

# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Lori Mitchell

**SUBJECT:** SEE BELOW

**DATE:** August 10, 2021

Approved



Date

08/10/21

## INFORMATION

**SUBJECT: SAN JOSÉ CLEAN ENERGY Q2 2021 (Q4 FY 2020-2021) 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, 2021 and June 30, 2021, SJCE submitted 31 compliance filings with state, federal, and non-profit regulatory organizations to meet its regulatory obligations. SJCE also submitted a response to one California Public Utilities Commission (CPUC) data request related to the Power Charge Indifference Adjustment.

HONORABLE MAYOR AND CITY COUNCIL

August 10, 2021

**Subject: Q2 2021 (Q4 FY 2020-2021) San José Clean Energy Power Procurement and Regulatory Compliance Report**

Page 2

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

During the time period of April 1, 2021 to June 30, 2021, SJCE participated in fourteen CPUC 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. 19-11-009), the Pacific Gas and Electric Company's 2021 Energy Resource Recovery Account (ERRA) rulemaking (A.20-07-002), Pacific Gas and Electric Compliance Review of Portfolio Allocation Balancing Account (PABA) and ERRA Entries (A.20-02-009), Pacific Gas and Electric Compliance Review of PABA and ERRA Entries 2021 (A.21-03-008), the Expedited Application of Pacific Gas and Electric Company Indifference Adjustment Trigger (A.20-09-014), the Pacific Gas and Electric Company's General Rate Case application (A. 19-11-019), the Disconnections Proceeding (R.18-07-005), the Summer 2021 Emergency Reliability Proceeding (R. 20-11-003), Customer Bill Debt Accumulation During Covid-19 (R. 21-02-014), the Supplier Diversity rulemaking (R. 21- 03-10), and Provider of Last Resort (POLR) (R.21-03-011).

#### Power Procurement

SJCE entered into 30 short-term agreements during the fourth quarter of FY 2020-2021. SJCE entered into 22 purchase agreements worth a total of \$58,994,443. Power product sales accounted for 8 agreements worth \$7,693,300. The net cost for the 30 agreements to SJCE is \$51,301,143.

Attached to this memorandum 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 2021 (Q4 FY 2020-2021) Power Transactions

Attachment 2 San José Clean Energy Q2 2021 (Q4 FY 2020-2021) Compliance Filings

ATTACHMENT 1 - San José Clean Energy Q2 2021 (Q4 FY 2020-2021) Power Transactions

*Short-term Purchases*

#	Contract ID	Agreement Date	Counterparty	Energy Type	Power Delivery Period	Contract Amount
1	21-113-02	6/16/2021	3 Phases Renewable Inc.	Resource Adequacy	2021	\$68,000
2	21-112-03	4/27/2021	Calpine Energy Services L.P.	Conventional Energy	2022	\$2,304,225
3	21-113-05	6/15/2021	Calpine Energy Services L.P.	Resource Adequacy	2022	\$2,834,750
4	21-113-06	6/15/2021	Calpine Energy Services L.P.	Resource Adequacy	2022	\$1,541,000
5	21-113-07	6/15/2021	Calpine Energy Services L.P.	Resource Adequacy	2022	\$161,000
6	21-113-08	6/15/2021	Calpine Energy Services L.P.	Resource Adequacy	2022	\$3,145,250
7	21-108-01	6/1/2021	Clean Power Alliance of Southern California, a California joint powers authority	Renewable Energy	2021	\$1,350,000
8	21-112-05	5/24/2021	ConocoPhillips Company	Conventional Energy	2021	\$482,040
9	21-112-11	6/2/2021	Direct Energy	Conventional Energy	2021	\$8,904,288
10	21-112-04	4/20/2021	DTE Energy Trading, Inc.	Conventional Energy	2021	\$1,274,100
11	21-112-12	6/8/2021	Middle River Power LLC	Conventional Energy	2021	\$6,215,000
12	21-112-10	5/24/2021	Morgan Stanley Capital Group Inc.	Conventional Energy	2021	\$6,335,639
13	21-112-13	6/8/2021	Morgan Stanley Capital Group Inc.	Conventional Energy	2021	\$1,387,140
14	21-112-14	6/15/2021	Morgan Stanley Capital Group Inc.	Conventional Energy	2021	\$3,397,511
15	21-112-06	4/20/2021	Nextera Energy Marketing, LLC	Conventional Energy	2021	\$3,866,760
16	21-112-07	5/21/2021	Nextera Energy Marketing, LLC	Conventional Energy	2021	\$5,678,196
17	21-112-08	5/11/2021	Nextera Energy Marketing, LLC	Conventional Energy	2021	\$4,341,744
18	20-113-46-1	5/20/2021	ResiStation LLC	Resource Adequacy	2021	\$0
19	20-113-55-1	5/20/2021	ResiStation LLC	Resource Adequacy	2021	\$0
20	21-112-09	5/11/2021	Shell Energy North America (US), L.P.	Conventional Energy	2021	\$884,700
21	21-112-15	6/22/2021	Calpine Energy Services L.P.	Conventional Energy	2023	\$2,421,900
22	21-112-16	6/29/2021	Calpine Energy Services L.P.	Conventional Energy	2023	\$2,401,200

**Total Cost of Purchases: \$ 58,994,443**

*Short-term Sales*

21	21-199-01	6/10/2021	Calpine Energy Services L.P.	Resource Adequacy	2021	-\$87,000
22	21-199-07	6/10/2021	Calpine Energy Services L.P.	Resource Adequacy	2021	-\$93,000
23	21-199-08	6/15/2021	Calpine Energy Services L.P.	Resource Adequacy	2022	-\$3,300,000
24	21-199-09	6/15/2021	Calpine Energy Services L.P.	Resource Adequacy	2022	-\$3,380,000
25	21-199-04	5/5/2021	East Bay Community Energy Authority	Resource Adequacy	2021	-\$271,250
26	21-199-06	5/13/2021	East Bay Community Energy Authority	Resource Adequacy	2021	-\$12,000
27	21-199-02	4/14/2021	Sonoma Clean Power	Resource Adequacy	2021	-\$28,650
28	21-199-03	6/1/2021	Sonoma Clean Power	Resource Adequacy	2021	-\$521,400

**Total Revenue from Sales: \$ (7,693,300)**

Net Cost	
<b>\$</b>	<b>51,301,143</b>

Attachment 2 - San José Clean Energy Q2 2021 Compliance Filings

#	Frequency	Topic	Deliverables	Jurisdiction	Due	Submitted
1	M	CRRs	June 2021 Load Forecast for CRR Allocations	CAISO	4/8/2021	Submitted 4.8.21
2	One time	RA	Month-ahead RA filings for July, August and September 2021	CPUC	4/15/2021	Submitted 4.15.21
3	A	RA	Supplemental data for migrating loads, if not reported with actual loads on 3/15	CPUC & CEC	4/16/2021	Submitted 4.19.21
4	M	MARA	June T-45 RA	CAISO	4/17/2021	Submitted 4.15.21
5	M	MARA	June T-45 RA	CPUC & CEC	4/19/2021	Submitted 4.15.21
6	M	MARA	July Load Migration Forecast	CPUC & CEC	4/19/2021	Submitted 4.19.21
7	A	RA	2022 Load Forecast for Year Ahead RA	CPUC & CEC	4/19/2021	Submitted 4.19.21
8	A	EIA	Annual 861 Filing (2020)	EIA	4/30/2021	Submitted 4.22.21
9	M	EIA	March 861 filing (accounts, load, revenue)	EIA	4/30/2021	Submitted 4.22.21
10	Q	Energy Surcharge	Q1 2021 Energy Resources Surcharge Return & Payment	CDTFA	4/30/2021	Submitted 4.23.21
11	A	Officer	Annual Officer Certification Form	CAISO	4/30/2021	Submitted 4.19.21
12	A	AMI	AMI Data Privacy Annual Report	CPUC	4/30/2021	Submitted 4.27.21
14	M	CRRs	July 2021 Load Forecast for CRR Allocations	CAISO	5/13/2021	Submitted 5.12.21
16	A	RA	Revised 2022 Load Forecast for Year Ahead RA	CPUC & CEC	5/14/2021	Submitted 5.13.21
17	Q	QFER	Q1 2021 Form 1306B – QFER (accounts, load, revenue)	CEC	5/15/2021	Submitted 5.10.21
18	M	MARA	July T-45 RA (with local and flex true-up)	CPUC & CEC	5/17/2021	Submitted 5.17.21
19	M	MARA	August Load Migration Forecast	CPUC & CEC	5/17/2021	Submitted 5.17.21
20	M	MARA	July T-45 RA	CAISO	5/17/2021	Submitted 5.19.21
21	M	EIA	April 861 filing (accounts, load, revenue)	EIA	5/31/2021	Submitted 5.28.21
22	A	MRR	2020 Retail Load Reporting for MRR (Retail Sales)	CARB	6/1/2021	Submitted 5.27.21
23	A	Green-e	Verification materials and data submission	CRS	6/1/2021	Submitted 6.1.21
24	A	PSD	Annual PSD Report	CEC	6/1/2021	Submitted 5.28.21
25	M	CRRs	August 2021 Load Forecast for CRR Allocations	CAISO	6/10/2021	Submitted 6.9.21
26	One time	DAC-GT	Tier 2 Advice Letter w/ DAC-GT Solicitation Documents	CPUC	6/15/2021	Submitted 6.14.21
27	M	MARA	August T-45 RA (with local and flex true-up)	CPUC & CEC	6/17/2021	Submitted 6.17.21
28	M	MARA	September-December Load Migration Forecast	CPUC & CEC	6/17/2021	Submitted 6.17.21
29	M	MARA	August T-45 RA	CAISO	6/17/2021	Submitted 6.17.21
30	Biennial	IEPR	Demand Forecast Submission for 2021 IEPR	CEC	6/30/2021	Submitted 6.30.21
31	M	EIA	May 861 filing (accounts, load, revenue)	EIA	6/30/2021	Submitted 6.28.21

Data Requests

1	Data request on project delays affecting summer 2021 reliability	RA	5/18/2021	Submitted 5.18.21
---	--	----	-----------	-------------------

Key

AMI	Advanced Metering Infrastructure	
CAISO	California Independent System Operator	
CAM	Cost Allocation System	
CARB	California Air Resources Board	
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	
EIA	Energy Information Administration	
ERRA	Energy Resource Recovery Account	
GHG	Greenhouse Gas	
IRP	Integrated Resource Plan	
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	