



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Lori Mitchell

SUBJECT: SEE BELOW

DATE: August 10, 2022

Approved

Date

08/12/22

INFORMATION

SUBJECT: SAN JOSÉ CLEAN ENERGY Q2 2022 (Q4 FY 2021-2022) SAN JOSÉ CLEAN ENERGY POWER PROCUREMENT AND REGULATORY COMPLIANCE REPORT

BACKGROUND

On November 7, 2017, Council approved an ordinance to add Title 26 to the San José Municipal Code to provide procedures for the operation and management of San José Clean Energy (SJCE).

In accordance with Section 26.30.020 of the Municipal Code, the Director of the Community Energy Department shall submit all reports, plans, and data required to comply with SJCE's regulatory requirements. On a quarterly basis, the Director shall provide reports to the City Council listing the plans and reports submitted in the past quarter to the various regulatory agencies. Each quarterly report shall be submitted no later than 45 days following the end of the previous quarter. The quarterly report required in this Section may be combined with the quarterly reporting required in Section 26.50.040.

In accordance with Section 26.50.040, the Director of the Community Energy Department is to submit quarterly reports to the City Council summarizing the number of Short-Term Transactions and the total cost of those transactions during the previous quarter.

ANALYSIS

Regulatory Compliance

Between April 1, 2022 and June 30, 2022, SJCE submitted 41 compliance filings with state, federal, and non-profit regulatory organizations to meet its regulatory obligations. No data requests were submitted.

Attached to this memorandum as Attachment 1 is a list of these compliance filings.

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During the period from April 1, 2022 to June 30, 2022, SJCE participated in twenty California Public Utilities Commission regulatory proceedings directly, as part of informal coalitions of joint Community Choice Aggregation programs, or through CalCCA as a member of this organization. These proceedings include the Integrated Resource Planning rulemaking (R.20-05-003), the Renewable Portfolio Standard rulemaking (R.18-07-003), the Power Charge Indifference Adjustment rulemaking (R.17-06-026), the Resource Adequacy rulemaking (R.21-10-002), the PG&E's 2022 Forecast Energy Resource Recovery Account proceeding (A.21-06-001), the PG&E's 2023 Forecast Energy Resource Recovery Account proceeding (A.22-05-029), PG&E Compliance Review of Portfolio Allocation Balancing Account (PABA) and ERRA Entries 2019 (A.20-02-009), the PG&E Compliance Review of PABA and ERRA Entries 2020 (A.21-03-008), PG&E's Compliance Review of PABA and ERRA Entries 2021 (A.22-02-015), the PG&E Company's General Rate Case 2020 Phase II application (A.19-11-019), the PG&E General Rate Case 2023 application (A.21-06-021), the Disconnections proceeding (R.18-07-005), the Affordability proceeding (R.18-07-006), the Supplier Diversity rulemaking (R. 21-03-010), the Provider of Last Resort rulemaking (R.21-03-011), the Energy Efficiency rulemaking (R. 13-11-005), the Microgrids rulemaking (R.19-09-009), the Net Energy Metering 3.0 proceeding (R.20-08-020), the Vehicle Electrification Rates and Infrastructure proceeding (R.18-12-006), and the High Distributed Energy Resources Future rulemaking (R. 21-06-017).

Power Procurement

SJCE entered into 15 short-term agreements during the fourth quarter of FY 2021-2022. SJCE entered into 9 purchase agreements worth a total of \$59,504,235.30. Power product sales accounted for 6 agreements worth \$1,445,325.00. The net cost for the 15 agreements to SJCE is \$58,058,910.30.

Attached to this memorandum as Attachment 2 is a list of these agreements.

/s/
LORI MITCHELL
Director, Community Energy Department

For questions, please contact Lori Mitchell, Director of Community Energy Department, at (408) 535-4880.

Attachment 1 San José Clean Energy Q2 2022 (Q4 FY 2021-2022) Compliance Filings
Attachment 2 San José Clean Energy Q2 2022 (Q4 FY 2021-2022) Power Transactions

Attachment 1 - San José Clean Energy Q2 2022 Compliance Filings

#	Frequency	Topic	Deliverables	Jurisdiction	Due	Submitted
1	M	CRRs	June 2022 Load Forecast for CRR Allocations	CAISO	4/7/2022	Submitted 4/6/22
2	M	CRRs	May Tier 1 CCR Nomination	CAISO	4/11/2022	Submitted 4/11/22
3	M	CRRs	May Tier 2 CCR Nomination	CAISO	4/15/2022	Submitted 4/15/22
4	A	RA	non-binding month-ahead RA filings for July, August and September 2022	CPUC	4/15/2022	Submitted 4/15/22
5	M	MARA	June T-45 RA	CAISO	4/17/2022	Submitted 4/16/22
6	M	MARA	June T-45 RA	CPUC & CEC	4/18/2022	Submitted 4/16/22
7	M	MARA	July Load Migration Forecast	CPUC & CEC	4/18/2022	Submitted 4/16/22
8	A	RA	2023 Initial Load Forecast for Year Ahead RA	CPUC & CEC	4/18/2022	Submitted 4/18/22
9	M	Reliability	Summer Reliability Procurement Status Report due	CPUC	4/25/2022	Submitted 4/25/22
10	A	AMI	AMI Data Privacy Annual Report	CPUC	4/29/2022	Submitted 4/28/22
11	T	AMI	AMI Data Privacy Triennial Audit	CPUC	4/29/2022	Submitted 4/28/22
12	M	EIA	March 861 filing (accounts, load, revenue)	EIA	4/29/2022	Submitted 4/27/22
13	A	EIA	Annual 861 Filing (2021)	EIA	4/29/2022	Submitted 4/27/22
14	A	Officer	Annual Officer Certification Form	CAISO	4/29/2022	Submitted 4/28/22
15	Q	DAC-GT	DAC-GT CSGT Quarterly Report	CPUC	4/30/2022	Submitted 4/29/22
16	Q	Energy Surcharge	Q1 2022 Energy Resources Surcharge Return & Payment	CDTFA	5/2/2022	Submitted 4/26/22
17	T	DAC-GT	Tri-Annual Responses to Recommendations	CPUC	5/2/2022	Submitted 5/2/22
18		RPS	Eligibility review of Summary Claims Report for Compliance Period 3 (CP 3) 2017-2020	CEC	5/6/2022	Completed 5/6/22
19	M	CRRs	June Tier 1 CCR Nomination	CAISO	5/11/2022	Submitted 5/11/22
20	M	CRRs	July 2022 Load Forecast for CRR Allocations	CAISO	5/12/2022	Submitted 5/12/22
21	Q	QFER	Q1 2022 1306B – QFER (accounts, load, revenue)	CEC	5/16/2022	Submitted 5/12/22
22	A	RA	2023 Revised Load Forecast for Year Ahead RA	CPUC & CEC	5/16/2022	Submitted 4/18/22 (no revisions to previous)
23	-	IRP	Updated load forecast for 2022 IRP	CPUC & CEC	5/16/2022	Submitted 5/16/22
24	A	EE	Energy Efficiency Program Annual Report	CPUC	5/17/2022	Submitted 5/17/22
25	M	MARA	July T-45 RA (w/ Local & Flex true up)	CPUC & CEC	5/17/2022	Submitted 5/17/22
26	M	MARA	August Load Migration Forecast	CPUC & CEC	5/17/2022	Submitted 5/17/22
27	M	MARA	July T-45 RA	CAISO	5/17/2022	Submitted 5/17/22
28	M	CRRs	June Tier 2 CCR Nomination	CAISO	5/17/2022	Submitted 5/17/22
29	M	Reliability	Summer Reliability Procurement Status Report due	CPUC	5/23/2022	Submitted 5/23/22
30	M	EIA	April 861 filing (accounts, load, revenue)	EIA	5/31/2022	Submitted 5/31/22
31	A	MRR	2021 Retail Load Reporting for MRR (Retail Sales)	CARB	6/1/2022	Submitted 6/2/22
32	A	PSD	Annual PSD Report	CEC	6/1/2022	Submitted 6/1/22 on outdated template; Re-submitted 6/7/22 with CEC approval
33	M	CRRs	August 2022 Load Forecast for CRR Allocations	CAISO	6/9/2022	Submitted 6/9/22
34	M	CRRs	July Tier 1 CCR Nomination	CAISO	6/9/2022	Submitted 6/9/22
35	M	CRRs	July Tier 2 CCR Nomination	CAISO	6/15/2022	Submitted 6/15/22
36	Q	EE	Q1 2022 EE Program Tracking Data Submission	CPUC	6/16/2022	Submitted 6/15/22
37	M	MARA	August T-45 RA (w/ Local & Flex true up)	CPUC & CEC	6/17/2022	Submitted 6/16/22
38	M	MARA	September-December Load Migration Forecast	CPUC & CEC	6/17/2022	Submitted 6/16/22
39	M	MARA	August T-45 RA	CAISO	6/17/2022	Submitted 6/16/22
40	M	Reliability	Summer Reliability Procurement Status Report due	CPUC	6/20/2022	Submitted 6/21/22
41	M	EIA	May 861 filing (accounts, load, revenue)	EIA	6/30/2022	Submitted 6/28/22

Key	
AMI	Advanced Metering Infrastructure
CAISO	California Independent System Operator
CalCCA	California Community Choice Association
CAM	Cost Allocation System
CARB	California Air Resources Board
CCA	Community Choice Aggregator
CDTFA	California Department of Tax and Fee Administration
CEC	California Energy Commission
CPM	Capacity Procurement Mechanism
CPUC	California Public Utilities Commission
CRR	Congestion Revenue Rights
CRS	Center for Resource Solutions
DAC-GT	Disadvantaged Communities Green Tariff
EIA	Energy Information Administration
EE	Energy Efficiency
ERRA	Energy Resource Recovery Account
GHG	Greenhouse Gas
IEPR	Integrated Energy Policy Report
IRP	Integrated Resource Plan
LCFS	Low Carbon Fuel Standard
MARA	Month Ahead Resource Adequacy
MRR	Regulation for the Mandatory Reporting of Greenhouse Gas Emissions
PCIA	Power Charge Indifference Adjustment
PSD	Power Source Disclosure Program
QFER	Quarterly Fuel Energy Report
RA	Resource Adequacy
RMRR	Reliability Must-Run
RPS	Renewable Portfolio Standard
TE/VGI	Transportation Electrification/Vehicle Grid Integration
YARA	Year Ahead Resource Adequacy

San José Clean Energy Q2 2022 (Q4 FY 2021-2022) Power Transactions

Short-term Purchases

#	Contract ID	Agreement Date	Counterparty	Energy Type	Power Delivery Period	Contract Amount
1	22-112-11	6/10/2022	Nextera Energy Marketing, LLC	Conventional Energy	2023	\$ 8,007,406.25
2	22-112-15	6/24/2022	Calpine Energy Services L.P.	Conventional Energy	2024	\$ 14,280,588.00
3	22-112-16	6/28/2022	Nextera Energy Marketing, LLC	Conventional Energy	2023	\$ 4,416,343.25
4	22-112-17	6/13/2022	Morgan Stanley Capital Group Inc.	Conventional Energy	2023	\$ 5,919,815.80
5	22-112-18	6/24/2022	Morgan Stanley Capital Group Inc.	Conventional Energy	2023	\$ 6,315,210.00
6	22-112-20	6/28/2022	Nextera Energy Marketing, LLC	Conventional Energy	2024	\$ 15,112,872.00
7	22-113-04	4/26/2022	Shell Energy North America (US), L.P.	Resource Adequacy	2023	\$ 3,780,000.00
8	22-113-05	4/21/2022	Chevron Power Holdings	Resource Adequacy	2023	\$ 1,122,000.00
9	22-113-06	6/30/2022	Central Coast Community Energy	Resource Adequacy	2022	\$ 550,000.00

Total Cost of Purchases: \$ 59,504,235.30*Short-term Sales*

10	22-199-05	4/14/2022	Southern California Edison	Resource Adequacy	2022	\$ (148,750.00)
11	22-199-06	5/9/2022	Direct Energy	Resource Adequacy	2022	\$ (306,000.00)
12	22-199-07	4/6/2022	East Bay Community Energy Authority	Resource Adequacy	2022	\$ (15,000.00)
13	22-199-08	5/12/2022	San Diego Community Power	Resource Adequacy	2022	\$ (211,325.00)
14	22-199-09	5/9/2022	Peninsula Clean Energy	Resource Adequacy	2022	\$ (164,250.00)
15	22-199-10	6/30/2022	Central Coast Community Energy	Resource Adequacy	2022	\$ (600,000.00)

Total Revenue from Sales: \$ (1,445,325.00)**Net Cost****\$ 58,058,910.30**