

SAN DIEGO COMMUNITY POWER
Staff Report – Item 2

To: San Diego Community Power Board of Directors

From: Cody Hooven, SDCP Interim Executive Officer
Director/Chief Sustainability Officer, City of San Diego

Subject: Operations and Administration Report – Informational Only

Date: January 30, 2020

Recommendations

1. Receive update on various operational and administration activities described in this report.
2. Regarding Item D – Formation of ad-hoc executive search committee of the Board and motion to authorize the Interim Executive and/or Board Chair to enter into an executive recruitment contract in an amount not to exceed \$80,000.

Analysis and Discussion

Staff will provide regular updates to the Board of Directors regarding San Diego Community Power's (SDCP) organizational development, administration and start-up activities. The following is a brief overview of this month's discussion items, which are informational only.

A) Vendor RFPs

On November 27, 2019, SDCP released its wholesale energy services RFP which includes power resource planning, procurement assistance, rate design, scheduling and long-term procurement planning. Shawn Marshall with LEAN Energy US is providing coordination and advisory support for this effort. Others that reviewed proposals and participated in interviews beyond myself include: Natasha Keefer, Director of Power Planning & Procurement, Clean Power Alliance; Deb Emerson, Director of Power Services, Sonoma Clean Power; Mark Fulmer, Principal and Partner, MRW & Associates; and, Crystal Najera, Climate Action Plan Program Administrator, City of Encinitas. Interviews are complete and staff expect to have an agreement for Board approval at its February Board meeting. Upcoming RFPs include data management/call center and marketing services, both of which will be released in February 2020.

B) MOUs with City of San Diego and City of La Mesa for Administrative and Support Services

Staff from the City of San Diego and City of La Mesa are performing Interim Executive Officer, administrative, and Board Secretary duties, respectively, for SDCP. In order to formalize this arrangement and establish terms and conditions for the types of services provided, compensation of those agencies, and the number of hours that will be provided, staff and General Counsel will develop and present proposed MOUs or agreements for the Board to consider at an upcoming Board meeting in the first quarter of 2020.

C) Discussions with San Diego Gas & Electric (SDG&E)

Staff and SDCP consultants have met several times with various SDG&E staff to discuss coordination needs and opportunities for collaboration. Areas of discussion include:

- Launch timeline – SDCP’s identified timeline to begin service to customers starts in March 2021 with municipal accounts, July 2021 for commercial and industrial accounts, and November 2021 for residential accounts. SDCP has kept SDG&E informed of the formation process (throughout 2019), official JPA status (October 2019), and submission of the Implementation Plan (December 2019) to ensure they are aware of our plans. SDG&E has assured us that they understand the timeline.
- Load forecasting – a variety of filings and proceedings at the California Public Utilities Commission (CPUC) will require information from SDCP and SDG&E on load forecasts, resource adequacy, etc. Discussions in this area include data requests and response timelines, CPUC deadlines and opportunity for supportive reply comments, meet and confer needs, and other opportunities for coordination. We anticipate these meetings to occur with greater frequency. MRW and Associates, LEAN Energy US, and Tosdal, APC are all involved at various levels.

D) Executive Recruitment

Per the Implementation Timeline, the CEO recruitment and hiring process is a priority Q1 activity. Shawn Marshall with LEAN Energy US, a consultant to SDCP, is leading this effort and the process is underway. In December, the Board authorized the solicitation of bids from executive recruitment firms that have expertise in energy/utility and public agency staffing that will support the recruitment and hiring process. Proposals are due from potential executive search firms on February 5, 2020. Costs may be higher than originally anticipated, in the range of \$60,000 to \$80,000. An ad hoc committee of two Board members is recommended to work with the recruiter and participate in the recruitment process. The following is the timeline and steps in the process.

| Month | Activity |
|------------------|---|
| January 2020 | Solicit bids from 3-4 executive search firms that have been used by other public agencies or CCAs for successful CEO searches |
| February 2020 | Select winning firm and finalize contract |
| February 2020 | Prepare job posting and open recruitment |
| March 2020 | Application period ends; initial candidate review |
| April- June 2020 | Top candidate selection and interviews (anticipate 2-3 rounds); Board approvals/hiring process |

