



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Lori Mitchell

SUBJECT: SEE BELOW

DATE: April 24, 2023

Approved

Date

04/27/23

INFORMATION

**SUBJECT: SAN JOSE CLEAN ENERGY ANNUAL REPORT TO COUNCIL
PURSUANT TO SAN JOSÉ MUNICIPAL CODE 26.60.010**

BACKGROUND

On November 7, 2017, City Council of San José (City Council) approved an ordinance to add Title 26 to the San José Municipal Code (Municipal Code) to provide procedures for the operation and management of San José Clean Energy (SJCE). In accordance with the Municipal Code, section 26.60.010, the Director of the Community Energy Department (Department) files this summary report, listing all significant actions and transactions that have occurred with regards to Title 26.¹ This summary report includes a compilation of the 2022 calendar year quarterly reports submitted pursuant to Sections 26.50.040 (Short-Term Power Procurement Transactions) and 26.30.020 (Regulatory Compliance Filings and Reports). This report also includes information pertaining to other significant actions and transactions related to SJCE customer enrollment, customer rates, power load and power demand, and a summary of City Council memoranda relating to SJCE operations in 2022.

CONTENT

This SJCE Annual Report to City Council covers five areas:

(1) Risk Management, including a description of the a) Energy Risk Management Policy, b) Risk Oversight Committee, and c) Energy Risk Management Regulations.

¹https://library.municode.com/ca/san_jose/codes/code_of_ordinances?nodeId=TIT26COEN_CH26.60RECO_26.60.010RECO

(2) Power Supply Contracts, 2022 Quarterly Power Procurement and Regulatory Compliance Reports and contract summaries contained in Attachment 1.

(3) Power Characteristics, including a description of a) Total Electric Load, b) Peak Demand, and c) 2022 Power Mix and SJCE Retail Products and Programs (GreenSource, TotalGreen, GreenValue, SJ Cares, and Solar Access).

(4) Customer Information, including a) Total SJCE Customer Accounts, b) SJ Cares Customer Enrollment, c) Solar Access Customer Enrollment, d) Cumulative SJCE Customer Enrollment by Retail Product, and e) three 2022 SJCE Rate Changes.

(5) 2022 City Council Memoranda, including a summary and status update of fourteen City Council memoranda filed in 2022 contained in Attachment 2.

ANALYSIS

1) Risk Management

Energy Risk Management Policy

On November 7, 2017, City Council approved Ordinance 30028 to add Title 26 to the Municipal Code to establish operational parameters for SJCE, including an obligation to prepare an Energy Risk Management Policy. The goals of the Risk Management Policy are to serve SJCE customers' needs, subject to risk tolerance limits approved by City Council, provide as much energy supply cost certainty as possible for SJCE's customers while maintaining a least-cost supply portfolio, and meet all portfolio objectives such as renewable energy content and greenhouse gas-free supplies. City Council adopted Resolution No. 78574, the Energy Risk Management Policy, on April 19, 2018. The Energy Risk Management Policy is reviewed on an annual basis but has not been amended since it was initially adopted.²

Risk Oversight Committee (ROC)

The Energy Risk Management Policy calls for the creation of a Risk Oversight Committee (ROC) to assist the Department in overseeing compliance with risk management policies of SJCE. The ROC is comprised of seven voting members: a City Manager Representative; the Director of the Community Energy Department; the Director of Finance; the City Manager's Budget Office Director; the City's Risk Manager; the Community Energy Department's Deputy Director of Power Resources; the Community Energy Department's Division Manager of Risk Management, Contracts and Administration. The City Attorney advises ROC members and staff to ensure compliance with City policy and regulations as well as federal and state laws. The

² Find the current Risk Management Policy at

<https://www.sanjoseca.gov/home/showpublisheddocument/12875/636669975476830000>.

ROC held 14 meetings in 2022 to discuss power products portfolio, procurement, counterparties, financial credit and collateral limits, and risk limit reports.

Energy Risk Management Regulations

The Energy Risk Management Regulations document provides more details on the roles, strategies, controls, and authorities described in the Energy Risk Management Policy. The Energy Risk Management Regulations should be read in conjunction with the Risk Management Policy and provide details on SJCE’s comprehensive energy risk management practices. The Risk Management Regulations were first drafted in 2018 and were adopted on October 3, 2019. As strategies and best practices change over time, it is important to continuously update this document. The Energy Risk Management Regulations are reviewed annually and were most recently adopted on February 28, 2022. They are currently under review with additional revisions anticipated in spring 2023.

2) Power Supply Contracts

Section 26.50.040 of the Municipal Code requires the Department to submit quarterly reports to City Council that summarize all SJCE’s short-term transactions and the total cost of these contracts.³ The Department, on behalf of SJCE, filed four Quarterly Power Procurement and Regulatory Compliance Reports detailing 77 short-term purchase agreements entered in 2022 worth a total of \$299,464,512. The four 2022 reports to City Council are contained in Attachment 1.

3) Power Characteristics

SJCE Total Electric Load

SJCE’s annual load is the amount of electricity needed to meet annual customer demand measured in megawatt-hours. Annual SJCE load is measured in two categories: retail and wholesale. Retail load represents the amount of electricity SJCE customers use annually. Wholesale load represents the amount of electricity SJCE procures annually to meet that customer need. The difference between SJCE annual retail and wholesale load is the amount of electricity lost in the form of heat and other losses during the long-distance transmission process. Data for 2022 includes some estimated information as final SJCE 2022 load data will not be available until end of March 2023 due to timing of the California Independent System Operator meter reconciliation process.

Table 1. SJCE Load 2021-2022 (Megawatt-Hours)

	2021	2022
Retail Load	3,802,057	3,763,770
Wholesale Load	4,040,807	4,051,475

³https://library.municode.com/ca/san_jose/codes/code_of_ordinances?nodeId=TIT26COEN_CH26.50ENPR_26.50.040SHTETRAUTRLI

SJCE Peak Demand

SJCE annual peak demand represents the amount of electric generating capacity needed to meet the highest amount of electric demand created by SJCE customers at any one time during the calendar year, measured in megawatts. In 2022, SJCE's peak demand was 1,162 MW. SJCE's peak demand is heavily influenced by hot weather events that cause high levels of air conditioning use during summer heat events. The extreme heat wave in early September caused 2022 to have a higher peak demand than 2021 (966 megawatts), which experienced a relatively mild summer.

SJCE Power Mix and Retail Products and Programs

In 2022, SJCE offered three retail energy products made up of a power mix that reflects City Council's policy goals and customer preference: GreenSource, TotalGreen, and GreenValue. GreenSource is SJCE's default retail product for all customers designed to meet the City Council's renewable and carbon reduction goals and exceed state renewable goals; TotalGreen is SJCE's premium service option that offers customers 100% renewable power and ensures progress on the City's Climate Smart goals; and GreenValue, introduced in 2021, is a lower cost service option with rates set at parity with Pacific Gas and Electric Company's (PG&E) generation rates and a renewable energy content percentage of 40% which is above the State's Renewable Portfolio Standard requirement.⁴ Customers may choose to opt up to TotalGreen or opt down to GreenValue at any time.

SJCE also offered two programs, SJ Cares and Solar Access, in 2022 to provide customers with low-income access to renewable, affordable energy. SJ Cares is a discount program that allows customers enrolled in California Alternate Rates for Electricity or Family Electric Rate Assistance program(s) to receive a GreenSource power mix at GreenValue rates. Solar Access, known as the Disadvantaged Community Green Tariff program at the California Public Utilities Commission (CPUC), is a CPUC-funded program that provides a 20% bill discount, in addition to customers' California Alternative Rate for Energy or Family Electric Rate Assistance discount, and 100% solar energy to customers living in disadvantaged communities

Tables 2 reflects estimates of the actual power content for the three retail energy products and one program in 2022. These numbers will be finalized mid-year after final energy data becomes available at the end of May 2023.⁵

⁴ In 2022, GreenValue's renewable energy content percentage exceeded the State's Renewable Portfolio Standard requirement; see Public Utilities Code, section 399.30(b) (establishing multi-year compliance periods for the Renewable Portfolio Standard) and 399.30(c) (requiring that POUs procure electricity products from eligible renewable energy resources equal to 25% of retail sales by December 31, 2016, 33% by December 31, 2020, 44% by December 31, 2024, 52% by December 31, 2027, and 60% by December 31, 2030. For years in between, a linear increase should be used (i.e., 2021 35.75%; 2022, 38%; 2023, 41.25%); see also *Renewables Portfolio Standard Verification Methodology Report, Second Edition*, CEC 20 (Oct. 2018)

https://www.energy.ca.gov/sites/default/files/2021-06/CEC-300-2018-008-SF_0.pdf

⁵ The final data is obtained from the Western Renewable Energy Generation Information System Renewable Energy Credit accounting and allocation process.

GreenSource

In 2021, City Council approved SJCE’s power mix of at least 60% renewable energy for SJCE’s GreenSource base product with a likely increase to 95% carbon-free content beginning January 1, 2022.^{6 7} The GreenSource product has an estimated mix of 59% renewable resources and 94% carbon-free resources. Table 2 shows these preliminary estimated percentages of renewable resources and carbon-free power compared with the mix approved by City Council.

Table 2. 2022 GreenSource Power Mix⁸

	City Council Approved	Preliminary Estimate
Total Renewable	60%	59%
Total Carbon Free	95%	94%

TotalGreen

The SJCE 2022 TotalGreen power mix will be 100% renewable, as expected. Table 3 shows the estimated percentages of renewable resources and carbon-free power compared with the mix requested by City Council.

Table 3. 2022 TotalGreen Power Mix

	City Council Approved	Preliminary Estimate
Total Renewable	100%	100%
Total Carbon Free	100%	100%

GreenValue

City Council approved the introduction of SJCE’s GreenValue product at the May 11, 2021 City Council meeting.⁹ In 2021, City Council approved SJCE’s power mix of at least 40% renewable energy for SJCE’s GreenValue product with a carbon-free content of 80% for 2022.

GreenValue’s renewable energy content percentage exceeds the minimum amount to comply with California’s Load Serving Entities 2022 Renewable Portfolio Standard procurement requirement.¹⁰ Table 4 shows the estimated percentages of renewable resources and carbon-free power compared with the mix requested by City Council.

⁶ 2022 *Power Mix and Rates*, SJCE 1 (Nov. 17, 2021)

<https://www.sanjoseca.gov/home/showpublisheddocument/80600/637752673325570000>; *City Council Meeting Synopsis*, CITY OF SAN JOSÉ 19 (Dec. 14, 2021),

<https://sanjose.legistar.com/View.ashx?M=M&ID=890222&GUID=18E195F3-6D10-4D23-8423-7715E8B0332D>.

⁷ PG&E allocates carbon-free attributes to CCAs according to the pro-rata share of the load-serving entity’s monthly load forecast for all PCIA-paying customers. Preliminary estimates showed that the allocation to SJCE would roughly be 1,300 GWh of carbon-free power in 2022, which would increase the carbon-free content of SJCE’s power mix by roughly 60% and bring SJCE’s total up to 94%.

⁸ In 2022, SJCE did not purchase any unbundled RECs, as such, this figure is not represented in Table 2 like it was in the 2019-2020 Annual Compliance Report. SJCE only purchased energy bundled with renewable energy credits in 2022, and this data is represented in the “Total Renewable” row under “Preliminary Estimate.”

⁹ See City Council Synopsis, *supra* note 6.

¹⁰ Pub. Utilities Code, section 399.30(b) and 399.30(c).

Table 4. 2022 GreenValue Power Mix¹¹

	City Council Approved	Preliminary Estimate
Total Renewable	40%	40%
Total Carbon Free	80%	80%

SJ Cares

At the May 11, 2021 City Council meeting, City Council approved the introduction of a new retail energy product, SJ Cares.¹² The SJ Cares product offers low-income customers enrolled in California Alternate Rates for Electricity or Family Electric Rate Assistance programs the same renewable energy power mix percentages as the GreenSource product at lower GreenValue rates.¹³ Because SJ Cares customers receive the equivalent of the GreenSource power mix, beginning on January 1, 2022, this program offered a renewable energy content of 60% with an estimated carbon-free energy of 95% as approved by City Council.¹⁴

Table 5 shows the preliminary estimated percentages of renewable resources and carbon-free power compared with the mix approved by City Council.

Table 5. SJ Cares (GreenSource) Power Mix¹⁵

	City Council Approved	Preliminary Estimate
Total Renewable	60%	59%
Total Carbon Free	95%	98%

Solar Access

At the November 17, 2020 meeting, City Council authorized the Department to submit an Advice Letter to the CPUC, on SJCE’s behalf, to become a program administrator for the Disadvantaged Communities-Green Tariff program.¹⁶ The CPUC approved SJCE’s Disadvantaged Communities-Green Tariff program, now named Solar Access, in April 2021 and was allotted a program capacity of 1.736 megawatts to serve program participants.¹⁷ In program years 2021 and 2022, the program capacity obligation of 1.736 megawatts was fulfilled with 100% renewable interim energy resource credits but will be delivered from a permanent long-

¹¹ *Id.*

¹² See City Council Synopsis, *supra* note 6.

¹³ 2022 Power Mix and Rates, *supra* note 6.

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ *City Council Meeting Minutes*, CITY OF SAN JOSÉ 10-11 (Nov. 17, 2020), <https://sanjose.legistar.com/View.ashx?M=M&ID=790225&GUID=06F70FD3-8C85-4AE0-A5ED-128C49B90C2C>.

¹⁷ Resolution E-5124 (Apr. 16, 2021), <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M378/K421/378421442.PDF>.

term solar resource when it comes online.¹⁸ This project is expected to be operational by the end of 2023.

4) SJCE Customer Information

Total SJCE Customer Accounts

SJCE increased total customer accounts by 1,179 in 2022 from 349,823 accounts served in 2021 to 351,002 accounts served in 2022.

Table 5. SJCE Total Customer Accounts in 2021/2022

Customer Accounts	End of 2021	End of 2022
Total	349,823	351,002
Residential	321,984	322,960
Commercial/Industrial	27,839	28,042

Cumulative SJCE Customer Enrollment by SJCE Retail Product and Program

San José residents and businesses are automatically enrolled with SJCE as their electric service provider,¹⁹ and most customers are defaulted to the SJCE GreenSource product. However, SJCE customers that participate in the State’s California Alternate Rates for Electricity or the Family Electric Rate Assistance program are automatically defaulted to the SJ Cares discount program. Once enrolled, customers have the option of “opting up” from GreenSource to TotalGreen, a 100% renewable product that costs an additional \$0.01/kilowatt-hour for most customers, or “opting down” to GreenValue. Customers located in disadvantaged communities and enrolled in the California Alternate Rates for Electricity program, or the Family Electric Rates Assistant program can also apply to be placed in the Solar Access program. Customers also have the option of “opting out” of the SJCE community choice program to instead receive electricity generation service from PG&E.

In 2022, 315 additional SJCE customers “opted up” to TotalGreen for a total of 1,743 TotalGreen customers, representing approximately 0.50% of SJCE’s total customer base. Additionally, 4,658 additional SJCE customers “opted down” to GreenValue in 2022 for a total of 6,114, representing approximately 1.74% of SJCE’s total customer base. At the end of 2022, about 75,000 residential customers were enrolled in SJ Cares, representing 21% of SJCE’s total customer base. 7,958 customers have “opted out” of SJCE service to receive service from PG&E. The SJCE opt out rate was 2.26% at the end of 2022, a relatively low opt out rate

¹⁸ The City of San José entered a power purchase agreement with a solar developer in connection with the Disadvantaged Communities-Green Tariff program on May 8, 2022. This power purchase was submitted via a Tier 2 Advice Letter to and approved by the CPUC on September 1, 2022.

¹⁹ California Assembly Bill 117 designating community choice aggregators as the default provider for local residents and businesses if a program has been put in place.

compared to other California community choice aggregators. At the end of 2022, 842 customers were enrolled in Solar Access,²⁰ representing 0.24% of SJCE’s total customer base.

Table 7. SJCE Customer Enrollment²¹

Customer Choice	End of 2021	End of 2022
Total Customers	349,823	351,002
GreenSource ²²	346,910	343,145
SJ Cares ²³	80,830	74,982
Opt Out ²⁴	10,090	7,958
GreenValue	1,456	6,114
TotalGreen	1,448	1,743
Solar Access	597	842

2022 SJCE Rate Changes

Pursuant to section 26.40.010 of the Municipal Code, the Department has set SJCE rates relative to PG&E’s generation rates.²⁵ In compliance with this section, the Department implemented three SJCE rate changes in 2022 to accommodate the various CPUC-approved changes to 2022 PG&E generation rates and Power Charge Indifference Adjustment (PCIA) rates. The Department sought and received approval for two of these rate changes from City Council in 2022, one for a rate change on January 1, 2022, at the December 14, 2021 City Council meeting and the other for a July 1, 2022 rate change at the June 16, 2022 City Council meeting. The Department implemented the other SJCE rate change in March 2022 to compensate for PG&E generation rate and PCIA changes and filed one information memorandum with City Council on March 28, 2022, to update City Council on these rate adjustments.

All SJCE rate changes are inclusive of electric generation charges, PCIA charges, and the Franchise Fee Surcharge. SJCE detailed these rate changes in the three City Council memoranda listed below.

January 1, 2022 Rate Changes: At the December 14, 2021 City Council meeting, the Department sought adoption of a resolution to approve a two-part implementation plan for adjusting SJCE’s generation rates for existing products beginning January 1, 2022 contingent on the timing of PG&E establishing SJCE’s 2022 generation rates and PCIA rates. City Council adopted

²⁰ Staff continues to maintain full enrollment each month through a combination of customer applications and auto-enrollments and have opened a waitlist for others to apply.

²¹ Table 6 reflects SJCE customers’ enrollment status and product choice at the end of 2021 and at the end of 2022.

²² This number is inclusive of SJ Cares customers.

²³ The number of SJ Cares customers is connected to the number of customers participating in the state’s CARE and FERA programs which decreased in 2022.

²⁴ In October, SJCE changed its methodology of tracking opt outs. Opt outs were previously tracked on a cumulative basis, but they are now tracked based on the number of currently active accounts on PG&E bundled service in SJCE’s service territory.

²⁵ SJCE is required to have at least one power mix with rates equal to or below similar PG&E rates.

Resolution No. 80331 allowing the Department to implement SJCE's Plan A rates or, if there is a delay in implementation of PG&E's rate and PCIA change, SJCE's Plan B "interim" rates provided that the Department adopted Plan A as soon as practically reasonable after PG&E's rate and PCIA changes are applied. Because PG&E's rate changes were delayed, the Department did the following:

- Increased set generation rates for GreenSource product at 30% above PG&E generation rates until 2022 PG&E's generation rate and PCIA rate changes are implemented (effective January 1, 2022).

[March 1, 2022 Rate Change](#): On March 28, 2022, in accordance with Resolution 80331,²⁶ SJCE submitted an information memorandum to notify the City Council of a generation rate adjustment in response to the approval of PG&E generation rates and PCIA rates, effective March 1, 2022 (implementing Plan A from Resolution 80331, approved by the City Council on December 14, 2021). SJCE took the following steps:

- Decreased generation rates for GreenSource product to 8% above PG&E's generation rates (effective March 1, 2022).
- Decreased generation rates for SJ Cares at 5% below PG&E's generation rates (effective March 1, 2022).

[July 1, 2022 Rate Change](#): At the June 28, 2022 City Council meeting, the Department sought adoption of a resolution amending Resolution No. 80331 to modify SJCE's Plan A. On May 31, 2022, PG&E issued Advice Letter 6603-E-A that changed electricity rates and PCIA as part of revenue allocation changes across customer classes, and as a result, SJCE's rates were out of compliance with the Plan A percentages established by the City Council at the December 14, 2021 meeting. To comply fully with Resolution No. 80331, SJCE would need to adjust all rates such that SJCE product offerings are priced relative to PG&E generation rates. However, as the Department can only decrease SJCE rates without providing notice to customers and not increase,²⁷ the Department proposed amending Resolution No. 80331 to create flexibility in meeting the percentages over/under PG&E rates to enable SJCE to at least meet, if not better, the requirements of rate percentages established by City Council in Resolution No 80331 while the Department evaluated the feasibility of matching PG&E's rate increases for certain customer classes. The Department requested to:

²⁶ Per Resolution 80331 adopted by City Council on December 14, 2021, SJCE should adopt Plan A service changes as soon as is practically reasonable after PG&E implements their 2022 generation rates and PCIA rates if it fails to do so by January 1, 2022.

²⁷ Muni. Code, sec. 26.40.020 (detailing that an increase in rates would require at least 30 days' notice of a public rate changing hearing while a decrease in rates does not require written notice to customers), https://library.municode.com/ca/san_jose/codes/code_of_ordinances?nodeId=TIT26COEN_CH26.40RACHEL_26.40.020ESELRACH.

- Decrease some generation rates for GreenSource products to maintain rates up to 8% above PG&E's generation rates (effective July 1, 2022).
- Decrease some generation rates for GreenValue products to maintain rates at no greater than parity to PG&E generation rates (effective July 1, 2022).

5) 2022 City Council Memoranda

The Department brought fourteen SJCE items to City Council for consideration between January 2022 and December 2022:

1. California Arrearage Payment Program – Electrical/Energy (January 11, 2022)
2. Actions Related to Long Duration Storage Project and Procurement Authority (March 8, 2022)
3. Actions Related to Long Duration Storage and Wholesale Energy Services (May 17, 2022)
4. Amend Resolution No. 80331 to Modify Plan A Regarding 2022 Power Mix and Rates (June 16, 2022)
5. Actions Related to Procuring Ormat and Fish Lake Geothermal Power (August 30, 2022)
6. Benefits and Risks of Providing San Jose Electric Service to New Developments – A Case Study of the Downtown West Mixed-Use Development (September 16, 2022)
7. City Initiatives Roadmap – Clean Energy Resilience: Agreements with Middle River Power and Sentinel Energy Center for Resource Adequacy and Dispatchable Energy (October 4, 2022)
8. City Initiatives Roadmap – Clean Energy Resilience: Power Procurement Agreements (October 18, 2022)
9. City Initiatives Roadmap – Clean Energy Resilience: Agreements for Solar Power and Battery Storage (October 25, 2022)
10. San José Clean Energy 2022 Integrated Resource Plan (October 25, 2022)
11. Electric Vehicle Fast Charging Pilot (November 15, 2022)
12. 2023 Power Rates, Service Options, and Financial Reserves Policy (December 6, 2022)
13. Long Term Renewable Energy and Resource Adequacy Contracts (December 13, 2022)
14. San José Clean Energy Revolving Credit Agreement (December 13, 2022)

These items provided recommendations on electric procurement, financial agreements, updates on SJCE's operational status, SJCE's strategic plan framework, changes to SJCE retail energy products and rates, and the submission of its 2022 Integrated Resource Plan to the CPUC. The content of these memoranda and status updates are summarized in Attachment 2.

HONORABLE MAYOR AND CITY COUNCIL

April 24, 2023

Subject: San José Clean Energy Annual Report to Council Pursuant to San José Municipal Code 26.60.010

Page 11

/s/

LORI MITCHELL

Director, Community Energy Department

For questions, please contact Zachary Struyk, Assistant Director, Community Energy Department, at zachary.struyk@sanjoseca.gov.

Attachments:

Attachment 1 - SJCE's 2022 Quarterly Power Procurement and Regulatory Compliance Reports

Attachment 2 - Summaries and Updates on 2022 City Council Memoranda



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Lori Mitchell

SUBJECT: SEE BELOW

DATE: May 10, 2022

Approved

Date

05/10/22

INFORMATION

SUBJECT: SAN JOSÉ CLEAN ENERGY Q1 2022 (Q3 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 (Director) 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 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 January 1, 2022 and March 31, 2022, SJCE submitted 40 compliance filings with state, federal, and non-profit regulatory organizations to meet its regulatory obligations. SJCE also submitted three data requests to the California Public Utilities Commission, two related to the Power Charge Indifference Adjustment and one related to the Renewable Portfolio Standard, as

HONORABLE MAYOR AND CITY COUNCIL

May 10, 2022

Subject: Q1 2022 (Q3 FY 2021-2022) San José Clean Energy Power Procurement and Regulatory Compliance Report

Page 2

well as one data request to the California Independent System Operator related to Resource Adequacy.

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

During the period from January 1, 2022 to March 31, 2022, SJCE participated in nineteen 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 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), 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), Customer Bill Debt Accumulation During Covid-19 (R.21-02-014), 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 17 short-term agreements during the third quarter of FY 2021-2022. SJCE entered into 13 purchase agreements worth a total of \$78,247,873.75. Power product sales accounted for 3 agreements worth \$955,500.00. The net cost for the 17 agreements to SJCE is \$77,292,373.75.

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 Q1 2022 (Q3 FY 2021-2022) Compliance Filings

Attachment 2 San José Clean Energy Q1 2022 (Q3 FY 2021-2022) Power Transactions

San José Clean Energy Q1 2022 Compliance Filings

#	Frequency	Topic	Deliverables	Jurisdiction	Due	Submitted
1	Biennial	Storage	Energy Storage Procurement Tier 2 Advice Letter	CPUC	1/3/2022	Submitted 12/22/21
2	M	Reliability	Summer Reliability Procurement Status Report	CPUC	1/3/2022	Submitted 12/22/21
3	M	CRRs	February Tier 1 CCR Nomination	CAISO	1/11/2022	Submitted 1/11/22
4	M	CRRs	March 2022 Load Forecast for CRR Allocations	CAISO	1/13/2022	Submitted 1/12/22
5	M	MARA	March T-45 RA	CAISO	1/15/2022	Submitted 1/14/22
6	M	MARA	March T-45 RA	CPUC & CEC	1/18/2022	Submitted 1/18/22
7	M	MARA	March T-45 RA Waiver	CPUC & CEC	1/18/2022	Submitted 1/18/22
8	M	MARA	April Load Migration Forecast	CPUC & CEC	1/18/2022	Submitted 1/14/22
9	Q	DAC-GT	DAC-GT Community Solar Green Tariff (CSGT) Quarterly Report	CPUC	1/28/2022	Submitted 1/28/22
10	M	EIA	December 861 filing (accounts, load, revenue)	EIA	1/31/2022	Submitted 1/29/22
11	Q	Energy Surcharge	Q4 2021 Energy Resources Surcharge Return & Payment	CDTFA	1/31/2022	Submitted 1/26/22
12	M	Reliability	Summer Reliability Procurement Status Report	CPUC	1/31/2022	Submitted 1/31/22
13	S	IRP	Backstop procurement progress report update	CPUC	2/1/2022	Submitted 2/1/22
14	A	MRR	Specified Source Registration	CARB	2/1/2022	Submitted 2/1/22
15	S	ERRA	2022 Load Forecast for PG&E 2023 ERRRA	CPUC	2/1/2022	Submitted 2/1/22
16	A	DAC-GT	DAC-GT Annual Budget Advice Letter	CPUC	2/1/2022	Submitted 2/1/22
17	M	CRRs	March Tier 1 CCR Nomination	CAISO	2/8/2022	Submitted 2/8/22
18	M	CRRs	April 2022 Load Forecast for CRR Allocations	CAISO	2/10/2022	Submitted 2/10/22
19	M	MARA	May Load Migration Forecast	CPUC & CEC	2/15/2022	Submitted 2/14/22
20	A	GHG	Emission Performance Standard Advice Letter	CPUC	2/15/2022	Submitted 2/15/22
21	Q	QFER	Q4 2021 Form 1306B – QFER (accounts, load, revenue)	CEC	2/15/2022	Submitted 2/11/22
22	M	MARA	April T-45 RA	CPUC & CEC	2/15/2022	Submitted 2/14/22
23	M	MARA	April T-45 RA	CAISO	2/15/2022	Submitted 2/14/22
24	A	RPS	Final 2021 RPS Procurement Reports	CPUC	2/17/2022	Submitted 2/17/22
25	A	Green-e	Unaudited Reporting Forms	CRS	2/18/2022	Submitted 2/16/22
26	M	EIA	January 861 filing (accounts, load, revenue)	EIA	2/28/2022	Submitted 2/28/22
27	M	Reliability	Summer Reliability Procurement Status Report	CPUC	2/28/2022	Submitted 2/28/22
28	A	Diversity	SB 255 (2019)/GO156 Supplier Diversity Report	CPUC	3/1/2022	Submitted 3/1/22
29	M	CRRs	April Tier 1 CCR Nomination	CAISO	3/9/2022	Submitted 3/9/22
30	M	CRRs	May 2022 Load Forecast for CRR Allocations	CAISO	3/10/2022	Submitted 3/9/22
31	A	RA	Historical Load & Customer Count for 2023 YARA Process	CPUC	3/14/2022	Submitted 3/14/22
32	Q	Wind	Q4 2021 wind power procurement and performance	CEC	3/15/2022	Submitted 3/15/22
33	A	TE/VGI	CCA TE/VGI Reporting	CPUC	3/15/2022	Submitted 3/15/22
34	M	CRRs	April Tier 2 CCR Nomination	CAISO	3/15/2022	Submitted 3/15/22
35	M	MARA	June-December Load Migration Forecast	CPUC & CEC	3/17/2022	Submitted 3/17/22
36	M	MARA	May T-45 RA	CPUC & CEC	3/17/2022	Submitted 3/17/22
37	M	MARA	May T-45 RA	CAISO	3/17/2022	Submitted 3/17/22
38	M	Reliability	Summer Reliability Procurement Status Report	CPUC	3/28/2022	Submitted 3/28/22
39	M	EIA	February 861 filing (accounts, load, revenue)	EIA	3/31/2022	Submitted 3/28/22
40	A	LCFS	Annual Fuel Pathway Report 2021	CARB	3/31/2022	Submitted 3/29/22

Data Requests

#	Frequency	Topic	Deliverables	Jurisdiction	Due	Submitted
1	A	RA	Flex Capacity Needs Assessment Data Request	CAISO	1/15/2022	Submitted 1/14/22
2	Q	PCIA	RPS-PCIA Quarterly Data Report (Q4 2021)	CPUC	1/18/2022	Submitted 1/18/22
3	Q	PCIA	RA-PCIA Quarterly Data Report (Q4 2021)	CPUC	2/11/2022	Submitted 2/11/22
4	A	RPS	RPS Cost/Cost Savings Data Request (Padilla Report)	CPUC	3/1/2022	Submitted 3/1/22

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
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
PCIA	Power Charge Indifference Adjustment
PSD	Power Source Disclosure Program
QFER	Quarterly Fuel Energy Report
RA	Resource Adequacy
RMR	Reliability Must-Run
RPS	Renewable Portfolio Standard
TE/VGI	Transportation Electrification/Vehicle Grid Integration
YARA	Year Ahead Resource Adequacy

San José Clean Energy Q1 2022 (Q3 FY 2021-2022) Power Transactions

Short-term Purchases

#	Contract ID	Agreement Date	Counterparty	Energy Type	Power Delivery Period	Contract Amount
1	22-108-01	3/22/2022	Pacific Gas and Electric Company	Renewable Energy	2022	\$ 2,652,000.00
2	22-108-02	3/22/2022	Pacific Gas and Electric Company	Renewable Energy	2022	\$ 3,272,500.00
3	22-112-01	2/9/2022	Calpeak Power, LLC	Conventional Energy	2022-2025	\$ 18,772,320.00
4	22-112-02	2/8/2022	Morgan Stanley Capital Group Inc.	Conventional Energy	2022	\$ 1,678,650.00
5	22-112-03	3/8/2022	TransAlta Energy Marketing (U.S.) Inc.	Conventional Energy	2023	\$ 3,648,710.00
6	22-112-04	3/15/2022	Morgan Stanley Capital Group Inc.	Conventional Energy	2023	\$ 2,346,840.00
7	22-112-05	3/15/2022	ConocoPhillips Company	Conventional Energy	2022	\$ 5,638,740.00
8	22-112-06	3/22/2022	Morgan Stanley Capital Group Inc.	Conventional Energy	2022	\$ 5,128,080.00
9	22-112-07	3/22/2022	Morgan Stanley Capital Group Inc.	Conventional Energy	2023	\$ 8,392,573.75
10	22-112-09	3/22/2022	Morgan Stanley Capital Group Inc.	Conventional Energy	2022	\$ 1,028,700.00
11	22-113-01	2/9/2022	Calpeak Power, LLC	Resource Adequacy	2023-2025	\$ 10,931,760.00
12	22-113-02	2/22/2022	Chevron Power Holdings	Resource Adequacy	2023-2025	\$ 14,688,000.00
13	22-113-03	2/4/2022	Peninsula Clean Energy	Resource Adequacy	2022	\$ 69,000.00
Total Cost of Purchases:						\$ 78,247,873.75

Short-term Sales

14	21-199-26	1/27/2022	East Bay Community Energy Authority	Resource Adequacy	2022	\$ (113,500.00)
15	22-199-01	2/4/2022	Peninsula Clean Energy	Resource Adequacy	2022	\$ (79,500.00)
16	22-199-02	2/14/2022	San Diego Community Power	Resource Adequacy	2022	\$ (200,000.00)
17	22-199-04	3/8/2022	Sempra Gas and Power Marketing	Resource Adequacy	2022	\$ (562,500.00)
Total Revenue from Sales:						\$ (955,500.00)

Net Cost
\$ 77,292,373.75



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.

HONORABLE MAYOR AND CITY COUNCIL

August 10, 2022

Subject: Q2 2022 (Q4 FY 2021-2022) San José Clean Energy Power Procurement and Regulatory Compliance Report

Page 2

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 5/6/22
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



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Lori Mitchell

SUBJECT: SEE BELOW

DATE: November 16, 2022

Approved

Date

11/17/22

INFORMATION

SUBJECT: SAN JOSE CLEAN ENERGY Q3 2022 (Q1 FY 2022-2023) SAN JOSE CLEAN ENERGY POWER PROCUREMENT AND REGULATORY COMPLIANCE REPORT

BACKGROUND

On November 7, 2017, City 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 July 1, 2022 and September 30, 2022, SJCE submitted 42 compliance filings with state, federal, and non-profit regulatory organizations to meet its regulatory obligations. SJCE also submitted seven data requests to the California Public Utilities Commission: three related to the

Power Charge Indifference Adjustment, two related to Resource Adequacy (one was also submitted to the California Energy Commission), and two related to the Renewable Portfolio Standard.

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

During the period from July 1, 2022 to September 30, 2022, SJCE participated in twenty-one 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), the High Distributed Energy Resources Future rulemaking (R. 21-06-017), and the Demand Flexibility proceeding R.22-07-005).

Power Procurement

SJCE entered into 13 short-term agreements during the first quarter of FY 2022-2023. SJCE entered into 8 purchase agreements worth a total of \$79,720,087.00. Power product sales accounted for 5 agreements worth \$1,453,788.00. The net cost for the 13 agreements to SJCE is \$78,266,299.00.

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

In preparing this report for Q3 2022, SJCE discovered that 6 short-term transactions were inadvertently excluded from the previous quarter Q2 2022 (Q4 FY 2021-2022) Power Procurement and Regulatory Compliance report submitted to City Council on August 12, 2022. Attachment 3 to this memorandum is the Amended Q2 2022 (Q4 FY 2021-2022) Power Transactions Report inclusive of all agreements together with previously excluded 6 agreements.

HONORABLE MAYOR AND CITY COUNCIL

November 16, 2022

Subject: Q3 2022 (Q1 FY 2022-2023) San Jose Clean Energy Power Procurement and Regulatory Compliance Report

Page 3

Considering these excluded contracts, SJCE entered into 21 short-term agreements during the fourth quarter of FY 2021-2022. SJCE entered into 15 purchase agreements worth a total of \$81,053,055.30. Power product sales accounted for 6 agreements worth \$1,445,325.00. The net cost for the 21 agreements to SJCE is \$79,607,730.30.

/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 Q3 2022 (Q1 FY 2022-2023) Compliance Filings

Attachment 2 San José Clean Energy Q3 2022 (Q1 FY 2022-2023) Power Transactions

Attachment 3 San José Clean Energy Amended Q2 2022 (Q4 FY 2021-2022) Power Transactions

Compliance Filings

#	Frequency	Topic	Deliverables	Jurisdiction	Due	Submitted
1	M	CRRs	September 2022 Load Forecast for CRR Allocations	CAISO	7/7/2022	Submitted 07/07/22
2	M	CRRs	August Tier 1 CCR Nomination	CAISO	7/12/2022	Submitted 07/11/22
3	M	MARA	September T-45 RA (w/ Local & Flex true up)	CPUC & CEC	7/18/2022	Submitted 07/18/22
4	M	MARA	October Load Migration Forecast	CPUC & CEC	7/18/2022	Submitted 07/18/22
5	M	MARA	September T-45 RA	CAISO	7/18/2022	Submitted 07/18/22
6	M	Reliability	Summer Reliability Procurement Status Report due	CPUC	7/18/2022	Submitted 07/18/22
7	M	CRRs	August Tier 2 CCR Nomination	CAISO	7/18/2022	Submitted 07/18/22
8	-	RA	CY 2023 Remaining Import Capacity Assignment - LSJCE	CAISO	7/19/2022	Submitted 07/18/22
9	A	CRRs	2023 CRR Annual Allocation Process: Historical Load	CAISO	7/29/2022	Completed 08/04/22
10	M	EIA	June 861 filing (accounts, load, revenue)	EIA	7/29/2022	Submitted 07/27/22
11	A	Green-e	Verification materials and data submission	CRS	7/30/2022	Submitted 07/18/22
12	Q	DAC-GT	DAC-GT CSGT Quarterly Report	CPUC	7/30/2022	Submitted 07/29/22
13	S	IRP	Backstop procurement progress report update	CPUC	8/1/2022	Submitted 08/01/22
14	Q	Energy Surcharge	Q2 2022 Energy Resources Surcharge Return & Payment	CDTFA	8/1/2022	Submitted 07/19/22
15	A	RPS	Annual RPS Compliance Plan	CPUC	8/1/2022	Submitted 08/01/22
16	A	Green-e	Historical Product Content Label sent to customers	CRS	8/1/2022	Completed 07/25/22
17	A	MRR	Final verification statements (audits) due	CARB	8/10/2022	Submitted 08/09/22
18	M	CRRs	September Tier 1 CCR Nomination	CAISO	8/10/2022	Submitted 08/10/22
19	M	CRRs	October 2022 Load Forecast for CRR Allocations	CAISO	8/11/2022	Submitted 08/11/22
20	Q	QFER	Q2 2022 1306B – QFER (accounts, load, revenue)	CEC	8/15/2022	Submitted 08/12/22
21	M	Reliability	Summer Reliability Procurement Status Report due	CPUC	8/15/2022	Submitted 08/15/22
22	A	RPS	Motions to update Annual RPS Procurement Plan (w/ Voluntary Allocation info)	CPUC	8/15/2022	Submitted 08/15/22
23	A	YARA	Final 2023 Load Forecast for Year-Ahead RA	CPUC & CEC	8/15/2022	Submitted 08/16/22
24	M	CRRs	September Tier 2 CCR Nomination	CAISO	8/16/2022	Submitted 08/16/22
25	M	MARA	October T-45 RA (w/ Local & Flex true up)	CPUC & CEC	8/17/2022	Submitted 08/17/22
26	M	MARA	November Load Migration Forecast	CPUC & CEC	8/17/2022	Submitted 08/17/22
27	M	MARA	October T-45 RA	CAISO	8/17/2022	Submitted 08/17/22
28	M	EIA	July 861 filing (accounts, load, revenue)	EIA	8/31/2022	Submitted 08/25/22
29	A	Green-e	Marketing compliance review	CRS	8/31/2022	Completed 08/24/22
30	M	CRRs	November 2022 Load Forecast for CRR Allocations	CAISO	9/8/2022	Submitted 09/08/22
31	A	CRRs	2023 CRR Annual Allocation Process: Tier 1/PNP window closes	CAISO	9/8/2022	Submitted 09/06/22
32	A	IEPR	Electricity Resource Plan Forms due	CEC	9/9/2022	Submitted 09/09/22
33	M	CRRs	October Tier 1 CCR Nomination	CAISO	9/12/2022	Submitted 09/12/22
34	M	Reliability	Summer Reliability Procurement Status Report due	CPUC	9/12/2022	Submitted 09/12/22
35	Q	EE	Q2 2022 EE Program Tracking Data Submission	CPUC	9/15/2022	Submitted 09/13/22
36	M	CRRs	October Tier 2 CCR Nomination	CAISO	9/16/2022	Submitted 09/16/22
37	M	MARA	November T-45 RA	CAISO	9/17/2022	Submitted 09/15/22
38	M	MARA	November T-45 RA (w/ Local & Flex true up)	CPUC & CEC	9/19/2022	Submitted 09/19/22
39	M	MARA	December Load Migration Forecast	CPUC & CEC	9/19/2022	Submitted 09/19/22
40	M	MARA	January to March 2023 MA load forecasts	CPUC & CEC	9/22/2022	Submitted 09/22/22
41	M	EIA	August 861 filing (accounts, load, revenue)	EIA	9/30/2022	Submitted 09/29/22
42	A	PSD	Power Content Label mailed to customers and CEC	CEC	9/30/2022	Completed 09/28/22-10/01/22

Data Requests

#	Frequency	Topic	Deliverables	Jurisdiction	Due	Submitted
1	-	PCIA	Data request on GHG-Free resources	CPUC	7/15/2022	Submitted 7/15/22
2	Q	PCIA	PCIA-RA Adder Data Request (Q1 & Q2 2022)	CPUC	7/29/2022	Submitted 7/29/22
3	A	RPS	Data Request: Workforce Development & Diversity	CPUC	8/10/2022	Submitted 08/10/22
4	-	RA	Demand Forecast Data Request for Slice of Day Dry Run	CPUC & CEC	8/29/2022	Submitted 08/29/22
5	S	RPS	RPS-PCIA Semi-Annual Data Report	CPUC	9/1/2022	Submitted 9/1/22
6	S	PCIA	PCIA-RA Adder Data Request	CPUC	9/9/2022	Submitted 9/9/22
7	-	RA	Data request for energy hedging	CPUC	9/15/2022	Submitted 9/23/22 (extension granted by CPUC)

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
RMR	Reliability Must-Run
RPS	Renewable Portfolio Standard
TE/VGI	Transportation Electrification/Vehicle Grid Integration
YARA	Year Ahead Resource Adequacy

San José Clean Energy Q3 2022 (Q1 FY 2022-2023) Power Transactions

Short-term Purchases

#	Contract ID	Agreement Date	Counterparty	Energy Type	Power Delivery Period	Contract Amount
1	22-112-19	7/7/2022	Calpine Energy Services L.P.	Conventional Energy	2024	\$ 14,855,940.00
2	22-112-21	7/14/2022	Calpine Energy Services L.P.	Conventional Energy	2024	\$ 3,091,568.00
3	22-112-23	7/12/2022	Calpine Energy Services L.P.	Conventional Energy	2025	\$ 13,194,750.00
4	22-112-25	7/15/2022	Calpine Energy Services L.P.	Conventional Energy	2023	\$ 9,650,016.00
5	22-113-07	9/2/2022	Calpine Energy Services L.P.	Resource Adequacy	2023	\$ 8,779,000.00
6	22-112-24	7/14/2022	Morgan Stanley Capital Group Inc.	Conventional Energy	2022	\$ 4,883,940.00
7	22-112-26	7/14/2022	Morgan Stanley Capital Group Inc.	Conventional Energy	2022	\$ 2,873,332.00
8	22-112-22	7/12/2022	Shell Energy North America (US), L.P.	Conventional Energy	2024 - 2025	\$ 22,391,541.00
Total Cost of Purchases:						\$ 79,720,087.00

Short-term Sales

9	22-199-12	9/2/2022	Calpine Energy Services L.P.	Resource Adequacy	2023	\$ (1,360,000.00)
10	22-199-11	7/1/2022	East Bay Community Energy Authority	Resource Adequacy	2022	\$ (12,788.00)
11	22-199-16	9/28/2022	East Bay Community Energy Authority	Resource Adequacy	2022	\$ (5,250.00)
12	22-199-14	8/17/2022	San Diego Community Power	Resource Adequacy	2022	\$ (16,000.00)
13	22-199-13	8/17/2022	Metropolitan Water District of Southern CA	Resource Adequacy	2022	\$ (59,750.00)
Total Revenue from Sales:						\$ (1,453,788.00)

Net Cost
\$ 78,266,299.00

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

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
10	22-112-10*	6/3/2022	Morgan Stanley Capital Group Inc.	Conventional Energy	2023	\$ 3,898,960.00
11	22-112-12*	6/3/2022	Morgan Stanley Capital Group Inc.	Conventional Energy	2023	\$ 4,124,544.00
12	22-112-13*	6/7/2022	Morgan Stanley Capital Group Inc.	Conventional Energy	2023	\$ 4,521,089.00
13	22-112-14*	6/8/2022	Morgan Stanley Capital Group Inc.	Conventional Energy	2023	\$ 5,559,227.00
14	22-108-03*	6/3/2022	Southern California Edison	Renewable Portfolio Standard	2022	\$ 3,200,000.00
15	22-108-04*	6/3/2022	Southern California Edison	Renewable Portfolio Standard	2022	\$ 245,000.00

Total Cost of Purchases: \$ 81,053,055.30**Short-term Sales**

16	22-199-05	4/14/2022	Southern California Edison	Resource Adequacy	2022	\$ (148,750.00)
17	22-199-06	5/9/2022	Direct Energy	Resource Adequacy	2022	\$ (306,000.00)
18	22-199-07	4/6/2022	East Bay Community Energy Authority	Resource Adequacy	2022	\$ (15,000.00)
19	22-199-08	5/12/2022	San Diego Community Power	Resource Adequacy	2022	\$ (211,325.00)
20	22-199-09	5/9/2022	Peninsula Clean Energy	Resource Adequacy	2022	\$ (164,250.00)
21	22-199-10	6/30/2022	Central Coast Community Energy	Resource Adequacy	2022	\$ (600,000.00)

Total Revenue from Sales: \$ (1,445,325.00)

Note - * denotes contracts inadvertently excluded from the Q2 2022 (Q4 FY 2021-2022) Power Transactions report submitted on August 12, 2022

Net Cost
\$ 79,607,730.30



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Lori Mitchell

SUBJECT: SEE BELOW

DATE: February 17, 2023

Approved

Date

02/17/23

INFORMATION

SUBJECT: SAN JOSE CLEAN ENERGY Q4 2022 (Q2 FY 2022-2023) REGULATORY COMPLIANCE AND POWER PROCUREMENT REPORT

BACKGROUND

On November 7, 2017, the City Council approved an ordinance adding 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 is required to submit to the City Council, on a quarterly basis, all reports, plans, and data compiled by SJCE and submitted to regulatory agencies to comply with SJCE's regulatory requirements. Each quarterly report submitted to the City Council shall be submitted no later than 45 days following the end of the previous calendar quarter. The quarterly report required in Section 26.30.020 may be combined with the Community Energy Department's short-term transactions quarterly report required pursuant to Section 26.50.040 of the Municipal Code.

In addition to submitting the regulatory compliance report, the Community Energy Department Director, pursuant to Section 26.50.040 of the Municipal Code, submits to the City Council, on a quarterly basis, a report summarizing the number of short-term transactions that the Community Energy Department has executed in the previous calendar quarter as well as the total cost of those short-term transactions.

ANALYSIS

Regulatory Compliance

Between October 1, 2022 and December 31, 2022, SJCE submitted 34 compliance filings with state, federal, and non-profit regulatory organizations to meet its regulatory obligations. SJCE

HONORABLE MAYOR AND CITY COUNCIL

February 14, 2022

Subject: Q4 2022 (Q2 FY 2022-2023) San Jose Clean Energy Regulatory Compliance and Power Procurement Report

Page 2

also submitted four responses to data requests total to the California Public Utilities Commission and the California Energy Commission: one related to the Integrated Energy Policy Report and three related to reliability.

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

During the period from October 1, 2022 to December 30, 2022, SJCE participated in 21 California Public Utilities Commission regulatory proceedings either: (i) directly, as an individual party; (ii) as part of informal coalitions of joint Community Choice Aggregation programs; or as a member of CalCCA. 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 and Energy Resource Recovery Account Entries 2019 (A.20-02-009), the PG&E Compliance Review of Portfolio Allocation Balancing Account and Energy Resource Recovery Account Entries 2020 (A.21-03-008), PG&E's Compliance Review of Portfolio Allocation Balancing Account and Energy Resource Recovery Account Entries 2021 (A.22-02-015), the PG&E'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), the High Distributed Energy Resources Future rulemaking (R. 21-06-017), and the Demand Flexibility proceeding (R.22-07-005).

Power Procurement

SJCE entered into 26 short-term agreements during the fourth quarter of FY 2022-2023. SJCE entered into 17 purchase agreements worth a total of \$66,761,658.00. Power product sales by SJCE accounted for nine agreements worth \$2,463,550.00. The net cost for the 26 agreements to SJCE is \$64,298,108.60.

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

/s/
LORI MITCHELL
Director, Community Energy Department

HONORABLE MAYOR AND CITY COUNCIL

February 14, 2022

Subject: Q4 2022 (Q2 FY 2022-2023) San Jose Clean Energy Regulatory Compliance and Power Procurement Report

Page 3

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

Attachment 1 San José Clean Energy Q4 2022 (Q2 FY 2022-2023) Compliance Filings

Attachment 2 San José Clean Energy Q4 2022 (Q2 FY 2022-2023) Power Transactions

Attachment 1 - San José Clean Energy Q4 2022 Compliance Filings

Compliance Filings

#	Frequency	Topic	Deliverables	Jurisdiction	Due	Submitted
1	A	PSD	Power Content Label Audit	CEC	10/3/2022	Submitted 09/30/22
2	A	CRRs	2023 CRR Annual Allocation Process; Tier 2 window closes	CAISO	10/5/2022	Submitted 10/04/22
3	M	CRRs	December 2022 Load Forecast for CRR Allocations	CAISO	10/6/2022	Submitted 10/05/22
4	M	Reliability	Summer Reliability Procurement Status Report due	CPUC	10/10/2022	Submitted 10/11/22
5	M	CRRs	November Tier 1 CCR Nomination	CAISO	10/11/2022	Submitted 10/11/22
6	M	MARA	December T-45 RA (w/ Local & Flex true up)	CPUC & CEC	10/17/2022	Submitted 10/17/22
7	M	MARA	January Load Migration Forecast	CPUC & CEC	10/17/2022	Submitted 10/17/22
8	M	MARA	December T-45 RA	CAISO	10/17/2022	Submitted 10/17/22
9	M	CRRs	November Tier 2 CCR Nomination	CAISO	10/17/2022	Submitted 10/17/22
10	A	CRRs	2023 CRR Annual Allocation Process; Tier 3 window closes	CAISO	10/18/2022	Submitted 10/18/22
11	Q	DAC-GT	DAC-GT Community Solar Green Tariff Quarterly Report	CPUC	10/31/2022	Submitted 10/25/22
12	M	EIA	September 861 filing (accounts, load, revenue)	EIA	10/31/2022	Submitted 10/28/22
13	Q	Energy Surcharge	Q3 2022 Energy Resources Surcharge Return & Payment	CDTFA	10/31/2022	Submitted 10/24/22
14	A	YARA	2023 Year Ahead RA Filing	CAISO	10/31/2022	Submitted 10/31/22
15	A	YARA	2023 Year Ahead RA Filing	CPUC	10/31/2022	Submitted 10/31/22
16	A	Scheduling Coordinator	Settlement Quality Meter Data Audit & Attestation	CAISO	10/31/2022	Submitted 10/31/22
17	Biennial	IRP	2022 Integrated Resource Plan	CPUC	11/1/2022	Submitted 11/01/22
18	A	Cap & Trade	Annual Cap & Trade Compliance Obligation due	CARB	11/1/2022	Submitted 11/01/22
19	M	CRRs	December Tier 1 CRR Nomination	CAISO	11/8/2022	Submitted 11/08/22
20	M	CRRs	January 2023 Load Forecast for CRR Allocations	CAISO	11/10/2022	Submitted 11/10/22
21	M	CRRs	December Tier 2 CCR Nomination	CAISO	11/14/2022	Submitted 11/14/22
22	Q	QFER	Q3 2022 1306B – QFER (accounts, load, revenue)	CEC	11/15/2022	Submitted 11/10/22
23	M	MARA	January T-45 RA	CAISO	11/17/2022	Submitted 11/17/22
24	M	MARA	January T-45 RA	CPUC & CEC	11/17/2022	Submitted 11/17/22
25	M	MARA	February Load Migration Forecast	CPUC & CEC	11/17/2022	Submitted 11/17/22
26	M	EIA	October 861 filing (accounts, load, revenue)	EIA	11/30/2022	Submitted 11/28/22
27	Q	EE	Q3 2022 EE Program Tracking Data Submission	CPUC	12/1/2022	Submitted 11/30/22
28	M	CRRs	February 2022 Load Forecast for CRR Allocations	CAISO	12/8/2022	Submitted 12/07/22
29	M	CRRs	January Tier 1 CCR Nomination	CAISO	12/9/2022	Submitted 12/09/22
30	M	CRRs	January Tier 2 CCR Nomination	CAISO	12/15/2022	Submitted 12/15/22
31	M	MARA	February T-45 RA	CAISO	12/18/2022	Submitted 12/18/22
32	M	MARA	February T-45 RA	CPUC & CEC	12/19/2022	Submitted 12/18/22
33	M	MARA	March-June Load Migration Forecast	CPUC & CEC	12/19/2022	Submitted 12/18/22
34	M	EIA	November 861 filing (accounts, load, revenue)	EIA	12/30/2022	Submitted 12/15/22

Data Requests

#	Frequency	Topic	Deliverables	Jurisdiction	Due	Submitted
1	M	Procurement	Procurement Status Data Request	CPUC	10/20/2022	Submitted 10/20/22
2	-	IEPR	IEPR Transmission Related Data Request	CEC	10/21/2022	Submitted 10/21/22
3	M	Procurement	Procurement Status Data Request	CPUC	11/10/2022	Submitted 11/10/22
4	M	Procurement	Procurement Status Data Request	CPUC	12/8/2022	Submitted 12/08/22

Key	
A	Annual
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
M	Monthly
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
Q	Quarterly
QFER	Quarterly Fuel Energy Report
RA	Resource Adequacy
RMR	Reliability Must-Run
RPS	Renewable Portfolio Standard
TE/VGI	Transportation Electrification/Vehicle Grid Integration
YARA	Year Ahead Resource Adequacy

Attachment 2 - San José Clean Energy Q4 2022 (Q2 FY 2022-2023) Power Transactions

Short-term Purchases

#	Contract ID	Agreement Date	Counterparty	Energy Type	Power Delivery Period	Contract Amount
1	22-108-07	10/3/2022	Pacific Gas and Electric Company	Renewable Portfolio Standard	2022	\$ 3,691,550.00
2	22-108-08	11/28/2022	Clines Corner Wind Farm LLC	Renewable Portfolio Standard	2022	\$ 340,000.00
3	22-112-27	10/19/2022	Morgan Stanley Capital Group Inc.	Conventional Energy	2023	\$ 13,380,900.00
4	22-112-28	11/2/2022	Calpine Energy Services L.P.	Conventional Energy	2024	\$ 15,624,540.00
5	22-112-29	12/16/2022	Morgan Stanley Capital Group Inc.	Conventional Energy	2022	\$ 2,310,000.00
6	22-112-30	12/21/2022	Calpine Energy Services L.P.	Conventional Energy	2023	\$ 16,718,700.00
7	22-113-10	11/8/2022	City of Santa Clara, dba Silicon Valley Power	Resource Adequacy	2023	\$ 313,500.00
8	22-113-11	10/20/2022	Southern California Edison	Resource Adequacy	2023	\$ 2,625,979.30
9	22-113-12	10/20/2022	Southern California Edison	Resource Adequacy	2023-2024	\$ 1,456,611.30
10	22-113-13	10/25/2022	San Diego Gas & Electric	Resource Adequacy	2023-2024	\$ 2,056,520.00
11	22-113-14	11/30/2022	East Bay Community Energy Authority	Resource Adequacy	2023	\$ 31,500.00
12	22-113-15	10/27/2022	ResiStation	Resource Adequacy	2023	\$ 782,500.00
13	22-113-17	10/27/2022	CXA La Paloma	Resource Adequacy	2023	\$ 4,951,858.00
14	22-113-18	11/10/2022	Morgan Stanley Capital Group Inc.	Resource Adequacy	2023	\$ 637,500.00
15	22-113-19	11/10/2022	Shell Energy North America	Resource Adequacy	2023	\$ 1,795,000.00
16	22-113-21	12/6/2022	Peninsula Clean Energy	Resource Adequacy	2023	\$ 45,000.00
17	22-124-01	12/16/2022	Pacific Gas and Electric Company	Carbon Free	2023	\$ -

Total Cost of Purchases: \$ 66,761,658.60

Short-term Sales

18	22-199-03	10/18/2022	Peninsula Clean Energy	Resource Adequacy	2023	\$ (30,000.00)
19	22-199-15	11/8/2022	City of Santa Clara, dba Silicon Valley Power	Resource Adequacy	2023	\$ (381,100.00)
20	22-199-18-1	11/6/2022	Central Coast Community Energy	Resource Adequacy	2023	\$ (320,000.00)
21	22-199-19	11/22/2022	EDF Trading North America, LLC	Resource Adequacy	2023	\$ (103,600.00)
22	22-199-20	11/10/2022	Shell Energy North America	Resource Adequacy	2023	\$ (1,339,100.00)
23	22-199-21	11/28/2022	Calpine Energy Services L.P.	Resource Adequacy	2023	\$ (131,250.00)
24	22-199-22	11/30/2022	East Bay Community Energy Authority	Resource Adequacy	2023	\$ (5,000.00)
25	22-199-23	12/6/2022	Peninsula Clean Energy	Resource Adequacy	2023	\$ (45,000.00)
26	22-199-24	12/15/2022	Clean Power Alliance	Resource Adequacy	2023	\$ (108,500.00)

Total Revenue from Sales: \$ (2,463,550.00)

Net Cost
\$ 64,298,108.60

Attachment 2
Summaries and Updates on 2022 City Council Memoranda

2022 SJCE City Council Memoranda Summaries and Status Updates

1. [California Arrearage Payment Program – Electrical/Energy](#), January 11, 2022

Accept the staff report regarding the California Arrearage Payment Program (CAPP).

Adopt a resolution ratifying the City of San José application for the CAPP, and authorizing the City Manager, Director of Finance, or their designees to negotiate and execute the necessary documents, including any amendments or revisions, and take all other actions to accept the grant and fulfill the Program terms and conditions.

Adopt a resolution accepting up to \$4,348,501, or the amounts awarded, in CAPP funding.

Adopt a resolution authorizing the Director of Finance or her designee to waive any late or other fees and accrued interest for customers that are awarded benefits in compliance with CAPP requirements.

Adopt a resolution authorizing the City Manager, Director of Finance, or their designees to apply for, negotiate and execute any documents, and take other actions necessary to receive CAPP funds for electric arrearage, if additional funding becomes available, including the waiver of interest or late and other fees.

Status Update: San José City Council (City Council) accepted the staff's reported regarding the CAPP Program and adopted Resolution No. 80346 related to CAPP-related actions.¹ The CAPP funds were applied to 19,217 customer accounts as bill credits between February and April 2022. A second round of CAPP funding was made available by the State later in 2022, which resulted in an additional \$2,072,531 in CAPP funding applied to 15,088 customer accounts on January 17 and 18, 2023.

2. [Actions Related to Long Duration Storage Project and Procurement Authority](#), March 8, 2022

Adopt a resolution authorizing the Director of the Community Energy Department to execute two agreements for the procurement of up to 25 megawatts (MW) from LS Power's Tumbleweed long-duration storage battery project, namely the Project Participation Share Agreement between California Community Power (CC Power) and other participating community choice aggregators and the Buyer Liability Pass Through Agreement with CC Power.

Adopt a resolution authorizing the Director of the Community Energy Department to negotiate and execute a Coordinated Operating Agreement between CC Power and other participating community choice aggregators addressing operation by CC Power of the LS Power's Tumbleweed long-duration storage battery project.

¹ *City Council Meeting Synopsis/Minutes Draft*, CITY OF SAN JOSÉ 10 (Jan. 11, 2022), <https://sanjose.legistar.com/View.ashx?M=M&ID=916180&GUID=F20265DD-133E-44C6-9D39-90BA13B640EC>; Resolution No. 80346, <https://records.sanjoseca.gov/Resolutions/RES80346.pdf>.

Adopt a resolution increasing the authority granted to the Director of the Community Energy Department to negotiate and execute contracts for five years and under for the procurement of power supply products.

Status Update: The City Council adopted Resolution No. 80404 authorizing the Director of the Community Energy Department to negotiate and execute agreements related to the LS Power Tumbleweed project and increasing the Director's authority for contracts five years and under for procurement of power supply products.²

The City of San José (City), the administrator of San José Clean Energy (SJCE), executed both its Project Participation Share Agreement with CC Power and other participating community choice aggregators and its Buyer Liability Pass Through Agreement with CC Power on April 19, 2022 and April 21, 2022 respectively. SJCE will receive its allocated share percentage from the LS Power Tumbleweed long-duration storage battery project that will be sold to CC Power.

Since execution of these agreements, the LS Power Tumbleweed project was awarded an additional amount of capacity, and CC Power amended its Energy Service Storage Agreement with LS Power Tumbleweed on December 16, 2022 to contract for this additional capacity. Based on SJCE's previously allocated share percentage of this project, SJCE procured and will receive its proportional share of the total awarded capacity within the authority provided by City Council.

This project is expected to come online in June 2026 and will assist SJCE in complying with the long-duration storage requirement issued by the California Public Utilities Commission (CPUC) in Decision (D.) 21-06-035.³

3. [Actions Related to Long Duration Storage and Wholesale Energy Services](#), May 17, 2022

Adopt a resolution authorizing the Director of the Community Energy Department to execute two agreements for the procurement of up to 20 megawatts (MW) from the Goal Line BESS 1, LLC long-duration storage battery project, namely the Project Participation Share Agreement between CC Power and other participating community choice aggregators and the Buyer Liability Pass Through Agreement with CC Power.

Adopt a resolution authorizing the Director of the Community Energy Department to negotiate and execute a Coordinated Operating Agreement between CC Power and other participating community choice aggregators addressing operation by CC Power of the Goal Line BESS 1, LLC long-duration storage battery project.

² *City Council Meeting Synopsis*, CITY OF SAN JOSÉ 11 (Mar. 8, 2022), <https://sanjose.legistar.com/View.ashx?M=M&ID=930010&GUID=8FD19730-A897-47F2-A880-1E23C73>; Resolution No. 80404, <https://records.sanjoseca.gov/Resolutions/RES80404.pdf>.

³ D.21-06-035 at 57-58 (requiring SJCE to procure a minimum of 43 MW of long-lead time resources with half from long-duration storage and half from firm, zero-emitting generation resources (geothermal or biomass) in addition to 226.5 MW of other technology), <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M389/K603/389603637.PDF>.

Adopt a resolution authorizing the City Manager to negotiate and execute a Wholesale Energy Services Agreement, including Scheduling Agent Services, with North California Power Agency for an initial period of three years and up to three two-year extension options.

Status Update: City Council adopted Resolution No. 80404 authorizing the Director of the Community Energy Department to negotiate and execute agreements related to the Goal Line BESS 1, LLC project as well as the Wholesale Energy Services Agreement with North California Power Agency.⁴

The City executed both its Project Participation Share Agreement with CC Power and other participating community choice aggregators and its Buyer Liability Pass Through Agreement with CC Power on May 18, 2022 and May 23, 2022 respectively. SJCE will receive its allocated share percentage from the Goal Line long-duration storage battery project that will be sold to CC Power. This project is expected to come online in June 2025 and will assist SJCE in complying with the long-duration storage requirement issued by the CPUC in D.21-06-035.⁵

The City also executed its Wholesale Energy Services Agreement with North California Power Agency on August 1, 2022.

4. [Amend Resolution No. 80331 to Modify Plan A Regarding 2022 Power Mix and Rates](#), June 16, 2022

Adopt a resolution continuing to set rates for “GreenSource” standard service up to 8 percent above Pacific Gas and Electric Company (PG&E) generation rates after accounting for the Franchise Fee Surcharge and Power Charge Indifference Adjustment (PCIA).

Adopt a resolution continuing to set rates for “GreenValue” at no greater than parity to PG&E generation rates after accounting for the Franchise Fee Surcharge and PCIA

Adopt a resolution continuing to set rates for “TotalGreen” at \$0.005 or \$0.01 per kilowatt-hour above GreenSource, depending on rate class.

Adopt a resolution continuing to set for SJCE “SJ Cares” program to no less than 5 percent below PG&E generation rates after accounting for the Franchise Fee Surcharge and the PCIA.

Status Update: The City Council adopted Resolution No. 80613 to amend Resolution No. 80331, enabling SJCE to at least meet, if not exceed, the requirements of the rate percentages in reference to PG&E rates established by Resolution No. 80331, without raising any rates.⁶ On July 1, 2022, SJCE lowered GreenSource rates that exceeded 8

⁴ *City Council Meeting Minutes*, CITY OF SAN JOSÉ 13-14 (May 17, 2022), <https://sanjose.legistar.com/View.ashx?M=M&ID=957966&GUID=7ED40BD0-9F2D-48A0-B847-E8B81F845655>; Resolution No. 80502, <https://records.sanjoseca.gov/Resolutions/RES80502.pdf>.

⁵ D.21-06-035, *supra* note 3.

⁶ *City Council Meeting Synopsis*, CITY OF SAN JOSÉ 7 (Jun. 28, 2022), <https://sanjose.legistar.com/View.ashx?M=M&ID=980798&GUID=8232E2A0-0403-4662-9943-C270D525F3F3>; Resolution No. 80361, <https://www.sanjoseca.gov/home/showpublisheddocument/87496/637921978575300000>.

percent above PG&E generation rates inclusive of PG&E fees and GreenValue rates above parity following the June 1, 2022 PG&E rate change. GreenSource rates that ended up lower than 8 percent above PG&E generation rates and GreenValue rates below parity were not changed.

5. [Actions Related to Procuring Ormat and Fish Lake Geothermal Power](#), August 30, 2022

Adopt a resolution authorizing the Director of the Community Energy Department to execute two agreements for the procurement of up to 31 MW from the Ormat portfolio of geothermal projects, namely the Project Participation Share Agreement between CC Power and other participating community choice aggregators and the Buyer Liability Pass Through Agreement with CC Power.

Adopt a resolution authorizing the Director of the Community Energy Department to negotiate and execute a Coordinated Operating Agreement between CC Power and other participating community choice aggregators addressing operation by CC Power of the Ormat portfolio of geothermal projects.

Adopt a resolution authorizing the Director of the Community Energy Department to execute two agreements for the procurement of up to 3 MW from the Fish Lake Geothermal, LLC geothermal project, namely the Project Participation Share Agreement between CC Power and other participating community choice aggregators and the Buyer Liability Pass Through Agreement with CC Power.

Adopt a resolution authorizing the Director of the Community Energy Department to negotiate and execute a Coordinated Operating Agreement between CC Power and other participating community choice aggregators addressing operation by CC Power of the Fish Lake Geothermal, LLC geothermal project.

Status Update: City Council adopted Resolution No. 80662 authorizing the Director of the Community Energy Department to negotiate and execute the various agreements related to procurement efforts with Ormat and Fish Lake Geothermal, LLC.⁷

For the Ormat portfolio of geothermal projects, the City executed both its Project Participation Share Agreement with CC Power and other participating community choice aggregators and its Buyer Liability Pass Through Agreement with CC Power on September 22, 2022 and September 23, 2022 respectively. SJCE will receive its allocated share percentage from the Ormat portfolio of geothermal projects that will be sold to CC Power. These projects are expected to come online between 2025 and 2026, with one project in the portfolio possibly coming online in 2028. This portfolio of geothermal projects will assist SJCE in complying with the firm clean resources' requirement issued by the CPUC in Decision 21-06-035.⁸

⁷ *City Council Synopsis/Minutes Draft*, CITY OF SAN JOSÉ 8-9 (Aug. 30, 2022), <https://sanjose.legistar.com/View.ashx?M=M&ID=987778&GUID=2A2FC7D7-89CE-4703-B38D-46B3636DC197>; Resolution No. 80662 (Aug. 30, 2022), <https://records.sanjoseca.gov/Resolutions/RES80662.pdf>.

⁸ D.21-06-035, *supra* note 3.

For the Fish Lake Geothermal project, the City executed both its Project Participation Share Agreement with CC Power and other participating community choice aggregators and its Buyer Liability Pass Through Agreement with CC Power on September 23, 2022. SJCE will receive its allocated share percentage from the Fish Lake Geothermal project that will be sold to CC Power. This project is expected to come online June 2024 and will assist SJCE in complying with the firm clean resources' requirement issued by the CPUC in D.21-06-035.⁹

6. [Benefits and Risks of Providing San Jose Electric Service to New Developments – a Case Study of the Downtown West Mixed-Use Development](#), September 16, 2022

Accept the report titled “Benefits and Risks of Providing San José Electric Service to New Developments – A Case Study of the Downtown West Mixed-Use Development” dated August 24, 2022 developed by Flynn Resource Consultants Inc.

Status Update: The City Council accepted the report and staff is continuing to work on exploring this service and will bring forward recommendations for City Council consideration in 2023.

7. [City Initiatives Roadmap – Clean Energy Resilience: Agreements with Middle River Power and Sentinel Energy Center for Resource Adequacy and Dispatchable Energy](#), October 4, 2022

Adopt a resolution authorizing the Director of Community Energy Department to negotiate and execute an agreement with Middle River Power, or its affiliate MRP Pacifica Marketing LLC, using the Edison Electric Institute Agreement with modifications, as appropriate, to buy Resource Adequacy and Dispatchable Energy products from a natural gas plant and associated battery.

Adopt a resolution authorizing the Director of the Community Energy Department to negotiate and execute an agreement with Sentinel Energy Center, LLC, using the Edison Electric Institute Agreement with modifications, as appropriate, to buy Resource Adequacy and Dispatchable Energy products from a natural gas plant that will be retrofitted to have the capability to burn a natural gas and green hydrogen blended fuel to generate the products under the agreement.

Status Update: The City Council adopted Resolution No. 80699 authorizing the Director of the Community Energy Department to negotiate and execute an agreement with Middle River Power and/or Sentinel Energy Center, LLC.¹⁰

⁹ *Id.*

¹⁰ *City Council Meeting Synopsis*, CITY OF SAN JOSÉ 10 (Oct. 4, 2022), <https://sanjose.legistar.com/View.ashx?M=M&ID=999870&GUID=F3FCBB01-F422-4EFF-97D6-BFE966CDA0A0>; Resolution No. 80699 (Oct 4, 2022), <https://records.sanjoseca.gov/Resolutions/RES80699.pdf>.

On November 10, 2022, the City of San José executed an agreement with MRP Pacifica Marketing, LLC for Resource Adequacy and Dispatchable Energy products within the authority provided by the City Council. Delivery of these products is scheduled to begin in June 2024. An agreement with Sentinel Energy Center, LLC could not be reached.

8. [City Initiatives Roadmap – Clean Energy Resilience: Power Procurement Agreements](#), October 18, 2022

Adopt a resolution increasing the authority granted to the Director of Community Energy or designee to negotiate and execute agreements five years and under for the procurement of power products.

Status Update: The City Council adopted Resolution No. 80719 increasing the authority granted to the Director of Community Energy to negotiate and execute agreements five years and under.¹¹

9. [City Initiatives Roadmap – Clean Energy Resilience: Agreements for Solar Power and Battery Storage](#), October 25, 2022

Adopt a resolution authorizing the City Manager or designee to negotiate and execute:

- An agreement with Cascade Energy Storage, LLC, a subsidiary of Broad Reach Power, to buy Resource Adequacy associated with a battery storage facility, for a term of 10 years.
- An agreement with Noosa Energy Storage, LLC, a subsidiary of Broad Reach Power, to buy Resource Adequacy with a battery storage facility, for a term of 10 years.
- An agreement with Nova Power, LLC, a subsidiary of Calpine Corporation, to buy Resource Adequacy and Dispatchable Energy associated with a battery storage facility, for a term of 15 years.

Adopt a resolution authorizing the City Manager to negotiate and execute the following agreements to replace the Renewable Purchase Power Agreement between the City of San José and Edwards Solar V, LLC, dated December 16, 2019:

- An agreement with TGP Energy Management II, LLC, a subsidiary of Terra-Gen, LLC, to buy a renewable energy associated with TGP Energy Management II's existing portfolio for a term of 15 years.
- An agreement with Enterprise Solar Storage II, LLC, a subsidiary of Terra-Gen, LLC, to buy Resource Adequacy and renewable energy associated with a solar and battery storage facility for a term of 15 years.

¹¹ *City Council Meeting Synopsis*, CITY OF SAN JOSÉ 14 (Oct. 18, 2022), <https://sanjose.legistar.com/View.ashx?M=M&ID=999872&GUID=0C2A2F94-F0B3-416C-86A6-D19437C05528>; Resolution No. 80719 (Oct 18, 2022), <https://records.sanjoseca.gov/Resolutions/RES80719.pdf>.

- An agreement with Enterprise Solar Storage III, LLC, a subsidiary of Terra-Gen, LLC, to buy Resource Adequacy and renewable energy associated with a solar and battery storage facility for a term of 15 years.
- An agreement with Enterprise Solar Storage II, LLC, a subsidiary of Terra-Gen, LLC, to buy Resource Adequacy associated with a solar and battery storage facility for a term of 15 years.

Status Update: The City Council adopted Resolution No. 80733 authorizing the City Manager or her designees to negotiate and execute the various agreements related to the purchase of energy and resource adequacy products.¹²

Agreements with Broad Reach Power for the Cascade Energy Storage, LLC and Noosa Energy Storage, LLC projects are still under negotiation. An agreement with Calpine Corporation for the Nova Power, LLC project could not be reached.

On December 19, 2022, the City terminated its original contract Edwards Solar V, LLC Renewable Purchase Power Agreement dated December 16, 2019 and executed the four replacement contracts with TGP Energy Management II, LLC, Enterprise Solar Storage II, LLC and Enterprise Solar Storage III, LLC for the respective products. TGP Energy Management II, LLC will begin delivering energy from its existing portfolio on July 1, 2023, and the three remaining contracts are expected to come online in 2025 and 2026. The three latter contracts will assist SJCE in complying with the firm zero-emitting resources requirement and overall mid-term procurement requirements issued by the CPUC in D.21-06-035.¹³

10. [San José Clean Energy 2022 Integrated Resource Plan](#), October 25, 2022

Adopt a resolution approving SJCE’s 2022 Integrated Resource Plan (IRP) compliance portfolio.

Adopt a resolution authorizing the Director of Community Energy to use the findings from the SJCE IRP modeling analysis to finalize, approve, and submit to the CPUC as SJCE’s IRP.

Status Update: The City Council adopted Resolution No. 80732 approving SJCE’s IRP compliance portfolio and authorizing the Director of Community Energy or her designees to submit the IRP to the CPUC.¹⁴ SJCE submitted its 2022 IRP compliance portfolio as presented to the City Council on October 25, 2022.

¹² *City Council Meeting Synopsis*, CITY OF SAN JOSÉ 9-10 (Oct. 25, 2022), <https://sanjose.legistar.com/View.ashx?M=M&ID=999873&GUID=59D50B29-E35E-4F24-AB2C-25B2B37E936B>; Resolution No. 80733 (Oct 25, 2022), <https://records.sanjoseca.gov/Resolutions/RES80733.pdf>.

¹³ D.21-06-035, *supra* note 3 at 57 (requiring SJCE to procure a minimum of 54 MW of minimum zero-emitting resources by 2025 and to procure a total of 248 MW of a capacity).

¹⁴ *City Council Meeting Synopsis*, *supra* note 12 at 9; Resolution No. 80732 (Oct. 25, 2022), <https://records.sanjoseca.gov/Resolutions/RES80732.pdf>.

11. [Electric Vehicle Fast Charging Pilot](#), November 15, 2022

Adopt a resolution authorizing the City Manager to negotiate and execute tolling agreement(s) with vendor(s) to deploy a public electric vehicle direct current-fast charging hubs pilot program beginning in Fiscal Year 2023-2024 or Fiscal Year 2024-2025, at either privately owned locations or City-owned locations in low-income and disadvantaged communities.

Status Update: The City Council adopted Resolution No. 80765 authorizing the City Manager or her designees to negotiate and execute tolling agreement(s) with vendor(s) to deploy a public electric vehicle direct current fast-charging hub pilot program.¹⁵ Tolling agreements are still under negotiation.

12. [2023 Power Rates, Service Options, and Financial Reserves Policy](#), December 6, 2022

Adopt a resolution amending SJCE’s rate-setting methodology and service options, effective the later of January 1, 2023, or when PG&E’s 2023 generation rates and PCIA rate become effective, as follows:

- Maintaining the renewable energy content of “GreenSource” at 60 percent renewable and setting rates according to the rate schedule in Attachment A of the Council Memo.
- Suspending “GreenValue” service and transferring customers from “GreenValue” to “GreenSource” service.
- Continuing the set rates for “TotalGreen” at \$0.005 or \$0.01 per kilowatt-hour above “GreenSource,” depending on the rate class, according to the rate schedule in Attachment B of the Council Memo.
- Amending the discount for the “SJ Cares” program, which is open to California Alternate Rates for Energy and Family Electric Rate Assistance customers, to 10 percent below “GreenSource” rates while continuing to provide “SJ Cares” customers with “GreenSource” renewable content, according to the rate schedule in Attachment C of the Council Memo.

Adopt a resolution authorizing the SJCE Financial Reserves Policy (Attachment D of the Council Memo) that establishes a framework to build reserves to at least 180 days of operating expenses.

Status Update: The City Council adopted Resolution No. 80804 amending SJCE’s rate-setting methodology and service options and Resolution No. 80805 approving SJCE’s Financial Reserves Policy.¹⁶ On January 1, 2023, SJCE set GreenSource rates to 1 percent to 3 percent below PG&E, inclusive of PG&E added fees, depending on customer

¹⁵ *City Council Meeting Synopsis*, CITY OF SAN JOSÉ 9 (Nov. 15, 2022), <https://sanjose.legistar.com/View.ashx?M=M&ID=999876&GUID=B24565B1-C7A5-4262-8538-52F862E3FC65>; Resolution No. 80765 (Nov. 15, 2022), <https://records.sanjoseca.gov/Resolutions/RES80765.pdf>.

¹⁶ *City Council Meeting Minutes*, CITY OF SAN JOSÉ 9 (Dec. 6, 2022), <https://sanjose.legistar.com/View.ashx?M=M&ID=999879&GUID=10AD3601-9326-47C6-92DC-E1204BF46735>; Resolution No. 80805 (Dec. 6, 2022), <https://records.sanjoseca.gov/Resolutions/RES80804.pdf>; Resolution No. 80806 (Dec. 6, 2022), <https://records.sanjoseca.gov/Resolutions/RES80805.pdf>.

class and usage. SJCE suspended GreenValue and transferred the over 6,000 customers on GreenValue to GreenSource. The SJ Cares discount was increased from 5 percent to 10 percent below GreenSource rates.

13. [Long Term Renewable Energy and Resource Adequacy Contracts](#), December 13, 2022

Adopt a resolution authorizing the Director of the Community Energy Department to negotiate and execute an amendment to the power purchase agreement by and between the City of San José and RE Scarlet, LLC, a subsidiary of EDP Renewables North America, LLC, to buy renewable energy, resource adequacy, renewable energy credits, and attributes associated with a solar photovoltaic and battery storage facility for a term of 20 years beginning in 2023 through 2043.

Adopt a resolution authorizing the Director of the Community to negotiate and execute an agreement with EDPR Scarlet 2 BESS, LLC, a subsidiary of EDP Renewables North America LLC, to buy resource adequacy associated with a solar photovoltaic and battery storage facility for a term of 10 years beginning 2024 through 2034.

Adopt a resolution authorizing the Director of the Community Energy to negotiate and execute an agreement with BCE Seal Beach, LLC, a subsidiary of Bright Canyon Energy Corporation, to buy renewable energy, resource adequacy, renewable energy credits, and attributes associated with a solar photovoltaic and battery storage facility for a term of 10 years beginning 2024 through 2034.

Status Update: The City Council adopted Resolution 80836 authorizing the Director of the Community Energy Department to negotiate and execute an amendment to the power purchase agreement with RE Scarlet, LLC and an agreement with EDPR Scarlet 2 BESS LLC.¹⁷ City Council also adopted Resolution 80837 authorizing the Director of the Community Energy Department to negotiate and execute an agreement with BCE Seal Beach, LLC.¹⁸

On December 22, 2022, the City executed the amendment to the power purchase agreement with RE Scarlet, LLC deferring the commercial online date to October 31, 2023 and the agreement with EDPR Scarlet 2 BESS LLC for resource adequacy for a term of 10 years. The EDPR Scarlet 2 BESS project will assist SJCE in complying with its overall mid-term procurement requirements issued by the CPUC in D.21-06-035.¹⁹ SJCE is currently determining if the RE Scarlet, LLC project can count toward SJCE's mid-term reliability obligation.

¹⁷ *City Council Meeting Synopsis/Draft Minutes*, CITY OF SAN JOSÉ 22-23 (Dec. 13, 2022), <https://sanjose.legistar.com/View.ashx?M=M&ID=1003387&GUID=C93DC154-9E45-4546-85C2-72A68C2E456B>; Resolution No. 80835 (Dec. 13, 2022), <https://records.sanjoseca.gov/Resolutions/RES80836.pdf>.

¹⁸ *City Council Meeting Synopsis/Draft Minutes*, *supra* note 17; Resolution No. 80806 (Dec. 6, 2022), <https://records.sanjoseca.gov/Resolutions/RES80837.pdf>.

¹⁹ D.21-06-035, *supra* note 3.

An agreement with Bright Canyon Energy Corporation for the BCE Seal Beach, LLC, was executed on April 2, 2023 and will also assist SJCE in complying with the firm clean resources' requirement issued by the CPUC in D.21-06-035.²⁰

14. [San José Clean Energy Revolving Credit Agreement](#), December 13, 2022

Adopt a resolution authorizing the City Manager, the Director of Finance, the Assistant Director of Finance, and their authorized designees to negotiate, execute, and deliver a revolving credit agreement, promissory note, and fee agreement with JPMorgan Chase Bank, N.A., to issue revolving loans and standby letters of credit to support the operations of SJCE, to terminate and pay off the existing revolving credit agreement with Barclays Bank PLC, and to take other related actions in connection.

Adopt the following 2022-2023 Appropriation Ordinance amendments to the SJCE Fund:

- Increase the Letter of Credit Fees appropriation to the Finance Department; and
- Decrease the Unrestricted Ending Fund Balance.

Status Update: The City Council adopted Resolution No. 80833 authorizing the City Manager and others to negotiate, execute, and a deliver a revolving credit agreement, promissory note, and fee agreement with JPMorgan Chase Bank, N.A. and to terminate and pay off the existing revolving credit agreement with Barclays Bank PLC.²¹ The City Council also adopted Ordinance No. 30867 to amend the SJCE Fund and increase the Letter of Credit of Fees appropriation to the Finance Department and decrease the Unrestricted Ending Fund Balance.²² The agreements with JPMorgan were executed and became effective on February 17, 2023.

²⁰ *Id.*

²¹ City Council Meeting Synopsis/Draft Minutes, *supra* note 17 at 18-19; Resolution No. 80833 (Dec. 13, 2022), <https://records.sanjoseca.gov/Resolutions/RES80833.pdf>.

²² City Council Meeting Synopsis/Draft Minutes, *supra* note 17 at 18-19; Ordinance No. 30867 (Dec. 13, 2022), <https://records.sanjoseca.gov/Ordinances/ORD30867.pdf>.