



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Lori Mitchell

SUBJECT: SEE BELOW

DATE: November 4, 2021

Approved

Date

11/5/2021

INFORMATION

SUBJECT: SAN JOSE CLEAN ENERGY Q3 2021 (Q1 FY 2021-2022) SAN JOSE 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 July 1, 2021 and September 30, 2021, SJCE submitted 29 compliance filings with state, federal, and non-profit regulatory organizations to meet its regulatory obligations. SJCE also submitted two data requests to the California Public Utilities Commission (CPUC), one related to the Power Charge Indifference Adjustment and one related to the Renewable Portfolio Standard.

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

During the time period of July 1, 2021 to September 30, 2021, SJCE participated in fifteen 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 rulemaking (R. 20-11-003), Customer Bill Debt Accumulation During Covid-19 (R. 21-02-014), the Supplier Diversity rulemaking (R. 21- 03-10), the Provider of Last Resort (POLR) rulemaking (R.21-03-011), and the High Distributed Energy Resources Future rulemaking (R. 21-06-017).

Power Procurement

SJCE entered into 17 short-term agreements during the first quarter of FY 2021-2022. SJCE entered into 13 purchase agreements worth a total of \$52,384,472. Power product sales accounted for 4 agreements worth \$544,725. The net cost for the 17 agreements to SJCE is \$51,839,747.

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

ATTACHMENT 1 - San José Clean Energy Q3 2021 (Q1 FY 2021-2022) Power Transactions

Short-term Purchases

#	Contract ID	Agreement Date	Counterparty	Energy Type	Power Delivery Period	Contract Amount
1	21-112-17	7/13/2021	Calpine Energy Services L.P.	Energy	2022	\$2,711,700
2	21-112-18	7/13/2021	Calpine Energy Services L.P.	Energy	2023	\$2,711,700
3	21-112-19	7/29/2021	Direct Energy	Energy	2022	\$4,526,200
4	21-112-20	8/3/2021	TransAlta Energy Marketing (U.S.) Inc.	Energy	2022-2023	\$10,593,990
5	21-113-01	8/24/2021	Sempra Gas and Power Marketing	Resource Adequacy	2022	\$2,334,500
6	21-113-04	9/7/2021	Chevron Power Holdings	Resource Adequacy	2022	\$4,734,000
7	21-113-09	8/9/2021	ResiStation	Resource Adequacy	2022	\$986,250
8	21-113-10	7/16/2021	Exelon Generation Company, LLC	Resource Adequacy	2021	\$136,350
9	21-113-11	7/21/2021	AES Redondo Beach, LLC	Resource Adequacy	2022-2023	\$21,916,332
10	21-113-12	8/12/2021	Central Coast Community Energy	Resource Adequacy	2021	\$6,000
11	21-113-13	8/13/2021	East Bay Community Energy Authority	Resource Adequacy	2021	\$2,250
12	21-113-14	9/1/2021	ResiStation	Resource Adequacy	2022	\$875,200
13	21-113-16	9/20/2021	Pacific Gas and Electric Company	Resource Adequacy	2022	\$850,000

Total Cost of Purchases: \$ 52,384,472

Short-term Sales

14	21-199-05	9/8/2021	City of Santa Clara, dba Silicon Valley Power	Resource Adequacy	2021	-\$228,750
15	21-199-10	8/12/2021	Central Coast Community Energy	Resource Adequacy	2021	-\$183,750
16	21-199-11	8/13/2021	East Bay Community Energy Authority	Resource Adequacy	2021	-\$93,725
17	21-199-13	9/15/2021	Silicon Valley Clean Energy	Resource Adequacy	2021	-\$38,500

Total Revenue from Sales: \$ (544,725)

Net Cost
\$ 51,839,747

Attachment 2 - San José Clean Energy Q3 2021 Compliance Filings

#	Frequency	Topic	Deliverables	Jurisdiction	Due	Submitted
1	M	CRRs	September 2021 Load Forecast for CRR Allocations	CAISO	7/8/2021	Submitted 7/7/21
2	M	RA	September T-45 RA (with local and flex true-up)	CPUC & CEC	7/19/2021	Submitted 7/16/21
3	M	RA	October Load Migration Forecast	CPUC & CEC	7/19/2021	Submitted 7/16/21
4	M	EIA	June 861 filing (accounts, load, revenue)	EIA	7/30/2021	Submitted 7/29/2021
5	A	CRRs	2022 CRR Annual Allocation Process: Historical Load	CAISO	7/30/2021	Submitted 7/28/21
6	S	IRP	Backstop procurement progress report update	CPUC	8/2/2021	Submitted 8/2/21
7	A	RPS	Annual RPS Compliance Report	CPUC	8/2/2021	Submitted 8/2/21
8	Q	Energy Surcharge	Q2 2021 Energy Resources Surcharge Return & Payment	CDTFA	8/2/2021	Submitted 7/23/21
9	A	IRP	Resource Data Template (Part 1)	CPUC	8/2/2021	Submitted 8/2/21
10	A	Green-e	Historical Product Content Label sent to customers (or request extension)	CRS	8/6/2021	Mailed and emailed week of 7/26/21
11	M	CRRs	October 2021 Load Forecast for CRR Allocations	CAISO	8/12/2021	Submitted 8/12/21
12	Q	QFER	Q2 2021 Form 1306B – QFER (accounts, load, revenue)	CEC	8/15/2021	Submitted 8/4/21
13	A	RA	Final 2022 Load Forecast for Year-Ahead RA	CPUC & CEC	8/16/2021	Submitted 8/16/21
14	M	RA	October T-45 RA (with local and flex true-up)	CPUC & CEC	8/17/2021	Submitted 8/17/21
15	M	RA	November Load Migration Forecast	CPUC & CEC	8/17/2021	Submitted 8/17/21
16	M	RA	October T-45 RA	CAISO	8/17/2021	Submitted 8/17/21
17	M	EIA	July 861 filing (accounts, load, revenue)	EIA	8/31/2021	Submitted 8/31/21
18	A	Green-e	Marketing compliance review	CRS	8/31/2021	Submitted 8/26/21
19	A	IRP	Resource Data Template (Part 2)	CPUC	9/1/2021	Submitted 9/1/21
20	S	ERRA	Revised 2022 Load Forecast for PG&E 2022 ERRRA	CPUC	9/1/2021	Submitted 9/1/21
21	M	CRRs	November 2021 Load Forecast for CRR Allocations	CAISO	9/9/2021	Submitted 9/8/21
22	Biennial	IEPR	Electricity Resource Plan Submission for 2021 IEPR	CEC	9/17/2021	Submitted 9/17/21
23	M	RA	November T-45 RA (with local and flex true-up)	CPUC & CEC	9/17/2021	Submitted 9/17/21
24	M	RA	December Load Migration Forecast	CPUC & CEC	9/17/2021	Submitted 9/17/21
25	M	RA	November T-45 RA	CAISO	9/17/2021	Submitted 9/17/21
26	M	RA	January-March Load Migration Forecast	CPUC & CEC	9/27/2021	Submitted 9/27/21
27	A	PSD	Power Content Label mailed to customers and CEC	CEC	9/30/2021	Completed 9/30/21
28	M	EIA	August 861 filing (accounts, load, revenue)	EIA	9/30/2021	Submitted 9/28/21
29	A	PSD	Power Content Label Audit	CEC	10/1/2021	Submitted 9/30/21

Data Requests

1	Q	RPS	Q1/Q2 2021 PCIA-RA Adder Data Request	CPUC	8/4/2021	Submitted 8/4/21
2	A	RPS	Workforce Development & Diversity Data Request	CPUC	8/9/2021	Submitted 8/9/21

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
IEPR	Integrated Energy Policy Report
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