



ADVICE LETTER SUMMARY

ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: Desert Community Energy

Utility type:

- ELC GAS WATER
 PLC HEAT

Contact Person: Lisa McNeilly

Phone #: 760-346-1127

E-mail: LMcNeilly@cvag.org

E-mail Disposition Notice to: LMcNeilly@cvag.org; Kari.Cameron@

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas WATER = Water
 PLC = Pipeline HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 17-E

Tier Designation: 2

Subject of AL:

Keywords (choose from CPUC listing):

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: D.07-01-039

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL: N/A

Confidential treatment requested? Yes No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? Yes No

Requested effective date: 3/17/2026

No. of tariff sheets:

Estimated system annual revenue effect (%): 0

Estimated system average rate effect (%): 0

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected:

Service affected and changes proposed¹: None

Pending advice letters that revise the same tariff sheets: N/A

¹Discuss in AL if more space is needed.

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov

Name: Lisa McNeilly
Title: Director of Energy & Sustainability
Utility Name: Desert Community Energy
Address: 74199 El Paseo, Suite 100
City: Palm Desert
State: California Zip: 92260
Telephone (xxx) xxx-xxxx: 760-346-1127
Facsimile (xxx) xxx-xxxx:
Email: LMcNeilly@cvag.org

Name: Ryan Baron
Title: Attorney
Utility Name: Best Best & Krieger
Address: 18101 Von Karman Avenue, Suite 1000
City: Irvine
State: California Zip: 92612
Telephone (xxx) xxx-xxxx: 949-263-6568
Facsimile (xxx) xxx-xxxx:
Email: ryan.baron@bkklaw.com

ENERGY Advice Letter Keywords

Affiliate	Direct Access	Preliminary Statement
Agreements	Disconnect Service	Procurement
Agriculture	ECAC / Energy Cost Adjustment	Qualifying Facility
Avoided Cost	EOR / Enhanced Oil Recovery	Rebates
Balancing Account	Energy Charge	Refunds
Baseline	Energy Efficiency	Reliability
Bilingual	Establish Service	Re-MAT/Bio-MAT
Billings	Expand Service Area	Revenue Allocation
Bioenergy	Forms	Rule 21
Brokerage Fees	Franchise Fee / User Tax	Rules
CARE	G.O. 131-D	Section 851
CPUC Reimbursement Fee	GRC / General Rate Case	Self Generation
Capacity	Hazardous Waste	Service Area Map
Cogeneration	Increase Rates	Service Outage
Compliance	Interruptible Service	Solar
Conditions of Service	Interutility Transportation	Standby Service
Connection	LIEE / Low-Income Energy Efficiency	Storage
Conservation	LIRA / Low-Income Ratepayer Assistance	Street Lights
Consolidate Tariffs	Late Payment Charge	Surcharges
Contracts	Line Extensions	Tariffs
Core	Memorandum Account	Taxes
Credit	Metered Energy Efficiency	Text Changes
Curtable Service	Metering	Transformer
Customer Charge	Mobile Home Parks	Transition Cost
Customer Owned Generation	Name Change	Transmission Lines
Decrease Rates	Non-Core	Transportation Electrification
Demand Charge	Non-firm Service Contracts	Transportation Rates
Demand Side Fund	Nuclear	Undergrounding
Demand Side Management	Oil Pipelines	Voltage Discount
Demand Side Response	PBR / Performance Based Ratemaking	Wind Power
Deposits	Portfolio	Withdrawal of Service
Depreciation	Power Lines	



Doing Our Part to Save the Planet

February 17, 2026

CA Public Utilities Commission
Energy Division
Attention: Tariff Unit
EDTariffUnit@cpuc.ca.gov

Advice Letter 17-E GHG Environmental Performance Standard (EPS) Compliance Filing **2025**

Pursuant to Ordering Paragraph 4 of Decision 07-01-039, issued in R. 06-04-009 on January 25, 2007, Desert Community Energy submits this annual Attestation Letter affirming that the financial commitments Desert Community Energy has entered into for generation during the prior calendar year are in compliance with the greenhouse gas (GHG) emissions performance standard (EPS). Specifically, Desert Community Energy is in compliance with the EPS. Documentation supporting that compliance is provided below.

Effective Date: March 17, 2026 (30 days after filing)

Tier Designation: Tier 2 Designation

Purpose

This Attestation Letter provides information and documentation required by D.07-01-039 for LSEs (electrical corporation, electric service provider, or community choice aggregator) with new long-term financial commitments (defined on Page 3 in Attachment 7 of D.07-01-039). This Attestation Letter demonstrates that for **2025** all financial commitments entered into by Desert Community Energy are compliant with the EPS.

Background

Decision 07-01-039 requires all Load Serving Entities (LSEs) to file annual Attestation Letters, due February 15 of each year, attesting to the Commission that

the financial commitments entered into for generation during the prior calendar year are in compliance with the EPS. Decision 07-01-039 requires LSEs to file Attestation Letters as an advice letter and serve the Attestation Letter on the service list in Rulemaking 06-04-009. This Attestation Letter is filed pursuant to that process.

Decision 07-01-039 requires LSEs to list long-term financial commitments of five years or longer that they have entered into during the prior year. Note that long-term financial commitments can be compliant if any of the following apply:

- 1) not in a baseload powerplant;
- 2) generation using pre-approved renewable resource technology;
- 3) existing combined-cycle combustion turbine (in operation/or permitted to operate as of 6/30/07) with an increase in rated capacity less than 50 megawatts (MW);
- 4) net emission rate of each baseload facility underlying a covered procurement does not exceed 1,100 lbs of CO₂ per megawatt hour (MWh);
- 5) Exemption related to: reliability exemption, extraordinary circumstances or financial harm, and CO₂ sequestration through injection in geological formations.

Decision 07-01-039 requires all LSEs to disclose the investment amount and type of alteration to retained generation, by generation facility and unit. Decision 07-01-039 also advises LSEs to present documentation regarding the design and intended use of the powerplant(s) underlying their new long-term financial commitments utilizing the sources of information listed in California Public Utilities Code §8341(b)(4), as well as any other sources of documentation that they believe will be relevant to this determination.

D.07-01-039 emphasizes that the key concept is to establish the design and intended use of the powerplant. Accordingly, documentation of the annualized plant capacity factor for the powerplant should include historical annual averages in order to help determine whether the plant is “designed and intended” to be used for baseload generation. Decision 07-01-039 requires LSEs to provide documentation of capacity factors, heat rates and corresponding emissions rates that reflect the actual, expected operations of the plant.

This Attestation Letter comports with the requirements outlined above.

Protests

This compliance filing is not subject to protest pursuant to General Order 96-B, Energy Industry Rule 9.

Correspondence

Any correspondence regarding this compliance filing should be sent by email to the attention of:

Lisa McNeilly
Director of Energy & Sustainability
Desert Community Energy
lmcneilly@cvag.org

Compliance Documentation

The following listings and/or tables provide detailed and specific information regarding Desert Community Energy contracts and long-term financial commitments that are subject to the EPS requirements. The compliance documentation must match the compliance category outlined previously. For example, the information provided must demonstrate that the net emissions rate of each baseload facility underlying a covered procurement is no higher than 1,100 lbs of carbon dioxide (CO₂) per megawatt hour (MWh).

1. Include a complete and detailed listing of the new long-term financial commitments of five years or longer they have entered into during the prior year with documentation to demonstrate:
 - a) Documentation demonstrating that such procurements are EPS compliant, including any contracts with a term of five years or longer that include provisions for substitute energy purchases.

- b) For any requested reliability-based exemptions that have been pre-approved by the Commission, reference to the application and Commission decision number.
- 2. The complete listing of new long-term financial commitments of five years or longer must include “linked” contracts whose combined term is five years or longer.
- 3. Disclosure of LSE investments in retained generation, including “deemed-compliant” combined cycle gas turbines (CCGTs). All LSEs are to disclose the investment amount and a breakdown of alterations or refurbishments to retained generation, by generation facility and unit.
- 4. Present documentation regarding the designed and intended use of the powerplant(s) underlying their new long-term financial commitments utilizing the sources of information listed in § 8341 (b)(4), as well as any other sources of documentation relevant to the determination.
- 5. Provide documentation of capacity factors (for definition of capacity factor see Section 5.6 of D.07-01-039.), heat rates and corresponding emissions rates that reflect the actual, expected operation of the plant (not full load heat rate). Documentation of the annualized plant capacity factor for the power plant should include historical annual averages in order to determine whether the plant is “designed and intended” to be used for baseload generation at an annualized plant capacity factor of at least 60 percent.

Table 1—EPS Compliant Contracts

Project Name	Technology	PPA Executed	County	PPA Term (years)	EPS Compliant	Compliance Category
Terra-Gen East Wind	Wind	12/2020	Riverside	15	Yes	Non-baseload
Terra-Gen Altwind	Wind	12/2020	Riverside	15	Yes	Non-baseload
Terra-Gen Coachella Hills Wind II	Wind	1/2021	Riverside	15	Yes	Non-baseload
Cape Generating Station 1	Geothermal	9/2022	Beaver, Utah	15	Yes	Non-baseload

Certification

- (1) I have reviewed, or have caused to be reviewed, this compliance submittal.
- (2) Based on my knowledge, information, or belief, this compliance submittal does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements true.
- (3) Based on my knowledge, information, or belief, this compliance submittal contains all of the information required to be provided by Commission orders, rules, and regulations.


Tom Kirk (Feb 12, 2026 16:28:39 PST)

Tom Kirk
 Executive Director
 Desert Community Energy
 74199 El Paseo, Suite 100
 Palm Desert, CA 92260
tkirk@cvag.org






DCE AL 17-E GHG EPS Compliance 2025_w cover

Final Audit Report

2026-02-13

Created:	2026-02-13
By:	Savannah Gil (sgil@cvag.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAA5WwUpZrHes7PwdmTCCAx3jNVY0u3il7-

"DCE AL 17-E GHG EPS Compliance 2025_w cover" History

-  Document created by Savannah Gil (sgil@cvag.org)
2026-02-13 - 0:15:30 AM GMT- IP address: 76.53.51.98
-  Document emailed to Tom Kirk (tkirk@cvag.org) for signature
2026-02-13 - 0:15:56 AM GMT
-  Email viewed by Tom Kirk (tkirk@cvag.org)
2026-02-13 - 0:28:24 AM GMT- IP address: 76.53.51.98
-  Document e-signed by Tom Kirk (tkirk@cvag.org)
Signature Date: 2026-02-13 - 0:28:39 AM GMT - Time Source: server- IP address: 76.53.51.98
-  Agreement completed.
2026-02-13 - 0:28:39 AM GMT