

The image features a landscape with green grassy hills under a bright blue sky with scattered white clouds. Two large white wind turbines are visible, one in the foreground on the right and another in the background on the left. A semi-transparent blue rectangular box is overlaid on the left side of the image, containing the main title. A thin green vertical bar is on the far left edge of this box.

Offshore Wind RFI

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Offshore Wind Request For Information (RFI)

High CCA interest in offshore wind, but more information needed

Ad Hoc Sub-Committee will steer CC Power's Offshore Wind RFI

- Conversations with lease-holders
- Understandings of timelines and contractual steps
- Wind-factor shape and seasonality information

Projected Timeline:

- March – *Ad Hoc* Committee mtgs begin
- April – Meetings with industry and members to inform RFI
- May – RFI finalized and launched
- TBD – Result tabulated, summary produced

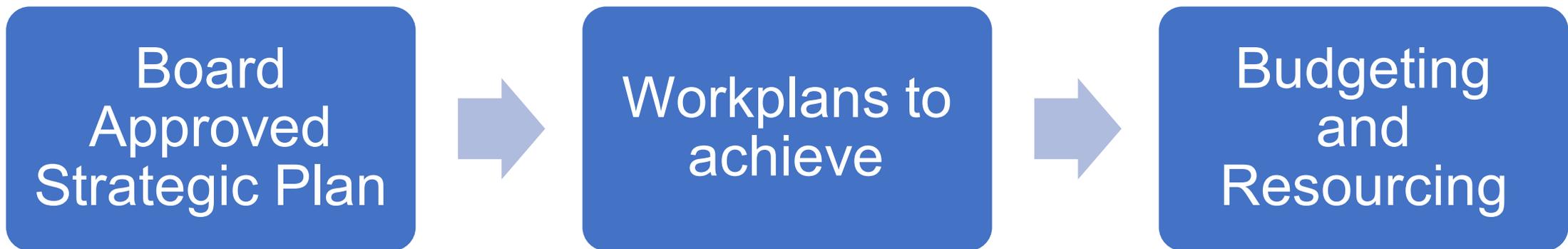
The background of the slide is a photograph of a wind farm. Several white wind turbines are visible on a grassy hillside. The sky is a vibrant blue with scattered white clouds. A semi-transparent blue rectangular box is overlaid on the left and center of the image, containing the main title. A thin green vertical bar is on the far left edge of this box.

Near-Term Workplan and Budget Considerations

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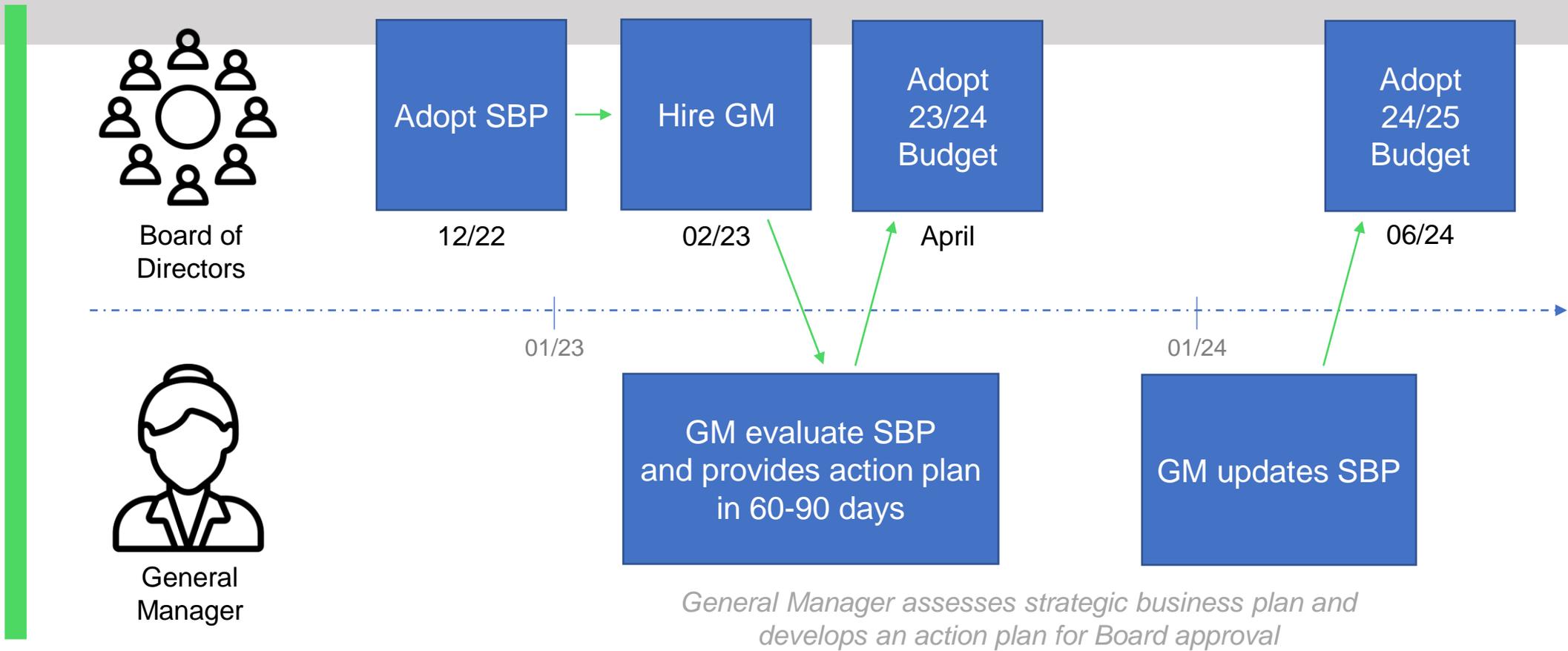
Approach

The Board-Approved Strategic plan provides direction for CC Power workplans and resourcing levels.



Suggested Timeline

Source: Strategic Business Plan



2023-2026 Strategic Plan

Strategic Plan represents broad input and sets near-term direction for GM

- Administrate four approved projects
- Create opportunity to grow portfolio of value-add products (procurements, programs, shared services, trainings, etc.)
- Support decision-making through info-gathering
 - Example: RFIs, PG&E Portfolio Assessment, IRA, credit rating exploration
- Boost capabilities through enhanced policies, procedures, and processes/norms

Work Areas

Wide range of value-add work is possible or already committed to.

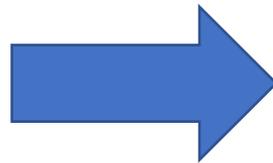
- Contract administration, project strategy, and project oversight (MIC allocation, milestone, etc.)
 - Scheduling Coordinator set-up
 - Inflation Reduction Act and implications, strategies
 - New programs - TBD
 - Off-shore wind RFI
 - Research and modeling
- Other shared services
 - Settlement and billing support functions
 - Other possible:
 - Credit rating matters
 - Off-shore wind RFI
 - Policy support to Cal-CCA re contracts, settlements, RA, MIC, etc.
 - Voice of industry – communications and other public campaigns
 - Working groups to support CCAs
 - Other – additional Member-CCAs or collaboration

Organizational Trajectory

Building a shared vision. Maturing CC Power will take time.

Current

- Establishing team, 1 Staff
- No COD resources
- 4 contracts
- Starting or considering more value-add programs and services
- Limited reserves
- Norming with new processes
- Newer and less known organization



Future

- Established team of FTEs and contractors
- 4 COD resources, maybe more
- Multiple value-add programs and services
- Reserves
- Established norms and efficient processes
- Stable and well-known
- Optimal reliance on CCA staff

Organizational Vision

Strategic plan in place. More shared vision on CC Power clarifies expectations.

- Many resourcing models possible:
 - Consultants, sharing of member-CCA staff, in-house, etc.
- Sample Comparison Orgs:
 - SCPPA – 18 staff
 - NCPA – 150+ staff (<https://www.ncpa.com/about/organization/>)
- Shared organizational vision informs growth plans and reserves

*Possible example of
future-state CC Power*



Operating Budgets

Budgets increased over time. Costs for technical and legal and staff are factors.

2021	2022	Jan-Jun 2023	2023-2024 <i>prelim</i>	2023-2024 (alt, tbd)
\$629k (10 months)	\$569k	\$555k (6 months)	\$1.01M	N/A



- Building reserves but limited
- Scoping uncertainty – things come up
 - Current budget includes ‘technical and legal’ budget

Go-Forward Budgeting Guidance

Firm Budget proposal for approval in April. Today's discussion sets stage.

- Resource to strategic plan
- Build capabilities to meet needs, can be hard to predict
- Optimize reliance on member-CCA staff long-term
- Advance notice – in line with member-CCA budget timelines
- Cost-reasonable for members not yet in CC Power contracts
- Support a la carte project participation
- Build reserves over time
- Avoid mid-cycle increases if possible

Budget Categories

Future budget growth will come from staffing, reserve-building, and project cost flow-throughs.

Item	Description	Example: 2022-2023 (annualized)
Staff	GM, Operations Manager, Other staff as applicable	\$650k
Service Providers	Technical and Legal Consultants, Accounting, General Counsel	\$361k
Operations	Insurance, Marketing, IT, Training, Misc.	0
Travel and Events	TBD	0
Major Project Flow-Through Costs	Project-specific costs, revenues, and flow-throughs	0
Reserves	Build over time	0
Total Spend		\$1,110k

Allocating Costs

Clarifying participation cost categories

	Dues (General)	Project Costs (Share)
Description	Base Dues for 'membership'. Covers some/all general costs	Pass through costs for projects and other applicable costs
Details	Membership and Board-role, option to participate in CC Power procurements & programs, support for CC Power as tool for CCAs	Incremental costs for project and program establishment, admin, and other services. Allocated via project participation % or other



Member costs for budgeting = Dues + projected Project-Cost share

Conclusions

Recurring and known budget process helps CC Power and members

- Strategic plan and shared vision of organization drives budget
- Plan for modest updates to '23-'24 budgets to achieve objectives
 - Consider contingency and reserves too
- Annual Process:
 - Q1: Budget process starts– earlier prelim budgets can be provided
 - April –target for budget approval for upcoming
 - June – last chance for budget approval
 - July+: new fiscal year underway
- Base Dues and Project Cost-Share yield 'all-in' costs for each member