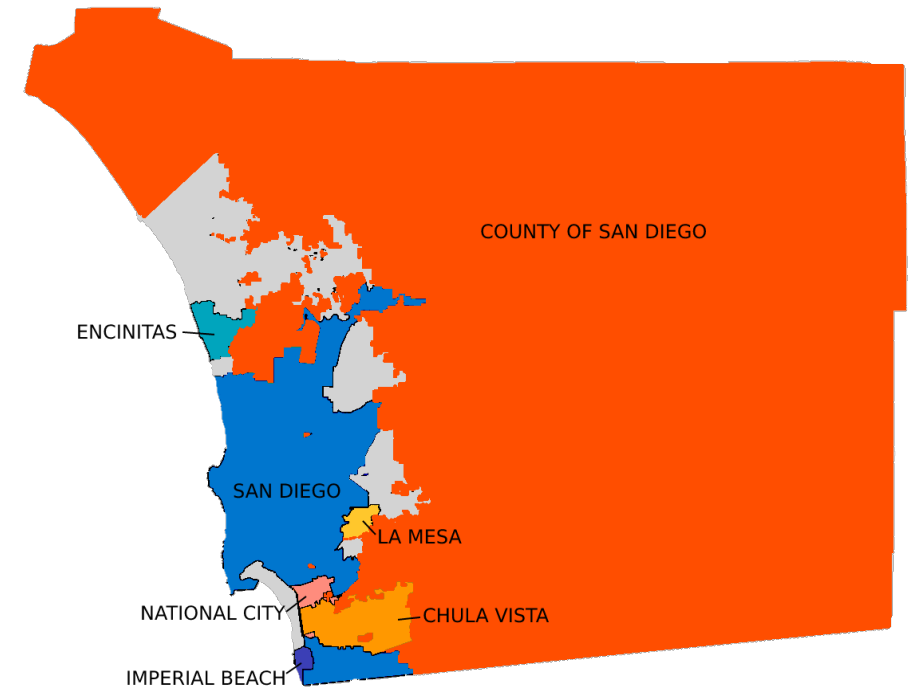
Value of REN

- Provides unique value to Commission's energy, climate and/or equity goals
- Prioritizes underserved customers
- No cost effectiveness requirements
- San Diego one of the last highly populated regions without a REN



Community Engagement

- Connecting with community leaders and member agency staff
- Key focus on attending and hosting events in Communities of Concern, with equitable and inclusive engagement
- Partnerships with local community-based organizations and stakeholders who work directly with community members
- Understanding the needs and concerns of each community and building programs to address injustices

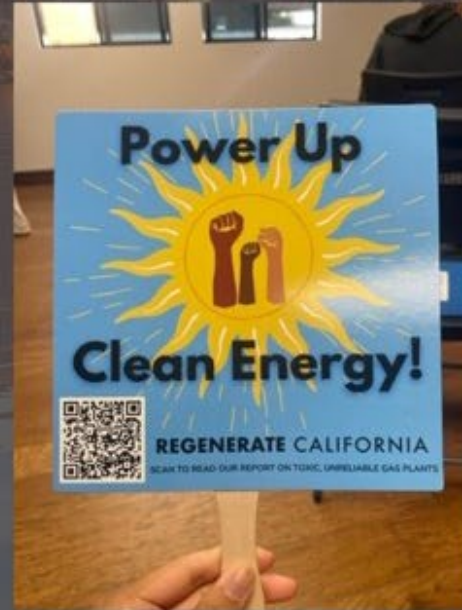


In the Community

Casa Familiar's Casa Fest



EHC Clean Air Congresso



Wave Fan Fest



Beautiful Chula Vista



Enrollment Notices

"We're excited by more renewable energy generation in our region to help curb climate change and leave the planet in better shape for our kids!"

- The Morgan Family
San Diego

Welcome to San Diego Community Power!

Visit us at SDCommunityPower.org

Say hello to a cleaner power provider who reinvests in our community.

Coming Spring 2023

San Diego Community Power (SDCP) is a local electricity provider that will serve your community by bringing you cleaner energy.

Visit us at SDCommunityPower.org

I know I'm making a difference using SDCP's clean energy.

Same! We're helping protect our environment and create a better future for our kids. 😊

Welcome! Learn more at SDCommunityPower.org

CHÀO MỪNG ĐẾN VỚI SAN DIEGO COMMUNITY POWER

Phục vụ cộng đồng của chúng ta bằng năng lượng sạch hơn, tái tạo ở mức giá cạnh tranh.

Ghé thăm chúng tôi tại trang mạng SDCommunityPower.org

COMING SOON:
Your Community-Based Clean Energy.

Cleaner energy choices, competitive electricity rates managed by the people who use it, and programs that benefit you.

Welcome to San Diego Community Power.

Visit us at SDCommunityPower.org

How It Works

| SDCP | SDG&E | YOU GET |
|--|---------------------------------------|---|
| Buy electricity from renewable resources | Delivers power and maintains the grid | Cleaner power, local control, and competitive rates |

Beginning in May 2023, San Diego Community Power will become your new electric generation service provider - meaning we will purchase renewable power, like solar and wind, and provide it to you at competitive rates. When you are automatically enrolled into our service, you'll receive our standard service offering, **PowerOn**, which provides SD's renewable energy and is priced competitively to what you are currently paying with San Diego Gas & Electric (SDG&E). You can always choose to return to SDG&E service, but you'll be missing out on some important benefits. With SDCP, you're empowered to choose a cleaner future.

Please note that rooftop solar customers and other customers participating in Net Energy Metering (NEM) will be automatically enrolled at the end of their relevant period (commonly referred to as "true-up"). For more information on enrollment, please see the FAQs on our website at: SDCommunityPower.org.

Benefits that you can expect from San Diego Community Power:

- Cleaner, renewable power at competitive prices
- Energy programs tailored to meet the needs of our communities
- Local control by local representatives who prioritize people and our communities
- Reinvestment of revenues into our community
- Support of local job creation and development of local renewable energy projects

To learn more about SDCP and our benefits, change your service level, or to opt out, visit: www.SDCommunityPower.org or call 1-888-382-0169.

Para obtener más información sobre SDCP y nuestros beneficios, cambiar su nivel de servicio o optar por no participar, visite: www.SDCommunityPower.org o llame al 1-888-382-0169.

Upang matuto nang higit pa tungkol sa SDCP at sa aming mga benepisyo, baguhin ang antas ng inyong serbisyo, o mag-opt out, bisitahin ang: www.SDCommunityPower.org o tumawag sa 1-888-382-0169.

Terms & Conditions of Service
San Diego Community Power electric generation rates are managed with the intention of providing cleaner electricity at competitive rates. Any changes to SDCP rates will be adopted at duly noticed public hearings of the San Diego Community Power Board of Directors. Changes to SDG&E or SDCP rates will impact cost comparisons between SDCP and SDG&E.
All SDG&E and SDCP customers pay a monthly Power Charge Indifference Adjustment (PCIA) and Franchise Fee Surcharge. SDCP has already accounted for these after-market charges in calculating rates. View SDCP rates and SDG&E cost comparisons on our website.
BILLING: You will receive a single monthly bill from SDG&E that includes SDCP's electric generation charges. SDCP's electric generation charge replaces SDG&E's electric generation charge. SDCP's charge is not a duplicate charge or extra fee. SDG&E will continue to charge you for electric delivery services. If you opt-out of SDCP, SDG&E will resume charging you for electric generation.
ENROLLMENT: As the default electricity provider for the cities of Chula Vista, Encinitas, Imperial Beach, La Mesa, and San Diego, you will be automatically enrolled into San Diego Community Power service unless you opt-out at least five business days before your meter read date during the enrollment month. Accounts will be automatically enrolled in SDCP's PowerOn on your regular scheduled meter read on or after the first day of the enrollment month. You may choose to opt-up to Power100, which provides 100% renewable energy service at a slight premium.
For complete Terms and Conditions of Service, please visit SDCommunityPower.org or call SDCP at 1-888-382-0169.



Hola vecino - ¡bienvenido al vecindario!

Somos **San Diego Community Power (SDCP)**, su proveedor local de electricidad que le trae energía más limpia a precios competitivos. Como agencia pública de administración local y de base comunitaria, ponemos a nuestras comunidades en primer lugar, ayudándole a dar un paso gigantesco hacia un futuro energético más sostenible. Nos centramos en lo que más necesitan y desean nuestras comunidades cuando se trata de su energía. Cuando comenzó el servicio eléctrico, San Diego Community Power se convirtió en su nuevo proveedor de servicios de generación eléctrica, lo que significa que compramos energía renovable, como la solar y la eólica, y se la proporcionamos a precios competitivos a través de la red eléctrica existente.

¿Cómo Funciona?

| SDCP | SDG&E | USTED OBTIENE |
|--|--|---|
| Compra la electricidad de fuentes renovables | Suministra energía y mantiene la red eléctrica | Energía más limpia, control local, y precios competitivos |



Power Content Label Mailer

Power Content Label reflects 2022 verified electric resources for SDCP

This information is required by the California Energy Commission to be mailed to active SDCP customers.

The generation data represents energy procured during 2022 and is provided in the "Annual Report to the California Energy Commission: Power Source Disclosure Program."

A portion of SDCP's energy comes from clean, large hydroelectric power stations. Under California law, large hydroelectric power stations do not qualify as eligible renewable resources.

Percentages may not total 100% due to rounding.

2022 Power Content Label

| 2022 POWER CONTENT LABEL | | | |
|---|------------------------------|--|-----------------------------|
| San Diego Community Power | | | |
| https://www.sdcop.com/energy/power-content-label | | | |
| Greenhouse Gas Emissions Intensity (lbs CO ₂ e/MWh) | | Energy Resources | |
| 2022 SDGP PowerOn Power Mix | 2022 SDGP Power100 Power Mix | 2022 SDGP PowerOn Power 2% | 2022 SDGP Power100 Power 2% |
| 375 | 0 | 422 | |
| | | Eligible Renewable Biomass & Densate 1.2% 0.0% 2.1% Geothermal 2.0% 0.0% 4.3% Eligible Hydroelectric 1.2% 0.0% 1.1% Solar 25.0% 30.0% 17.0% Wind 23.0% 30.0% 10.0% Coal 0.0% 0.0% 2.1% Large Hydroelectric 12.0% 0.0% 0.2% Natural Gas 0.0% 0.0% 36.4% Nuclear 0.0% 0.0% 0.2% Other 0.0% 0.0% 0.1% Unspecified Power* 33.1% 0.0% 7.1% TOTAL 100.0% 100.0% 100.0% | |
| Percentage of Retail Sales Covered by Retired Unbundled RECs† | | 0% | 0% |
| *The eligible renewable percentage above does not reflect RPS compliance, which is determined using a different methodology. †Unspecified power is electricity that has been purchased through open market transactions and is not traceable to a specific generation source. ‡Renewable energy credits (RECs) are tracking instruments issued for renewable generation. Unbundled renewable energy credits (RECs) represent renewable generation that was not delivered to serve retail sales. Unbundled RECs are not reflected in the power mix or GHG emissions intensity above. | | | |
| For specific information about this electricity portfolio, contact: | | San Diego Community Power 1 (888) 382-0189 | |
| For general information about the Power Content Label, visit: | | https://www.energy.ca.gov/programs-and-topics/programs/power-source-disclosure-program | |

Powering a clean, affordable energy future

San Diego Community Power is your local provider of cleaner electricity at competitive rates. We are a locally run, not-for-profit public agency that invests in our customers to create an equitable and sustainable future for the San Diego region.

How It Works

We purchase renewable power, like solar and wind, then feed it to the electricity grid. We work with SDG&E to deliver that power to you at competitive rates.



SDCP
Buys electricity from renewable sources

SDG&E
Delivers power and maintains the grid

You
Cleaner power, local control and competitive rates



At SDCP we put our communities first through programs and customer education to help you take a giant step toward a more sustainable energy future

Cómo reducir el uso de energía y ahorrar dinero

Como tu proveedor comunitario de energía limpia, San Diego Community Power está aquí para ayudarte a gastar menos en tu factura, reducir la demanda en la red eléctrica, y mantenerte fresco y seguro durante tiempos de calor a través de consejos para administrar tu uso energético.



| Antes de las 4 p.m. | Entre las 4 p.m. y las 9 p.m. |
|---|--|
| <p>“Preenfria” tu casa encendiendo tu aire acondicionado a 72 grados</p> | <p>Pon tu aire acondicionado a 78 grados, si la salud lo permite</p> |
| <p>Carga vehículos eléctricos</p> | <p>Evita el uso de electrodomésticos principales</p> |
| <p>Carga dispositivos portátiles</p> | <p>Apaga luces innecesarias</p> |
| <p>Usa lavavajillas, lavadoras, y otros electrodomésticos principales</p> | <p>Desenchufe aparatos eléctricos que no estén en uso</p> |
| <p>Configura las bombas de la piscina para que funcionen en la mañana o en la noche</p> | <p>Usa ventiladores cuando sea posible</p> |
| <p>Cierra persianas y cortinas</p> | <p>Limita el tiempo en el que el refrigerador está abierto</p> |



Como su proveedor de electricidad local, San Diego Community Power tiene como objetivo brindarle energía confiable de fuentes renovables.

Nos centramos en lo que las familias más necesitan y quieren cuando se trata de energía: ya sea ahorrar dinero, conservar energía o aprender maneras nuevas de reducir su huella de carbono.

Ya sea para secar la ropa como para calentar el agua de su bañera, nuestros hogares usan mucha energía. Puede encontrar algunos recursos útiles en nuestro sitio web en [SDCommunityPower.org](https://www.sdcop.com/energy/power-content-label):

- Explicaciones y herramientas de las facturas de energía
- Pago de facturas y asistencia
- Centro de educación para los clientes
- Preguntas frecuentes

Escane el código QR para traducir este folleto. Read in English, Basahin sa Filipino, Đọc bằng tiếng Việt, 讀中文 讀 بالعربية اقرأ بالانجليزية

[SDCommunityPower.org/PCL](https://www.sdcop.com/energy/power-content-label)



Campaigns



Energy Efficiency for Every Day

Learn how to save on your energy bill

[GET TIPS](#)

Small Business Power100 Champions like Bivouac Ciderworks are helping secure our region's cleaner, greener future.

100% renewable,
100% carbon-free.

Save on Your Summer Energy Bill

| Before 4pm | Between 4pm - 9pm |
|-----------------------------|-------------------------------|
| <p>Run major appliances</p> | <p>Avoid major appliances</p> |

More tips at SDCommunityPower.org

Power100 is our most effective tier to help you reduce your carbon footprint. **Power100 energy content is 100% renewable, 100% carbon-free and eliminates your greenhouse gas production through electric energy use.** Service is available to all customers.

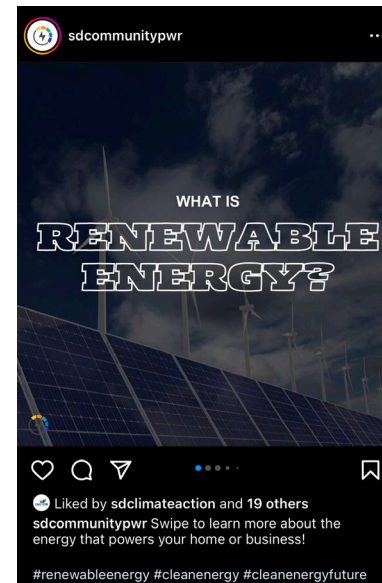
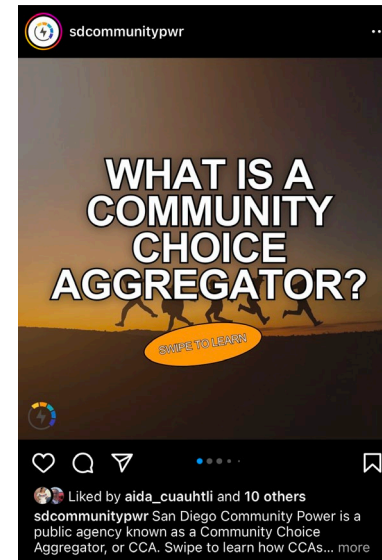
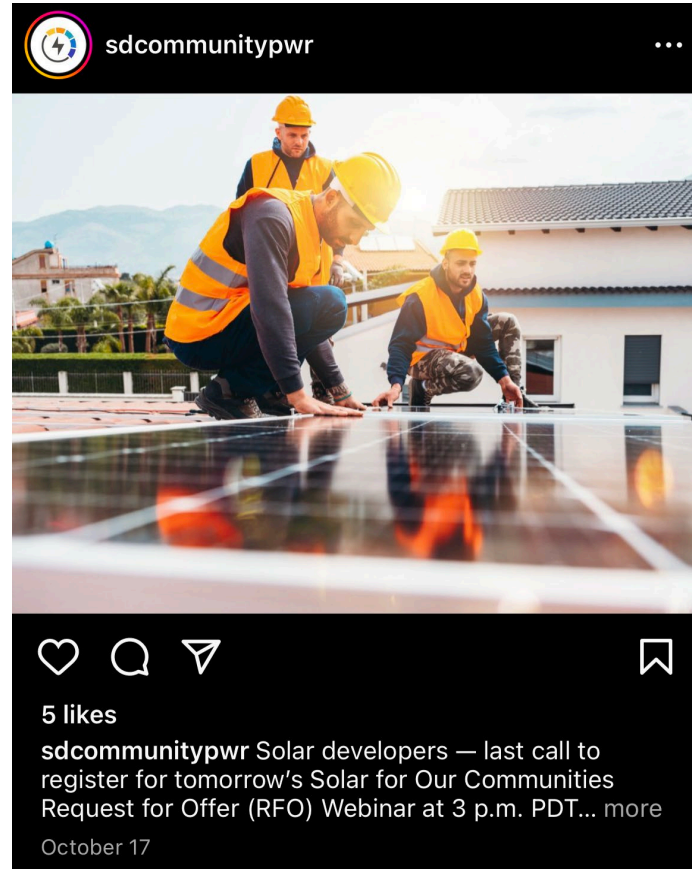
San Diego Community Power is proud of our Power100 Champions. Learn how you can opt up your home or business at SDCommunityPower.org

Bivouac Ciderworks is a women-powered craft cider company founded in North Park. Learn more at bivouaccider.com

@bivouaccider | Bivouac Cider 3986 30th St. San Diego, CA 92104



SDCP on Social



Community Partners



The Chicano Federation



PROJECT NEW VILLAGE
COMMUNITY • EQUITY • CHANGE



Building Trusted Partnerships



Powering the only 100% renewable energy ballpark in the National League.

PADRES 

San Diego International Airport Commits to 100 Percent Clean, Renewable Energy from San Diego Community Power





SHARP



LOVAL VS **LOUISVILLE CITY FC**

NEXT MATCH

SAT. APR 16 | 7:00 PM
TORERO STADIUM






Power100 CHAMPION

**100% renewable
100% carbon-free**

illumina



SAN DIEGO COMMUNITY POWER

A CLEAN ENERGY PARTNER OF SAN DIEGO WAVE FC



Thank You!