

Board of Directors Meeting Agenda

February 20, 2020, 2 p.m.

City of Solana Beach | City Council Chambers
635 S. Highway 101 | Solana Beach, CA 92075

CALL TO ORDER & ROLL CALL

FLAG SALUTE

PUBLIC COMMENT

Time is provided so members of the public can address the Board on items that are not listed on the agenda. Speakers are limited to three (3) minutes each. In conformance with the Brown Act, no Board action can occur on items presented during Public Comment. If you desire to speak during Public Comment, fill out a SPEAKER CARD and submit it to the Board Secretary. When you are called to speak, please come forward to the podium and state your name.

BOARD COMMENTS & ANNOUNCEMENTS

PRESENTATIONS

APPROVAL OF MINUTES:

Minutes of the Special Meeting held November 19, 2019
Minutes of the Regular Meeting held December 19, 2019

NEW BUSINESS

Item 1: Interim CEO Update

RECOMMENDATION

1. Receive Community Choice Aggregation Update report from Interim CEO.
2. Select Board Member to represent CEA at meeting with California Public Utilities Commission.

Item 2: Request for Proposal #2020-001 Permanent Banking Services and Credit Solutions Selection

RECOMMENDATION

1. Approve selection of River City Bank to provide permanent banking services to Clean Energy Alliance.

2. Authorize the Interim Chief Executive Officer to execute an agreement for banking services, for a three-year term, with the option to extend for two additional years, subject to General Counsel approval.
3. Authorize the Interim Chief Executive Officer and Interim Treasurer to develop a funding strategy for initial Clean Energy Alliance start-up costs and return to April 2020 for Board consideration.

Item 3: Request for Qualifications #2020-002 Clean Energy Alliance Technical Consultant Services Selection

RECOMMENDATION

Approve selection of CEA technical consultant and authorize Interim Chief Executive Officer to execute an agreement, for an amount not to exceed \$, subject to General Counsel approval.

Item 4: Request for Proposal #2020-003 Data Manager/Call Center Services Selection

RECOMMENDATION

Approve selection of Data Manager/Call Center Services provider and authorize Interim Chief Executive Officer and General Counsel to negotiate agreement for an amount not to exceed

Item 5: Authorize Execution of San Diego Gas & Electric Community Choice Aggregation Service Agreement; Payment of Community Choice Aggregation Bond and Submittal of Draft Customer Notice to California Public Utilities Commission

RECOMMENDATION

1. Authorize execution of Community Choice Aggregation (CCA) Service Agreement with San Diego Gas & Electric.
2. Approve CCA Bond, in an amount not to exceed \$147,000, to the California Public Utilities Commission (CPUC), pursuant to CPUC Resolution E-4907.
3. Approve submittal of draft customer notice to California Public Utilities Commission pursuant to CPUC Resolution E-4907.

Item 6: Adopt Resolution Approving Clean Energy Alliance Policies

RECOMMENDATION

Adopt Resolution #2020-### approving Clean Energy Alliance policies related to travel and reimbursement, customer confidentiality and privacy and collections:

1. CEA -001 Travel and Reimbursement Policy
2. CEA-002 Protection of Confidential Information
3. CEA-003 Privacy and Customer Confidentiality Policy
4. CEA-004 Advanced Metering Infrastructure (AMI) Data Security and Privacy Policy
5. CEA-005 – CEA Collections Policy

BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS

ADJOURN

NEXT MEETING: March 19, 2020, 2 p.m., City of Carlsbad, City Hall (1200 Carlsbad Village Dr)

Reasonable Accommodations

Persons with a disability may request an agenda packet in appropriate alternative formats as require by the Americans with Disabilities Act of 1990. Reasonable accommodations and auxiliary aids will be provided to effectively allow participation in the meeting. Please contact the Carlsbad City Clerk's Office at 760-434-2808 (voice), 711 (free relay service for TTY users), 760-720-9461 (fax) or clerk@carlsbadca.gov by noon on the Monday before the Board meeting to make arrangements.

Public Comment

Members of the public may speak on any Authority related item that does not appear on the agenda. State law prohibits the Board from taking action on items not listed on the agenda. Comments requiring follow up will be referred to staff and, if appropriate, considered at a future Board meeting. Members of the public are also welcome to provide comments on agenda items during the portions of the meeting when those items are being discussed. In both cases, a request to speak form must be submitted to the Board Secretary.

Written Comments

To submit written comments to the Board, please contact the Carlsbad City Clerk's office at clerk@carlsbadca.gov or in person at 1200 Carlsbad Village Drive. Written materials related to the agenda that are received by 5:00 p.m. on the day before the meeting will be distributed to the Board in advance of the meeting and posted on the Authority webpage. To review these materials during the meeting, please see the Secretary

**Clean Energy Alliance - Board of Directors
Meeting Minutes
November 19, 2019 - 10 a.m.**

**Carlsbad City Hall – City Council Chamber
1200 Carlsbad Village Drive, Carlsbad, CA 92008**

CALL TO ORDER: 10 a.m.

ROLL CALL: Schumacher, Haviland, Becker

FLAG SALUTE

Chair Schumacher led the Pledge of Allegiance.

PUBLIC COMMENT

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Carlsbad Unified School District Superintendent requested that the JPA collaborate with the school district regarding energy rates.

Minute Motion by Chair Schumacher, second by Vice Chair Haviland for the JPA to engage in conversations with the Carlsbad Unified School District regarding energy rates. Motion carried unanimously, 3/0.

Debra Schade, representing Solana Beach School District, also encouraged the JPA to engage in conversations regarding energy rates.

Kathy Rallings encouraged the Board to consider market rate for energy generation.

BOARD COMMENTS & ANNOUNCEMENTS

Chair Schumacher commented that she would be attending the SANDAG Energy Working Group meeting on Thursday, November 21.

PRESENTATIONS

Beth Vaughn, Executive Director, California Community Choice Association (CalCCA) provided a PowerPoint presentation (on file in the office of the Board Secretary). Ms. Vaughn gave an overview of the following:

- CalCCA's Role in relation to the JPA
- Regulatory and Legal Challenges
- CCA Compliance Requirements
- Regulatory and Legislative Engagement
- 2020 Anticipated Legislative Priorities
- Range of CCA Customer Programs

NEW BUSINESS

Item 1. Review Draft Clean Energy Alliance Implementation Plan & Statement of Intent and Schedule Public Hearing for Adoption

RECOMMENDATION:

Review and provide input on the draft Clean Energy Alliance Implementation Plan, and schedule a public hearing for adoption on December 19, 2019.

Barbara Boswell presented the report and reviewed a PowerPoint presentation (on file in the office of the Board Secretary).

Katie Scanlon, speaking on behalf of San Diego Gas & Electric (SDG&E), stated that SDG&E will soon be replacing their billing system and requested that the JPA meet with the SDG&E Systems Team to discuss timing of the implementation plan.

Minute Motion by Chair Schumacher, seconded by Vice Chair Haviland, to add Joint Powers Authorities as an alternative partnership for energy resources in Section 6.2 – Resource Plan Overview. Motion carried unanimously, 3/0.

Motion by Board Member Haviland, seconded by Board Member Becker to set the Public Hearing date for December 19, 2019. Motion carried unanimously, 3/0.

Item 2. Approve Agreement Among the Clean Energy Alliance and the Cities of Carlsbad, Del Mar and Solana Beach Providing for the Payment and Reimbursement of Initial Costs

RECOMMENDATION:

Approve an agreement among the Clean Energy Alliance and the cities of Carlsbad, Del Mar and Solana Beach providing for the payment and reimbursement of initial costs.

City of Carlsbad Assistant to the City Manager Jason Haber presented the agenda item and reviewed a PowerPoint presentation (on file in the office of the Board Secretary).

Motion by Board Member Becker, seconded by Vice Chair Haviland, to approve the agreements between the Clean Energy Alliance and the Cities of Carlsbad, Del Mar and Solana Beach providing for the payment and reimbursement of initial costs as amended to change in Section 1 the term to June 30, 2024. Motion carried unanimously, 3/0.

Item 3. Authorize Establishment of Interim Bank Account and Issuance of Request for Proposal for Credit and Banking Services

RECOMMENDATION:

Authorize the establishment of an interim bank account at Union Bank and the issuance of a Request for Proposal for Credit and Banking Services.

City of Solana Beach Assistant City Manager Dan King presented the agenda item and reviewed a PowerPoint presentation (on file in the office of the Board Secretary).

Motion by Board Member Becker, seconded by Vice Chair Haviland, to authorize the establishment of an interim bank account at Union Bank and the issuance of a Request for Proposal for Credit and Banking Services. Motion carried unanimously, 3/0.

Item 4. Adopt Resolution No. 19-002 Setting the Time and Place for Clean Energy Alliance Board Meetings

RECOMMENDATION:

Adopt Resolution No. 19-002 Setting the Time and Place for Clean Energy Alliance Board meetings.

City of Carlsbad Assistant to the City Manager Jason Haber presented the agenda item and reviewed a PowerPoint presentation (on file in the office of the Board Secretary).

Motion by Vice Chair Haviland, seconded by Board Member Becker, to adopt Resolution No. 19-002. Motion carried unanimously, 3/0.

Item 5. Clean Energy Alliance Website and Interim Process for Receipt/Distribution of Public Written Comments

RECOMMENDATION:

Select a preferred website address and provide direction concerning an interim process for the receipt and distribution of public written comments to the Clean Energy Alliance.

City of Del Mar Environmental Sustainability and Special Projects Manager Clem Brown presented the agenda item and reviewed a PowerPoint presentation (on file in the office of the Board Secretary).

Motion by Vice Chair Haviland, seconded by Board Member Becker, to select www.thecleanenergyalliance.org as the preferred Clean Energy Alliance website. Motion carried unanimously, 3/0.

CLOSING COMMENTS

In response to an inquiry from Board Member Becker, Legal Counsel Stepanicich stated that he would be present at the next couple Board meetings.

ADJOURNMENT:

Chair Schumacher adjourned the duly noticed Meeting at 11:35 a.m.

Sheila R. Cobian, MMC
Interim Board Secretary

**Clean Energy Alliance - Board of Directors
Meeting Minutes
December 19, 2019 - 2 p.m.**

**Carlsbad City Hall – City Council Chamber
1200 Carlsbad Village Drive, Carlsbad, CA 92008**

CALL TO ORDER: 2 p.m.

ROLL CALL: Schumacher, Haviland, Becker

FLAG SALUTE

Board Member Becker led the Pledge of Allegiance.

PUBLIC COMMENT

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Dr. Phil Watts suggested that the Board direct staff to have conversations relating to the role of an energy advisor that could be available to the Board.

BOARD COMMENTS & ANNOUNCEMENTS

None.

PRESENTATIONS

None.

NEW BUSINESS

Item 1: Public Hearing for Clean Energy Alliance Community Choice Aggregation Implementation Plan and Resolution Approving Clean Energy Alliance Implementation Plan & Statement of Intent

RECOMMENDATION:

1. Conduct Public Hearing to consider the Clean Energy Alliance (CEA) Community Choice Aggregation Implementation Plan & Statement of Intent.
2. Adopt a Resolution approving the CEA Community Choice Aggregation Implementation Plan and Statement of Intent.
3. Direct staff to file the Implementation Plan and Statement of Intent with the California Public Utilities Commission no later than December 31, 2019.

City of Solana Beach Assistant City Manager Dan King introduced Barbara Boswell, of Bayshore Consulting Group, Inc., to present the agenda item and review a PowerPoint presentation (on file in the office of the Board Secretary).

Chair Schumacher opened the duly noticed Public Hearing at 2:12 p.m.

Josh Brock of Calpine Energy Solutions spoke in support of staff's recommendation.

Seeing no one else wishing to speak, Chair Schumacher closed the duly noticed Public Hearing at 2:15 p.m.

Motion by Vice Chair Haviland, seconded by Board Member Becker, to adopt Resolution No. 2019-003 approving the CEA Community Choice Aggregation Implementation Plan and Statement of Intent and directed staff to file the Implementation Plan and Statement of Intent with the California Public Utilities Commission no later than December 31, 2019. Motion carried unanimously, 3/0.

Item 2: Selection of Interim Chief Executive Officer for Fiscal Year 2019/2020

RECOMMENDATION:

1. Direct General Counsel to negotiate an agreement with the Bayshore Consulting Group, Inc. (Bayshore) for professional services to fulfill the duties of interim Chief Executive Officer (CEO) for the Clean Energy Alliance (CEA) for Fiscal Year 2019/2020; and
2. Authorize the CEA Board Chair to execute the agreement for a not to exceed amount of \$50,000.

City of Carlsbad Intergovernmental Affairs Director Jason Haber presented the agenda item and reviewed a PowerPoint presentation (on file in the office of the Board Secretary).

Motion by Vice Chair Haviland, seconded by Board Member Becker, to direct General Counsel to negotiate an agreement with the Bayshore Consulting Group, Inc. (Bayshore) for professional services to fulfill the duties of interim Chief Executive Officer (CEO) for the Clean Energy Alliance (CEA) for Fiscal Year 2019/2020; and, Authorize the CEA Board Chair to execute the agreement for a not to exceed amount of \$50,000. Motion carried unanimously, 3/0.

CLOSING COMMENTS

Board discussion ensued regarding the desire to engage community participation through advisory committees.

Minute Motion by Vice Chair Haviland, seconded by Chair Schumacher, to place on an upcoming agenda an overview of the community choice aggregation roadmap, discussion of role and timing of committees and new member attraction strategy. Motion carried unanimously, 3/0.

Minute Motion by Chair Schumacher, seconded by Board Member Becker to place on a future agenda an item to discuss branding and logos for Clean Energy Alliance Joint Powers Authority. Motion carried unanimously, 3/0.

City of Carlsbad Intergovernmental Affairs Director Jason Haber provided an overview of the Clean Energy Alliance Joint Powers Authority website located at the following web address: <https://www.thecleanenergyalliance.org/>

ADJOURNMENT:

Chair Schumacher adjourned the duly noticed Meeting at 2:45 p.m.

Sheila R. Cobian, MMC
Interim Board Secretary

Staff Report

DATE: February 20, 2020

TO: Clean Energy Alliance Board of Directors

FROM: Barbara Boswell, Interim Chief Executive Officer
Ty Tosdal, Special Counsel, Tosdal APC

ITEM 1: Operational, Administrative and Regulatory Affairs Update

RECOMMENDATION:

1. Receive and file the operational, administrative and regulatory affairs update.
2. Select Board Member to represent CEA at meeting with California Public Utilities Commission.

BACKGROUND AND DISCUSSION:

This report provides an update to the Clean Energy Alliance (CEA) Board regarding the status of the operational, administrative and regulatory affairs activities.

OPERATIONAL UPDATE

CEA is meeting its milestones for the implementation of its community choice aggregation (CCA) program and is on track to begin serving customers in May 2021.

Implementation Plan & Statement of Intent

At its December 19, 2019 meeting, the CEA Board approved the Community Choice Aggregation (CCA) Implementation Plan and Statement of Intent. The document was submitted to the California Public Utilities Commission (CPUC) for review and certification on December 23, 2019. This date starts the 90-day clock for the CCA registration process. The Implementation Plan was also served on the appropriate CPUC proceeding service lists. The next steps include developing a draft customer notice to submit to the CPUC Public Advisors Office, which is due by February 21, 2020; executing the San Diego Gas & Electric (SDG&E) CCA Service Agreement and submitting to the CPUC along with the CCA bond payment.

Staff recommends that CEA schedule an in-person meeting to meet with the CPUC Energy Division at their offices in San Francisco to introduce our program and goals, discuss the transition of Solana Energy Alliance customers to CEA service, and to answer questions they may have.

Expansion of Clean Energy Alliance

At its Board meeting on January 16th, the Board directed staff to continue to communicate with agencies interested in implementing CCA programs, or who have already completed feasibility studies in SDG&E territory. CEA was invited to speak at the South Orange County Community Choice Alliance workshop regarding lessons learned and potential opportunities with neighboring cities. Jason Haber and Greg Wade are scheduled to speak at the meeting, scheduled for February 20, 2020.

The cities of Escondido, San Marcos and Vista have engaged a consultant for a CCA feasibility study. Staff has been in touch, and will continue to be in touch, with this group as they move through their feasibility process.

Staff is also continuing to have discussions with the County of San Diego and Oceanside regarding their efforts in evaluating CCA in their areas.

Banking Services Request for Proposal

Pursuant to CEA Board direction of November 11, 2019, a request for proposal for permanent banking services and credit solution was issued on January 15, 2020, with responses due Friday February 7, 2020 and results are being brought to the Board at its February 20, 2020 meeting.

Technical Consultants Request for Qualifications (RFQ) & Data Management Request for Proposal (RFP)

The CEA Board authorized a RFQ for Technical Consultant and RFP for Data Management/Call Center Services at its January 16, 2020 meeting. The RFQ and RFP were issued, with responses due February 10, 2020 and results being brought to the Board at its February 20, 2020 meeting.

ADMINISTRATIVE UPDATE

Administrative Policies

Staff will be developing administrative policies and bringing them forward for Board consideration over the next several meetings. These policies include customer confidentiality and privacy, non-energy contracting/procurement policy, as well as policies to ensure appropriate procedures and controls are in place for a new organization.

REGULATORY UPDATE

A regulatory update will be provided to the Board highlighting current CPUC proceedings of interest to CEA.

ATTACHMENTS:

CEA Timeline of Action Items

**Clean Energy Alliance
Timeline of Action Items**

Timing	Date Completed	Description	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20
12/19/19	12/19/19	Appoint Interim Executive Director							
12/19/19	12/19/19 & 12/23/19	Approve & File Implementation Plan & Statement of Intent							
1/16/20		Direction on Banking and Credit Solutions							
1/16/20		Authorize RFP for Technical Consultant to Assist with Regulatory Filings							
1/16/20		Authorize RFP for Data Manager/Call Center							
1/16/20		CEA Public Outreach and Marketing Kickoff							
1/20/20		Issue RFP for Technical Consultant & Data Manager							
2/20/20		Select Financial Institution & Approve Financing Plan							
2/20/20		Select Technical Consultant to Assist with Regulatory Filings							
2/20/20		Select Data Manager							
2/20/20		Staff Develop & Submit Draft Customer Notice to CPUC							
2/20/20		Develop Renewable Portfolio Standards Procurement Plan							
2/20/20		Authorize Execution of Service Agreement with SDG&E							
3/19/20		Post CCA Bond with CPUC							
3/19/20		Execute Service Agreement with SDG&E & Submit to CPUC							
4/16/20		Develop FY 20/21 Staffing Plan							
4/16/20		CEA FY 20/21 Planning and Goal Setting Workshop							
4/23/20		Resource Adequacy Compliance Filing							
5/1/20		Draft CEA FY 20/21 Budget							
6/18/20		Adoption of FY 20/21 Budget							

Key:

Administrative
Implementation Plan Related
Regulatory Compliance

Staff Report

DATE: February 20, 2020

TO: Clean Energy Alliance Board of Directors

FROM: Barbara Boswell, Interim Chief Executive Officer
Marie Berkuti, Interim Treasurer

ITEM 2: Approve Selection of Permanent Banking Service Provider and Credit Solution

RECOMMENDATION:

1. Approve selection of River City Bank to provide permanent banking services to Clean Energy Alliance.
2. Authorize the Interim Chief Executive Officer to execute an agreement for banking services, for a three-year term, with the option to extend for two additional years, subject to General Counsel approval.
3. Authorize the Interim Chief Executive Officer and Interim Treasurer to develop a funding strategy for initial Clean Energy Alliance start-up costs and return in April 2020 for Board consideration.

BACKGROUND AND DISCUSSION:

At its November 19, 2019 meeting, the Clean Energy Alliance Board authorized the CEA Treasurer to establish an interim bank account and directed staff to issue a Request for Proposal (RFP) for permanent banking services and credit solution.

The RFP was issued on January 15, 2020, with proposals due February 7, 2020.

The following summarizes the responses received on February 7:

Financial Institution	Banking Services	Credit Solution	CCA Experience	Est Monthly Cost	Earnings Credit Rate	Est Bal to cover costs	Notes
Banc of California	Y	N	N	~ \$276/month	0.65%	\$500,000	First year banking fees waived \$2,500 conversion allowance for supplies
JPMorgan	Y	Y	N - Banking Y - Credit	~ \$310/month	1.05%	\$345,000	No banking experience with current CCAs.
MUFG Union Bank	Y	Y	N - Banking Y - Credit	~ \$1300/month	0.65%	\$3.0M	No banking experience with current CCAs.
River City Bank	Y	Y	Y	~ \$500/month	0.50%	\$1.2M	Waive banking fees through May 2021 Thorough understanding of CCA transactions Significant experience supporting current CCAs

Banking Services

The selection of a financial institution is a critical component of establishing CEA's lockbox as security for energy purchase transactions. As such, selecting a bank that is experienced with this arrangement and comfortable being a party to the anticipated security and intercreditor/collateral agent agreements is a key criterion in the selection process.

All four proposers can provide the operational banking services requested in the RFP and meet minimum credit rating and collateralization thresholds. Of the four, River City Bank stands out as the only financial institution with current experience providing banking services to operating CCAs that includes being a party to what is now the standard security and intercreditor/collateral agent agreements. Their proposal demonstrated a thorough understanding of the CCA business and daily transactions CEA will need to have supported once it is entering into energy procurement contracts and serving its customers.

River City Bank can provide the needed operational account for day to day business, a lockbox account that will receive daily deposits from San Diego Gas & Electric and be the source of collateral and payments to energy suppliers, as well as provide an interest bearing sweep account for idle funds, currently offering an interest rate of 1.97%.

Credit Solution

The RFP requested proposals to provide funding for the anticipated \$4.0M in initial start-up costs and offers to provide credit support for anticipated future energy procurement needs. Three institutions provided proposals in response to the request: JPMorgan, MUFG Union and River City Bank.

There are several different options available to CEA to provide the needed funding for the initial start-up costs, including a loan or line of credit from a financial institution, loans from 3rd parties such as vendors, and additional loans from member agencies.

It is recommended that the Interim Chief Executive Officer and Interim Treasurer evaluate the options and return to the Board in April 2020 with a proposed solution that would provide funding for the fiscal year 2020/21 start up and administrative costs. The solution should minimize cost to CEA while providing protections/limiting exposure to the member agency general funds.

Staff Report

DATE: February 20, 2020
TO: Clean Energy Alliance Board of Directors
FROM: Barbara Boswell, Interim Chief Executive Officer
ITEM 3: Approve Selection of Clean Energy Alliance Technical Consultant

RECOMMENDATION:

1. Approve selection of Pacific Energy Advisors to provide technical consulting services to Clean Energy Alliance.
2. Authorize the Interim Chief Executive Officer to execute an agreement for technical consulting services, for an amount not to exceed \$75,000 through June 30, 2020, with the option to extend through fiscal year 2020/21, for an additional amount of \$25,000, subject to General Counsel Approval.

BACKGROUND AND DISCUSSION:

At its January 16, 2020 meeting, the Clean Energy Alliance (CEA) Board authorized a Request for Qualifications (RFQ) for Technical Consultant. The RFQ was issued on January 21, 2020 with responses due February 10, 2020.

The Scope of Services identified the need for the following tasks to be completed as part of CEA's regulatory compliance requirements to be qualified to operate a community choice aggregation (CCA) program:

- Integrated Resource Plan
- Renewable Portfolio Standards Procurement Plan
- Year-Ahead Resource Adequacy Process
- Long-Term Renewable Energy Procurement
- Financial Pro-Forma Model
- Analysis of SDG&E rates and rate related proceedings

Responses were received from:

EES Consulting
MRW
Pacific Energy Advisors
ReSource Renewables
Siemens
Zglobal

Of the responses submitted, EES Consulting and Pacific Energy Advisors proposals reflected the greatest breadth of experience related to all the tasks requested in the RFQ. EES Consulting provides the full suite of services to 3 CCAs in California and proposed a single project team member that would be responsible for the tasks, with a back-up and support from the project lead. Pacific Energy Advisors (PEA) provides the full suite of tasks to 11 currently operating CCAs, with experience going back to 2003 with Marin Clean Energy. PEA proposes a team of 6 staff members, all of whom are cross-trained, to ensure deadlines are met, with a project lead that will ensure coordination between the team members for consistency in reporting.

Costs for scope of services in the RFQ:

CONSULTANT	FY 2019/20 FEES	TOTAL FEES
EES Consulting	\$54,000	\$106,000
Pacific Energy Advisors	\$75,000	\$100,000

Based on the RFQ responses and follow-up discussions, staff recommends Pacific Energy Advisors as the highest qualified firm to provide the scope of services as requested in the RFQ.

Sufficient funds are included in the fiscal year 2019/20 budget previously approved by the Board.

Staff Report

DATE: February 20, 2020
 TO: Clean Energy Alliance Board of Directors
 FROM: Barbara Boswell, Interim Chief Executive Officer
 ITEM 4: Approve Selection of Clean Energy Alliance Data Manager and Call Center Services

RECOMMENDATION:

1. Approve selection of Calpine Energy Solutions to provide data management and call center services to Clean Energy Alliance.
2. Authorize the Interim Chief Executive Officer to execute an agreement for data manager and call center services, for an amount not to exceed \$720,000 per year, for a period of five years, subject to General Counsel Approval.

BACKGROUND AND DISCUSSION:

At its January 16, 2020 meeting, the Clean Energy Alliance (CEA) Board authorized a Request for Proposal (RFP) for Data Management and Call Center Services. The RFP was issued on January 21, 2020 with responses due February 10, 2020.

The below summarizes the responses received:

Service Provider	Scope of Services Experience	Risk Related to SDG&E System Replacement	Fee - 5 year agreement	Average annual cost	Notes
Calpine Energy Solutions	15 operating CCAs	Low - currently providing CCA billing for SEA; provided work arounds for SDG&E limitations for SEA implementation and operations	\$1/Svc Acct/month	\$ 720,000	Significant Experience; Well suited to address issues that may come up related to SDG&E billing system upgrade; No fee until CEA serves customers; Can provide \$500,000 start up assistance at a low interest rate
EDMS	1 operating CCA	High - limited experience with serving CCAs and no CCA experience in SDG&E	\$.82/Svc Acct/Month	\$ 590,400	Limited CCA Experience; Strong focus on data analysis; Good opportunities to utilize data for programs, forecasting; Provide 3% of fee back to community programs.
GridX	1 operating CCA	High - limited experience with serving CCAs and no CCA experience in SDG&E	\$1/Svc Acct/month	\$ 720,000	Limited CCA Experience; Customers would enroll in 3 phases over 4 months Strong focus on data analysis; Developing program to provide data to go after DA market

Data management is a key function to CEA's success as a CCA. Accurately calculating the bill, having a high rate of success in submitting billing data to San Diego Gas & Electric, with accurate revenue coming back to CEA is essential. In the provision of services to customers, data management and call center operations are the primary touchpoints with customers; the monthly bill is the most frequent communication CEA will have with its customers, and the call

center is the first stop when a customer contacts CEA with a question. If we get this selection wrong, we risk impacting our success in enrolling and keeping customers.

In addition to demonstrating success in providing timely and accurate billing services and a high level of customer interaction through the call center, staff also evaluated the likelihood of the provider to be able to anticipate potential challenges or issues that could surface during implementation and operations related to the upcoming SDG&E billing system replacement, and the service providers ability to develop solutions and work arounds for those challenges to minimize impacts to our customers. Our primary concern is ensuring a seamless transition and good experience for CEA customers.

Based on the proposals submitted and follow up calls with the service providers, staff concluded that Calpine Energy Solutions would best be suited to meet the challenges of implementing CEA in a new SDG&E billing system environment, demonstrated a high level of success in timely and accurate billing in SDG&E territory and can provide a high level of service in meeting CEA's customer contact needs through the call center.

Calpine's experience in providing data management and call center services is unmatched among its competitors. CEA can leverage that experience in developing customer outreach strategies to minimize opt outs and is vital in ensuring a smooth implementation for CEA.

Staff Report

DATE: February 20, 2020

TO: Clean Energy Alliance Board of Directors

FROM: Barbara Boswell, Interim Chief Executive Officer

ITEM 5: Authorize Execution of San Diego Gas & Electric Community Choice Aggregation (CCA) Service Agreement; Payment of CCA Bond and Submittal of Draft Customer Notice to California Public Utilities Commission

RECOMMENDATION:

1. Authorize execution of Community Choice Aggregation (CCA) Service Agreement with San Diego Gas & Electric.
2. Approve CCA Bond, in an amount not to exceed \$147,000, to the California Public Utilities Commission (CPUC), pursuant to CPUC Resolution E-4907.
3. Approve submittal of draft customer notice to California Public Utilities Commission pursuant to CPUC Resolution E-4907.

BACKGROUND AND DISCUSSION:

California Public Utilities Commission Resolution E-4907 establishes a specific timeline and set of actions Clean Energy Alliance (CEA) must take in order to be eligible for certification as a CCA program. These actions include:

Execution of CCA Service Agreement with San Diego Gas & Electric (SDG&E) – CCAs are required to utilize the incumbent utility as the billing services provider to its customers, resulting in customers continuing to receive just one bill related to its electricity usage. The CCA Service Agreement (Attachment A) is a CPUC approved document which establishes the relationship between CEA and SDG&E for the provision of billing and collection services. As part of the CCA certification and registration process, CEA is required to execute and submit the Agreement to the CPUC.

CCA Bond Payment – As part of its CCA certification and registration process, CEA is required to make a “bond payment” that provides a funding source for SDG&E to tap into CEA suddenly discontinue serving customers resulting in the customers being immediately returned to SDG&E. The payment is to cover estimated administrative and procurement costs related to the return of the customers. This payment is currently set at \$100,000, however, a pending CPUC decision increases this payment to a minimum \$147,000, which is anticipated to be implemented in the next few months. Staff recommends approving the new higher amount at this time, to provide the ability for staff to comply with the requirement once the CPUC

implements the Decision. The payment of the CCA bond was anticipated and included in the CEA board approved FY 2019/20 budget.

Draft CEA Customer Notice – The final administrative step in complying with the requirements related to CCA certification and registration is submittal of a draft customer notice to the CPUC Public Advisors Office for their review and comment. The draft notice (Attachment B) has been developed from a recently CPUC approved draft customer notice. The language in the notice will become part of CEA’s communications to customers advising customers of CEA’s service and the customer’s rights related to service options.

With CEA Board approval of these actions, and subsequent filing with the CPUC, CEA will have completed the administrative steps necessary to have its Implementation Plan certified and become a registered CCA.

Attachment

Attachment A – San Diego Gas & Electric CCA Service Agreement

Attachment B – Clean Energy Alliance Draft Customer Notice



San Diego Gas & Electric Company
San Diego, California

Attachment A

Revised Cal. P.U.C. Sheet No. 20619-E

Canceling Revised Cal. P.U.C. Sheet No. 20301-E

SAMPLE FORMS

Sheet 1

FORM 124-1000

COMMUNITYCHOICE AGGREGATOR (CCA)
SERVICE AGREEMENT

(05/08)

(See Attached Form)

1C8

Advice Ltr. No. 1989-E

Decision No. Feb 20, 2020 08-04-056

Issued by
Lee Schavrien
Senior Vice President
Regulatory Affairs

Date Filed May 5, 2008

Effective Jun 4, 2008

Resolution No. Item #5 Page 3 of 18



COMMUNITY CHOICE AGGREGATOR (CCA) SERVICE AGREEMENT

This Community Choice Aggregator (CCA) Service Agreement (this “Agreement”) is made and entered into as of this ____ day of _____, _____, by and between “_____” (“CCA”), a _____ organized and existing under the laws of the state of _____, and San Diego Gas and Electric Company (“SDG&E”), a corporation organized and existing under the laws of the state of California. From time to time, CCA and SDG&E shall be individually referred to herein as a “Party” and collectively as the “Parties.”

Section 1: General Description of Agreement

- 1.1 This Agreement is a legally binding contract. The Parties named in this Agreement are bound by the terms set forth herein and otherwise incorporated herein by reference. This Agreement shall govern the business relationship between the Parties hereto, by which CCA shall offer electrical energy services. Each Party, by agreeing to undertake specific activities and responsibilities for or on behalf of customers, acknowledges that each Party shall relieve and discharge the other Party of the responsibility for said activities and responsibilities with respect to those customers. Except where explicitly defined herein (including Attachment A hereto) the definitions controlling this Agreement are contained in SDG&E’s applicable rules or in the relevant community choice aggregation tariff.
- 1.2 The form of this Agreement has been developed as part of the CPUC regulatory process to implement Assembly Bill 117, was intended to conform to CPUC directions, was filed and approved by the CPUC for use between SDG&E and CCAs and may not be waived, altered, amended or modified, except as provided herein or in the applicable community choice aggregation tariff, or as may otherwise be authorized by the CPUC.
- 1.3 This Agreement incorporates by reference the applicable community choice aggregation tariff as authorized and modified from time to time by the CPUC.

Section 2: Representations

- 2.1 Each Party represents that it is and shall remain in compliance with all applicable laws and tariffs, including applicable CPUC requirements.

- 2.2 Each person executing this Agreement for the respective Parties expressly represents and warrants that he or she has authority to bind the entity on whose behalf this Agreement is executed.
- 2.3 Each Party represents that (a) it has the full power and authority to execute and deliver this Agreement and to perform its terms and conditions; (b) the execution, delivery and performance of this Agreement have been duly authorized by all necessary corporate or other action by such Party; and (c) this agreement constitutes such Party's legal, valid and binding obligation, enforceable against such Party in accordance with its terms.
- 2.4 Each Party shall (a) exercise all reasonable care, diligence and good faith in the performance of its duties pursuant to this Agreement; and (b) carry out its duties in accordance with applicable recognized professional standards in accordance with the requirements of this Agreement.

Section 3: Term of Service

The term of this Agreement shall commence on the date of execution by both Parties hereto (the "Effective Date") and shall terminate on the earlier of (a) the date CCA informs SDG&E that it is no longer operating as a CCA in SDG&E's service territory; (b) the earlier termination pursuant to Section 4 hereof; or (c) the effective date of a new CCA Service Agreement between the Parties hereto. Notwithstanding the Effective Date of this Agreement, the CCA acknowledges that it may only offer Community Choice Aggregation Services to customers effective on or after the CPUC-approved date for commencement of such services by CCAs, and only after it has complied with all provisions of this Agreement and SDG&E's applicable tariffs.

Section 4: Events of Default and Remedy for Default

- 4.1 An Event of Default under this Agreement shall include either Party's material breach of any provision of this Agreement, including those incorporated by reference herein, and failure to cure such breach within thirty (30) calendar days after receipt of written notice thereof from the non-defaulting Party; or such other period as may be provided by this Agreement or SDG&E's applicable community choice aggregation tariff.
- 4.2 In the event of such an Event of Default, the non-defaulting Party shall be entitled to exercise any and all remedies (a) available under SDG&E's applicable community choice aggregation tariff; and/or (b) provided for by law or in equity to the extent not inconsistent with SDG&E's community choice aggregation tariff. In addition, in the event of an Event of Default, this Agreement may be effectively terminated upon Commission authorization.

4.3 Breach by any Party hereto of any provision of SDG&E's community choice aggregation tariff, including a breach occurring during Exigent Circumstances as defined in Section T.3 of such tariff, which circumstances also shall include bankruptcy of CCA, shall be governed by applicable provisions contained therein and each Party will retain all rights granted thereunder. A breach of said tariff for which no remedy is specified therein shall be governed by this Agreement as an Event of Default.

Section 5: Billing and Payment

SDG&E will bill and the CCA agrees to pay SDG&E for all services and products provided by SDG&E in accordance with the terms and conditions set forth in SDG&E's community choice aggregation tariff, as stated in SDG&E's Electric Rule 27 and SDG&E's rate schedules. Any services provided by the CCA to SDG&E shall be by separate agreement between the Parties and are not a subject of this Agreement.

Section 6: Limitation of Liability

Each Party's liability to the other Party for any loss, cost, claim, injury, liability, or expense, including reasonable attorneys' fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred, except as provided for in this Section. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages of any kind whatsoever, whether in contract, tort or strict liability, except in the event of an action covered by the Indemnification provisions of Section 7 of this Agreement or by the indemnification provisions in any Nondisclosure Agreement relating to the disclosure of confidential information to the CCA, in which event this Section 6 shall not be applicable.

Section 7: Indemnification

7.1 To the fullest extent permitted by law, and subject to the limitations set forth in Section 6 of this Agreement, each Party (the "Indemnifying Party") shall indemnify and hold harmless the other Party, and its current and future direct and indirect parent companies, affiliates and their shareholders, officers, directors, employees, agents, servants and assigns (collectively, the "Indemnified Party"), and at the Indemnified Party's option, the Indemnifying Party shall defend the Indemnified Party, from and against any and all claims and/or liabilities for losses, expenses, damage to property, injury to or death of any person, including, but not limited to, the Indemnified Party's employees and its affiliates' employees, subcontractors and subcontractors' employees, or any other liability incurred by the Indemnified Party, including reasonable expenses, legal and otherwise, which shall include reasonable attorneys' fees, caused wholly or in part by any negligent, grossly negligent or willful act or omission by the Indemnifying Party, its officers, directors, employees, agents or assigns arising out of this Agreement, except to the extent caused wholly or in

part by any negligent, grossly negligent or willful act or omission of the Indemnified Party.

7.2 If any claim covered by Section 7.1 is brought against the Indemnified Party, then the Indemnifying Party shall be entitled to participate in, and unless in the opinion of counsel for the Indemnified Party a conflict of interest between the Parties may exist with respect to such claim, assume the defense of such claim, with counsel reasonably acceptable to the Indemnified Party. If the Indemnifying Party does not assume the defense of the Indemnified Party, or if a conflict precludes the Indemnifying Party from assuming the defense, then the Indemnifying Party shall reimburse the Indemnified Party on a monthly basis for the Indemnified Party's defense through separate counsel of the Indemnified Party's choice. Even if the Indemnifying Party assumes the defense of the Indemnified Party with acceptable counsel, the Indemnified Party, at its sole option, may participate in the defense, at its own expense, with counsel of its own choice without relieving the Indemnifying Party of any of its obligations hereunder. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages of any kind whatsoever, whether in contract, tort or strict liability.

7.3 The Indemnifying Party's obligation to indemnify under this Section 7 shall survive termination of this Agreement, and shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Indemnifying Party under any statutory scheme, including, without limitation, under any Worker's Compensation Acts, Disability Benefit Acts or other Employee Benefit Acts.

Section 8: Assignment and Delegation

8.1 Neither Party to this Agreement shall assign any of its rights or obligations under this Agreement, except with the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. No assignment of this Agreement shall relieve the assigning Party of any of its obligations under this Agreement until such obligations have been assumed by the assignee. When duly assigned in accordance with the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the assignee and the assignor shall be relieved of its rights and obligations. Any assignment in violation of this Section 8 shall be void.

8.2 Notwithstanding the provisions of this Section 8, either Party may subcontract its duties under this Agreement to a subcontractor, provided that the subcontracting Party shall remain fully responsible as a principal and not as a guarantor for performance of any subcontracted duties, shall serve as the point of contact between its subcontractor and the other Party, and shall provide the other Party with thirty (30) calendar days' prior written notice of any such subcontracting, which notice shall include such information about the subcontractor as the other Party shall reasonably require. If either Party subcontracts any of its duties hereunder, it shall cause its subcontractors to perform in a manner, which is in conformity with that Party's obligations under this Agreement.

Section 9: Independent Contractors

Each Party shall perform its obligations under this Agreement (including any obligations performed by a Party's designees as permitted under Section 8 of this Agreement) as an independent contractor.

Section 10: Entire Agreement

This Agreement consists of, in its entirety, this Community Choice Aggregator Service Agreement and all attachments hereto, all Community Choice Aggregation Service Requests submitted pursuant to this Agreement and SDG&E's community choice aggregation tariffs. This Agreement supersedes all other agreements or understandings, written or oral, between the Parties related to the subject matter hereof, with the express exception of any Nondisclosure Agreement relating to the disclosure of confidential information to the CCA. This Agreement may be modified from time to time only by an instrument in writing, signed by both Parties.

Section 11: Nondisclosure

11.1 Notwithstanding anything provided below, prior to receiving any SDG&E confidential customer information, CCA agrees to enter into the CCA Non-Disclosure Agreement and be bound by its terms with respect to Confidential Information as defined therein.

Neither Party may disclose any Confidential Information obtained pursuant to this Agreement to any third party, including affiliates of such Party, without the express prior written consent of the other Party. As used herein, the term "Confidential Information" shall include, but not be limited to, all business, financial, and commercial information pertaining to the Parties, customers of either or both Parties, suppliers for either Party, personnel of either Party, any trade secrets, and other information of a similar nature, whether written or in intangible form that is marked proprietary or confidential with the appropriate owner's name. Confidential Information shall not include information known to either Party prior to obtaining the same from the other Party, information in the public domain, or information obtained by a Party from a third party who did not, directly or indirectly, receive the same from the other Party to this Agreement or from a party who was under an obligation of confidentiality to the other Party to this Agreement or information developed by either Party independent of any Confidential Information. The receiving Party shall use the higher of the standard of care that the receiving Party uses to preserve its own confidential information or a reasonable standard of care to prevent unauthorized use or disclosure of such Confidential Information. Each receiving Party shall, upon termination of this Agreement or at any time upon the request of the disclosing Party, promptly return or destroy all Confidential Information of the disclosing Party then in its possession.

11.2 Notwithstanding the preceding, Confidential Information may be disclosed to any governmental, judicial or regulatory authority requiring such Confidential Information pursuant to any applicable law, regulation, ruling, or order, provided

that: (a) such Confidential Information is submitted under any applicable provision, if any, for confidential treatment by such governmental, judicial or regulatory authority; and (b) prior to such disclosure, the other Party is given prompt notice of the disclosure requirement so that it may take whatever action it deems appropriate, including intervention in any proceeding and the seeking of any injunction to prohibit such disclosure.

Section 12: Enforceability

If any provision of this Agreement or the application thereof, is to any extent held invalid or unenforceable, the remainder of this Agreement and the application thereof, other than those provisions which have been held invalid or unenforceable, shall not be affected and shall continue in full force and effect and shall be enforceable to the fullest extent permitted by law or in equity.

Section 13: Notices

13.1 Except as otherwise provided in this Agreement, any notices under this Agreement shall be in writing and shall be effective upon delivery if delivered by (a) hand; (b) U.S. Mail, first class postage pre-paid, or (c) facsimile, with confirmation of receipt to the Parties as follows:

If the notice is to CCA:

Name of Entity: _____

Contact Name: _____

Business Address: _____

Facsimile: _____

If the notice is to SDG&E:

Contact Name: _____

Business Address: _____

Facsimile: _____

13.2 Each Party shall be entitled to specify as its proper address any other address in the United States upon written notice to the other Party.

13.3 Each Party shall designate on Attachment A the person(s) to be contacted with respect to specific operational matters relating to Community Choice Aggregation Service. Each Party shall be entitled to specify any change to such person(s) upon written notice to the other Party.

Section 14: Time of Essence

The Parties expressly agree that time is of the essence for all portions of this Agreement.

Section 15: Dispute Resolution

15.1 The form of this Agreement has been filed with and approved by the CPUC as part of SDG&E's applicable tariffs. Except as provided in Section 15.2 and 15.3, any dispute arising between the Parties relating to interpretation of the provisions of this Agreement or to the performance of SDG&E's obligations hereunder shall be reduced to writing and referred to the Parties' representatives identified on Attachment A for resolution, with the responding Party filing its written response within thirty (30) business days after receiving the written position of the complaining party. Thereafter, the Parties shall be required to meet and confer within ten (10) business days in a good faith effort to resolve their dispute. Pending such resolution, the Parties shall continue to proceed diligently with the performance of their respective obligations under this Agreement, unless this Agreement has been terminated under Section 4.2. If the Parties fail to reach an agreement within ten (10) additional business days of the last session to meet and confer, the matter shall, upon demand of either Party, be submitted to resolution before the CPUC in accordance with the CPUC's rules, regulations and procedures applicable to resolution of such disputes.

15.2 Except as provided in Section T.3 of Electric Rule 27, any dispute arising between the Parties relating to interpretation of the provisions of this Agreement or to the performance of the CCA's obligations hereunder shall be reduced to writing and referred to the Parties' representatives identified on Attachment A for resolution, with the responding Party filing its written response within thirty (30) business days after receiving the written position of the complaining party. Thereafter, the Parties shall be required to meet and confer within ten (10) business days in a good faith effort to

resolve their dispute. Pending resolution, the Parties shall continue to proceed diligently with the performance of their respective obligations under this Agreement, unless this Agreement has been terminated under Section 4.2. If the Parties fail to reach an agreement within ten (10) additional business days of the last session to meet and confer, the matter shall, upon demand of either Party, be submitted to resolution before the CPUC in accordance with the CPUC's rules, regulations and procedures applicable to resolution of such disputes, as allowed by law or in equity, or the parties may mutually agree to pursue mediation or binding arbitration to resolve such issues.

15.3 Notwithstanding the provisions of Paragraph 15.1 and 15.2 above: (a) all disputes between the Parties relating to the payment by the CCA of any SDG&E fees or charges shall be subject to the provisions of SDG&E's applicable tariffs governing disputes over customer bills; (b) all disputes between the Parties regarding non-bypassable charges (including Competition Transition Charges, Cost Responsibility Surcharges, and any other nonbypassable charges adopted by the Commission) payable by community choice aggregation customers or the CCA on behalf of such customers shall be subject to the provisions of SDG&E's applicable tariffs; and (c) SDG&E may pursue available remedies in law or equity for unauthorized electrical use by the CCA in a court of competent jurisdiction.

15.4 If the dispute involves a request for damages, parties understand that the Commission has no authority to award damages. To resolve such issues, the parties may mutually agree to pursue mediation or binding arbitration to resolve such issues, or if no such agreement is reached, to pursue other legal or equitable remedies that are available to the parties.

Section 16: Applicable Law and Venue

This Agreement shall be interpreted, governed by and construed in accordance with the laws of the State of California, and shall exclude any choice of law rules that direct the application of the laws of another jurisdiction, irrespective of the place of execution or of the order in which the signatures of the parties are affixed or of the place or places of performance. Except for matters and disputes with respect to which the CPUC is the initial proper venue for dispute resolution pursuant to applicable law or this Agreement, the federal and state courts located in San Diego County, California shall constitute the sole proper venue for resolution of any matter or dispute hereunder, and the Parties submit to the exclusive jurisdiction of such courts with respect to such matters and disputes.

Section 17: Force Majeure

Neither Party shall be liable for any delay or failure in the performance of any part of this Agreement (other than obligations to pay money) due to any event of force majeure or other cause beyond its reasonable control, including but not limited to, unusually severe weather, flood, fire, lightning, epidemic, quarantine restriction, war, sabotage, act of a public enemy, earthquake, insurrection, riot, civil disturbance, strike, work stoppage caused by jurisdictional and similar disputes, restraint by court order or public authority, or action or non-action by or inability to obtain authorization or approval from any governmental authority, or any combination of these causes, which by the exercise of due diligence and foresight such Party could not reasonably have been expected to avoid and which by the exercise of due diligence is unable to overcome. It is agreed that upon the Party so affected giving written notice and reasonably full particulars of such force majeure to the other Party within a reasonable time after the cause relied on, then the obligations of the Party, so far as they are affected by the event of force majeure, shall be suspended during the continuation of such inability and circumstance and shall, so far as possible, be remedied with all reasonable dispatch. In the event of force majeure, as described herein, both Parties shall take all reasonable steps to comply with this Agreement and SDG&E's applicable tariffs despite occurrence of a force majeure event.

Section 18: Unauthorized Use of Energy (Energy Theft)

- 18.1 The CCA represents and warrants that for each of its Customers, and at all times during which it provides community choice aggregation services as a Community Choice Aggregator, the CCA shall completely, accurately, and in a timely manner account for each of its Customer's loads. Load data not accounted for in this manner may provide grounds for termination of this Agreement. For verification purposes only, SDG&E shall have complete access to the load data provided to the ISO by the CCA. Such information is to remain confidential, and shall not be disclosed to any unauthorized person other than the CPUC, the California Independent System Operator or other law enforcement or regulatory authority.
- 18.2 SDG&E shall notify the CCA immediately and the CCA shall notify SDG&E immediately of any suspected unauthorized energy use. The Parties agree to preserve any evidence of unauthorized energy use. Once unauthorized energy use is suspected, SDG&E, in its sole discretion, may take any or all of the actions permitted under SDG&E's applicable tariffs.

Section 19: Not a Joint Venture

Unless specifically stated in this Agreement to be otherwise, the duties, obligations, and liabilities of the Parties are intended to be several and not joint or collective. Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or to impose a trust or partnership duty, obligation, or liability on or with regard to either Party. Each Party shall be liable individually and severally for its own obligations under this Agreement.

Section 20: Conflicts Between this Agreement and SDG&E's Community Choice Aggregation Tariff

Should a conflict exist or develop between the provisions of this Agreement and SDG&E's community choice aggregation tariff, as approved by the CPUC, the provisions of SDG&E's community choice aggregation tariff shall prevail.

Section 21: Amendments or Modifications

- 21.1 Except as provided in Section 22.2, no amendment or modification shall be made to this Agreement, in whole or in part, except by an instrument in writing executed by authorized representatives of the Parties, and no amendment or modification shall be made by course of performance, course of dealing or usage of trade.
- 21.2 This Agreement may be subject to such changes or modifications as the CPUC may from time to time direct or necessitate in the exercise of its jurisdiction, and the Parties may amend the Agreement to conform to changes directed or necessitated by the CPUC. In the event the Parties are unable to agree on the required changes or modifications to this Agreement, their dispute shall be resolved in accordance with the provisions of Section 15 hereof or, in the alternative, CCA may elect to terminate this Agreement upon written notice to SDG&E, which shall be effective upon the receipt thereof. SDG&E retains the right to unilaterally file with the CPUC, pursuant to the CPUC's rules and regulations, an application for a change in SDG&E's rates, charges, classification, service or rules, or any agreement relating thereto.

Section 22: Audits

- 22.1 SDG&E shall retain such specific records as may be required to support the accuracy of meter data provided in SDG&E's consolidated billings. When the CCA reasonably believes that errors related to metering or billing activity may have occurred, the CCA may request the production of such documents as may be required to verify the accuracy of such metering and consolidated billing. Such documents shall be provided within ten (10) business days of such request.

In the event the CCA, upon review of such documents, continues to believe that the SDG&E's duty to accurately meter and provide consolidated billing for usage has been breached, the CCA may direct that an audit be conducted. The CCA shall designate their own employee representative or their contracted representative to audit SDG&E's records.

- 22.2 Any such audit shall be undertaken by the CCA, or their contracted representative at reasonable times without interference with SDG&E's business operations, and in compliance with the SDG&E's security procedures. SDG&E and the CCA agree to cooperate fully with any such audit.
- 22.3 Specific records to support the accuracy of meter data provided in the consolidated billings may require examination of billing and metering support documentation maintained by subcontractors. SDG&E shall include a similar clause in its agreements with subcontractors reserving the right to designate their own employee representative, or their contracted representative to audit records related to consolidated billing to Community Choice Aggregation Customers.
- 22.4 The CCA will notify SDG&E in writing of any exception taken as a result of an audit. SDG&E shall refund the amount of any undisputed exception to the CCA within ten (10) days. If SDG&E fails to make such payment, SDG&E agrees to pay interest, accruing monthly, at a rate equal to the prime rate plus two percent (2%) of Bank of America NT&SA, San Francisco, or any successor institution, in effect from time to time, but not to exceed the maximum contract rate permitted by the applicable usury laws of the State of California. Interest will be computed from the date of written notification of exceptions to the date SDG&E reimburses the CCA for any exception. The cost of such audit shall be paid by the auditing Party; provided, however, that in the event an audit verifies overcharges of five percent (5%) or more, then PG&E shall reimburse the CCA for the cost of the audit.

22.5 This right to audit shall extend for a period of three (3) years following the date of final payment under this Agreement. Each party and each subcontractor shall retain all necessary records and documentation for the entire length of this audit period.

Section 23: Miscellaneous

23.1 Unless otherwise stated in this Agreement: (a) any reference in this Agreement to a section, subsection, attachment or similar term refers to the provisions of this Agreement; (b) a reference to a section includes that section and all its subsections; and (c) the words “include,” “includes,” and “including” when used in this Agreement shall be deemed in each case to be followed by the words “without limitation.” The Parties agree that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not be employed in the interpretation of this Agreement

23.2 The provisions of this Agreement are for the benefit of the Parties and not for any other person or third party beneficiary. The provisions of this Agreement shall not impart rights enforceable by any person, firm or organization other than a Party or a successor or assignee of a Party to this Agreement.

23.3 The descriptive headings of the various sections of this Agreement have been inserted for convenience of reference only and shall in no way define, modify or restrict any of the terms and provisions thereof.

23.4 Any waiver at any time by either Party of its rights with respect to a default under this Agreement, or with respect to any other matter arising in connection with this Agreement, shall not be deemed a waiver with respect to any other or subsequent default or matter and no waiver shall be considered effective unless in writing.

23.5 Each Party shall be responsible for paying its own attorneys’ fees and other costs associated with this Agreement, except as provided in Sections 6 and 7 hereof. If a dispute exists hereunder, the prevailing Party, as determined by the CPUC, or as may otherwise be determined by the dispute resolution procedure contained in Section 15 hereof, if used, or by a court of law, shall be entitled to reasonable attorneys’ fees and costs.

23.6 To the extent that the CPUC has a right under then-current law to audit either Party’s compliance with this Agreement or other legal or regulatory requirements pertaining to Community Choice Aggregation transactions, that Party shall cooperate with such audits. Nothing in this Section shall be construed as an admission by either Party with respect to the right of the CPUC to conduct such audits or the scope thereof.

23.7 Except as otherwise provided in this Agreement, all rights of termination, cancellation or other remedies in this Agreement are cumulative. Use of any remedy shall not preclude any other remedy in this Agreement.

The Parties have executed this Agreement on the dates indicated below, to be effective upon the later date.

On Behalf of CCA

By: _____

Name: _____

Title: _____

Date: _____

On Behalf of SDG&E

By: _____

Name: _____

Title: _____

Date: _____

ATTACHMENT A

A. Definitions:

Billing Services - The consolidated billing services described in SDG&E's community choice aggregation tariff which are provided by SDG&E.

Community Choice Aggregation Customer - An end-use customer located within SDG&E's service territory who purchases Community Choice Aggregation Services through the CCA.

Community Choice Aggregator (CCA) – An entity that provides electric supply services to Community Choice Aggregation customers within SDG&E's service territory. A CCA may also provide certain energy efficiency and conservation programs to its Community Choice Aggregation customers as provided for under SDG&E's tariffs.

CCA Charges - Charges for Community Choice Aggregation Services provided by the CCA.

SDG&E Charges - Charges (a) for services provided by SDG&E; or (b) which are energy-related and which are approved by the CPUC or the Federal Energy Regulatory Commission (including any nonbypassable charges (such as Competition Transition Charges, Cost Responsibility Surcharges, and any other nonbypassable charges adopted by a regulatory body).

B. Contact Persons (Section 13.3):

Billing Services

SDG&E Contact: _____

CCA Contact: _____

C. Parties' Representatives (Section 15.1):

SDG&E Representative:

Contact Name _____

Business Address _____

CCA Representative:

Contact Name _____

Business Address _____

Clean Energy Alliance will become the Default Electric Provider in the cities of Carlsbad and Del Mar (Effective May 2021)

Attention Carlsbad and Del Mar Residents & Businesses

In May 2021, Clean Energy Alliance (CEA) will replace San Diego Gas & Electric (SDG&E) as your default provider for the power generation portion of your electric service. SDG&E will continue to deliver power to your home or business, maintain the grid and all equipment, open and close accounts, provide billing and collection of payments, and provide customer service and field service (including during power outages). There will be no change to automatic payments or level rate pay plans.

ENROLLMENT: Effective May 2021, CEA will become the default electric power provider within the cities of Carlsbad and Del Mar. You will be automatically enrolled in CEA's default program on that date.

If you would like to continue as an SDG&E customer for energy and do not want to be automatically enrolled with CEA, you must opt out of the automatic enrollment. To opt out, without penalty, you must call (###) ###-#### or visit our website at www.XXXXXXX.org by XXXX. You may also call or visit our website for additional information. You only need to take action if you want to opt out and remain an SDG&E customer.

Si le gustaría recibir este aviso en español, visite www.XXXXXXX.org o llame (###) ###-####.

OPT OUT: You have the right to opt out of CEA. If you decide to opt out and return to SDG&E after the 60-day opt out period, SDG&E will charge a one-time account processing fee. By opting out, you will also be subject to SDG&E's then current rates and terms and conditions of service. For details on SDG&E's rates and terms and conditions, please visit SDG&E.com. You will not be charged any fees if you opt out within the first 60 days after your automatic enrollment with CEA or if you cancel electric service altogether (for example, if you move). If you opt out, you will still be charged for all electricity you used before the transfer of electric service. Accounts will be transferred on the day the electric meter is read and cannot be transferred during the middle of a billing cycle. In order for your request to be processed on your next meter read date, your request must be received at least 5 business days prior to the date on which the meter is read. To

opt out, please call CEA or visit XXXXXXX.org. Have your electric bill handy so that we can process the request.

BILLING: Each month, CEA customers receive a single monthly bill from SDG&E. This bill includes all recent electric charges, including CEA's power generation charges. For your convenience, SDG&E forwards the power generation portion of the payment to CEA. SDG&E will continue to charge you for the transmission and delivery services they provide.

FAILURE TO PAY: CEA may transfer your account back to SDG&E upon 14 calendar days' written notice to you if you fail to pay any portion of the CEA charges on your bill. If your service is transferred, you may be subject to additional requirements by SDG&E.

CARE PROGRAM: If you are currently enrolled in the California Alternative Rates for Energy (CARE) program, you will continue to receive all CARE benefits and discounts upon enrollment in CEA. If you are interested in joining the CARE program for low-income adults, please visit SDG&E.com

TERMS AND CONDITIONS OF SERVICE: CEA electric generation rates can be reviewed at XXXX.org or by calling (###) ###-####. Any changes to CEA rates will be adopted at duly noticed public meetings of the Clean Energy Alliance.

SDG&E also charges CEA customers authorized fees for delivering power to your home or business and for providing other services. These components of your electric bill are the same whether you buy electricity from CEA or SDG&E.

Staff Report

DATE: February 20, 2020
TO: Clean Energy Alliance Board of Directors
FROM: Barbara Boswell, Interim Chief Executive Officer
ITEM 6: Adopt Resolution Approving Clean Energy Alliance Policies

RECOMMENDATION:

Adopt Resolution #2020-### approving Clean Energy Alliance policies related to travel and reimbursement, customer confidentiality and privacy and collections:

1. CEA -001 Travel and Reimbursement Policy
2. CEA-002 Protection of Confidential Information
3. CEA-003 Privacy and Customer Confidentiality Policy
4. CEA-004 Advanced Metering Infrastructure (AMI) Data Security and Privacy Policy
5. CEA-005 – CEA Collections Policy

BACKGROUND AND DISCUSSION:

As part of establishing its community choice aggregation (CCA) program, Clean Energy Alliance (CEA) it is good business practice to establish policies and procedures for good internal controls and to meet state and CPUC requirements. The policies that are before the Board for consideration have been drafted to meet those requirements.

CEA-001 Travel and Reimbursement Policy – California Government Code Section 53232.2 establishes the requirement for a policy to be adopted if a government agency reimburses its officials for expenses incurred in the course of conducting related business. The proposed policy has been drafted based on similar policies of CEA’s member agencies, in compliance with government code, and following best practices are recommended by the League of California Cities. The policy as drafted would be applicable to Board Members, future committee members, employees and consultants.

CEA-002 through CEA-004 – In anticipation of CEA operating its CCA, policies CEA-002 through CEA-004 are recommended to be approved in compliance with California Public Utilities Commission (CPUC) Decision 12-08-045 established that CCA programs must comply with the same customer confidentiality and privacy rights as all other load serving entities. Once operational, CEA will be subject to further audits and annual reporting related to its compliance with the CPUC decision. Adoption of these policies sets the procedures for ensuring protection of confidential customer information and energy usage.

CEA-02 Protection of Confidential Information establishes procedures for handling confidential customer data and ensures all employees protect the integrity of confidential information. This policy is implemented in conjunction with CEA-03 Privacy and Customer Confidentiality.

CEA-03 Privacy and Customer Confidentiality establishes procedures for handling of energy usage information. This policy is implemented in conjunction with CEA-02 Protection of Confidential Information.

CEA-04 Advanced Metering Infrastructure (AMI) Data Security and Privacy Policy establishes procedures for handling of energy usage data collected from systems that measure, collect and analyze energy usage and communicate with metering devices.

CEA-05 Collections Policy – Once operational, CEA will work with San Diego Gas & Electric (SDG&E) for the provision of billing and collection services. There will be times, however, when it is recommended that CEA take proactive actions when customer accounts become delinquent, or when SDG&E will discontinue pursuing collection and will return the account to CEA for collection. The recommended policy reflects best practices as established by operating CCAs throughout the state.

ATTACHMENTS:

Resolution #2020-### Approving Clean Energy Alliance Policies

CLEAN ENERGY ALLIANCE
RESOLUTION NO. 2020-###

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CLEAN ENERGY
ALLIANCE APPROVING CUSTOMER CONFIDENTIALITY AND PRIVACY
POLICIES

WHEREAS, the Clean Energy Alliance (CEA) is a joint powers agency, formed in November 2019, by founding members cities of Carlsbad, Del Mar and Solana Beach; and

WHEREAS, Community Choice Aggregation (CCA) authorized by Assembly Bill 117, is a state law that allows cities, counties, and other authorized entities to aggregate electricity demand within their jurisdictions in order to purchase and/or generate alternative energy supplies for residents and businesses within their jurisdiction while maintaining the existing electricity provider for transmission and distribution services; and

WHEREAS, CEA Board has approved an Implementation Plan and Statement of Intent and submitted it to the California Public Utilities Commission (CPUC) for certification on December 23, 2019; and

WHEREAS, the CEA Board desires to establish administrative policies and customer confidentiality and privacy protections pursuant to CPUC Decision 12-08-045.

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

Section 1. The Board of Directors of the Clean Energy Alliance hereby approves the following policies:

- CEA-01: Travel and Reimbursement Policy
- CEA-02: Protection of Confidential Information Policy
- CEA-03: Privacy and Customer Confidentiality Policy
- CEA-04: Advanced Metering Infrastructure (AMI) Data Security and Privacy Policy
- CEA-05: CEA Collections Policy

The foregoing Resolution was passed and adopted this _____ day of _____, 2020, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

Cori Schumacher, Chair

ATTEST:

Sheila Cobian, Board Secretary

**Clean Energy Alliance
Administrative Policy**

SUBJECT: Travel and Reimbursement Policy			EFFECTIVE DATE: February 20, 2020
POLICY #: CEA-01	SUPERSEDES N/A	STAFF CONTACT	# OF PAGES: 3

1.0 Purpose

To establish a written policy to provide guidance to elected and appointed officials, employees, independent contractors and volunteers on the use and expenditure of Clean Energy Alliance (CEA) resources, as well as the standards against which those expenditures will be measured.

2.0 Organizations affected

Clean Energy Alliance
Committees
Consultants and Independent Contractors

3.0 References

California Government Code 53232.2
League of California Cities
Internal Revenue Service

4.0 Definitions

- 4.1 CEA Business Travel – Travel which requires elected and appointed officials, employees, independent contractors or volunteers to conduct specific items of CEA business away from their normal place of business.
- 4.2 CEA employee – Any person regularly employed by CEA, excluding elected or appointed officials, members of committees and volunteers.
- 4.3 Member of committee – any person appointed by the CEA Board to an established committee.
- 4.4 Volunteer – any person donating their time in support of CEA business.
- 4.5 Out-of-State Travel – includes all costs related to business travel outside the State of California.

- 4.6 In-State travel – all costs related to business travel within the State of California.
- 4.7 Miscellaneous Meals/Mileage – all miscellaneous costs not directly attributable to conferences or training.

5.0 Policy

- 5.1 CEA funds, equipment, supplies (including letterhead), titles and staff time must only be used for authorized CEA business. Expenses incurred in connection with the following types of activities generally constitute authorized expenses, as long as the other requirements of this policy are met:
 - 5.1.1 Communicating with representatives of regional, state and national government on CEA adopted policy positions.
 - 5.1.2 Attending educational seminars designed to improve skill and information levels.
 - 5.1.3 Participating in regional, state and national organizations whose activities affect the CEA's interests.
 - 5.1.4 Recognizing service to the CEA
 - 5.1.5 Attending CEA events.
 - 5.1.6 International travel and expenses which exceed the approved budget require prior approval by the CEA Board.
- 5.2 Personal expenses that the CEA will not reimburse include, but are not limited to: personal portion of any trip; political or charitable contributions or events; family expenses; entertainment expenses, including theater, movies, sporting events or other cultural events; non-mileage personal automobile expenses; personal losses incurred while on authority business.
- 5.3 **Cost Control** – To conserve CEA resources and keep expenses within community standards for public officials, expenditures should adhere to the following guidelines: in the event that expenses are incurred which exceed these guidelines, the cost borne or reimbursed by the CEA will be limited to the costs that fall within the guidelines.
- 5.4 **Transportation** – The most economical mode and class of transportation reasonably consistent with scheduling needs and cargo space requirements must be used, using the most direct and time-efficient route.
- 5.5 **Mileage** – Automobile mileage will be reimbursed at the Internal Revenue Service standard mileage rates. These rates are designated to compensate the driver for gasoline, insurance, maintenance and other expenses associated with operating the vehicle. This amount does not include bridge and road tolls, which are also reimbursable.

- 5.6 **Airfare** – Airfares that are equal or less than those available through the Enhanced Local Government Airfare Program offered through the League of California Cities, the California State Association of Counties and the State of California are presumed to be the most economical and reasonable for purposes of reimbursement under this policy.
- 5.7 **Car Rental** – Rental rates that are equal or less than those available through the State of California’s website shall be considered the most economical and reasonable for purposes of reimbursement under this policy. Itemized receipts must be submitted with vehicle rental claims, including receipts for fuel.
- 5.8 **Taxis/Shuttles/Ride Shares** - Taxis or shuttles fares may be reimbursed at actual cost, including a 20 percent gratuity per fare, with receipts.
- 5.9 **Lodging** – Lodging expenses will be reimbursed or paid for when travel on official CEA business reasonably requires an overnight stay. Travelers must request government rates, when available. Lodging rates that are equal to or less than government rates are presumed to be reasonable and hence reimbursable for purposes of this policy. In the event that government rates are not available at a given time or in a given area, reimbursement shall be provided at the rate established by the Internal Revenue Service (“IRS”) for the community in which the activity takes place unless there are no lodging facilities in reasonable proximity to the activity which offer that rate at the time of booking. In the event there are no such lodging facilities available at the IRS reimbursement rate, reimbursement shall be at the actual lodging rate as long as the activity has been approved by the CEA Board.
- 5.9.1 **Conference/Meetings** – If such lodging is in connection with a conference, lodging expenses must not exceed the group rate published by the conference sponsor for the meeting in question if such rates are available at the time of booking. If the group rate is not available, see previous section.
- 5.10 **Meals** – Reimbursable meal expenses and associated gratuities should be moderate, taking into account community standards and the prevailing restaurant costs of the area. The CEA will not pay for alcohol/personal bar expenses.
- 5.11 **Telephone/Fax/Cellular/Internet** –Actual telephone, fax and short-term internet expenses incurred on CEA business are reimbursable when not covered under a pre-existing plan or service arrangement.

- 5.12 **Airport Parking** - Long-term parking must be used for travel exceeding 24-hours.
- 5.13 **Other** – Baggage handling fees of up to \$2 per bag and gratuities of up to 20 percent will be reimbursed. Expenses for which CEA officials receive reimbursement from another agency are not reimbursable.
- 5.14 **Credit Card Use** – CEA does not issue credit cards to individual office holders and does not have a CEA credit card.

6.0 Procedure

- 6.1 All expense reimbursement requests must be submitted on a Report of Actual Travel Expense report form provided by the CEA.
 - 6.1.1 Expense reports must document that the expense in question met the requirements of this policy. For example, if the meeting is with a legislator, the official should explain whose meals were purchased, what issues were discussed and how those relate to the CEA’s adopted legislative positions and priorities.
 - 6.1.2 Officials must submit their expense reports within two weeks of an expense being incurred, accompanied by receipts documenting each expense. Restaurant receipts, in addition to any credit card receipts, are also part of the necessary documentation. Inability to provide such documentation in a timely fashion may result in the expense being borne by the official.
- 6.2 All Expenses are subject to verification that they comply with this policy.
- 6.3 At the following CEA Board meeting, each official shall briefly report on meetings attended at CEA expense. If multiple officials attended, a joint report may be made.
- 6.4 CEA officials should keep in mind that some expenditures may be subject to reporting under the Political Reform Act and other laws. All CEA expenditures are public records subject to disclosure under the Public Records Act (and other laws).

Barbara Boswell
Interim Chief Executive Officer

Date

**Clean Energy Alliance
Administrative Policy**

SUBJECT: Protection of Confidential Information			EFFECTIVE DATE: February 20, 2020
POLICY #: CEA-02	SUPERSEDES N/A	STAFF CONTACT	# OF PAGES: 3

1.0 Purpose

To establish a policy to protect confidential customer information

2.0 Organizations affected

Clean Energy Alliance
All Clean Energy Alliance Member Agencies

3.0 References

Privacy & Customer Confidentiality Policy #CEA-03

4.0 Definitions

4.1 Confidential Information

Customer information that is not considered public information including but not limited to social security number, taxpayer ID number, San Diego Gas & Electric (SDGE) or Clean Energy Alliance (CEA) customer or service account information including customer name(s), service addresses, billing addresses, telephone numbers, email addresses, account numbers and electricity consumption.

5.0 Policy

5.1 Ensuring Customer Confidentiality is Protected

To ensure that all employees protect the integrity of the CEA's confidential information as well as the confidentiality of others, confidential information may not be shared with unauthorized individuals within or outside of the organization and may not be transmitted via email, except where reasonably necessary to conduct CEA's business or provide services to customers as required by the California Public Utilities Commission (CPUC).

5.2 Examples of reasonably necessary business purposes include but are not limited to when such disclosure is necessary to:

- a) Comply with law, regulation, or court order;
- b) Enable CEA to provide services to its customers;
- c) Collect unpaid bills;

- d) Obtain and provide credit reporting information;
- e) Resolve customer disputes or inquiries;
- f) Communicate about demand response, energy efficiency, energy management and conservation programs; or
In situation of imminent threat to life or property.

6.0 Procedure

- 6.1 Confidential information shall not be transmitted or forwarded to individuals within or outside of the organization who do not have an authorized need to know the information.
- 6.2 Confidential information shall not be transmitted via email.
- 6.3 Confidential information shall not be posted on the CEA's website.
- 6.4 Employees must lock their computers when leaving them unattended for any length of time.
- 6.5 Passwords may not be shared with any person, including administrative assistants, secretaries, managers, co-workers, or family members, and shall not be written down or stored physically or digitally.
- 6.6 Documents containing confidential information must be secured at all times.
- 6.7 Documents containing confidential information must be shredded when destroyed when no longer used and as per the adopted retention schedule if applicable, except where such documents are required to be retained by law.
- 6.8 Employees are responsible for any action that is performed under their username and password for any CEA system, network or server.
- 6.9 Failure to comply with the provisions of this policy and procedure may result in discipline up to and including termination.

Barbara Boswell
Interim Chief Executive Officer

Date

PROTECTION OF CONFIDENTIAL INFORMATION POLICY ACKNOWLEDGEMENT

I have read the Protection of Confidential Information Policy and understand its provisions. I understand that to ensure protection of the integrity of the CEA's confidential information as well as the confidentiality of others, confidential information may not be shared with unauthorized individuals within or outside of the organization and may not be transmitted via email.

I accept responsibility for any action performed under my user name and password.

I understand that handling and use of confidential information in violation of the Protection of Confidential Information Policy may result in employee discipline, up to and including termination.

By signing this form, I agree to abide by the Policies currently in place and I agree to review periodically any changes or modifications. I understand that my regular review of policies is required.

Employee Name (Print): _____

Employee Signature: _____ Date: _____

Department Head
Signature: _____ Date: _____

(To be filed with Human Resources)

**Clean Energy Alliance
Administrative Policy**

SUBJECT:		EFFECTIVE DATE:	
Privacy and Customer Confidentiality Policy		February 20, 2020	
POLICY #:	SUPERSEDES	STAFF CONTACT	# OF PAGES:
CEA-03	N/A		3

- 1.0 Purpose:
To establish a Privacy and Customer Confidentiality Policy for Clean Energy Alliance (CEA).
- 2.0 Organizations affected:
Clean Energy Alliance
All Clean Energy Alliance Member Agencies
- 3.0 References:
CPUC Decision 12-08-045
- 4.0 Definitions:
- 4.1 Aggregate Data – Aggregated customer confidential information must be made up of at least 15 customers and a single customer’s load must be less than 15% of an assigned category.
- 4.2 Confidential Information – has a meaning in accordance with CPUC Decision 12-08-045, which extends privacy protections to customers of community choice aggregation programs.
- 4.3 Customer Data - includes individual names, addresses and electricity energy usage data of customers that is collected via San Diego Gas & Electric’s (SDGE) metering systems.
- 5.0 Policy – Notice of Accessing, Collecting, Storing, Using and Disclosing Energy Usage Information:
- 5.1 CEA, its employees, agents, contractors, and affiliates shall maintain the confidentiality of individual customers, including name(s), service address(es), billing address(es), telephone number(s), email address(es), account number(s), social security number(s), taxpayer ID number(s), and electricity consumption

information; except as reasonably necessary to conduct CEA's business operations or to provide services to customers as required by the CPUC.

- 5.2 Examples circumstances constituting reasonably necessary disclosures, sharing, or transmitting of confidential information include, but are not limited to, when necessary to:
- a) Comply with any law, regulation, or court order;
 - b) Enable CEA to provide services to its customers;
 - c) Collect unpaid bills;
 - d) Obtain and provide credit reporting information;
 - e) Resolve customer disputes or inquiries;
 - f) Communicate about demand response, energy efficiency, energy management and conservation programs; or
 - g) In situation of imminent threat to life or property, or to prevent or resolve service interruptions.
- 5.3 CEA shall not, under any circumstances, disclose customer confidential information for third-party telemarketing, email, or direct mail solicitation purposes. Aggregated data that cannot be traced to specific customers may be released at CEA's discretion.
- 5.4 Customer data, including individual customer names, addresses and electricity energy usage data, is collected via San Diego Gas & Electric's (SDGE) metering systems. CEA may share customer data with contractors and vendors for purposes of providing services and operating programs. Contractors and vendors are required to agree to only use customer data for program operational purposes and protect it under the same standards as CEA. CEA retains customer-specific energy usage and billing information for only as long as is reasonably necessary, typically not more than five (5) years unless otherwise required by law or regulation.
- 5.5 Notice of this policy will be provided when confirming a new customer account, and annually to customers via an on-bill message to guide customers to the most updated version on CEA's website at www.TheCleanEnergyAlliance.org. Any changes to this policy between notification periods will be communicated through CEA's website. Previous versions of this policy can be requested via email at CEO@TheCleanEnergyAlliance.org or by mailed request to Clean Energy Alliance, 1200 S. Carlsbad Village Dr, Carlsbad, CA. 92008.
- 5.6 Customers having any questions or concerns regarding the collection, storage, use or distribution of customer information, or who wish to view, inquire about, or dispute any customer information held by CEA or limit the collection, use or disclosure of such information may contact the Chief Executive Officer of Clean

Energy Alliance via email at CEO@TheCleanEnergyAlliance.org or by mail at Clean Energy Alliance, 1200 S. Carlsbad Village Dr, Carlsbad, CA. 92008.

- 5.7 Employees of CEA shall be provided a copy of this policy, and it shall be construed and implemented by such employees consistent with Policy CEA-02 - Protection of Confidential Information policy to protect confidential customer information.

Barbara Boswell
Interim Chief Executive Officer

Date

**Clean Energy Alliance
Administrative Policy**

SUBJECT: Advanced Metering Infrastructure (AMI) Data Security and Privacy Policy			EFFECTIVE DATE: February 20, 2020
POLICY #: CEA-04	SUPERSEDES N/A	STAFF CONTACT	# OF PAGES: 5

1.0 Purpose

To ensure the privacy and security of AMI data and customer usage information for Clean Energy Alliance (CEA).

2.0 Organizations affected

Clean Energy Alliance
All Clean Energy Alliance Member Agencies

3.0 References

CPUC Decision 12-08-045

4.0 Definitions

4.1 Aggregate Usage Data:

Customers' energy usage and usage-related data (such as billing, program participation, or account information) that has been summed, averaged, or otherwise processed such that the result does not contain information at the level of individual customers and an individual customer cannot reasonably be re-identified.

4.2 Covered Information:

Any customer energy usage information obtained through the use of the capabilities of Advanced Metering Infrastructure (AMI) when associated with any information that can reasonably be used to identify an individual, family, household or residence, or non-residential customer, except that covered information does not include usage information from which identifying information has been removed or information provided to the CPUC pursuant to its oversight responsibilities.

4.3 Primary Purposes:

The “Primary Purposes” for the collection of storage, use or disclosure of covered information are to:

- Provide or bill for electrical power,
- Provide for system, grid or operational needs,
- Provide services as required by state, or federal laws or as specifically authorized by an order of the Commission, or
- Plan, implement, or evaluate demand response, energy management, or energy efficiency programs under contract with a Community Choice Aggregator or an Electrical Services Provider (when providing service to residential or small commercial customers), under contract with the Commission, or as part of a Commission authorized program conducted by a governmental entity under the supervision of the Commission.

4.4 Secondary Purpose:
Secondary Purpose means any purpose for the collection, storage, use, or disclosure of covered information that is not a primary purpose.

5.0 Policy

5.1 CEA shall implement reasonable administrative, technical, and physical safeguards to protect covered information from unauthorized access, destruction, use, modification or disclosure.

5.2 CEA and third parties shall provide reasonable training to all employees and contractors who use, store, or process covered information.

5.3 CEA shall collect, store, use, and disclose only as much covered information as is reasonably necessary or as authorized by the Commission to accomplish a specific primary purpose.

6.0 Procedure

Transparency and Notification

6.1 CEA shall provide customers with meaningful, clear, accurate, specific, and comprehensive notice regarding the accessing, collection, storage, use and disclosure of covered information. However, when CEA is using covered information solely for a primary purpose on behalf of and under contract with utilities it is not required to provide notice separate from that provided by the utility.

6.2 CEA shall provide written notice when confirming a new customer account, and at least once per year shall inform customers how they may obtain a copy of CEA’s notice regarding the accessing, collection, storage, use and disclosure of covered information. CEA will also provide a conspicuous link to the notice on

the home page of its website and include a link to the notice in electronic correspondence to customers.

- The notice shall be labeled Notice of Accessing, Collecting, Storing, Using and Disclosing Energy Usage Information. It shall be written in easily understandable language and be no longer than is necessary to convey the requisite information.
- The notice and the posted privacy policy shall state clearly: (1) the identity of CEA; (2) the effective date of the notice or posted privacy policy; (3) CEA's process for altering the notice or posted privacy policy, including how the customer will be informed of any alterations and where prior versions will be made available to customers; and (4) the title and contact information, including email address, postal address, and telephone number, of an official at CEA who can assist the customer with privacy questions, concerns, or complaints regarding the collection, storage, use, or distribution of covered information.
- The notice shall provide an explicit description of: (1) each category of covered information collected, used, stored, or disclosed, and for each category of covered information, the reasonably specific purpose for which it will be collected, stored, used, or disclosed; (2) each category of covered information that is disclosed to third parties, and, for each such category, a description of the means by which customers may view, inquire about, or dispute their covered information; and (3) the means, if any, by which customers may limit the collection, use, storage, or disclosure of covered information and the consequences to customers if they exercise such limits.

- 6.3 CEA shall provide to customers upon request convenient and secure access to their covered information, in an easily readable format that is at a level no less detailed than that at which the covered entity discloses the data to third parties.

Use, Disclosure, and Customer Authorization

- 6.4 CEA may disclose covered information without customer consent to a third party acting under contract with the CPUC for the purpose of providing services authorized pursuant to an order or resolution of the CPUC, or to a governmental entity for the purpose of providing energy efficiency or energy efficiency evaluation services pursuant to an order or resolution of the CPUC.

- 6.5 CEA may disclose covered information to a third party without customer consent when explicitly ordered to do so by the CPUC, or for a primary purpose being carried out under contract with and behalf of CEA provided that CEA requires, by contract, the third party to agree to access, collect, store, use, and disclose the covered information under policies, practices, and notification requirements no less protective than those under which CEA itself operates.
- 6.6 Any entity that receives covered information derived initially from CEA may disclose such covered information to another entity without customer consent for a primary purpose, provided that the entity disclosing the covered information shall, by contract, require the entity receiving the covered information to use the covered information only for such primary purpose and to agree to store, use, and disclose the covered information under policies, practices, and notification requirements no less protective than those under which CEA operates.
- 6.7 When CEA discloses covered information to a third party under this subsection it shall specify by contract, unless otherwise ordered by the CPUC, that it shall be considered a material breach if the third party engages in a pattern or practice of accessing, storing, using, or disclosing the covered information in violation of the third party's contractual obligations to handle the covered information under policies no less protective than those under which CEA operates.
- 6.8 If CEA finds that a third-party contractor to which it disclosed covered information is engaged in a pattern or practice of accessing, storing, using, or disclosing covered information in violation of the third party's contractual obligations related to handling covered information, CEA shall promptly cease disclosing covered information to such third party.
- 6.9 Separate authorization by each customer must be obtained for all disclosures of covered information except as provided for herein.
- 6.10 CEA shall permit customers to cancel authorization for any secondary purpose of their covered information by the same mechanism initially used to grant authorization.
- 6.11 CEA shall permit the use of aggregated usage data that is removed of all personally-identifiable information to be used for analysis, reporting, or program management, provided that the release of that data does not disclose or reveal specific customer information because of the size of the group, rate classification, or nature of the information.

Barbara Boswell
Interim Chief Executive Officer

Date

**Clean Energy Alliance
Administrative Policy**

SUBJECT: Clean Energy Alliance Collections Policy			EFFECTIVE DATE: February 20, 2020
POLICY #: CEA-05	SUPERSEDES N/A	STAFF CONTACT	# OF PAGES: 2

1.0 Purpose

To establish a delinquent accounts, collections and write off policy for the Clean Energy Alliance.

2.0 Organizations affected

Clean Energy Alliance

3.0 References

None

4.0 Definitions

5.0 Policy

5.1 Any CEA customer who has overdue CEA charges that exceeds \$250 shown on their SDG&E bill will receive a letter from CEA after 90 days past due, and a second letter at 120 days past due, informing them of their overdue status and the methods available to pay the overdue CEA charges.

5.2 Any overdue CEA charges totaling \$20.00 or more which have not been paid by the customer and are no longer being collected by SDG&E may be referred to a collections agency for settlement.

5.3 Any overdue CEA charges totaling \$19.99 or less which have not been paid by the customer and are no longer being collected by SDG&E may be considered bad debt and written off.

5.4 Interest will not be charged on any customer account.

- 5.5 If a customer has not paid within 180 days following the initiation of the collections process, the collections agency will file credit reporting information on the customer with all applicable agencies.
- 5.6 The collections agency will be authorized to pursue legal action on any customer with an outstanding balance of \$750 or more.
- 5.7 After a customer has paid all overdue amounts, all collections activity will terminate for that customer.

Approved:

Barbara Boswell
Interim Chief Executive Officer

Date