


CITY INITIATIVES ROADMAP - CLEAN ENERGY RESILIENCE: POWER PROCUREMENT AGREEMENTS

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SAN JOSE 
CLEAN ENERGY
A Program of the City of San José

REQUEST FOR AUTHORITY TO PURCHASE POWER

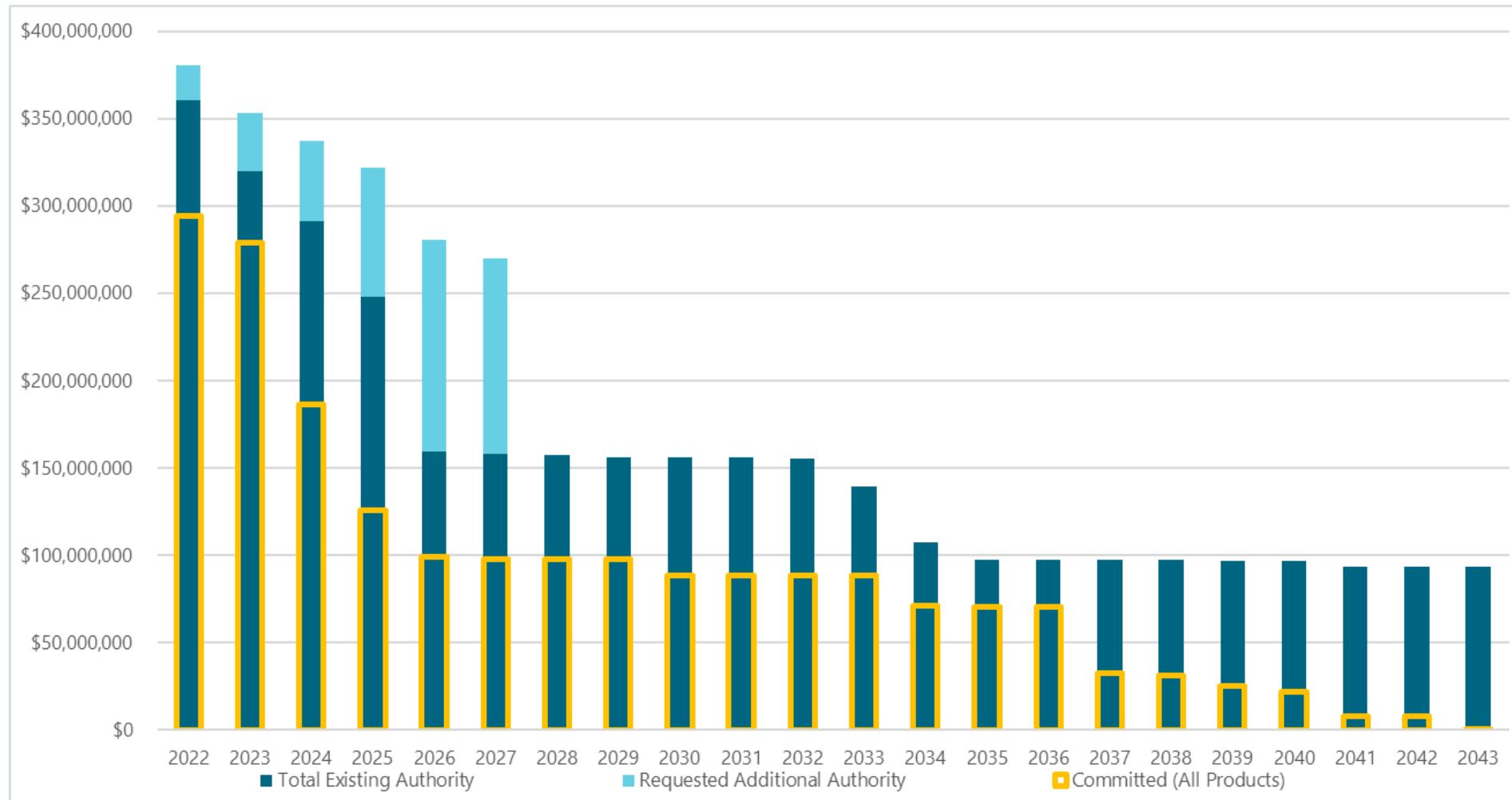
- SJCE recommends increasing the authority to purchase power products including energy, renewable energy, resource adequacy and low carbon products for the period 2022-2027.

Calendar Year	Existing Authority	Requested Additional Authority	Total Authority with Request	Target Coverage Ratio Max.
2022	\$360,200,000	\$20,000,000	\$380,200,000	125%
2023	\$320,100,000	\$32,800,000	\$352,900,000	115%
2024	\$291,500,000	\$45,800,000	\$337,300,000	95%
2025	\$247,800,000	\$73,800,000	\$321,600,000	90%
2026	\$159,300,000	\$121,400,000	\$280,700,000	90%
2027	\$158,000,000	\$111,800,000	\$269,800,000	85%
Total	\$1,536,900,000	\$405,600,000	\$1,942,500,000	

BACKGROUND

- Authority is needed to meet customer's electric demand.
- SJCE plans to approach the upper limit of the Energy Risk Management Regulations coverage ratio (expected load) to reduce its exposure to market volatility.
- Procuring ahead limits SJCE's exposure to short-term market disruptions and high prices in the Day-Ahead and Real-Time markets.

EXISTING AUTHORITY, COMMITTED AMOUNTS, AND ADDITIONAL REQUEST



QUESTIONS?

Recommendation

Increase the authority granted to the Director of CED or designee to negotiate and execute agreements five years and under to procure power products by \$405.6M from \$1.54B to an amount not to exceed \$1.9B in 2022-2027, to be paid solely from the San José Clean Energy Operating Fund, and subject to the Energy Risk Management Policy and Regulations, the appropriation of funds, and the following annual limits:

2022	2023	2024	2025	2026	2027
\$380.2M	\$352.9M	\$337.3M	\$321.6M	\$280.7M	\$269.8M

Presenting staff:

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