# AMDENDED AND RESTATED ENERGY COOPERATION AGREEMENT

This Energy Cooperation Agreement ("Agreement") originally entered into on May 25, 2021 (the "Effective Date") between the City of San Diego, a municipal corporation ("City"), and San Diego Gas & Electric Company, a California corporation ("SDG&E") is now amended and restated, effective this \_\_\_\_\_\_ day of 2025. The City and SDG&E may be referred to individually as a "Party" and collectively as "Parties."

## RECITALS

**WHEREAS**, the City has granted SDG&E a franchise to construct, maintain, and use poles, wires, conduits, and appurtenances for transmitting and distributing electricity in the streets of the City of San Diego ("Electric Franchise") effective for ten years as of July 8, 2021;

**WHEREAS**, the City has granted SDG&E a franchise to construct, maintain, and use pipes and appurtenances for transmitting and distributing gas in the streets of the City of San Diego ("Gas Franchise") effective as of July 8, 2021;

**WHEREAS**, the City has adopted an updated Climate Action Plan in 2022 with aggressive goals to reduce greenhouse gas ("GHG") emissions, and plans to amend and update its Climate Action Plan as required to achieve its aggressive goals;

**WHEREAS,** SDG&E has committed to cooperate in good faith on principles and policies for the attainment of the City's original Climate Action Plan and continues to do so under the updated 2022 Climate Action Plan;

**WHEREAS**, the City has adopted the 2024 Climate Resilient SD Plan, a comprehensive climate adaptation and resiliency plan, which will increase the City's ability to prepare for, respond to and recover from climate change-related impacts and improve local communities;

WHEREAS, SDG&E has made a climate pledge to achieve net zero emissions by 2045;

**WHEREAS**, in connection with the Electric Franchise and the Gas Franchise, and consistent with applicable laws and California Public Utilities Commission orders, the City and SDG&E desire to work cooperatively to provide clean, safe, reliable, and equitable energy to San Diego residents and to support the City's energy goals, especially with respect to the reduction of GHG emissions.

**WHEREAS**, the City and SDG&E acknowledge the success of the ongoing electric distribution undergrounding program and acknowledge that more work remains under the Undergrounding Memorandum of Understanding, which was executed in 2022 under the Electric Franchise.

WHEREAS, the successful implementation of the City's 2022 CAP and ongoing infrastructure and housing development depend on timely coordination with SDG&E and the utility infrastructure they manage, including coordination of City Construction Projects and energy infrastructure needs for existing facilities, and

**WHEREAS**, based upon the forgoing, the parties entered into an Energy Cooperation Agreement on May 25, 2021, the Parties now wish to amend and restate the Energy Cooperation Agreement.

**NOW, THEREFORE**, in consideration of the mutual promises and covenants contained herein, the receipt of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and consistent with all applicable laws, regulations and tariffs, the Parties hereby agree as follows:

- 1. **Cooperative, Unified Response**. The City and SDG&E agree that a cooperative, unified response is required to address the impacts of climate change, energy affordability, and environmental justice. Clean, safe, reliable, resilient, and equitable energy for San Diego residents is a shared goal of the Parties. The City and SDG&E agree to cooperate and work with other government agencies, private companies, and other interested parties to achieve 100% clean energy and net zero GHG emissions, which cooperation may include submission of applications, letters of support, and testimony.
- 2. Implementation Plan. The City and SDG&E will work together to develop an implementation plan outlining roles, processes, responsibilities, timelines, program, and development pathways, and estimated costs to achieve the goals and deliverables outlined in this Agreement within 120 days of San Diego City Council (City Council) approval ("Implementation Plan"). Once finalized, the Implementation Plan must be provided to the City Council and, when constituted, the Compliance Review Committee described in the Electric and Gas Franchises. The City and SDG&E will update and revise the Implementation Plan periodically.
- 3. Living Agreement. The City and SDG&E agree that developments in the energy field are moving quickly, and therefore, the Parties agree they must regularly assess this Agreement to review new technologies, new laws, and regulations that govern the delivery of energy. Every three years after the Effective Date, the City and SDG&E agree to convene a Cooperation Agreement Summit ("CAS"), chaired by the Mayor of the City and the President of SDG&E or their respective designees. The CAS will review the actions already taken under this Agreement, new developments since the Effective Date or previous CAS, and make mutually agreed upon changes to this Agreement that will be reflected in a CAS Report issued by the Parties at the end of each CAS. Any changes to this Agreement are subject to approval by the City Council. This Agreement shall terminate immediately upon the termination or forfeiture of either the Electric Franchise or Gas Franchise for any reason.
- 4. **Costs.** The City and SDG&E will cooperate to secure necessary authority or approvals for mutually agreeable projects and programs, as further described in the Implementation Plan. Funding for such projects and programs may include: (a) ratepayer funding pursuant to approval from the California Public Utilities Commission ("CPUC"); (b) funding from the California Energy Commission, local, state and federal grants; and (c) other sources. The Parties will cooperate to determine appropriate funding sources and necessary approvals for each project or program.
- 5. **Definitions**: As used in this Agreement, the following terms shall be defined as follows:
  - a. "Affordable Housing Projects" shall be defined as emergency shelters, permanent supportive housing, transitional housing, and projects where 100% of the total dwelling units, exclusive of a manager's unit or units, are covenant-restricted for a period of at least 55 years as affordable to very low-, low-, or moderate-income households.
  - b. "Day" or "days" shall mean business days.

- c. "**Distributed Energy Resources (DERs)**" shall mean an individual or a combination of energy technologies that are connected to the electricity system at the distribution level. These resources can be connected to a distribution utility's wires (i.e., "front of the meter") or directly to a customer's premises (i.e., "behind the meter"). DERs may include energy efficiency, energy storage, electric vehicles, demand response, renewable generation resources, and customer generation, such as rooftop solar.
- d. "Energization" shall mean connecting customers to the electrical distribution grid and establishing adequate electrical distribution capacity or upgrading electrical distribution or transmission capacity to provide electrical service for a new customer, or to provide upgraded electrical service to an existing customer.

### 6. Strategy 1: Decarbonization of the Built Environment

- a. Energy Benchmarking. SDG&E will provide information and assistance to City staff to support the continued implementation of AB 802 benchmarking and the CEC's associated regulations and requirements to track building energy efficiency in support of the City's Climate Action Plan. SDG&E will continue to provide Energy Star Portfolio Manager assistance to City staff in the implementation of the City's benchmarking programs.
- b. **Building Performance Standards.** In 2022, the City joined the White House's Building Performance Standards Coalition, a groundbreaking partnership aimed at creating cleaner, healthier, and more affordable buildings. To support in this effort, SDG&E will cooperate with City when City requests aggregate energy consumption data by customer class, consistent with Energy Data Access Rules (Rulemaking 08-12-009), to better inform the development of the building performance standards and contribute to a broader decarbonization roadmap.
- c. **Municipal Energy Strategy**. The City is seeking to implement its Municipal Energy Strategy by, among other things, reducing GHG emissions at all municipal facilities. Those efforts will require the City to review and prioritize potential projects which may assist the City in achieving the City's GHG emissions reduction goals. SDG&E will support the City's efforts by, upon request, providing historical energy consumption data reporting for specified municipal facilities; administer energy audits; and potentially identify appropriate energy efficiency measures and related incentives to cost-effectively reduce energy usage at up to 55 City-specified municipal facilities in the City's ESCO Portfolio 1, a copy of which shall be attached as Exhibit "A" to this Agreement. The Parties expressly recognize the individual facilities listed on Exhibit "A" may change over time and the City agrees to communicate to SDG&E any such changes. Support for additional City-specified facilities beyond the first group of 55 will be the subject of further consultation between the Parties.

Additionally, and upon request and the City's provision of necessary information relating to the scope or nature of any potential modification of up to the 55 City-specified municipal facilities, SDG&E will analyze then-existing electric infrastructure and capacity constraints of the existing distribution infrastructure, if any, relevant to the proposed modification of a particular municipal facility or related set of facilities.

SDG&E will also, upon request, provide general load analyses and the preliminary determination of any capacity expansions to the electrical distribution system which may be necessary to accommodate the scope of the proposed improvements to the City's specified facilities.

As part of the above process, SDG&E will also provide estimates related to scope and timeline necessary for the provision of electrical distribution infrastructure to accommodate the proposed improvements to the specified facilities or set or related set of facilities.

The Parties recognize that due to changing circumstances, including but not limited to neighborhood load requirements and available capacity, any technical analysis or infrastructure design may have limited applicability and may require update.

- d. **Support Electrification throughout the City.** In order to meet its ambitious CAP targets, the City depends on timely coordination with SDG&E for infrastructure upgrades. SDG&E will support Citywide electrification efforts and EV charging infrastructure installation by meeting at least 4 times a year to discuss project coordination, planning, prioritization, funding, and schedule of future City efforts to reach the targets identified in the 2022 CAP Strategy 1: Building Decarbonization such that electrical capacity is available when needed. City may invite San Diego Community Power ("SDCP") to participate in these meetings.
- e. Finalize & Refresh Central Dashboard for Energy Management. SDG&E will continue to maintain the centralized dashboard to manage City-wide energy usage from its facilities, meters and accounts. SDG&E will work with third-party implementers and energy audit experts to support the City in reducing energy use where possible.
- f. Affordable Housing. SDG&E understands that utility design and coordination is critical to ensuring a steady supply of new housing in the City, and that the City is focused on enhancing housing supply. SDG&E agrees to pursue operational enhancements related to more rapid Affordable Housing Permit Now projects, including working toward Energization timelines as defined in the CPUC's Energization Rulemaking proceedings R.24-01-018, Decision 24-09-020. In order to support SDG&E infrastructure assessments in the Affordable Housing Permit Now program, the City agrees to share with SDG&E which projects have been approved to participate in the program and do so in the earliest manner reasonable. The City and SDG&E will each name a designated representative, who will communicate about how and how frequently to exchange this information.
- g. Encourage Diversity in Local Clean Energy Workforce. SDG&E will aid local workforce development programs serving underserved populations to launch the careers and to develop the next generation of clean energy infrastructure leaders. SDG&E will continue to support programs for existing workers in the energy field so they are well suited to the evolving energy landscape.

## 7. Strategy 2: Access to Clean and Renewable Energy

a. Equity-Focused Solar Expansion: SDG&E shall work with the City's Environment

Committee to define the program, outcomes, timeline around the equity- focused solar program. SDG&E shall execute the approved program with non-profit organization of SDG&E's choosing to build a program or supplement an existing program designed to increase the number of income-qualifying residential customers with access to solar. SDG&E commits to spend \$1,000,000 of annual shareholder contributions in each of the first ten City fiscal years the Electric Franchise is in effect. As a condition of its contribution to the non-profit organization, SDG&E will require the non-profit organization to make available unused funds from a given year in future years. Such funds may be used for incentives, refunds, equipment, labor, program management and administration.

- b. San Diego Community Power. SDG&E supports customer choice and the transition of energy procurement to local or state control. SDG&E agrees to follow the CCA Code of Conduct and to provide SDCP grid services and customer information in accordance with SDG&E Tariff Rule 27, or any successor thereto, as well as with any applicable CPUC orders and decisions. SDG&E has formed and will continue to support a dedicated team to be the primary interface between SDG&E and staff from SDCP and other CCAs. SDG&E shares a goal with SDCP of making the customer experience as transparent and consistent as possible.
- c. **Cooperate and Collaborate with SDREN**. SDG&E will continue to cooperatively work with the City, SDCP and third-party statewide implementers on existing energy efficiency and demand response programs. SDG&E will work cooperatively with San Diego Regional Energy Network (SDREN) to support the launch of SDREN's energy efficiency programming in late 2024 and throughout 2025 and will continue to work with SDREN to avoid program overlap. SDG&E agrees to participate in regular meetings and workshops with SDREN to effectuate these goals.
- d. **Microgrid Development.** SDG&E will cooperate with the City and SDCP, when requested, to assist in the review of potential microgrid projects. To the extent that the City or SDCP identifies microgrid projects, SDG&E will share with the City SDG&E's expertise relating to facility and community-level microgrids to improve the resiliency of selected City facilities and neighborhoods. If a mutually agreed project is identified, SDG&E will, if applicable, submit an application to the CPUC seeking any required approval for such project. The City agrees that it will make reasonable efforts to support such applications at the CPUC.
- e. **Energization.** In alignment with the reporting requirements in the CPUC's Final Decision D.24-09-020, SDG&E will provide biannual Energization Reports to the City.
- f. Energy Assistance within Communities of Concern. SDG&E will work with the City, SDCP, and SDREN to continue outreach to low-income and hard-to-reach residential customers eligible for SDG&E's Energy Savings Assistance programs and other state and federal programs for low-income customers via targeted marketing and other appropriate mechanisms. At SDREN or SDCP's request, SDG&E will meet with City staff and SDREN or SDCP to identify potential areas of collaboration and coordination on behalf of low-income customers in Communities of Concern, such as weatherization projects, appliance exchanges and broad building retrofits.

- g. Cooperation on Distributed Energy and Load Management Projects. The City is electrifying municipal facilities and deploying behind-the-meter flexible loads that can support a balanced distribution grid and the potential deferral of distribution investments by SDG&E. SDG&E and the City will meet twice a year, to explore possible pilot projects that leverage the increasing scope of flexible municipal loads as non-wire alternative solutions that deliver coordinated distributed energy resources and load management solutions. If SDG&E and the City seek to move forward with such projects, SDG&E will make reasonable efforts to support the City's efforts to obtain applicable third-party funding, incentives, and ancillary services compensation. The City agrees that it will support any application at the CPUC or with other applicable state or federal agencies, if applicable.
- h. **Support and Expand Clean Transportation Efforts**. To support the City's planning for electric vehicle charging for the public, workforce, and fleet, and upon request SDG&E will assist in the analysis of the electric vehicle infrastructure for City projects by providing point-in-time circuit capacity on the circuit at the project location. The Parties recognize that due to changing circumstances, including but not limited to neighborhood load requirements and available capacity, any technical analysis or infrastructure design may have limited applicability and may require update. Should a potential project proceed beyond planning, and upon the City and SDG&E entering into a standard agreement for work on a project, and to allow for the timely delivery of a City project which includes Clean Transportation elements, SDG&E will perform the project-level load analyses of the electrical load expansions and necessary utility-side, make-ready infrastructure improvements in a timely manner.

SDG&E will support City efforts to participate in EV charging utility programs and financial incentives for fleets of all vehicle classes and help identify additional opportunities to offset costs of new EV charging infrastructure. SDG&E also will support the Public EV Charging Program, including partnerships and joint-use sites such as schools, parks, and open space.

SDG&E agrees to consider the implementation of new pilot programs, subject to available resources and CPUC approval, for additional vehicle electrification programs in and around the City. After SDG&E has assessed the electrical infrastructure needs of such projects, the City and SDG&E will work to allocate costs for such pilot projects based on applicable tariffs and CPUC Decisions or Orders.

#### 8. Strategy 4: Circular Economy and Clean Communities

a. **Expand Green Waste Recycling**. If either SDG&E or the City identifies a new vendor open to receiving green waste, which can help reduce the City's carbon footprint by diverting waste from landfills, the parties will share such vendor with each other. Furthermore, SDG&E and the City will investigate the opportunity to utilize this diverted waste as a fuel source as such technologies become available and feasible, potentially reducing GHG emissions.

#### 9. Strategy 5: Resilient Infrastructure and Healthy Ecosystems

a. **Enhanced Tree Planting**. SDG&E will continue to support the City's tree planting efforts through SDG&E's Right Tree, Right Place program (or successor programs),

and identify additional tree planting locations, assist with tree species ideas, and provide technical support through SDG&E's highly trained arborists. SDG&E plans to supplement the City's efforts with direct in-community charitable support for planting at least 2,500 trees in the City in the ten years following the Effective Date. The City may claim any GHG credits that may be earned for these programs.

- b. Wildfire Safety. SDG&E will continue to develop and refine its nation leading weather network to provide hyper-localized situational awareness of potential weather threats to residents, businesses, the energy delivery system and the region. SDG&E will continue to provide fire-fighting air resources to protect the City and SDG&E's entire service territory. SDG&E will investigate the deployment of weather stations and other technologies, such as tools to measure vegetation growth, color and hydration to further inform SDG&E's state-of-the art fire risk index, as well as monitoring canyons where fires may be more likely to ignite and spread quickly. This information will be shared with City and County fire departments to provide real-time data for pending weather events and to create additional situational fire awareness.
- c. Increase Safety and Resiliency through Energy Intelligence. SDG&E will share intelligence and data from SDG&E meteorology teams and academic research partners identifying the areas of the City where undergrounding may be most beneficial for wildfire mitigation to inform the City's sequencing of undergrounding projects.
- d. Facilitate the Development and implementation of a virtual City Emergency Operations Center (EOC). SDG&E will provide expertise necessary to demonstrate how Microsoft Teams software can provide an effective and resilient virtual EOC. SDG&E currently uses Microsoft Teams for its own virtual EOC and is willing to share its user experience with that program.
- e. Wildfire Outreach Upon invitation, SDG&E staff will also attend town council and other public meetings to discuss SDG&E's approach to wildfire management and share best practices for wildfire safety, including following public-safety power shut-off events.
- f. **Develop Resiliency Review**. SDG&E and the City will collaborate to share climate datasets and review the resiliency of the City's existing infrastructure enabling the City to better manage, mitigate or adapt to the impacts of climate change, especially with respect to wildfires, extreme heat, and sea level rise.

#### 10. Strategy 6: Emerging Climate Actions

- a. **GHG Reduction Analysis**. City and SDG&E shall work collaboratively to identify and study areas where electrification can be accelerated towards the achievement of the City's climate action goals, while keeping affordability in mind and without causing economic disruption.
- b. **State & Federal Grants**. The City and SDG&E will research available local, state and federal government and agency grants to identify projects that could help the

City meet its climate action, equity and resiliency goals, with a focus on communities of concern, including grants or programs from the California Energy Commission, CPUC and the Department of Energy.

- 11. **Ensuring Transparency**. SDG&E will offer to provide informational opportunities to ensure elected and appointed officials as well as members of the public understand SDG&E's operations and role in the community and region including SDG&E's support for the City's goals.
  - a. Legislative and Regulatory Action: On a monthly basis, SDG&E will provide the Mayor's Office, or its designee, a list of the titles of all Applications filed by SDG&E with the CPUC in the prior month, if any. SDG&E will also provide a monthly list of all Proceedings opened by the CPUC in the previous month that involve SDG&E, if any. SDG&E shall offer to meet with City's legislative or governmental affairs team twice a year to discuss legislative activities.
  - b. Public Power Feasibility Study. SDG&E will be cooperative and responsive to commercially-reasonable requests for information or for coordination from the City and its consultants to allow the City to further its analysis on Phase II of the Public Power Feasibility Study. Upon request by SDG&E, City will facilitate timely meetings or other direct consultation between SDG&E and the City's consultants retained to conduct a Public Power Feasibility Study. To be helpful, any such meetings or direct consultation should allow reasonable time for the City's consultants to utilize such discussions or information obtained in their analysis.
  - c. **Rate Transparency**. Once a year, an SDG&E executive shall offer to present to the City Council on current and forecasted average electric rates for all customer classes and the associated impact to unbundled residential electric bills. The presentation could also include plans to address electric affordability.
  - d. **City Council Committee Presentations.** Once a year, SDG&E shall offer to present to the appropriate City Council Committee the following presentations on one day:
    - Undergrounding. Presentation on the status of undergrounding projects, and 20SD undergrounding fund collections together with the City's Transportation Department.
    - **Supporting Customer Equity.** A status update on the distribution of regulated public purpose program (PPP) funds within the City, including customer enrollments in CARE, FERA, LIHEAP, energy efficiency, lighting programs, demand response and others as appropriate.
    - **Supporting Climate Equity**. The ways SDG&E is supporting the City's Climate Action Plan goals through major energy projects and the distribution of regulated public purpose programs, and on the implementation of this Agreement.
  - e. Supporting Municipal Staff & Operations. Four times a year, an Officer of

SDG&E shall offer to meet with the City's Chief Operating Officer (or designees, if requested by the COO), to discuss infrastructure projects, coordination on facility movement and relocation, municipal energy bills, account questions/management, and other topics of mutual concern. The COO, or designated City staff, will submit a memo to the appropriate City Council Committee providing an overview of the quarterly meetings with SDG&E.

- f. **Compliance Review Committee**. At least once a year, upon request, SDG&E will provide an update to the Compliance Review Committee on the implementation of this Agreement. Both parties confirm that the Compliance Review Committee did not request SDG&E to present in 2024.
- 12. Legal and Regulatory Environment. The City and SDG&E operate within a legal and regulatory framework, including all applicable laws, tariffs, CPUC orders and decisions that governs the topics in this Agreement. For example, there are numerous federal and state laws governing the procurement, transmission and distribution of electricity and gas. As an electrical and gas corporation, SDG&E is heavily regulated by the CPUC, which sets the rates, terms and tariffs under which SDG&E provides utility services to customers. The Federal Energy Regulatory Commission regulates SDG&E's transmission of electricity and natural gas. All Parties' efforts under this Agreement must be consistent with these laws and regulations, including funding for programs and projects.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed, for and on behalf of each, by their duly authorized agents, officers or representatives, as of the Effective Date.

CITY OF SAN DIEGO	SAN DIEGO GAS & ELECTRIC COMPANY
By:	By:
Title:	Title:

Facility Name	Address
ALLIED GARDEN/BENJAMIN LIBRARY	5188 Zion Ave.
CANYONSIDE	12350 Black Mountain Road
CARMEL MOUNTAIN RANCH	12095 World Trade Dr.
CARMEL MOUNTAIN RANCH	10152 Rancho Carmel Dr.
CARMEL VALLEY	3919 Townsgate Dr.
CENTRAL DIVISION	2501 Imperial Ave.
CENTRAL-MAIN (NEW)	330 Park Blvd.
CESAR CHAVEZ	455 Sycamore Road
CITY HEIGHTS	4380 Landis St.
CITY HEIGHTS WEINGART	3795 Fairmont Ave.
COLINA DEL SOL	5319 Orange Ave.
COLLEGE ROLANDO LIBRARY	6600 Montezuma Road
DOYLE COMMUNITY	8175 Regents Road
EASTERN DIVISION	9225 Aero Dr.
ENCANTO	6508 Wunderlin Ave.
FIRE STATION 10	4605 62nd St.
FIRE STATION 11	945 25th St.
FIRE STATION 12	4964 Imperial Ave.
FIRE STATION 20	3305 Kemper St.
FIRE STATION 24	13077 Hartfield Ave.
FIRE STATION 31	6002 Camino Rico
FIRE STATION 32	484 Brairwood
FIRE STATION 35/NORTHERN POLICE	4285 Eastgate Mall
FIRE STATION 37	11640 Spring Canyon Road
FIRE STATION 38	8441 New Salem St.
FIRE STATION 42	12119 World Trade Dr.
FIRE STATION 44	10011 Black Mountain Road
FIRE STATION 45	9366 Friars Road
FIRE STATION 46	14556 Lazanja Dr
FLORENCE RIFORD LA JOLLA	7555 Draper Ave.
KEARNY MESA	3170 Armstrong St.
LINDA VISTA	7064 Levant St.
LINDA VISTA NEW	2160 Ulric St.
LOGAN HEIGHTS BRANCH	567 So. 28th St.
MALCOLM X	5148 Market St.
MIRA MESA	8405 New Salem St.
MIRAMAR OPERATIONS COMPLEX	8353 Miramar Place
MISSION VALLEY	2123 Fenton Pkwy.
MORLEY FIELD	Near The Velodrome
MOUNTAIN VIEW	641 S. Boundary St.
NOBEL ATHLETIC	8810 Judicial Dr.
NORTH PARK	4044 Idaho St.

## **EXHIBIT "A"** ESCO Portfolio 1 dated January 29, 2025

NORTH UNIVERSITY CITY	8820 Judicial Dr.
NORTHWESTERN DIVISION	12592 El Camino Real
OTAY MESA	3003 Coronado Ave.
PACIFIC BEACH EARL/BIRDIE TAYLOR	4275 Cass St.
RANCHO BERNARDO	17110 Bernardo Center Dr.
RIDGEHAVEN	9601 Ridgehaven Court
SCRIPPS RANCH	11454 Blue Cypress Dr.
SKYLINE HILLS	7900 Paradise Valley Rd
SOUTHER DIVISION	1120 27th St.
TIERRASANTA REC CENTER & POLL	11220 & 12238 Clairemont Mesa Blvd.
UNIVERSITY HEIGHTS	4193 Park Blvd.
VISTA TERRACE POOL CAMPUS (C0166)	301 Athey Ave.
WESTERN DIVISION	5215 Gaines St.