



## **DESERT COMMUNITY ENERGY BOARD MEETING AGENDA**

**Monday, July 20, 2020  
2:30 PM**

**Coachella Valley Association of Governments  
73-710 Fred Waring Drive  
Palm Desert, CA 92260  
760-346-1127**

**Pursuant to Governor Newsom's Executive Order N-29-20  
(March 18, 2020), the Desert Community Energy meeting will  
only be conducted via video/teleconferencing.**

***Join Zoom Meeting***

**[https://us02web.zoom.us/j/82953368326?pwd=SUZXZ  
DFZcVhjcy9Wa25LVHFFU3pUZz09](https://us02web.zoom.us/j/82953368326?pwd=SUZXZDFZcVhjcy9Wa25LVHFFU3pUZz09)**

***Meeting ID: 829 5336 8326  
Password: 537647***

***One tap mobile  
+16699009128,,82953368326# US***

**IF YOU ARE UNABLE TO CONNECT VIA DIAL IN OPTION, PLEASE CALL 760-346-1127**

Members of the public are encouraged to submit comment in connection with the Desert Community Energy meeting, by email to: [cvag@cvag.org](mailto:cvag@cvag.org) by 5:00 p.m. on the day prior to the committee meeting. Comments intended to be read aloud into the record, should be no more than 300 characters in length.

**THIS MEETING IS HANDICAPPED ACCESSIBLE.  
ACTION MAY RESULT ON ANY ITEMS ON THIS AGENDA.**

1. **CALL TO ORDER**

2. **ROLL CALL**

A. **Member Roster**

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3. **PUBLIC COMMENTS ON AGENDA ITEMS**

Any person wishing to address the Desert Community Energy Board on items appearing on this agenda may do so at this time. Please limit comments to 3 minutes. At the discretion of the chair, additional public comment time and/or opportunities during the meeting may be granted.

4. **BOARD MEMBER / DIRECTOR COMMENTS**

5. **CONSENT CALENDAR**

A. **Approve Minutes from Board Meeting of June 15, 2020.**

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B. **1) Approve Amendment #1 to the Consulting Services Contract between DCE and Burke Rix Communications to provide ongoing outreach and website support for Desert Community Energy, for an additional amount not to exceed \$60,000 and; 2) Authorize Executive Director to execute any and all necessary contracts to fulfill marketing and outreach tasks for this contract.**

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6. **DISCUSSION / ACTION**

A. **GRID Alternatives Presentation – Kari H’Orvath**

[P10](#)

**Recommendation:** Information only.

B. **Desert Community Energy Long Term Renewable Request for Offers – Jaclyn Harr, The Energy Authority**

[P11](#)

**Recommendation:** Approve final shortlist of selected respondents to a Request For Offers (RFO) and authorize DCE/TEA staff to proceed with contract negotiations for Desert Community Energy’s Long Term Renewable Energy requirements with final contracts to be approved by DCE Board at a future meeting.

C. **Industry Update – Jeff Fuller, The Energy Authority**

**Recommendation:** Verbal report.

D. **Legislative Update – Katie Barrows**

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**Recommendation:** Information only.

**7. INFORMATION**

**A. Attendance Record**

[P23](#)

**B. DCE Program Launch and Activities Updates**

[P24](#)

**C. Emergency Customer Protections due to COVID-19**

[P27](#)

**D. Unaudited Financial Report**

[P29](#)

**8. PUBLIC COMMENTS ON NON-AGENDA ITEMS**

Any person wishing to address the Board on items not appearing on this agenda may do so at this time. Please limit comments to 2 minutes. At the discretion of the chair, additional public comment time and/or opportunities during the meeting may be granted.

**9. ANNOUNCEMENTS**

Next DCE Board Meeting: The next regular meeting is tentatively scheduled for August 17, 2020 at 2:30 p.m.

**10. ADJOURN**

**Item 2A**

**Desert Community Energy Board  
Member Roster**

<b>Voting Members</b>	<b>Representative</b>
City of Cathedral City	Mayor John Aguilar, Vice Chair <i>Alternate: Councilmember Raymond Gregory</i>
City of Palm Desert	Councilmember Sabby Jonathan <i>Alternate: Councilmember Kathleen Kelly</i>
City of Palm Springs	Mayor Geoff Kors, Chair <i>Alternate: Councilmember Lisa Middleton</i>

<b>Non-Voting Members</b>	<b>Representative</b>
City of Desert Hot Springs	Councilmember Yvonne Parks

<b>DCE Staff</b>
Tom Kirk, Executive Director
Katie Barrows, Director of Energy & Environmental Resources
Benjamin Druyon, Management Analyst
Valdemar Galeana, Accounting Manager

## **ITEM 5A**

**Desert Community Energy Board  
Meeting Minutes  
June 15, 2020  
2:30 pm**



**CVAG (Zoom meeting)  
73710 Fred Waring Drive #200  
Palm Desert, CA 92260  
760-346-1127**

*The audio file for this meeting can be found at: <http://www.desertcommunityenergy.org>*

### **1. CALL TO ORDER**

The meeting of the DCE Board was called to order by Chair Geoff Kors at 2:30 pm via Zoom meeting.

### **2. ROLL CALL**

Roll call was taken, and it was determined that a quorum was present.

#### **Members Present**

Councilmember Sabby Jonathan  
Mayor Geoff Kors  
Mayor John Aguilar

#### **Agency**

City of Palm Desert  
City of Palm Springs  
City of Cathedral City

#### **DCE Staff & Consultants**

Tom Kirk  
Katie Barrows  
Benjamin Druyon  
Libby Carlson  
Oscar Vizcarra  
Valdemar Galeana  
Erica Felci  
Brian Rix  
Jeff Fuller  
Don Dame

BurkeRix  
The Energy Authority  
Consultant

#### **Others Present:**

Charlie McClendon  
David Freedman  
Lani Miller  
Shelley Kaplan  
Kim Floyd  
Patrick Tallarico  
Theresa Curry

City of Cathedral City  
Community Advisory Committee  
Community Advisory Committee  
Community Advisory Committee  
Community Advisory Committee  
City of Palm Springs

**3. PUBLIC COMMENTS ON AGENDA ITEMS**

David Freedman commented on Items 6D and 7C.

**4. BOARD MEMBER / DIRECTOR COMMENTS**

There were no board member or director comments.

**5. CONSENT CALENDAR**

**A. Approve Minutes from Board Meetings of May 22, 2020.**

**IT WAS MOVED BY BOARD MEMBER SABBY JONATHAN AND SECONDED BY VICE CHAIR AGUILAR TO APPROVE THE BOARD MEETING MINUTES OF May 22, 2020.**

**THE MOTION CARRIED WITH 3 AYES.**

Vice Chair Aguilar	Aye
Board member Jonathan	Aye
Chair Kors	Aye

**6. DISCUSSION / ACTION**

**A. DCE Program Launch and Activities Update.**

**THIS ITEM WAS INFORMATIONAL ONLY.**

**B. Desert Community Energy Fiscal Year 2020/2021 Budget.**

**IT WAS MOVED BY VICE CHAIR JOHN AGUILAR AND SECONDED BY BOARD MEMBER SABBY JONATHAN TO ADOPT RESOLUTION 2020-05 APPROVING DESERT COMMUNITY ENERGY FISCAL YEAR 2020/2021 BUDGET.**

**THE MOTION CARRIED WITH 3 AYES.**

Vice Chair Aguilar	Aye
Board member Jonathan	Aye
Chair Kors	Aye

**C. Utility Discount (CARE/FERA) Program.**

**THIS ITEM WAS INFORMATIONAL ONLY. IT WAS REQUESTED BY SABBY JONATHAN TO REVISIT THIS PROGRAM IN THREE MONTHS AND IN SIX MONTHS.**

**A MOTION WAS MADE BY BOARD MEMBER SABBY JONATHAN AND SECONDED BY VICE CHAIR AGUILAR TO SUPPORT THE EXECUTIVE DIRECTORS DECISION TO TERMINATE THE PROGRAM AND AGREEMENT WITH LIFT TO RISE FOR THE DCE UTILITY DISCOUNT (CARE/FERA) ENHANCED ENROLLMENT PROGRAM.**

**THE MOTION CARRIED WITH 3 AYES.**

Vice Chair Aguilar	Aye
Board member Jonathan	Aye
Chair Kors	Aye

**D. Consideration of Operational Membership in CalCCA.**

**IT WAS MOVED BY VICE CHAIR AGUILAR AND SECONDED BY BOARD MEMBER JONATHAN TO APPROVE PAYMENT OF DUES TO CALCCA FOR AN OPERATIONAL MEMBERSHIP WITH ANNUAL REVIEW BY THE BOARD OF DIRECTORS.**

**THE MOTION CARRIED WITH 3 AYES.**

Vice Chair Aguilar	Aye
Board member Jonathan	Aye
Chair Kors	Aye

**7. INFORMATION**

- A. Attendance Record**
- B. Unaudited Financial Report**
- C. Regional Energy Network**

**8. PUBLIC COMMENT ON NON-AGENDA ITEMS**

Kim Floyd commented on the positions taken by the CalCCA Board and encouraged reports to the DCE Board.

**9. ANNOUNCEMENTS**

Next DCE Board meeting will be July 20, 2020 at 2:30pm via Zoom.

**10. ADJOURN**

The meeting was adjourned at 3:40 pm.

Respectfully submitted,  
Benjamin Druyon

## **ITEM 5B**

### Desert Community Energy Board July 20, 2020



#### **STAFF REPORT**

**Subject:** Amendment to contract with Burke Rix Communications for ongoing outreach and website support for Desert Community Energy

**Contact:** Benjamin Druyon, Management Analyst ([bdruyon@cvaq.org](mailto:bdruyon@cvaq.org))

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**Recommendation:** 1) Approve Amendment #1 to the Consulting Services Contract between DCE and Burke Rix Communications to provide ongoing outreach and website support for Desert Community Energy, for an additional amount not to exceed \$60,000 and; 2) Authorize Executive Director to execute any and all necessary contracts to fulfill marketing and outreach tasks for this contract.

**Background:** In December 2019, the DCE Board approved a contract with local marketing firm Burke Rix Communications (BRC) for a not to exceed amount of \$150,000.

BRC has been an integral part of DCE's outreach and education to the public since before launch. They have been involved with the creation and distribution of DCE's mailers, letters, social media campaigns, news stories, and video production pieces. They have also assisted with ongoing updates and maintenance of DCE's website, outreach to our commercial customers, and are involved with DCE's Community Advisory Committee and Palm Springs Working Group meetings.

BRC's contract period is valid through December 31, 2021, but due to impacts of the COVID-19 pandemic, we have had to use more of BRC's time to address new issues, and they are nearing their original not to exceed amount. It was expected that DCE would need to expend more of the funds allocated to this contract upfront during launch activities. DCE would like to continue to use BRC for ongoing website updates, and to keep a social media presence, informing the public on changes with DCE and providing accurate information about DCE related topics. This increase would include an outreach campaign using social media and/or television advertisements. Activities and tasks performed by BRC are at the direction of DCE staff.

The request is to approve Amendment #1 with Burke Rix Communications for an additional not to exceed amount of \$60,000, bringing the total contract amount to \$210,000. The contract term will remain the same, December 31, 2021.

**Fiscal Impact:** The original contract is for \$150,000. Since execution of the contract to date, Burke Rix Communications has been paid a total of \$148,861.72. Burke Rix Communications bills DCE on a monthly basis for time and direct expenses based on the Fee Schedule included in Exhibit A of the Contract.

#### **Attachments:**

1. Amendment #1 to Consulting Services Contract between DCE and Burke Rix Communications.



**DESERT COMMUNITY ENERGY**  
**CONSULTING SERVICES CONTRACT**  
**AMENDMENT #1**  
**with**  
**BURKE RIX COMMUNICATIONS**

The Consulting Services Contract (the "Contract") by and between Desert Community Energy (DCE) and Burke Rix Communications ("Consultant"), is amended, effective July 20, 2020, as follows:

- 1) The contract amount for fiscal year 2020/2021 is amended to add a not to exceed amount of \$60,000 for marketing and outreach consulting services to Desert Community Energy as described in Exhibit A of the original contract, incorporated herein by reference.
  
- 2) All other terms and conditions shall remain the same as stated in the original Contract.

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Brian Rix  
Senior Partner  
Burke Rix Communications

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Geoff Kors  
Chair  
Desert Community Energy

## **ITEM 6A**

### **Desert Community Energy Board July 20, 2020**



#### **STAFF REPORT**

**Subject:** GRID Alternatives presentation

**Contact:** Katie Barrows, Director of Environmental Resources ([kbarrows@cvag.org](mailto:kbarrows@cvag.org))

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**Recommendation:** Information only.

**Background:** GRID Alternatives staff will make a presentation on current programs that are available in the Coachella Valley for installation of rooftop solar for income qualified properties, workforce development, and opportunities for collaboration with DCE. GRID Inland Empire Outreach Manager Kari H'Orvath and Workforce/Volunteer Manager Cindy Corrales will make the presentation. They will also discuss some of the challenges and opportunities GRID sees in workforce training given the current pandemic.

GRID Alternatives is a non-profit organization with a mission to make renewable energy technology and job training accessible to underserved communities. GRID works with local affordable housing providers, job training groups, corporate sponsors, government agencies, and community-based organizations to install solar projects for income qualified property owners and provide job training. GRID Alternatives administers several solar programs statewide with funds from the California Public Utilities Commission (CPUC). One of these programs is the Single-family Affordable Solar Homes (SASH) Program which provides up-front rebates to defray the costs of installing rooftop solar for lower income households. GRID Inland Empire has \$1 million in funds available for the SASH program in the Inland Empire, including the Coachella Valley. DCE staff has been discussing with GRID staff ways to reach out to our community members about the availability of these funds. GRID would like to get the funds expended by 2021. Staff requests input from the DCE Board at the meeting on ways that DCE can assist GRID to reach out to those who would qualify for these funds.

Another program administered by GRID Alternatives is the CPUC approved Disadvantaged Communities Single-family Solar Homes (DAC-SASH) program. The DAC-SASH program is modeled after the SASH program and officially launched in September 2019. The Commission defined the eligibility parameters for DAC SASH: a geographic designation based on the top 25 percent most disadvantaged census tracts in CalEnviroScreen 3.0. As discussed at the April 2020 DCE meeting, not a single census tract in the three DCE cities ranks in this top 25 percent. CVAG and DCE worked with GRID Alternatives on their effort to change the DAC-SASH qualification to define low-income communities as the census tracts at or below 80 percent of the statewide median income (AB 1550). This change would allow this program to be available to eligible property owners in the Coachella Valley. The DCE Board voted to support these efforts and a letter was sent to the CPUC in April.

**Fiscal analysis:** None. Information only.

## ITEM 6B

### Desert Community Energy Board July 20, 2020



#### STAFF REPORT

**Subject:** Desert Community Energy Long Term Renewable Request for Offers

**Contact:** Jaclyn Harr, The Energy Authority

**Recommendation:** Approve final shortlist of selected respondents to a Request For Offers (RFO) and authorize DCE/TEA staff to proceed with contract negotiations for Desert Community Energy's Long Term Renewable Energy requirements with final contracts to be approved by DCE Board at a future meeting.

**Background:** DCE, like other California load-serving entities including CCAs and Investor Owned Utilities, is required by SB 350 (de Leon, 2015, the "Clean Energy and Pollution Reduction Act") to procure at least 65% of its required Renewable Portfolio Standard (RPS) energy under long-term contracts starting with California's fourth RPS compliance period (2021-2024). At this time, none of DCE's contracted portfolio meets this long-term contract requirement.

Table 1 shows how DCE's load, its RPS requirement under SB 100 (de Leon, 2018, the "100 Percent Clean Energy Act of 2018"), and its RPS power required to be under long-term contracts under SB 350 are expected to change over the next seven years:

**Table 1. Renewable Portfolio Standard Requirements by Year**

	2021	2022	2023	2024	2025	2026	2027
<b>RPS Requirement per SB100 as % of total portfolio</b>	35.8%	38.5%	41.3%	44.0%	47.0%	49.2%	52.0%
<b>Long term RPS contracts required per SB 350 as % of total portfolio</b>	23.3%	25.0%	26.8%	28.6%	30.6%	32.0%	33.8%
<b>DCE projected retail sales (GWh)*</b>	569	569	571	571	572	573	574
<b>RPS power required to be under long-term contracts (GWh)</b>	132	142	153	163	175	183	194

\* Source: DCE's Integrated Energy Policy Report (IEPR) load forecast. These projected load values are used here for general indicative purposes.

As discussed with the Board previously, one objective for DCE in issuing this RFO is to execute one or more renewable Power Purchase Agreements (PPA) for a renewable project or projects to support DCE's SB 350 compliance requirements. Considered more broadly, executing renewable PPAs via this RFO are an important step forward in meeting DCE's program objectives: supplying DCE customers with a carbon-free and highly renewable energy mixture, ideally from renewable projects located near DCE's service territory. In taking this step, DCE is also focused on procuring in a fiscally prudent manner that reduces price volatility in DCE's power portfolio, which will allow for increased rate certainty.

**Response to RFO and Evaluation:** Following Board approval for release of the RFO, the DCE/TEA team issued RFO materials on May 22, with responses due June 15. The RFO required interested parties to submit bids with detailed materials describing their project and the development team behind it. The bid requirements were designed to allow for both a qualitative and quantitative analysis of all of the projects submitted.

DCE received a robust response to its RFO, with 13 distinct project proposals from 10 different respondents, with most projects having several bid variations (e.g. term of the proposed PPA), for a total of 96 project variations to evaluate. Projects offered included solar and wind technologies, with and without battery storage. One (non-confirming) biomass project proposal was also received.

To evaluate the proposals qualitatively, an evaluation team consisting of 2 TEA staff members (with one additional TEA staff member facilitating the evaluation discussion), 2 DCE staff members, and 2 Palm Springs members of the Community Advisory Committee independently reviewed and scored the proposals. This scoring process was in line with the criteria outlined in the RFO materials, including:

- the overall value to DCE customers
- the respondent experience, qualifications, and creditworthiness
- the environmental impacts and benefits of the proposed projects
- the project's location and economic impacts to the local community
- conformance to DCE's preferred contractual terms.

The review of potential projects integrated consideration of environmental stewardship aspects of these projects into the evaluation process. The evaluation team considered conservation values including impacts to threatened or endangered species, habitat linkages, status of environmental compliance, and whether the project incorporated sustainable development principles. Other factors considered were whether projects were located on existing disturbed sites, or lands designated for renewable development. For example, some projects involved repowering of existing wind projects or development of low-quality agricultural land.

Simultaneously, TEA staff evaluated all 96 project variations on a quantitative basis to determine which project variations provided the highest marginal net present value to DCE. The quantitative evaluation used a project selector tool developed by TEA which looked at each project's expected generation and its resource adequacy value in several different scenarios of future market prices.

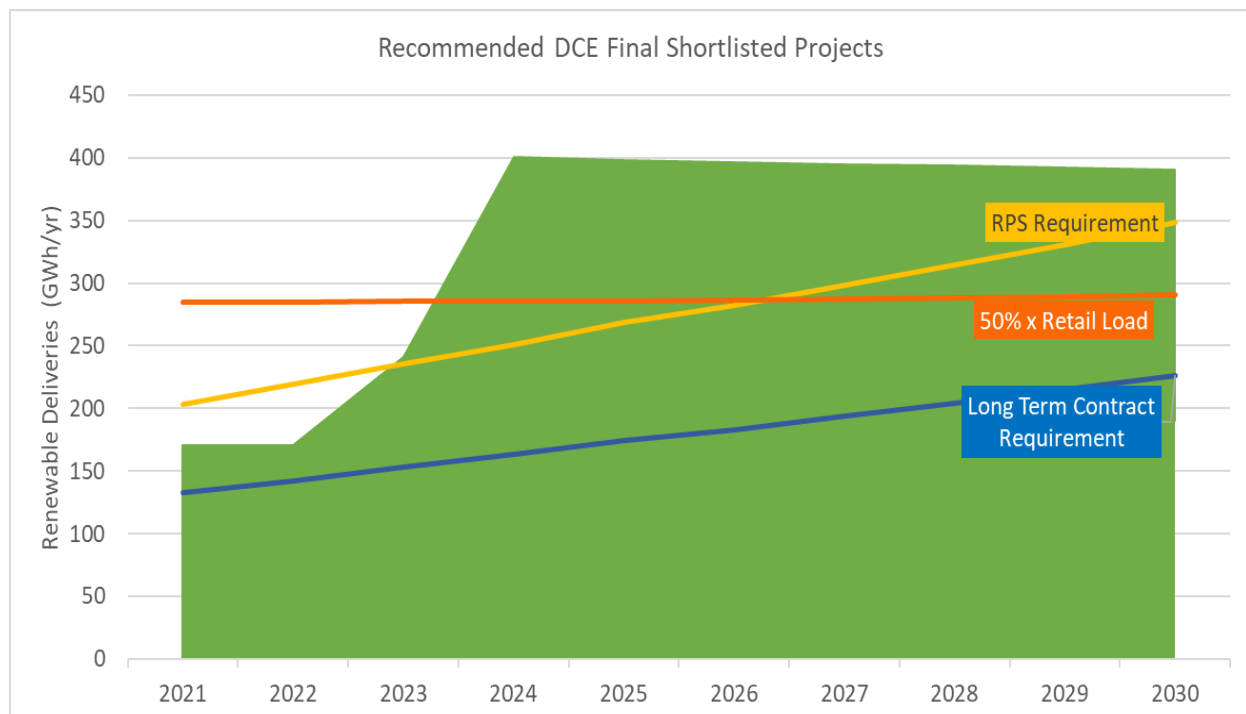
The evaluation team met to discuss the qualitative and quantitative scores of all the proposals, resulting in an initial shortlist of five respondents with seven distinct projects. Interviews were then conducted with all five of these respondents. The interview panel consisted of the same evaluation team of 3 TEA staff members, 2 DCE staff members, and 1-2 Palm Springs members of the Community Advisory Committee (attendance was based on availability). The interviews included technical questions regarding the specific project being considered, contractual term questions that could impact the PPA negotiation process, and the impacts and benefits to the environment and local jobs for the proposed projects.

Following the interview process with the five respondents, the evaluation team met again to review the shortlisted projects in light of the new information gathered in the interview process. They also reviewed the potential projects on a portfolio basis to ensure the recommended final shortlist would handily meet DCE's compliance needs as well as its broader program goals. Consideration of other multiple benefits of the project, such as potential for local jobs was included in this step.

**Recommended Portfolio for Negotiations:** The evaluation team recommends the following portfolio of four projects to enter into negotiations for PPA execution for DCE's long-term contracting need:

Developer	Project	Technology	Proposed Size	Contract Start Date	Annual Energy Delivery	Location
Clearway Renew	Victory Pass I	New Solar + Storage	64 MW	Q3 2023	196 GWh	Riverside County
Lendlease Energy Development	Deer Creek Solar I	New Solar + Storage	50 MW	Q4 2022	133 GWh	Tulare County
Terra-Gen	East Wind	Existing Wind	12.6 MW	Q4 2022	34 GWh	Near Palm Springs
Terra-Gen	Coachella Hills Wind II	New Wind	10.6 MW	Q1 2021	36 GWh	Near Palm Springs

This portfolio of projects would allow DCE to easily meet both its long-term contracting compliance requirements, its broader RPS procurement requirements, and its program goals of building a carbon free and significantly renewable energy resource mix. The chart below shows the impact of these projects expected generation (including pre-COD RPS deliveries from a subset of the developers) on DCE's compliance and program goals:



The recommended portfolio of projects includes:

- resource technology diversity
- a significant amount of storage for capacity and reduction in price risk from midday negative prices in the California market
- developer diversity to reduce overall portfolio failure risk
- geographical diversity to reduce overall portfolio undergeneration risk
- environmental stewardship benefits and DCE's preference for local project development.

Finally, while this portfolio will take DCE over the targeted 50% renewable energy in its Carbon Free product, it also represents a significant expected reduction in overall program costs. This cost reduction is over both the short term and long term due to the relatively low cost of the PPAs offered by the proposed projects compared to purchasing the same energy, capacity, and renewable energy credits on the open market. TEA estimates that purchasing the equivalent products over the lifetime of these contracts in the market would cost between \$60 million and \$85 million more than the expected cost of the four recommended projects. Moreover, these projects will lock in the costs for a large portion of DCE's portfolio, allowing for increased rate certainty for DCE's customers.

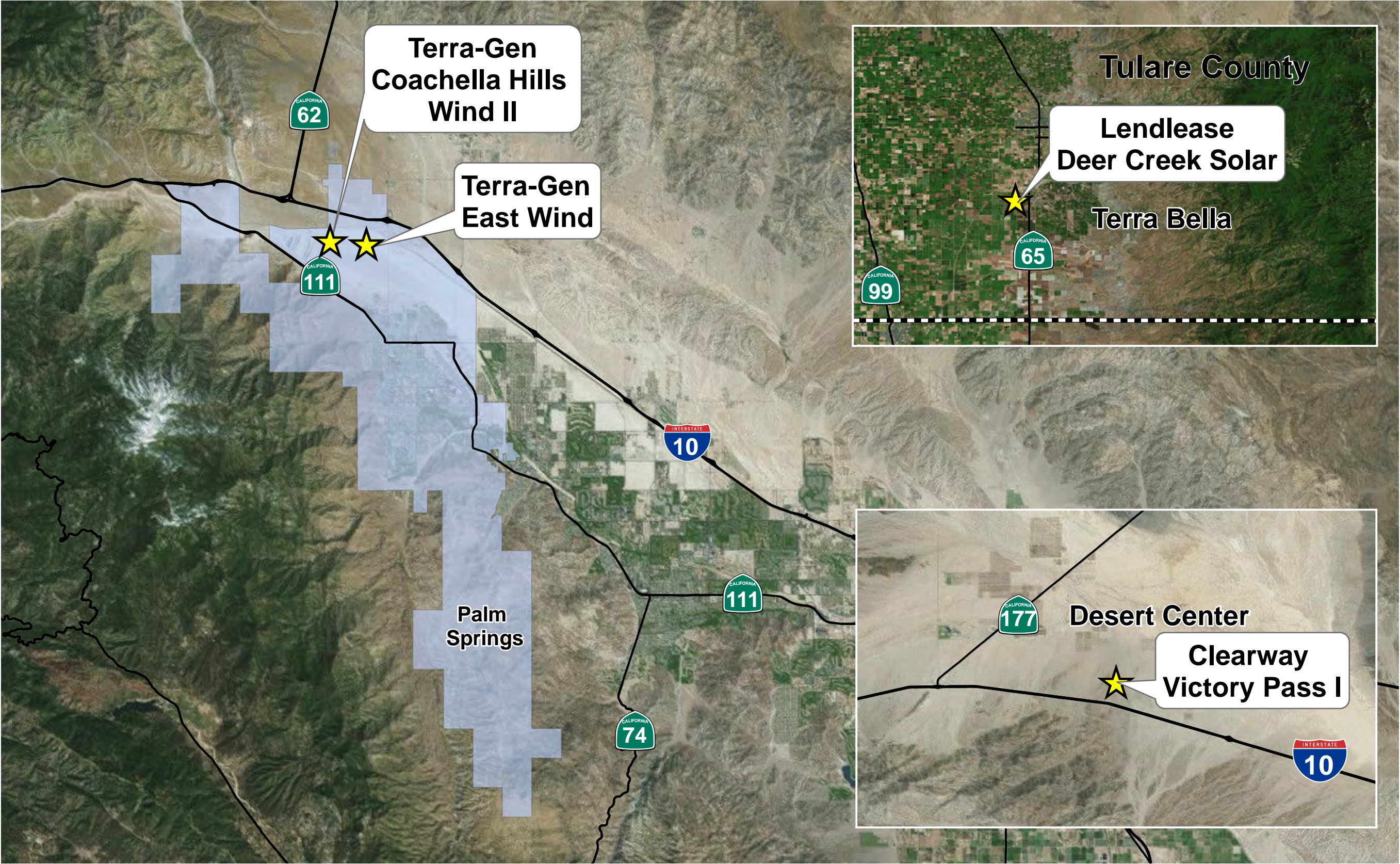
**Fiscal Impact:** Entering into negotiations with three developers for four renewable projects will require significant time and effort from DCE staff, TEA staff, and DCE's counsel. DCE and TEA staff time will not have any direct fiscal impact. DCE's counsel time will be billed at its usual rate, with an estimated 10 hours per week for up to 12 weeks. The PPAs that will be negotiated, when executed, will have direct impact on DCE's ability to remain competitive with SCE's customer rates. DCE staff will continue to work closely with TEA and DCE counsel to ensure any final PPAs brought to DCE Board's for approval will allow DCE to meet its environmental goals and state compliance requirements while balancing fiscal concerns. Any contracts associated with this RFO will be brought to the Board for approval before execution.

**Attachments:**

1. Map of Location of Proposed Projects



# Location of Proposed Projects

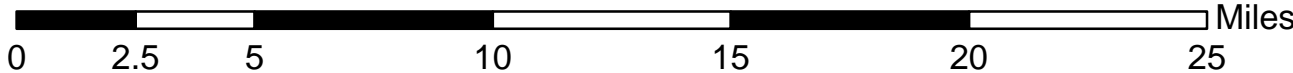


## Legend

- ★ Project Locations
- Palm Springs Boundary
- ⚡ Highways



Disclaimer: Maps and data are to be used for reference purposes only. Map features are approximate, and are not necessarily accurate to surveying or engineering standards. CVAG and the County of Riverside make no warranty or guarantee as to the content (the source is often third party), accuracy, timeliness, or completeness of any of the data provided, and assumes no legal responsibility for the information contained on this map. Any use of this product with respect to accuracy and precision shall be the sole responsibility of the user.





## ITEM 6D

### Desert Community Energy Board July 20, 2020



#### STAFF REPORT

**Subject:** Legislative Update

**Contact:** Katie Barrows, Director of Environmental Resources ([kbarrows@cvaq.org](mailto:kbarrows@cvaq.org))

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**Recommendation:** Information Only. This staff report is to provide an update on recent legislative activities that are relevant to or may affect DCE and other CCAs.

**Background:** Now that DCE is a full operational member of CalCCA, we are able to participate in their legislative committee and receive regular legislative updates. The CalCCA legislative committee meets as frequently as once a week and includes representatives from other CCAs throughout the state. CalCCA tracks bills that are relevant to CCAs and provides regular updates to members. The information in this staff report is derived from the legislative updates provided by CalCCA.

CalCCA has also established a Legislative and Regulatory Policy Platform (see Attachment 1). This platform describes the general goals that CalCCA will advocate for on behalf of member agencies. This includes a general statement of their efforts to support Community Choice Aggregation, including:

- Support legislation and regulatory policies that protect and foster CCA within the state.
- Promote competitive neutrality and a level playing field
- Support legislation and regulatory policies that support CCA autonomy in policymaking and decision-making.
- Oppose legislation and regulatory policies that unfairly discriminate against CCAs, CCA customers, or reduce CCA policymaking or decision-making autonomy.

The platform also lists specific topics related to legislative efforts including procurement, local control, and CCA efforts to promote affordability, reliability, decarbonization, and social equity. At the last meeting a suggestion was made to provide regular updates to the DCE Board on legislative matters and positions taken by CalCCA. This staff report will become a regular part of the DCE agenda.

The following is a list of bills that CalCCA has now officially taken positions on, including a brief summary of each bill:

Measure	Author	Summary	Position
SB 45	Allen	\$5.5 billion natural resources bond proposal for the Nov 2020 Statewide Ballot. The proposal contains \$570 million in resiliency funds that could be tapped by CCAs or member agencies for resiliency projects.	Support
SB 378	Wiener	Proposes various consumer and local government protections from PSPS events triggered by IOUs. The bill requires certain IOU equipment reporting requirements, procedures for consumer and local government reimbursements, improved local agency	Support



Measure	Author	Summary	Position
		notification requirements, and hefty fines for PSPS events that are deemed unreasonable by the PUC.	
SB 1117	Monning	Eliminates a statutory conflict that results in residents of mobile-home parks being charged the electrical corporation rate rather than the CCA rate.	Support
AB 56	E. Garcia	Allows the CPUC to authorize the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) to undertake procurement of electricity to meet the state's climate, clean energy, and reliability goals if the PUC makes specified findings. The newly formed authority would be permitted to procure electricity for customers of electrical corporations, community choice aggregators, and electric service providers to attain certain energy, environmental, economic, public health and public safety objectives	Oppose
AB 3191	Gray	Establishes minimum penalties for assault and battery of a utility work and also established some enhance traffic safety laws to better protect utility workers.	Support

CalCCA is currently analyzing the following bills:

Measure	Author	Summary
AB 1720	Carrillo	Long duration energy storage. CalCCA is likely to oppose. CCAs are participating in Integrated Resource Plans to address long duration storage. Concerns about procurement mandates and cost to CCAs, other Load Serving Entities.
AB 2313	Eggman	SB 772 (Bradford). revisited. Long duration energy storage. Bill is likely to begin as technology neutral.
AB 2547	Gonzalez	Eliminates bucket 3 and increase bucket 1 by an equal percentage in RPS compliance requirements.
SB 862	Dodd	Clarifies that the provisions of the Emergency Services Act apply to deenergization events as defined. The bill would also expand wildfire mitigation plan protocols for deenergization to address the needs of Access & Functional Needs (AFN) individuals, in addition to utility customers who receive a medical baseline allowance.
SB 947	Dodd	Directs the CPUC to study performance based rates for IOUs and report back to the Legislature.
SB 953	Wiener	Prevents discriminatory and/or unreasonable fees for customer sited energy and storage systems.
SB 1035	Rubio	Establishes the Climate Pollution Reduction in Low-Income Homes Initiative to provide financial assistance for low carbon emitting appliances.
SB 1215	Stern	Creates the Local Government Deenergization Resiliency Grant Program. Grants are for planning and deployment.
SB 1240	Skinner	Directs the CEC and CAISO to study the feasibility of distribution system open access.
SB 1314	Dodd	Creates a community resiliency planning grants program.

CalCCA is watching the following bills:

Measure	Author	Summary
AB 235	Mayes	Creates the California Wildfire Catastrophe Fund Authority (Authority) as a tax-free means for electric utilities to provide coverage for utility liability costs from wildfires when those costs exceed available insurance.
AB 352	Garcia, E	Creates the Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020.
AB 1839	Bonta	Seeks to provide a commitment by the state to establish a policy framework of goals and principles to address the negative impacts of climate change and social inequality in California.
AB 1847	Levine	Authorizes the CPUC to appoint a public administrator to an electrical corporation if the commission finds an electrical corporation is not complying with state law or rules, regulations, or other directives from the commission. The public administrator would have oversight authority over the electrical corporation's activities that impact public safety.
AB 2951	Chiu	Study to look at off-shore wind development.
AB 3191	Gray	Add increase penalties for assault on a utility worker and also adds specified traffic laws to improve utility vehicle safety.
SB 246	Wieckowski	Creates a severance tax or extraction tax on oil companies at the rate of 10% of the average price per barrel of California oil or 10% of the average price per unit of gas.
SB 524	Stern	Requires the CPUC to direct energy efficiency program administrators to ensure that work is performed by a skilled and trained workforce for projects receiving at least \$50,000 in ratepayer-funded initiatives within a single facility.
SB 702	Hill	Authorizes a retail seller the option to rely on the contracts or ownership agreements entered into prior to January 1, 2019, directly by its nonprofit educational institution end-use customer to help satisfy the long-term procurement requirement in the state's renewable portfolio standard.
SB 766	Stern	Expands the list of eligible weatherization measures to include water efficiency measures that result in energy savings, and energy management technologies for publicly owned utilities (POUs), consistent with the existing authorized measures for investor-owned utilities (IOUs).
SB 774	Stern	This bill would state the intent of the Legislature to enact later legislation to require the commission to develop and implement a program to deploy local clean energy generation and storage systems throughout California.
SB 801	Glazer	Requires an electrical corporation to deploy backup electrical resources or provide financial assistance for backup electrical resources to a customer receiving a medical baseline allowance if the customer meets those conditions.
SB 802	Glazer	Require an air district to adopt a rule or revise its existing rules to allow a health facility to construct and operate an emergency backup generator during a deenergization event without having that usage count toward any time limitation.

Measure	Author	Summary
SB 804	Wiener	Allows publicly owned electric utilities to issue rate reduction bonds, a type of financing mechanism already used by public water and wastewater agencies and, in some cases, investor-owned electric utilities. Rate reduction bonds can help utilities invest in projects such as clean energy development, equipment upgrades, and more in a cost-effective manner that saves ratepayers money.
SB 917	Wiener	Transitions PG&E to a publicly owned utility over a five-year span.
SB 942	Wilk	Codifies an existing regulation that authorizes the CEC to approve community solar projects for housing projects to comply with legislation that requires new home construction to include solar and storage systems.
SB 1059	Hill	Clarifies that "partnership flips" do not trigger property tax reassessments for solar projects. This measure is intended to be a cleanup to AB 15x from 2011 that is not being interpreted incorrectly by the Board of Equalization.
SB 1321	Bradford	Electric Vehicle Integration spot bill.
SB 1352	Bates	Amends the tax code that could unintentionally impact the ability for solar projects to continue to get current property tax exemptions.
SB 1358	Bradford	RPS adjustments for locally owned public utilities. Likely a spot bill.
SB 1416	Bradford	Dissemination of false information by CCA governing board. Likely a spot bill.
SB 1422	Bradford	Including microgrids in supplier diversity requirements. Likely a spot bill.
SB 1451	Bradford	Legislative intent to direct procurement of energy resources to address gap created by "some LSEs." Likely a spot bill aimed at CCAs to mandate procurement.

**Attachment:**

1. CalCCA Legislative and Regulatory Policy Platform



## **Legislative and Regulatory Policy Platform**

The Legislative and Regulatory Policy Platform is designed to provide guidance to CalCCA Board Members (“Members”) and staff in undertaking actions to further shared legislative and regulatory objectives and the CalCCA mission.

### ***Support California Community Choice Aggregation***

We will support legislation and regulatory policies that protect and foster CCA within the state. We will promote competitive neutrality and a level playing field and we will support legislation and regulatory policies that support CCA autonomy in policymaking and decision-making. We will oppose legislation and regulatory policies that unfairly discriminate against CCAs, CCA customers, or reduce CCA policymaking or decision-making autonomy.

### ***Advocate on Behalf of Community Choice Aggregation Customers***

We will support legislation and regulatory policies that benefit CCA customers. We will address legislation and regulatory policies that may have rate impacts on CCA customers. We will address legislation and regulatory policies affecting legislative or regulatory processes that may impact CCA customers.

### ***Collaboration Among Member CCAs***

We will consistently utilize a collaborative approach to issues by following these practices:

- Platform objectives will be established at a meeting of the Board and may be modified at any meeting of the Board.
- Positions on specific legislation (“bills”) will be established by the Board and can be modified if needed at any meeting of the Board.
- Unless a Member has notified the Board, they will be staying off a regulatory issue or bill (see below), no Member will meet with a regulator, legislator or relevant decision-maker to request an outcome that is different from the outcome requested by the Association.
- Members will make efforts to notify the Association regarding any substantive discussions with key decision makers or regulators on topics the Association is actively pursuing with those bodies.

### ***Refraining from Participation with the Association***

If a Member determines their CCA must refrain from participating with the Association on a regulatory issue or bill, the following guidelines apply:

- Member will notify the Board (in writing or at a Board Meeting) that their CCA needs to refrain from participation with the Association on a regulatory issue or bill. Notification will be provided with as much advance notice as possible.
- Member will make every effort to notify CalCCA and have a Board discussion if they need to consider agreeing to a lesser ask, a compromise or an outcome that differs from the outcome requested by the Association, particularly if it would undermine Association objectives.

## ***CalCCA Policy Platform Objectives***

## **1. Procurement and Reliability**

- Protect CCAs' procurement autonomy
- Protect CCAs' right to self-procure their customers' portions of system reliability needs
- Encourage results-oriented policymaking over prescriptive procurement mandates

## **2. Local Control**

- Protect the authority of the CCA Board of Directors as the primary governing body of a CCA
- Develop roles for state agencies that are complementary to rather than competitive with the CCA Boards of Directors

## **3. Non-bypassable Charges**

- Prevent new non-bypassable charges ("NBCs") and phase out or eliminate existing NBCs
- Ensure that NBC inputs and methodologies are transparent and developed through public processes that allow for full stakeholder input
- Foster market certainty by maximizing year-to-year consistency and/or predictability of all NBCs

## **4. Customer Indifference and Legacy Costs**

- Protect indifference of all ratepayers to load migration between LSEs
- Increase the transparency and certainty of PCIA charges, and phase out unreasonable PCIA charges over a time period that addresses stranded costs
- Reform IOU procurement practices to minimize stranded load and mitigate CCA charges

## **5. Grid Edge**

- Protect CCAs' right to develop and administer energy efficiency and integrated distributed energy resources
- Protect CCA customers' right to select, install, and operate energy efficiency and behind-the-meter distributed energy resources
- Foster and develop integrated distributed energy resources as non-wires alternatives to expanding distribution infrastructure and centralized generation

## **6. The Broader Landscape**

- Support further CCA growth and formation
- Build energy market structures and regulatory paradigms that benefit all California ratepayers and facilitate affordability, reliability, decarbonization, and social equity
- Support market regionalization and other means of connecting CCA customers to affordable GHG-free resources

## **7. Utilities Restructuring**

- Support refocusing the utilities' electric business on the safe management of wires infrastructure
- Support options for local governments to expand their electricity program offerings, including the option to serve as sole retail provider and provider of last resort and support local jurisdictions' existing right to establish publicly-owned utilities
- Encourage establishment of a statewide public agency to serve bundled utility customers without a public power option until such time as a local agency option becomes available

- Support the operation of investor-owned utility distribution systems as transparent neutral, open-access platforms which facilitate the deployment of distributed energy resources and other demand-side management strategies
- Promote optimization and rebalancing of IOUs' portfolios

*Approved by CalCCA Board 5.23.18  
Amended by the CalCCA Board 2.25.19*

**ITEM 7A****DESERT COMMUNITY ENERGY BOARD  
FY2019-2020 ATTENDANCE RECORD**

<b>Voting Members</b>	<b>JUL</b>	<b>AUG</b>	<b>SEP</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUNE</b>
City of Cathedral City	✓	*	✓		*	✓	✓	✓	*	✓	✓	✓
City of Palm Desert		*	✓	✓	*	✓	✓	✓	*	✓	✓	✓
City of Palm Springs	✓	*	✓	✓	*	✓	✓	✓	*	✓	✓	✓
<b>Non-Voting Member</b>												
City of Desert Hot Springs		*			*				*			

Ex Officio / Absent  
No Meeting \*

**Item 7B**

**Desert Community Energy Board**  
**July 20, 2020**



**Staff Report**

**Subject:** DCE Program Launch and Activities Updates

**Contact:** Katie Barrows, Director of Energy & Environmental Resources  
([kbarrows@cvaq.org](mailto:kbarrows@cvaq.org))

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**Recommendation:** Information Only.

**Palm Springs Launch:** With the enrollment in Community Choice Energy with DCE in Palm Springs we have completed a successful DCE launch in rather challenging times. Based on the opt-out/opt-down statistics presented below, 91% of the 40,618 Palm Springs residents and businesses that we reached out to are enrolled in DCE. And nearly 94% of these customers are 100% carbon free! We appreciate the great support from the city council and staff of the City of Palm Springs, as well as the residents and businesses who have been (mostly) patient, interested, and supportive during the DCE launch.

DCE customer service continues to respond to questions from individuals about their bills, and any other issues that come up. DCE staff is responding to calls that get elevated by the customer service team to ensure that all customers get their questions answered and issues resolved. Our weekly meetings with Calpine and Southern California Edison have become monthly meetings as the need for frequent coordination has declined. Staff continues to work closely with Southern California Edison (SCE) and their CCA team which is always ready to answer questions and assist us with resolving customer concerns. Our data management/customer service team from Calpine is responsible for handling DCE billing and working with SCE to verify that all bills are correct, with no duplicate billing, and that any errors are corrected promptly.

All customer notices mailed to-date are available on the DCE website at: <https://desertcommunityenergy.org/about/notices/>. The Spanish version of all notices are also posted on the website.

**Community Outreach:** Currently, outreach efforts are focused on reminding customers about DCE's Desert Saver option, which offers the lowest cost choice for electricity, and helping them to understand their bills.

The outreach team is looking at more ways to promote the message that DCE offers the lowest price choice for electricity to Palm Springs residents and businesses. Options including paid and targeted social media and an additional mailer are being considered. At the present time, the Desert Saver plan provides an approximately 1.6% discount from SCE's base rate for residential customers. For small business customers, the discount is 3.8% and ranges from 2 to just under 4% for other customers, depending on rate class. Ways to reach out to customers who have opted out and might consider re-enrolling with DCE but opting down to Desert Saver are also being explored and plans developed.

We continue to respond to comments about high bills with information about the various factors that are affecting bills, including many people working from home and using more energy than



they have in the past, hot weather, and SCE increases in their charges for delivery which is independent of DCE. So, the increase resulting from enrollment in DCE's Carbon Free plan is a much smaller portion of the total increases in customer bills. The DCE outreach team maintains an active presence on social media and is regularly monitoring and responding to comments. Regular posts on Facebook and other social media include responses to questions, and the benefits of Community Choice Energy

To provide more tools for understanding bills, additional explanation of the various charges and how SCE and DCE costs are shown on the bill has been added to the website. The "Understanding Your Bill" page provides a sample typical customer bill and also a Net Energy Metering (NEM) bill for solar customers. These sample bills can be found at: <https://desertcommunityenergy.org/understanding-your-bill/>. The additional information was added in response to questions and comments being posted on social media indicating confusion about SCE vs. DCE charges. While some customers may assume that bill changes and increases must be due to DCE, the outreach team provides ongoing information and responses to comments to clarify what charges are due to DCE and that most of the charges are controlled by SCE.

**Opt-down and Opt-out Status:** There have been 3,681 total opt-outs, or 9.06% of the 40,618 total eligible customers in Palm Springs through June 2020. Those who chose to opt down to Desert Saver include 2,270 customers or 5.59%. Six customers chose to opt-up from Desert Saver to 100% Carbon Free. The pattern of opt outs and opt downs is consistent with what has been seen for other CCAs in California. For example, the opt out rates for Clean Power Alliance for cities that chose to launch in 2019 with their 100% green product range from 2.5% to 17% with an average of 8.97%. As expected, opt-outs increased as customers began to receive their first bills with DCE charges included. The opt out rate has leveled out in the last few weeks. Calpine has also indicated that the level of opt-outs is in line with what they would expect, especially given the current uniquely challenging times.

### ***Desert Community Energy Monthly Contact Center and Opt-Action Statistics June 2020***

**Summary:**

<b>Stats by Month</b>	<b>February 2020</b>	<b>March 2020</b>	<b>April 2020</b>	<b>May 2020</b>	<b>June 2020</b>	<b>Total</b>
Total Calls	283	980	1706	1698	1929	<b>6,495</b>
Total Calls Connected to Agents	115	450	787	824	1098	<b>3,217</b>
Average Seconds to Answer	0:00:15	0:00:18	0:00:18	0:00:23	0:00:37	
Average Call Duration	0:08:11	0:08:04	0:07:11	0:08:48	0:09:15	
Total Eligible Customers	40,618	40,618	40,618	40,618	40,618	<b>40,618</b>
Monthly Opt-Outs	193	812	1058	833	785	<b>3,681</b>
Opt-Out Percentage	0.48%	2.00%	2.60%	2.05%	1.93%	<b>9.06%</b>
Total Opt-Down	56	239	951	543	481	<b>2,270</b>
Opt-Down Percentage	0.14%	0.59%	2.34%	1.34%	1.18%	<b>5.59%</b>
Total Opt-Up (from Desert Saver)	0	1	1	0	4	<b>6</b>
Opt-Up Percentage	0.000%	0.002%	0.002%	0.000%	0.010%	<b>0.015%</b>

Of the customers who opted down to-date, 99 are enrolled in CARE and 26 are Medical Baseline customers. Of those who opted-out, 413 are CARE customers, 3 are FERA customers, and 100 are medical baseline customers. There have been 751 solar / Net Energy Metering customers that have opted out. Some of the reasons given for opting out include concerns about government-run power agency (160), dislike being automatically enrolled (974), rate or cost concerns (1,272),

and no reason given (695). Outreach will continue to remind customers that if they stay with DCE and opt down to Desert Saver, they will save money over what they currently pay SCE.

**Business Customers & Key Stakeholders:** DCE outreach to large commercial customers is focused on answering questions and providing information. Upon request, DCE will prepare a bill analysis for these customers to show them how their rates would compare with DCE, including the Desert Saver rate and Carbon Free rate. DCE can also assist these customers if they request help in completing actions such as to opt down or opt out. Most questions focus on understanding the bill and asking for information about the savings they would receive under Desert Saver. The DCE outreach team will be evaluating those large commercial customers who opted out during the enrollment period to identify those who might consider opting back in to DCE. Some of these customers may want to enroll in Desert Saver as the cost savings are more significant for larger users. There is a six-month delay before customers can re-enroll in DCE, so outreach will be timed to contact them as that time approaches.

**Joint Rate Comparison:** As described at the June meeting, SCE and DCE worked together to create a joint comparison of common electric rates, average monthly charges, and sources of electricity. As required by the CPUC, both DCE and SCE posted the annual Joint Rate Comparison to our respective websites prior to June 13, 2020. The Joint Rate Comparison presents tables comparing SCE and DCE base rates and green rates as of April 13th. SCE and DCE also mailed a Joint Rate Comparison mailer that is required to be sent to all Palm Springs customers once a year before July 1. The comparison showed that DCE continues to have rates that are less than SCE for the comparable products - Desert Saver compared to the SCE base rate and 100% Carbon Free compared to SCE's Green rate. Three separate Joint Rate Comparison mailers were sent - one to residential, one to CARE/FERA, and one to commercial customers - showing them the comparison between DCE and SCE rates. The Joint Rate Comparison mailers will be available to view on the DCE website. The full 2020 Joint Rate Comparison can be viewed [here](#).

**Fiscal Analysis:** No fiscal impact.

**Desert Community Energy Board**  
**July 20, 2020**



**STAFF REPORT**

**Subject:**       **Emergency Customer Protections due to COVID-19**

**Contact:**       Valdemar Galeana, Accounting Manager, [vgaleana@cvaq.org](mailto:vgaleana@cvaq.org)

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**Recommendation:** Information only.

The purpose of this staff report is to provide information on Southern California Edison's (SCE ) meet and confer process with operating Community Choice Aggregation agencies (CCAs) including Desert Community Energy. Southern California Edison has implemented Emergency Customer Protections related to COVID-19 which have implications for DCE, including the process for the repayment waterfall of delayed payments.

**Background:** COVID-19 has caused severe disruptions to the nation's economy with record unemployment numbers and with many U.S. citizens unable to cover their expenses. In response to this challenging situation, the Governor of California issued an order to all utilities protecting customers against shutoffs due to nonpayment of their utility bills. The California Public Utilities Commission (CPUC) also passed Resolution M-4842, an emergency authorization and order to direct utilities to implement Emergency Customer Protections to support California customers during the COVID-19 pandemic. The Emergency Customer Protections apply to customers for up to one year from April 2020 when the Resolution was passed.

The Emergency Customer Protections include:

1. Waive deposit requirements for residential customers seeking to reestablish service for one year and expedite move-in and move-out service requests;
2. Stop estimated usage for billing attributed to the time period when a home / unit was unoccupied as a result of the emergency;
3. Identify the premises of affected customers whose utility service has been disrupted or degraded and discontinue billing these premises without assessing a disconnection charge;
4. Prorate any monthly access charge or minimum charges;
5. Implement payment plan options for residential customers;
6. Suspend disconnection for nonpayment and associated fees, waive deposit and late fee requirements for residential customers;
7. Support low-income residential customers by:
  - a. Freezing all standard and high-usage reviews for the California Alternate Rates for Energy (CARE) Program eligibility for 12 months and potentially longer, as warranted;
  - b. Contacting all community outreach contractors and community-based organizations which assist in enrolling hard-to-reach, low-income customers into CARE, to help better inform customers of these eligibility changes;
  - c. Partnering with the Program administrator of the customer-funded Emergency Assistance Program for low income customers and increasing the assistance limit amount for the next 12 months;
  - d. Indicating how the Energy Savings Assistance Program can be deployed to assist customers;

8. Suspend all CARE and FERA Program removals to avoid unintentional loss of the discounted rate during the period for which the customer is protected under these customer protections;
9. Discontinue the generation of all recertification and verification requests that require customers to provide their current income information;
10. Offer repair processing and timing assistance and timely access to utility customers;
11. Include these customer protections as part of larger community outreach and public awareness plans; and
12. Meet and confer with the Community Choice Aggregators as early as possible to discuss their roles and responsibilities for each emergency customer protection.

**Meet and Confer with SCE:** The Emergency Customer Protections outlined in the CPUC Resolution are ultimately SCE's responsibility to implement as it relates to CCA customers; however, CCA's will be impacted by these protections pertaining to disconnections due to nonpayment. Customers could technically stop paying their bill without any notification to SCE, as there is no need to certify or prove that they are undergoing a hardship. This could potentially create a cashflow issue for SCE and CCAs, including DCE. Unpaid utility bills will not be forgiven, but rather delayed per a waterfall allocation process where disconnectable charges (SCE's charges) receive priority, followed by non-disconnectable charges. This allocation methodology is applied to the oldest invoice first before being applied to the next oldest invoice.

Since its original filing, SCE has submitted a supplemental Advice Letter which proposed to remove emergency protections for medium and large commercial customers outlined from its original Advice Letter. The State originally noted that all residential and small businesses would receive these emergency protections; however, SCE elected to extend these protections to medium and large businesses but are now requesting to remove them. DCE, standing with the business community during this pandemic, and along with other CCAs in SCE's territory, protested the removal of these protections. Additionally, the CCAs also issued a joint protest for an equitable share of any payments received by SCE as the payment waterfall currently applies 100% of SCE's charges first and then the CCA's charges.

In response to the joint protest, SCE has responded that they intend to continue to work with the other utilities and the CPUC on this issue and will submit proposals for protections for medium and large customers. In addition, SCE is continuing to monitor impacts on medium and large businesses and is actively working with customers that need assistance. SCE consulted with the CPUC's Energy Division and determined that a separate Advice Letter is the appropriate regulatory vehicle to extend protections to customer classes beyond those mandated in the original decision. With respect to a more equitable share, SCE responded that the waterfall should remain the same due to its charges being deemed as disconnectable, but also it would not be possible to implement due to its billing system upgrade.

Desert Community Energy and other CCAs in SCE territory have been participating in an ongoing meet and confer process with SCE to work to resolve these issues. The CCAs have requested SCE information related to the internal policies and documentation that can be provided to get an insight into the payment plan practices that are being applied and that have a direct impact into the CCAs finances. SCE responded that they cannot share any information related to internal policies to the CCAs which has caused discontent to the CCAs because of the uncertainty of the financial impact of the delay on the payments and the treatment of the waterfall, giving priority to SCE's charges before the CCAs. The meet and confer discussions with SCE continue and updates will be provided to the Board.

**Fiscal Analysis:** This item is for informational purposes only; therefore, there is no fiscal impact.

DESERT COMMUNITY ENERGY  
UNAUDITED FINANCIAL STATEMENTS  
FROM JULY 1, 2019 TO JUN 30, 2020

<b><u>ASSETS</u></b>		
River City Bank		
- Operating Account	535,262.11	
- Money Market Account	1,531,504.74	
- ICS Account	1,310,320.50	
- Lockbox Account	1,023,290.08	
Total Cash		4,400,377.43
Due From Other Funds		
Accounts Receivable		
- Southern California Edison	4,531,969.38	
- The Energy Authority	0.00	
Total Accounts Receivable		4,531,969.38
Deposits/Bonds		100,000.00
<b>TOTAL ASSETS</b>		<b>9,032,346.81</b>
<b><u>LIABILITIES</u></b>		
Accounts Payable		
- Ace Printing	27,738.01	
- Burke Rix	18,518.75	
- Calpine	96,470.20	
- Donald D. Dame	1,176.00	
- Southern California Edison	33,470.52	
- The Energy Authority	1,228,659.48	
- White Rabbit Group	1,350.00	
- Western Renewable Energy Generation Inform	125.00	
Total Accounts Payable		1,407,507.96
Due To Other Funds		
Taxes Payable		
Utility Users Tax- Palm Springs	240,199.83	
Electric Energy Surcharge (CDTFA)	28,161.45	
Total Taxes Payable		268,361.28
<b>TOTAL LIABILITIES</b>		<b>1,675,869.24</b>
<b><u>FUND BALANCE</u></b>		
Fund Balance		7,356,477.57
<b>TOTAL LIABILITIES AND FUND BALANCE</b>		<b>9,032,346.81</b>
<b><u>REVENUES</u></b>		
Electricity Sales		6,961,369.11
Carbon Free	5,817,031.87	
Carbon Free- CARE/FERA	1,014,388.86	
Desert Saver	282,416.51	
NEM- Carbon Free	(135,952.64)	
Bad Debt	(16,515.49)	
Other revenue		230,331.27
Investment Income		95,686.53
<b>TOTAL REVENUES</b>		<b>7,287,386.91</b>
<b><u>EXPENDITURES</u></b>		
Cost of Electricity		
Electricity Purchase	3,023,520.00	
Low Carbon Settlement	350,000.00	
Market Charges	437,142.32	
Total Cost of Electricity		3,810,662.32
Accounting / Bank Services		1,349.77
Legal Services		34,165.47
Professional Services		136,543.42
Consultants		615,130.45
Outreach		175,230.66
Postage		72,177.90
Printing		44,521.25
Registrations/Memberships		125.00
Interest Expense		0.00
<b>TOTAL EXPENDITURES</b>		<b>4,889,906.24</b>
Excess of Revenues over Expenditures		2,397,480.67
Fund Balance - Beginning of the Year		4,958,996.90
Fund Balance - End of the Year		7,356,477.57

**DESERT COMMUNITY ENERGY**  
**UNAUDITED BALANCE SHEET**  
**FROM JULY 1, 2019 TO JUN 30, 2020**

	<u>GENERAL</u>	<u>PALM SPRINGS</u>	<u>TOTAL</u>
<b><u>ASSETS</u></b>			
River City Bank			
- Operating Account	518,308.64	16,953.47	535,262.11
- Money Market Account	1,531,504.74	0.00	1,531,504.74
- ICS Account	1,310,320.50	0.00	1,310,320.50
- Lockbox Account	0.00	1,023,290.08	1,023,290.08
Total Cash	3,360,133.88	1,040,243.55	4,400,377.43
Due From Other Funds	1,277,911.35	0.00	1,277,911.35
Accounts Receivable			
- Southern California Edison	0.00	4,531,969.38	4,531,969.38
- The Energy Authority	0.00	0.00	0.00
Total Accounts Receivable	0.00	4,531,969.38	4,531,969.38
Deposits/Bonds			
- CPUC	100,000.00	0.00	100,000.00
Total Deposits/Bonds	100,000.00	0.00	100,000.00
<b>TOTAL ASSETS</b>	<b>4,738,045.23</b>	<b>5,572,212.93</b>	<b>10,310,258.16</b>
<b><u>LIABILITIES</u></b>			
Accounts Payable			
- Ace Printing		27,738.01	27,738.01
- Burke Rix		18,518.75	18,518.75
- Calpine		96,470.20	96,470.20
- Donald D. Dame	1,015.00	161.00	1,176.00
- Southern California Edison		33,470.52	33,470.52
- The Energy Authority		1,228,659.48	1,228,659.48
- White Rabbit Group	1,350.00		1,350.00
- Western Renewable Energy Generation Informa	125.00		125.00
Total Accounts Payable	2,490.00	1,405,017.96	1,407,507.96
Due To Other Funds	0.00	1,277,911.35	1,277,911.35
Taxes Payable			
Utility Users Tax		240,199.83	240,199.83
Electric Energy Surcharge		28,161.45	28,161.45
Total Taxes Payable		268,361.28	268,361.28
<b>TOTAL LIABILITIES</b>	<b>2,490.00</b>	<b>2,951,290.59</b>	<b>2,953,780.59</b>
<b><u>FUND BALANCE</u></b>			
Fund Balance	4,735,555.23	2,620,922.34	7,356,477.57
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>4,738,045.23</b>	<b>5,572,212.93</b>	<b>10,310,258.16</b>

**DESERT COMMUNITY ENERGY**  
**UNAUDITED STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**FROM JULY 1, 2019 TO JUN 30, 2020**

	<u>GENERAL</u>	<u>PALM SPRINGS</u>	<u>TOTAL</u>
<b><u>REVENUES</u></b>			
Electricity Sales	0.00	6,977,884.60	6,977,884.60
Bad Debt	0.00	(16,515.49)	(16,515.49)
Other Revenue	0.00	230,331.27	230,331.27
Investment Income	95,686.53	0.00	95,686.53
<b>TOTAL REVENUES</b>	<b>95,686.53</b>	<b>7,191,700.38</b>	<b>7,287,386.91</b>
<b><u>EXPENDITURES</u></b>			
Cost of Electricity			
Electricity Purchase	0.00	3,023,520.00	3,023,520.00
Low Carbon Settlement	0.00	350,000.00	350,000.00
Market Charges	0.00	437,142.32	437,142.32
Total Cost of Electricity	0.00	3,810,662.32	3,810,662.32
Accounting / Bank Services	1,349.77		1,349.77
Legal Services	34,165.47		34,165.47
Professional Services			
- LSL, CPAs	8,750.00	0.00	8,750.00
- Lift to Rise	84,000.00	0.00	84,000.00
- Southern California Edison	10,322.90	33,470.52	43,793.42
Total Professional Services	103,072.90	33,470.52	136,543.42
Consultants			
- Donald D. Dame	16,159.50	1,429.75	17,589.25
- Calpine Energy Solutions	0.00	133,151.60	133,151.60
- CVAG	157,775.56	0.00	157,775.56
- The Energy Authority	0.00	300,134.04	300,134.04
- White Rabbit Group	6,480.00	0.00	6,480.00
Total Consultants	180,415.06	434,715.39	615,130.45
Outreach			
- Burke Rix Communications	0.00	148,861.72	148,861.72
- PersonifyPro	0.00	4,159.94	4,159.94
- Heslin Cinematic	0.00	2,209.00	2,209.00
- BFG LLC (Gay Desert Guide)	0.00	20,000.00	20,000.00
Total Outreach	0.00	175,230.66	175,230.66
Postage			
- Ace Printing	0.00	72,177.90	72,177.90
Total Printing	0.00	72,177.90	72,177.90
Printing			
- Ace Printing	0.00	44,521.25	44,521.25
Total Printing	0.00	44,521.25	44,521.25
Registrations/Memberships			
- Western Renewable Energy Generation Informa	125.00	0.00	125.00
Total Registration/Memberships	125.00	0.00	125.00
<b>TOTAL EXPENDITURES</b>	<b>319,128.20</b>	<b>4,570,778.04</b>	<b>4,889,906.24</b>
Excess of Revenues over Expenditures	(223,441.67)	2,620,922.34	2,397,480.67
Fund Balance - Beginning of the Year	4,958,996.90	0.00	4,958,996.90
Fund Balance - End of the Year	4,735,555.23	2,620,922.34	7,356,477.57