



# Special Board Meeting

December 17, 2021

# Item 3: Resolution Authorizing City of San Marcos to Join CEA

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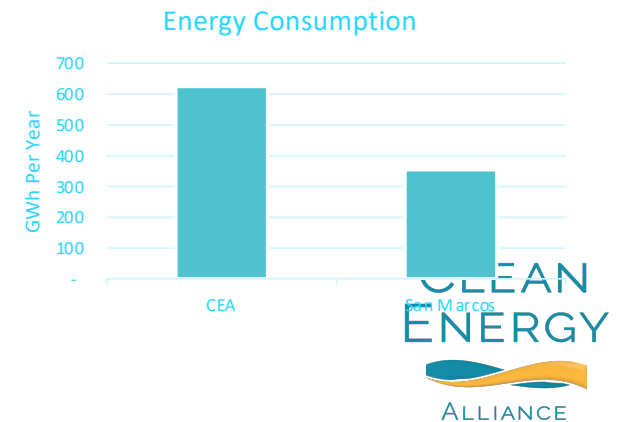
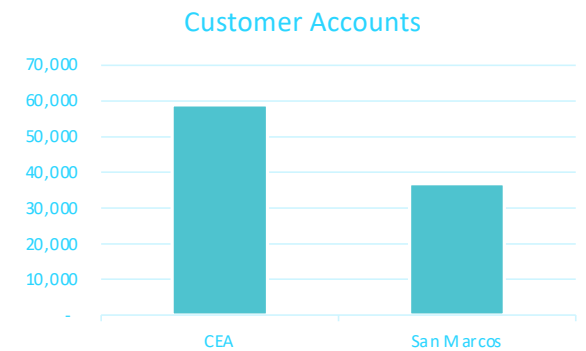
- Recommendation:
  - Adopt Resolution 2021-015 Authorizing City of San Marcos to Become a Party to the Joint Powers Agreement and a Member of CEA;
  - Find that the addition of the City of San Marcos to the Clean Energy Alliance is exempt from the requirements of the California Environmental Quality Act (“CEQA”), as it involves organizational and administrative activities of government that will not in direct or indirect physical changes on the environment, and therefore is not considered a “project”.

# Item 3: Resolution Authorizing San Marcos Join CEA

- Background
  - Through its evaluation process, San Marcos concluded that joining CEA was the best option for bringing community choice energy to its community
  - San Marcos has taken the following actions related to joining CEA"
    - Adopt Resolution to join CEA
    - Adopt Ordinance establishing a Community Choice Energy program
    - Provided load data for CEA to evaluate impact of serving the related energy load.
  - CEA has evaluated the load data and an assessment report was prepared.
    - The analysis concluded that adding San Marcos had a positive impact on CEA.
    - Results were shared at the 11/18/21 CEA Board meeting

# San Marcos Customer Information

Classification	Accounts	Annual Energy (MWh)	Average Customer Usage (KWh/Mo.)
Residential	31,708	163,320	429
Small Commercial	4,480	62,809	1,168
Medium & Large Commercial	433	120,580	23,215
Agricultural	83	4,682	4,690
Street Lighting	117	1,382	988
<b>Total</b>	<b>36,820</b>	<b>352,773</b>	<b>798</b>
<b>Peak Demand (MW)</b>	<b>80</b>		



Expansion would represent an approximate 52% increase to CEA retail sales.  
 Data above are unadjusted for opt-out assumptions.

# Fiscal Impact Summary for Service to San Marcos (\$MM)

	FYE 2023*	FYE 2024	FYE 2025
Revenue	\$6.9	\$34.1	\$34.2
Power Supply Costs	-\$5.4	-\$28.6	-\$27.0
Billing and Other Costs	-\$0.2	-\$0.8	-\$0.8
Net Operating Margin	<b>\$1.4</b>	<b>\$4.7</b>	<b>\$6.4</b>
Reserve contribution	\$0.3	\$1.7	\$1.7
Net Surplus	\$1.1	\$3.0	\$4.7
Electric Sales (MWh)	71,901	326,255	327,886

\* Reflects partial year of service for fiscal year ending June 30, 2023, with enrollments commencing in April 2023.

General implementation costs would be incurred leading up to expansion. Such costs include staff and other costs related to marketing and outreach, customer noticing, regulatory and legal representation, internal operations, resource planning and electric procurement.



## Item 3: Resolution Authorizing San Marcos Join CEA

- San Marcos will be included in the Amended Implementation Plan that will be brought to the Board for consideration at its 12/30/21 meeting.
- Based on the conclusions of the assessment report, and actions taken by San Marcos City Council, staff recommends CEA Board adopt resolution 2021-015 and make the related CEQA findings.

# Questions/Discussion



# Item 4: Receive Update on Proposed Changes to SDG&E Net Energy Metering Program & Consider Sending a Letter Commenting on Changes

# Item 4: Update on SDG&E NEM Program

- Recommendation:
  - Direct staff to draft a letter for Board Chair signature commenting on the CPUC proposed changes to the SDG&E Net Energy Metering tariffs

# Item 4: Update on SDG&E NEM Program

- Presentation by Regulatory Counsel, Ty Tosdal, Tosdal APC

# Item 4: Update on SDG&E NEM Program

- CPUC Proposed Decision does not impact CEA NEM program
- CPUC Proposed Decisions does impact CEA customers
  - Current & New solar customer
  - SDG&E side of bill
- CEA Board continues to have local control of its NEM program
- CEA Legislative and Policy Platform
  - Basic Principle 4:
    - Promotes growth in renewable energy capacity at local level, encourage clean energy adoption by CEA customers and reduce fossil fuel dependency

# Item 4: Update on SDG&E NEM Program

- Sample documents from other CCA Programs
  - MCE - letter supporting sustainable and equitable growth of rooftop solar, particularly for low-income and disadvantaged communities, via the NEM 3.0 proceeding
  - EBCE – Resolution supporting a regulated net energy metering program that encourages clean energy distributed generation and helps meet vital energy and climate goals
  - SDCP – Sustainable growth in solar industry and grid resiliency through a supporting NEM 3.0 proceeding

# Item 4: Update on SDG&E NEM Program

- Options for CEA to Consider:
  - Letter to Governor & CPUC Commissioners
    - Encourage policies that
      - Support continued growth in rooftop solar and reliance on clean energy
      - Expands access to rooftop solar to low-and moderate-income community
      - Expands access to clean energy to renters and those living in multi-family units
      - Encourages growth of battery storage for resiliency and cost effectiveness
  - Take no action

# Questions/Discussion