



Sonoma Clean Power Authority  
Board Policies  
As of October 1, 2020

# TABLE OF CONTENTS

## A. Customer Service Policies

### 1. Customer Privacy

Adopted: November 7, 2013

Amended: May 7, 2015, October 22, 2015, & October 1, 2020

### 2. Terms and Conditions of Service

Adopted: January 8, 2015

Amended: February 2, 2017, October 1, 2020

### 3. Late Payment Noticing, Transfer of Service, Pre-Collection Noticing, Collections

Adopted: January 8, 2015

Amended: October 1, 2020

### 4. Information Technology (IT) Security Policy

Adopted: February 7, 2019

Amended: October 1, 2020

### 5. Advance Metering Infrastructure (AMI) Data Security and Privacy Policy

Adopted: February 7, 2019

Amended: October 1, 2020

### 6. Emergency Consumer Protection Policy

Adopted: October 1, 2020

#### a. 2020 COVID-19 Emergency Consumer Protection Policy

Ratified: October 1, 2020

#### b. 2020 LNU Lightning Complex Emergency Consumer Protection Policy

Ratified: October 1, 2020

#### c. 2020 August Complex Emergency Consumer Protection Policy

Ratified: October 1, 2020

## B. Financial Policies

### 1. CEO Spending Authority

Adopted: June 5, 2014

Amended: April 7, 2016

### 2. Available fund balance, Operating Reserve, Debt Repayment and Program Fund

Adopted: June 5, 2014

Amended: January 8, 2015, June 4, 2015, & April 5, 2018

### 3. Accounts Receivable Reserve

Adopted: November 7, 2013

### 4. Bad Debt

Adopted: November 7, 2013

## **C. Power Services Policies**

### **1. Risk Management**

Adopted: November 7, 2013

Amended: January 8, 2015

### **2. California Independent System Operator**

Adopted: November 7, 2013

Amended: January 8, 2015

### **3. Procurement Criteria, Policies, and Signature Authority**

Adopted: October 13, 2016

### **4. Policy Governing Preferred Resources for Serving Multiple SCP Customers During Public Safety Power Shutoffs**

Adopted: February 6, 2020

## **D. Administrative and General Policies**

### **1. Prohibition Against Dissemination of Untrue or Misleading Information**

Adopted: October 2, 2014

### **2. Records Retention**

Adopted: November 7, 2013

Amended: January 8, 2015

### **3. Process for Amending and Adopting Policies**

Adopted: January 8, 2015

### **4. New Customer Communities**

Adopted: December 3, 2015

# Customer Service Policy A.1

## Customer Privacy Policy

### Notice of Accessing, Collecting, Storing, Using, and Disclosing Energy Usage Information

Sonoma Clean Power Authority (SCPA), its employees, agents, contractors, and affiliates shall maintain the confidentiality of individual customers' names, service addresses, billing addresses, telephone numbers, email addresses, account numbers, and electricity consumption and generation ("customer data"), except where reasonably necessary to conduct SCPA's business or to provide services to customers as required by the California Public Utilities Commission (CPUC or Commission). Examples of reasonably necessary business purposes include but are not limited to when such disclosure is necessary to (a) comply with law, regulation, or court order; (b) enable SCPA to provide service to its customers; (c) collect unpaid bills; (d) obtain and provide credit reporting information; (e) resolve customer disputes or inquiries; (f) communicate about demand response, energy efficiency, energy management, and conservation programs, or (g) in situation of imminent threat to life or property. SCPA shall not, under any circumstance, disclose customer information for third-party telemarketing, e-mail, or direct mail solicitation. Aggregated data that cannot be traced to specific customers may be released at SCPA's discretion.

Customer data, including Advance Metering Infrastructure data, is collected via PG&E's metering systems. SCPA may disclose customer data to third parties for the primary purposes of providing a bill for electrical power, providing for system, grid, or operational needs, providing services as required by state or federal law or as specifically authorized by an order of Commission, or for planning, implementing, or evaluating demand response, energy management, or energy efficiency programs<sup>1</sup>. SCPA's contractors and vendors are contractually required to agree to only use customer data for the contracted purpose to protect customer data under the same standards as SCPA. SCPA maintains customer-specific energy usage and billing information for only as long as is reasonably necessary, typically not more than five years, unless otherwise necessary by law or regulation.

The original effective date of this policy is November 7, 2013; this amended version will go into effect on the date it is approved by SCPA's Board of Directors. Notice of this policy is provided annually to customers via an on-bill message to guide customers to the most updated version on Sonoma Clean Power's website at [sonomacleanpower.org/privacy-policy](http://sonomacleanpower.org/privacy-policy). Any changes to this policy between notification periods will be communicated through Sonoma Clean Power's website. Previous versions of this policy can be requested via email at [info@sonomacleanpower.org](mailto:info@sonomacleanpower.org) or by mailed request to Sonoma Clean Power, Attention: Director of Customer Service, PO Box 1030, Santa Rosa, CA 95402.

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<sup>1</sup> CPUC Decision 12-08-045, Attachment B, 1(c).

**Adopted:** November 7, 2013

**Amended:** May 7, 2015 and October 22, 2015, October 1, 2020

Customers having any questions or concerns regarding the collection, storage, use, or distribution of customer information, or who wish to view, inquire about, or dispute any customer information held by SCPA or limit the collection, use, or disclosure of such information, may contact Erica Torgerson, Director of Customer Service, by phone at (707) 791-1341, via email at [etorgerson@sonomacleanpower.org](mailto:etorgerson@sonomacleanpower.org), or by mail at PO Box 1030, Santa Rosa, CA 95402.

**Adopted:** November 7, 2013

**Amended:** May 7, 2015 and October 22, 2015, October 1, 2020

## Customer Service Policy A.2 Terms and Conditions of Service Policy

Sonoma Clean Power Authority shall maintain at all times an official copy of Sonoma Clean Power's (SCP's) Terms and Conditions of Service as an attachment to this Policy A.2. An identical version of the Terms and Conditions of Service shall be used to fulfill legal noticing requirements and in other instances where references to the Terms and Conditions of Service ("Terms and Conditions") are made. Also in accord with Administrative and General Policy D.3, substantive changes to the terms and conditions shall be presented as an amendment to this Customer Service Policy A.2, to the Community Advisory Committee for review, comment and recommendation, and subsequently presented to the Board of Directors for approval by motion. Upon final approval by the Board of Directors the amended or updated Terms and Conditions of Service attached to this Policy.

### CUSTOMER SERVICE POLICY A.2 ATTACHMENT Terms and Conditions of SCP Service

**Rates:** Sonoma Clean Power (SCP) electric generation rates are set with the intention of providing its customers clean electricity at competitive rates. Changes to SCP rates are adopted at duly noticed public meetings of the Sonoma Clean Power Authority Board of Directors which is advised by a Community Advisory Committee and SCP staff. Customers may establish and maintain service under the standard CleanStart Service Tariff or may elect to upgrade to SCP's EverGreen Service Tariff, which is 100% local, renewable energy. Please visit [sonomacleanpower.org](http://sonomacleanpower.org) or call our local contact center at 1 (855) 202-2139 for more information.

PG&E will continue to charge all customers for electric delivery service and natural gas service, if applicable. SCP customers pay to PG&E a Power Charge Indifference Adjustment (PCIA) and Franchise Fee Surcharge in addition to electric delivery charges. Please contact PG&E for more information about its charges.

**Billing:** SCP customers receive a single combined monthly bill from PG&E that includes all energy-related charges, including SCP electric generation charges and PG&E's electric delivery charges. SCP electric generation charges replace PG&E's electric generation charges.

PG&E is required to charge all customers for transmission, distribution, public goods programs and other non-generation charges at the same rates regardless of who supplies the customer with electric generation. Customers pay the entirety of their charges to PG&E and PG&E forwards payments to SCP for its portion of charges.

**Adopted:** January 8, 2015

**Amended:** February 2, 2017, October 1, 2020

**Discount Programs:** Customers currently enrolled in the California Alternative Rates for Energy (CARE) program, the Family Electric Rate Assistance (FERA) program, Medical Baseline, or receive the PG&E employee discount will continue to receive all these benefits and discounts as an SCP customer.

**Enrollment:** California State Assembly Bill 117, enacted into law in 2002 (Public Utilities Code section 366.2), requires Community Choice Energy programs such as SCP to operate as the default electric generation provider through an automatic enrollment process. Except in the cases of customers served by the Cities of Healdsburg and Ukiah through their city operated public power utilities, SCP is the default electricity provider for the Counties of Sonoma and Mendocino. You may request to return to PG&E electric generation at any time. To upgrade to SCP's 100% local, renewable EverGreen Service or return to PG&E generation service call our local contact center at 1(855) 202-2139 or visit our website at [sonomacleanpower.org](http://sonomacleanpower.org). Please have your PG&E account number available so that we may process your request.

**Opt Out:** You may opt out of SCP electric generation service at any time by calling 1-(855) 202-2139 or by completing the opt out form at [sonomacleanpower.org/opt-out](http://sonomacleanpower.org/opt-out). You will need your PG&E account information to begin the opt out process.

There is no fee to opt out before enrollment or in the first 60 days of receiving SCP service. If you opt out 60 or more days after SCP service begins, you will be charged a one-time termination fee of \$5 per residential account or \$25 per commercial account. All customers will also be subject to PG&E's terms and conditions of service, which will prohibit you from returning to SCP for a full year after your opt out date.

If you return to PG&E generation service after receiving SCP service for more than 60 days, PG&E requires that you choose one of the following options to return to its service:

- Option 1: Return to PG&E generation service at the end of the current billing cycle. You will be billed at PG&E's transitional rates for a six-month period, and PG&E's standard bundled electricity rates thereafter.
- Option 2: Give six month's advance notice of your intent to return to PG&E generation service. At the end of the six-month notice period, you will be returned to PG&E service and billed PG&E's standard bundled electricity rates.

Accounts cannot be transferred in the middle of a billing cycle. Your opt out request must be received at least 5 business days prior to your meter read date in order to switch service to PG&E before your next billing cycle begins. All other opt out requests will be processed on the subsequent meter read date. If you opt out or

otherwise stop receiving service from SCP, you will be charged for all SCP electricity used before ending SCP electric service.

**Failure to Pay:** SCP may transfer delinquent accounts to PG&E upon 14 calendar days' written notice to the customer. Delinquent accounts will be required to pay the termination fee described above to process the transfer. Transfer back to PG&E does not relieve the customer of paying SCP charges and/or other charges due and owing including, PG&E charges, nor does it halt any PG&E shut-off procedures. Customers may be subject to collections by SCP and/or PG&E for all amounts due and owing plus interest, penalties, and other charges associated with the delinquent account.

**Customer Privacy Policy:** SCP's Notice of Accessing, Collection, Storing, Using, and Disclosing Energy Usage Information Policy can be found at [sonomacleanpower.org/privacy-policy](https://sonomacleanpower.org/privacy-policy) or by calling 1 (855) 202-2139.



## Customer Service Policy A.3

### Late Payment Noticing, Transfer of Service, Pre-Collection Noticing, Collections

This policy sets Sonoma Clean Power Authority's (SCPA) general rules related to SCPA late payment noticing and pre-collection noticing to customers. It also provides SCPA's general rules for transferring a customer to PG&E service for non-payment and to SCPA's collection agency.

This policy in whole or in parts may be suspended or modified if a state of emergency proclamation is issued by the California Governor's Office or the President of the United States due to a disaster that affects utility service or a health pandemic. At that time the Chief Executive Officer (CEO), or his designee, may put into effect **SCPA's Customer Service Policy A.6 - Emergency Consumer Protection Policy**. If the CEO, or his designee puts SCPA's Emergency Consumer Protection Policy into effect, the decision must be ratified by the Board of Directors within 90 days or at the next regularly scheduled Board of Director's meeting.

#### I. SCPA Late Payment Noticing Policy:

##### a. **Non-Residential Accounts:**

Customers will be sent an SCPA Late Payment Notice if:

- I. The account has an SCPA aggregated balance of more than \$500.00 based on the sum of the 60-90 day and 90+ day total in SCPA's aging report; and
- II. The customer is not on a Payment Plan with PG&E or is not current with the payments required by a PG&E Payment Plan.

##### b. **Residential Accounts:**

Customers will be sent an SCPA Late Payment Notice if:

- I. The account has an SCPA aggregated balance of more than \$250.00 based on the sum of the 60-90 day and 90+ day total in SCPA's aging report; and
- II. The customer is not on a Payment Plan with PG&E or is not current with the payments required by a PG&E Payment Plan.

#### II. Transfer of Service for Non-Payment Policy:

SCPA may transfer a customer to PG&E service for non-payment<sup>1</sup>.

- a. SCPA may transfer a customer who has been sent two consecutive SCPA Late Payment Notices and who has not paid the outstanding balance within the time set forth in the second Late Payment Notice may be transferred from SCPA service to PG&E service for non-payment of SCPA charges.

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<sup>1</sup> Pacific Gas & Electric Company. Electric Rule 23, Section U, Subsection 2.

- b. All customers, regardless of whether the customer was sent one or more Late Payment Notice(s), that has been transferred to PG&E service under section II.a or has voluntarily opted out of SCPA service, moved, and/or closed his/her account is still required to pay any outstanding SCPA charges for the period in which he/she took service from SCPA.
- c. Service transfers between providers can only take place on a customer's meter read date.

### III. Pre-Collection Noticing Policy

Customers with charges reversed by PG&E back to SCPA of \$50.00 or more will be sent one Pre-Collection Notice prior to the customer's account being transferred to SCPA's collection agency.

- a. A customer has 14 calendar days from the date of the Pre-Collections Notice to pay his/her outstanding SCPA balance.
- b. Negotiated settlements with a customer in excess of \$2,500 must be approved by the CEO or his designee.
- c. Balances not paid will be referred to SCPA's collection agency.

### IV. Collections Policy

Customers that have been transferred by SCPA service to PG&E service for non-payment, voluntary opt outs, and closed accounts with outstanding SCPA balances may be referred to a collection agency retained by SCPA.

The collection agency retained by SCPA shall be vetted to ensure all consumer protection laws are strictly followed. On no less than an annual basis, SCPA shall review the practices and results of any retained collection agency, taking immediate action to address any concerns that may arise.

#### a. **Send to Collections:**

- I. Balances of \$50.00 or more will be referred SCPA a collection agency retained by SCPA.
- II. Once accounts are sent to the collection agency, SCPA will no longer collect on the account and the customer must work with the collection agency on resolution of the charges owed.

#### b. **Write-Offs:**

Balances of \$49.99 or less may be deemed uncollectible and written off, may be sent to the collection agency, or SCPA may take any action that it deems appropriate and cost effective.

## Customer Service Policy A.4 Information Technology (IT) Security Policy

Information Technology (IT) is a critical Sonoma Clean Power Authority (SCPA) asset and will be managed to ensure that it remains accurate, confidential, and available for authorized business activities only. Proper management of information technology is required to support regulatory compliance, minimize legal liability, reduce the risk of criminal activity, and to sustain stakeholder and customer satisfaction.

SCPA is dependent on information technology to conduct business operations. The Chief Executive Officer, Chief Operating Officer, Director of Internal Operations, and Director of Customer Service, in collaboration with SCPA's IT Consultant have been designated as the IT Security Team (IST) and are responsible for communicating IT policies and standards, helping all personnel achieve compliance with policies and standards, and reporting to management on any non-compliance or areas of risk.

SCPA will make information technology accessible only to authorized employees or designated vendors as needed and such information shall only be used for authorized agency purposes. To ensure protection of information technology, operational guidelines will be in place for employees and designated vendors to follow which adhere to the principles below:

- Follow all SCPA Board of Directors policies.
- Access to specific information technology is to be assigned to SCPA employees or designated vendors with the minimum level of access necessary to perform respective responsibilities.
- Access to information technology will be made available only to the extent necessary to support authorized business functions.
- Security systems are to be structured with multiple layers of security, including physical, network, host, and personnel security measures.
- The degree of information security protection is to be commensurate with the impact of inadvertent or intentional misuse, improper disclosure, damage or loss.
- Adequate controls will divide sensitive duties among more than one individual to provide checks and balances that help ensure operational guidelines are followed.
- Security is not an optional component of operations. All SCPA staff and designated vendors are required to protect information. All staff and designated vendors that use or have access to SCPA information technology are personally responsible for exercising the proper control over information according to the operational guidelines provided to them.

Operational guidelines for treatment of information technology are subject to change as needed to protect SCPA based on any changes in systems, threats, and practices. All substantive changes will be brought back before SCPA's Board of Directors for formal approval.

**Adopted:** February 7, 2019  
**Amended:** October 1, 2020

## Customer Service Policy A.5 Advance Metering Infrastructure (AMI) Data Security Policy

Sonoma Clean Power Authority (SCPA) understands the vital importance of ensuring the privacy and security of AMI data and customer usage information. The California Public Utilities Commission (CPUC or Commission) Decision (Decision) 12-08-045<sup>1</sup> extends privacy protections to customers of community choice aggregators, including SCPA. "Attachment B" of the Decision lists the rules regarding privacy and security protections for energy usage data that SCPA follows.

In compliance with "Attachment B", SCPA shall implement reasonable administrative, technical, and physical safeguards to protect covered information from unauthorized access, destruction, use, modification, or disclosure.

SCPA and all SCPA contractors, consultants and other third parties who obtain access to covered information based on consent from SCPA shall provide reasonable training to all employees and contractors who use, store or process covered information as needed to comply with this Policy and CPUC rules and regulations related to AMI Data Security in accordance with "Attachment B".

Per "Attachment B", SCPA shall collect, store, use, and disclose only as much covered information as is reasonably necessary or as authorized by the Commission to accomplish SCPA's specific primary purpose.

SCPA shall comply with Decision 12-08-045, "Attachment B", including any amendments made by the CPUC. See following pages for a copy of "Attachment B".

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<sup>1</sup> <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M026/K531/26531585.PDF>

# **ATTACHMENT B**

**ATTACHMENT B:**

**Rules Regarding Privacy and Security Protections for Energy Usage Data  
Applicable to Community Choice Aggregators or Electrical Service Providers  
(when providing service to residential or small commercial customers)**

**1. DEFINITIONS**

(a) **Covered Entity.** A “covered entity” is (1) any Community Choice Aggregator or Electrical Service Provider (when providing service to residential or small commercial customers), or any third party that provides services to a Community Choice Aggregator or Electrical Service Provider (when providing service to residential or small commercial customers) under contract, (2) any third party who accesses, collects, stores, uses or discloses covered information pursuant to an order of the Commission, unless specifically exempted, who obtains this information from an electrical corporation, a Community Choice Aggregator or an Electrical Service Provider (when providing service to residential or small commercial customers) or (3) any third party, when authorized by the customer, that accesses, collects, stores, uses, or discloses covered information relating to 11 or more customers who obtains this information from an electrical corporation, a Community Choice Aggregator or an Electrical Service Provider (when providing service to residential or small commercial customers).<sup>1</sup>

(b) **Covered Information.** “Covered information” is any usage information obtained through the use of the capabilities of Advanced Metering Infrastructure when associated with any information that can reasonably be used to identify an individual, family, household, residence, or non-residential customer, except that covered information does not include usage information

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<sup>1</sup> The Commission and its agents, including but not limited to contractors and consultants, are not “covered entities” subject to these rules because the Commission and its agents are subject to separate statutory provisions pertaining to data.

from which identifying information has been removed such that an individual, family, household or residence, or non-residential customer cannot reasonably be identified or re-identified. Covered information, however, does not include information provided to the Commission pursuant to its oversight responsibilities.

(c) **Primary Purposes.** The “primary purposes” for the collection, storage, use or disclosure of covered information are to –

- (1) provide or bill for electrical power or gas,
- (2) provide for system, grid, or operational needs,
- (3) provide services as required by state or federal law or as specifically authorized by an order of the Commission, or
- (4) plan, implement, or evaluate demand response, energy management, or energy efficiency programs under contract with a Community Choice Aggregator or an Electrical Service Provider (when providing service to residential or small commercial customers), under contract with the Commission, or as part of a Commission authorized program conducted by a governmental entity under the supervision of the Commission.

(e) **Secondary Purpose.** “Secondary purpose” means any purpose that is not a primary purpose.

## 2. TRANSPARENCY (NOTICE)

(a) **Generally.** Covered entities shall provide customers with meaningful, clear, accurate, specific, and comprehensive notice regarding the accessing, collection, storage, use, and disclosure of covered information. Provided, however, that covered entities using covered data solely for a primary purpose on behalf of and under contract with utilities are not required to provide notice separate from that provided by the utility.

(b) **When Provided.** Covered entities shall provide written notice when confirming a new customer account and at least once a year shall inform customers how they may obtain a copy of the covered entity’s notice regarding the accessing, collection, storage, use, and disclosure of covered information, and shall

provide a conspicuous link to the notice on the home page of their website, and shall include a link to their notice in all electronic correspondence to customers.

(c) **Form.** The notice shall be labeled Notice of Accessing, Collecting, Storing, Using and Disclosing Energy Usage Information and shall –

- (1) be written in easily understandable language, and
- (2) be no longer than is necessary to convey the requisite information.

(d) **Content.** The notice and the posted privacy policy shall state clearly –

- (1) the identity of the covered entity,
- (2) the effective date of the notice or posted privacy policy,
- (3) the covered entity's process for altering the notice or posted privacy policy, including how the customer will be informed of any alterations, and where prior versions will be made available to customers, and
- (4) the title and contact information, including email address, postal address, and telephone number, of an official at the covered entity who can assist the customer with privacy questions, concerns, or complaints regarding the collection, storage, use, or distribution of covered information.

### 3. PURPOSE SPECIFICATION

The notice required under section 2 shall provide –

- (a) an explicit description of –
  - (1) each category of covered information collected, used, stored or disclosed by the covered entity, and, for each category of covered information, the reasonably specific purposes for which it will be collected, stored, used, or disclosed,
  - (2) each category of covered information that is disclosed to third parties, and, for each such category, (i) the purposes for which it is disclosed, and (ii) the categories of third parties to which it is disclosed, and



- (3) the identities of those third parties to whom data is disclosed for secondary purposes, and the secondary purposes for which the information is disclosed;
- (b) the approximate period of time that covered information will be retained by the covered entity;
- (c) a description of –
  - (1) the means by which customers may view, inquire about, or dispute their covered information, and
  - (2) the means, if any, by which customers may limit the collection, use, storage or disclosure of covered information and the consequences to customers if they exercise such limits.

#### **4. INDIVIDUAL PARTICIPATION (ACCESS AND CONTROL)**

(a) **Access.** Covered entities shall provide to customers upon request convenient and secure access to their covered information –

- (1) in an easily readable format that is at a level no less detailed than that at which the covered entity discloses the data to third parties.
- (2) The Commission shall, by subsequent rule, prescribe what is a reasonable time for responding to customer requests for access.

(b) **Control.** Covered entities shall provide customers with convenient mechanisms for –

- (1) granting and revoking authorization for secondary uses of covered information,
- (2) disputing the accuracy or completeness of covered information that the covered entity is storing or distributing for any primary or secondary purpose, and
- (3) requesting corrections or amendments to covered information that the covered entity is collecting, storing, using, or distributing for any primary or secondary purpose.

(c) **Disclosure Pursuant to Legal Process.**

- (1) Except as otherwise provided in this rule or expressly authorized by state or federal law or by order of the Commission, a covered entity shall not disclose covered information except pursuant to a warrant or other court order naming with specificity the customers whose information is sought. Unless otherwise directed by a court, law, or order of the Commission, covered entities shall treat requests for real-time access to covered information as wiretaps, requiring approval under the federal or state wiretap law as necessary.
- (2) Unless otherwise prohibited by court order, law, or order of the Commission, a covered entity, upon receipt of a subpoena for disclosure of covered information pursuant to legal process, shall, prior to complying, notify the customer in writing and allow the customer 7 days to appear and contest the claim of the person or entity seeking disclosure.
- (3) Nothing in this rule prevents a person or entity seeking covered information from demanding such information from the customer under any applicable legal procedure or authority.
- (4) Nothing in this section prohibits a covered entity from disclosing covered information with the consent of the customer, where the consent is express, in written form, and specific to the purpose and to the person or entity seeking the information.
- (5) Nothing in this rule prevents a covered entity from disclosing, in response to a subpoena, the name, address and other contact information regarding a customer.
- (6) On an annual basis, covered entities shall report to the Commission the number of demands received for disclosure of customer data pursuant to legal process or pursuant to situations of imminent threat to life or property and the number of customers whose records were disclosed. Upon request of the Commission, covered entities shall report additional information to the Commission on such disclosures. The Commission may

make such reports publicly available without identifying the affected customers, unless making such reports public is prohibited by state or federal law or by order of the Commission.

**(d) Disclosure of Information in Situations of Imminent Threat to Life or Property.** These rules concerning access, control and disclosure do not apply to information provided to emergency responders in situations involving an imminent threat to life or property. Emergency disclosures, however, remain subject to reporting rule 4(c)(6).

## 5. DATA MINIMIZATION

**(a) Generally.** Covered entities shall collect, store, use, and disclose only as much covered information as is reasonably necessary or as authorized by the Commission to accomplish a specific primary purpose identified in the notice required under section 2 or for a specific secondary purpose authorized by the customer.

**(b) Data Retention.** Covered entities shall maintain covered information only for as long as reasonably necessary or as authorized by the Commission to accomplish a specific primary purpose identified in the notice required under section 2 or for a specific secondary purpose authorized by the customer.

**(c) Data Disclosure.** Covered entities shall not disclose to any third party more covered information than is reasonably necessary or as authorized by the Commission to carry out on behalf of the covered entity a specific primary purpose identified in the notice required under section 2 or for a specific secondary purpose authorized by the customer.

## 6. USE AND DISCLOSURE LIMITATION

**(a) Generally.** Covered information shall be used solely for the purposes specified by the covered entity in accordance with section 3.

**(b) Primary Purposes.** A Community Choice Aggregator, an Electrical Service Provider (when providing service to residential

or small commercial customers), a third party acting under contract with the Commission to provide energy efficiency or energy efficiency evaluation services authorized pursuant to an order or resolution of the Commission, or a governmental entity providing energy efficiency or energy efficiency evaluation services pursuant to an order or resolution of the Commission may access, collect, store and use covered information for primary purposes without customer consent. Other covered entities may collect, store and use covered information only with prior customer consent, except as otherwise provided here.

**(c) Disclosures to Third Parties.**

**(1) Initial Disclosure by a Community Choice Aggregator or an Electrical Service Provider (when providing service to residential or small commercial customers).** A

Community Choice Aggregator or an Electrical Service Provider (when providing service to residential or small commercial customers) may disclose covered information without customer consent to a third party acting under contract with the Commission for the purpose of providing services authorized pursuant to an order or resolution of the Commission or to a governmental entity for the purpose of providing energy efficiency or energy efficiency evaluation services pursuant to an order or resolution of the Commission. A Community Choice Aggregator or an Electrical Service Provider (when providing service to residential or small commercial customers) may disclose covered information to a third party without customer consent

- a. when explicitly ordered to do so by the Commission; or
- b. for a primary purpose being carried out under contract with and on behalf of the Community Choice Aggregator or Electrical Service Provider (when providing service to residential or small commercial customers) disclosing the data; provided that the covered entity disclosing the data shall, by contract, require the third party to agree to access, collect, store, use, and disclose the covered information under policies, practices and notification requirements no less protective than those under which

the covered entity itself operates as required under this rule, unless otherwise directed by the Commission.

- (2) **Subsequent Disclosures.** Any entity that receives covered information derived initially from a covered entity may disclose such covered information to another entity without customer consent for a primary purpose, provided that the entity disclosing the covered information shall, by contract, require the entity receiving the covered information to use the covered information only for such primary purpose and to agree to store, use, and disclose the covered information under policies, practices and notification requirements no less protective than those under which the covered entity from which the covered information was initially derived operates as required by this rule, unless otherwise directed by the Commission.
- (3) **Terminating Disclosures to Entities Failing to Comply With Their Privacy Assurances.** When a covered entity discloses covered information to a third party under this subsection 6(c), it shall specify by contract, unless otherwise ordered by the Commission, that it shall be considered a material breach if the third party engages in a pattern or practice of accessing, storing, using or disclosing the covered information in violation of the third party's contractual obligations to handle the covered information under policies no less protective than those under which the covered entity from which the covered information was initially derived operates in compliance with this rule.
  - If a covered entity disclosing covered information for a primary purpose being carried out under contract with and on behalf of the entity disclosing the data finds that a third party contractor to which it disclosed covered information is engaged in a pattern or practice of accessing, storing, using or disclosing covered information in violation of the third party's contractual obligations related to handling covered information,

the disclosing entity shall promptly cease disclosing covered information to such third party.

- If a covered entity disclosing covered information to a Commission-authorized or customer-authorized third party receives a customer complaint about the third party's misuse of data or other violation of the privacy rules, the disclosing entity shall, upon customer request or at the Commission's direction, promptly cease disclosing that customer's information to such third party. The disclosing entity shall notify the Commission of any such complaints or suspected violations.

- (4) Nothing in this section shall be construed to impose any liability on a Community Choice Aggregator or an Electrical Service Provider (when providing service to residential or small commercial customers) relating to disclosures of information by a third party when i) the Commission orders the provision of covered data to a third party; or ii) a customer authorizes or discloses covered data to a third party entity that is unaffiliated with and has no other business relationship with the Community Choice Aggregator or the Electrical Service Provider (when providing service to residential or small commercial customers). After a secure transfer, the Community Choice Aggregator or the Electrical Service Provider (when providing service to residential or small commercial customers) shall not be responsible for the security of the covered data or its use or misuse by such third party. This limitation on liability does not apply when a utility has acted recklessly.

(d) **Secondary Purposes.** No covered entity shall use or disclose covered information for any secondary purpose without obtaining the customer's prior, express, written authorization for each type of secondary purpose. This authorization is not required when information is –

- (1) provided pursuant to a legal process as described in 4(c) above;

- (2) provided in situations of imminent threat to life or property as described in 4(d) above; or
- (3) authorized by the Commission pursuant to its jurisdiction and control.

(e) **Customer Authorization.**

- (1) **Authorization.** Separate authorization by each customer must be obtained for all disclosures of covered information except as otherwise provided for herein.
- (2) **Revocation.** Customers have the right to revoke, at any time, any previously granted authorization.
- (3) **Opportunity to Revoke.** The consent of a residential customer shall continue without expiration, but an entity receiving information pursuant to a residential customer's authorization shall contact the customer, at least annually, to inform the customer of the authorization granted and to provide an opportunity for revocation. The consent of a non-residential customer shall continue in the same way, but an entity receiving information pursuant to a non-residential customer's authorization shall contact the customer, to inform the customer of the authorization granted and to provide an opportunity for revocation either upon the termination of the contract, or annually if there is no contract.

(f) **Parity.** Covered entities shall permit customers to cancel authorization for any secondary purpose of their covered information by the same mechanism initially used to grant authorization.

(g) **Availability of Aggregated Usage Data.** Covered entities shall permit the use of aggregated usage data that is removed of all personally-identifiable information to be used for analysis, reporting or program management provided that the release of that data does not disclose or reveal specific customer information because of the size of the group, rate classification, or nature of the information.

## 7. DATA QUALITY AND INTEGRITY

Covered entities shall ensure that covered information they collect, store, use, and disclose is reasonably accurate and complete or otherwise compliant with applicable rules and tariffs regarding the quality of energy usage data.

## 8. DATA SECURITY

- (a) **Generally.** Covered entities shall implement reasonable administrative, technical, and physical safeguards to protect covered information from unauthorized access, destruction, use, modification, or disclosure.
- (b) **Notification of Breach.** A covered third party shall notify the covered Community Choice Aggregator or Electrical Service Provider (when providing service to residential or small commercial customers) that is the source of the covered data within one week of the detection of a breach. Upon a breach affecting 1,000 or more customers, whether by a covered Community Choice Aggregator or Electrical Service Provider (when providing service to residential or small commercial customers) or by a covered third party, the covered Community Choice Aggregator or Electrical Service Provider (when providing service to residential or small commercial customers) shall notify the Commission's Executive Director of security breaches of covered information within two weeks of the detection of a breach or within one week of notification by a covered third party of such a breach. Upon request by the Commission, Community Choice Aggregators or Electrical Service Providers (when providing service to residential or small commercial customers) shall notify the Commission's Executive Director of security breaches of covered information.
- (c) **Annual Report of Breaches.** In addition, Community Choice Aggregators or Electrical Service Providers (when providing service to residential or small commercial customers) shall file an annual report with the Commission's Executive Director, commencing with the calendar year 2012, that is due within 120 days of the end of the calendar year and notifies the Commission of all security breaches within the calendar year affecting covered information, whether by the covered Community Choice



Aggregator or Electrical Service Provider (when providing service to residential or small commercial customers) or by a third party.

## 9. ACCOUNTABILITY AND AUDITING

(a) **Generally.** Covered entities shall be accountable for complying with the requirements herein, and must make available to the Commission upon request or audit –

- (1) the privacy notices that they provide to customers,
- (2) their internal privacy and data security policies,
- (3) the categories of agents, contractors and other third parties to which they disclose covered information for a primary purpose, the identities of agents, contractors and other third parties to which they disclose covered information for a secondary purpose, the purposes for which all such information is disclosed, indicating for each category of disclosure whether it is for a primary purpose or a secondary purpose. (A covered entity shall retain and make available to the Commission upon request information concerning who has received covered information from the covered entity.), and
- (4) copies of any secondary-use authorization forms by which the covered party secures customer authorization for secondary uses of covered data.

(b) **Customer Complaints.** Covered entities shall provide customers with a process for reasonable access to covered information, for correction of inaccurate covered information, and for addressing customer complaints regarding covered information under these rules.

(c) **Training.** Covered entities shall provide reasonable training to all employees and contractors who use, store or process covered information.

(d) **Audits.** Each Community Choice Aggregator or Electrical Service Provider (when providing service to residential or small commercial customers) shall conduct an independent audit of its data privacy and security practices in conjunction every three

years following 2012 and at other times as required by order of the Commission. The audit shall monitor compliance with data privacy and security commitments, and the Community Choice Aggregator or Electrical Service Provider (when providing service to residential or small commercial customers) shall report the findings to the Commission.

(e) **Reporting Requirements.** On an annual basis, each Community Choice Aggregator or Electrical Service Provider (when providing service to residential or small commercial customers) shall disclose to the Commission as part of an annual report required by Rule 8.b, the following information:

- (1) the number of authorized third parties accessing covered information,
- (2) the number of non-compliances with this rule or with contractual provisions required by this rule experienced by the utility, and the number of customers affected by each non-compliance and a detailed description of each non-compliance.

**(END OF ATTACHMENT B)**

D.12-08-045

R.08-12-009

**Concurrence of Commissioner Timothy Alan Simon on Item 47  
Decision 12-08-045 Extending Privacy Protections to  
Customers of Gas Corporations and Community Choice Aggregators,  
and to Residential and Small Business Customers  
of Electric Service Providers**

This Decision (D.) 12-08-045 establishes Advanced Metering Infrastructure (AMI) technology privacy protections for gas customers of Pacific Gas and Electric Company, Southern California Gas Company, and San Diego Gas & Electric Company, similar to those adopted in D.11-07-056 for their electric customers. The Decision also extends privacy protections to the customers of Community Choice Aggregators (CCA) and to the residential and small commercial customers of electric service providers (ESP). These adopted rules are consistent with Senate Bill (SB) 1476 (Padilla, Stats. 2009, ch. 327), as well as California Public Utilities Code § 366.2(c) and § 394.4.<sup>1</sup> Finally, for purposes of this concurrence, D.12-08-045 declines to consolidate the privacy rules into a General Order, in part because of the relative infancy and untested status of the rules. I support this cautious approach to regulating the use of customer data but also have concerns on the potential chilling effects.

“Smart” wired and wireless information technologies are important conservation and market-shaping tools for critical policy objectives including, but not limited to, energy efficiency, demand response, load shifting, renewables and dispatched back-up generation, as well as, stronger protections against outages due to cyber attack or system errors. My concern is that we do not limit access to customer data to the extent that we bar existing or potential market participants who could create better energy products and services based on that analysis of this customer data. It is important to strike a balance. Otherwise, we will find the market largely dominated by a few energy providers and not our envisioned robust, competitive, and liquid market place.

Unprecedented collection of highly granular energy usage data—just short of 3000 data points per month from a smart meter collecting data every quarter-hour—allows anyone with access to that data to observe variations in consumption that can reveal household activities such as whether homes are occupied, which appliances and devices are being used, whether an alarm system is activated, as well as work schedules and traveling patterns. Our challenge is to balance having enough granular data to make it useful for innovation, while protecting individual privacy and public safety. Giving customers’ confidence that their data is secure encourages acceptance of new technologies.

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<sup>1</sup> SB 1476 prohibits electrical and gas corporations from disclosing customer usage data to third parties, except as authorized, and prevents subject utilities, CCAs and ESPs from offering incentives or discounts for allowing access to that data. I commend Senator Padilla for striking a balanced approach to data privacy and competitive markets.

The growth of human behavioral economics, as a method of developing competitive applications, has an amazing future potential in the energy markets. We have seen an early glimpse in advance metering infrastructure and demand response but clearly not to the extent that we could with more competitive access to usage data. Recently in the European Union I experienced direct smart phone marketing leveraging location data improving purchasing power with vendors offering sales at certain slower demand times. This same ingenuity will benefit energy consumers as there data and time of use pricing is aggregated to forecast with other factors energy market demand and capacity. I know from my experience as a banking and securities attorney that in the financial services sector market access to consumer data is executed in omnibus or aggregated forms. These applications can result in more market competition and consumer choice; while protecting the names and other sensitive data points the customers may prefer remain private.

Excessive protection of customer data typically benefits the industry incumbents who possess the data. Our Orwellian fears of Big Brother are relics of the past. Privacy was something we experienced long before we used the various new electronic communications technologies, like credit card payments and airline reservation systems, which establish our locations and reveal our lifestyles. To expect energy markets to be insulated from this reality is anticompetitive.

Similarly, applications and devices to help consumers manage and understand the environmental impacts of their energy use are also ripe for innovation. Bright young companies are aiming to provide not only smart grid software services for utility operations, but smart meter data services using individual customer data. Additionally, new methods for two-way communication between the utility or third party and the customer--home area network (HAN) devices that communicate over the Internet through a web portal or through the utility's advanced metering infrastructure (AMI) network will help customers monitor their usage and alert them to grid shortages. New ways of connecting smart devices directly to the grid through Internet or AMI networks allow customers to analyze their usage by appliance category as well as time of use, and to control them both manually and automatically. New social media applications could allow individuals to compete with online friends to save energy and lower carbon emissions. Companies are already developing online and mobile applications for businesses and consumers that can use "Green Button" data to help consumers choose the most economical rate plan, deliver customized energy-efficiency tips, provide tools to size and finance rooftop solar panels, or conduct virtual energy audits.<sup>2</sup> These new market

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<sup>2</sup> The Obama Administration's Green Button initiative, launched in January, aims to foster innovation in online energy management tools through their "Green Button" initiative. Utilities and electricity suppliers will allow customers to download their own household or building energy-use data in a secure, user-friendly format with a click of an online "Green Button." Participating utilities have agreed to base their Green Buttons on a common technical standard, which will allow software developers and other entrepreneurs to leverage enough users to support the

D.12-08-045

R.08-12-009

entrants will not want to rely on smart meter data provided by utility back offices but will want access the data directly from the customer.

In conclusion, our rules recognize that consumer protection means giving customers control over their data and also allowing them to share it if they choose. D12-08-045 strikes the proper balance between protecting customers' right to privacy and not giving incumbents a competitive advantage. I concur with this Decision as an important step to striking the balance between privacy rights and the need for access to relevant energy data. I also encourage this Commission to look closely at best practices that protect sensitive data while promoting innovative energy products and services that ultimately will benefit consumers with choice.

Dated August 31, 2012, San Francisco, California

/s/ TIMOTHY ALAN SIMON  
Timothy Alan Simon  
Commissioner

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creation of new applications that can help consumers. According to a March 2012 White House press release, companies who are developing applications using the Green Button standard include Belkin, Efficiency 2.0, EnergySavvy, FirstFuel, Honest Buildings, Lucid, Plotwatt, Schneider-Electric, Simple Energy, and Sunrun. Companies who have deployed or who support deployment of Green Buttons include Aclara, Tendril, PG&E, SDG&E, SoCal Edison, Oncor, Itron, OPower, Oracle, and Silver Spring Networks.

## Customer Service Policy A.6 Emergency Consumer Protection Policy

### **Purpose:**

Pursuant to the California Public Utilities Commission (CPUC) directives and advice letters, residential and non-residential customers in areas where a state of emergency proclamation is issued by the California Governor's Office or the President of the United States due to a disaster that affects utility service are eligible for consumer protection measure(s) under PG&E's Emergency Consumer Protection Plan<sup>1</sup>. Sonoma Clean Power Authority (SCPA) provides additional emergency consumer protections to its customers as described below.

### **Background:**

Background on SCPA's history of response to natural disasters is located in Attachment A of this Policy.

### **Applicability:**

This Policy applies to SCPA Residential Customers and Non-Residential Customers when a state of emergency proclamation is issued by the California Governor's Office or the President of the United States due to a disaster in SCPA's Service Territory that:

- a. Results in the loss or disruption of the delivery or receipt of electric utility service; and/or
- b. Results in the degradation of the quality of electric utility service.

### **Eligibility for Emergency Consumer Protection Plan:**

A customer will be eligible for SCPA's Emergency Consumer Protection Policy if the following criteria have been met:

- a. A state of emergency proclamation has been issued by the California Governor's Office or the President of the United States due to a disaster in SCPA's Service Territory;
- b. The customer is a Residential Customer or Non-Residential Customer of SCPA; and
- c. The customer's premise was or is Red Tagged and/or coded by PG&E as DSNT/DSST/DSBR/DSOV, as defined at the end of this Policy.

### **Emergency Consumer Protection Plan:**

SCPA's Emergency Consumer Protection Plan goes into effect the day a state of emergency proclamation has been issued by the California Governor's Office or the President of the United States due to a disaster in SCPA's Service Territory and includes the measures and parameters outlined below:

- a. **Late Payment Notice:** SCPA will stop sending Late Payment Notices to eligible customers for a period of 12 months.

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<sup>1</sup> PG&E Advice Letter 4014-G/5378-E. Dated Sept. 7, 2018. [www.pge.com/tariffs/assets/pdf/adviceletter/ELEC\\_5378-E.pdf](http://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_5378-E.pdf).

- b. **Pre-Collection Notice for Non-Payment:** SCPA will stop sending Pre-Collection Notices for non-payment of SCPA charges to eligible customers for a period of 12 months.
- c. **Transfer for Non-Payment:** SCPA will not transfer eligible customers to PG&E service for non-payment of SCPA charges for period of 12 months.
- d. **Collections:** SCPA will halt collection activity for eligible customers for a period of 12 months.

SCPA's Board of Directors may change or extend these measures at its sole discretion.

### Definitions:

For purposes of this Policy, the following definitions apply. Customers may also wish to review PG&E's Emergency Consumer Protection Plan<sup>2</sup> for additional information.

- a. **Residential Customer**<sup>3</sup>: Class of customers whose dwellings are single-family units, multi-family units, mobile homes or other similar living establishments. A customer who meets the definition of a Residential Customer will be served under a residential rate schedule if 50% or more of the annual energy use on the meter is for residential end-uses. PG&E's tariff eligibility requirements will determine customer eligibility for this rate class.
- b. **Non-Residential Customer**<sup>4</sup>: Small and medium business customers that take service on a commercial, industrial, or agricultural rate. This definition does not include Non-Residential Customers who are on a fixed usage or unmetered usage rate schedule<sup>5</sup>.
- c. **SCPA Service Area:** As defined by SCPA's Joint Powers Agreement<sup>6</sup>.
- d. **Impacted Customers:** Customers that live within 2 miles of the disaster-impacted perimeter as designated by CAL FIRE or another governmental agency. General areas, including by zip code may be used until a disaster-impacted perimeter is established at SCPA's sole discretion<sup>7</sup> and/ or coded DSIR by PG&E.
- e. **Inspection Tags**<sup>8</sup>: The three colored tags (green, red and yellow) match placards posted on inspected structures<sup>9</sup>. Each type of placard is used by inspectors under the following circumstances:
  - i. **Green (Inspected)** - Buildings can be damaged, yet remain safe - the safety of the building was not significantly changed by the disaster.
  - ii. **Red (Unsafe)** - Buildings are damaged and pose an imminent threat to life or safety under expected loads or other unsafe conditions.
  - iii. **Yellow (Restricted Use)** - There is some risk from damage in all or part of the building that does not warrant red-tagging. The extent of damage

<sup>2</sup> PG&E Advice Letter 4014-G/5378-E. Dated Sept. 7, 2018. [www.pge.com/tariffs/assets/pdf/adviceletter/ELEC\\_5378-E.pdf](http://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_5378-E.pdf).

<sup>3</sup> PG&E Electric Rule No. 1: Definitions, Sheet 30

<sup>4</sup> PG&E Advice Letter 4014-G/5378-E. Dated Sept. 7, 2018.

<sup>5</sup> PG&E Electric Rule No. 1: Definitions, Sheet 31

<sup>6</sup> Sonoma Clean Power Authority Joint Powers Authority. <https://sonomacleanpower.org/uploads/documents/Third-Amended-JPA-FinalApproved-10-13-16-with-updated-Ex-C.pdf>

<sup>7</sup> PG&E Advice Letter 4014-G/5378-E. Dated Sept. 7, 2018. [www.pge.com/tariffs/assets/pdf/adviceletter/ELEC\\_5378-E.pdf](http://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_5378-E.pdf).

<sup>8</sup> County of Sonoma. "Permit Sonoma" <http://sonomacounty.ca.gov/PRMD/Eng-and-Constr/Building/RESA-2019-Flooding/>

<sup>9</sup> Important Note: Although a building may be placarded "Inspected" or "Restricted Use", specific areas in and around the building could be further identified as unsafe.

Adopted: October 1, 2020

may be uncertain or cannot be ascertained within the time and resources available.

- iv. **Orange (No Access)** - Parcels may be labeled as orange, which is not a tag color, but is used only to indicate that an inspection was performed on the property however the inspector was not able to access the structure(s). This could be due to a number of issues including downed power lines, locked gates, and debris blocking the roadway, damaged bridges, or other similar items.
- f. **PG&E REF|TD Codes** - PG&E will use the EDI billing codes outlined below to identify impacted SCPA customers per CalFire and/or County assessment(s). The codes allow for near real-time status of impacted customers.
  - i. **Disaster Event Review (DSIR)** - location with close proximity of disaster, but not confirmed if property is damaged/destroyed/Red Tagged.
  - ii. **Disaster Event Cleared (DSCL)** - After review, the location is not deemed damaged/destroyed/Red Tagged.
  - iii. **Disaster Red Tag Notice (DSNT)** - pending bill relief decision. Stops SA and final/closing bill but will not complete bill - temporary status.
  - iv. **Disaster Red Tag Standard (DSST)** - bill relief not applied. Stops SA, final/closing bill, and completes bill (final status).
  - v. **Disaster Red Tag Bill Relief (DSBR)** - bill relief applied. Stops SA, final/closing bill, completes bill and applies debt reversal adjustment for SA balance (final status).
  - vi. **Disaster Red Tag Override (DSOV)** - manual override. Process manually if needed (final status).



## Attachment A

### Background:

#### October 2017 Northern California Wildfire:

After the 2017 Northern California Wildfires, pursuant to CPUC Resolution M-4833, E-4899 and Advice Letter 3914-G-A/5186-E-A, PG&E adopted their Emergency Consumer Protection Plan to support customers who were affected by the October 2017 Northern California Wildfires. Residential and Non-Residential customers in Butte, Lake, Mendocino, Napa, Nevada, Plumas, Santa Cruz, Solano, Sonoma, and Yuba counties affected by the 2017 Northern California Wildfires were eligible for the Emergency Consumer Protection Plan until December 31, 2018. Measures related to expedited service, rate selection and temporary service for red-tagged customers are available to affected customers until December 31, 2018 and until PG&E service is restored (once permanent electric or gas meter is installed/set).

SCPA adopted its own internal policy, "October 2017 California Wildfires Customer Protections Internal Policy I.8", which established a series of billing and service modifications and credit relief to support customers recovering from the immediate aftermath of the October 2017 Northern California Wildfires. The customer protections were aimed to help SCPA customers who experienced housing or financial crises due to the 2017 wildfires.

#### Mendocino Complex Fire 2018:

SCPA began the process of writing its own internal policy, "Emergency Consumer Protection Plan and Emergency and Disaster Response Internal Procedures & Policy I.12". Although the Policy and Procedures were not approved until after the Mendocino Complex Fire, the protections were put in place for SCPA Residential Customers and Non-Residential Customers. SCPA modeled its policy after the protections granted during the Northern California Wildfires.

#### West County Floods 2019:

SCPA finished its "Emergency Consumer Protection Plan and Emergency and Disaster Response Internal Procedures & Policy I.12" and implemented it during this natural disaster. This Policy was written based on the internal policy.

#### Investor Owned Utilities:

On July 11, 2019, the CPUC issued D.19-07-015, which adopted an emergency disaster relief program for Investor Owned Utility customers. The emergency disaster relief program is designed to ensure that California utility customers who experience a housing or financial crisis due to a disaster, keep vital utility services and receive financial support in the wake of a disaster.

**Adopted:** October 1, 2020

### Kincade Fire 2019:

SCPA implemented its "Emergency Consumer Protection Plan and Emergency and Disaster Response Internal Procedures & Policy I.12".

### LNU Lightning Complex Fires 2020:

Ratified by SCPA's Board of Directors: 10/01/2020

In the early morning hours of Sunday, August 16, and again on Monday, August 17, a series of uncommon thunderstorms rolled through most of northern California as an offshoot of the diminishing Tropical Storm Fausto. With these thunderstorms came a reported 10,849 lightning strikes that - within a 72 hour period - had then presumably sparked 376 known fires across much of California.

On August 18, Governor Gavin Newsom declared a statewide emergency to help ensure the availability of vital resources to combat fires burning across the state, which have been exacerbated by the effects of the historic West Coast heat wave and sustained high winds.

SCPA implemented its "Emergency Consumer Protection Plan and Emergency and Disaster Response Internal Procedures & Policy I.12".

### August Lightning Complex Fires 2020:

Ratified by the SCPA's Board of Directors: 10/01/2020

The August Complex is a massive wildfire burning in the Coast Range of Northern California, in Glenn, Lake, Mendocino, Tehama, and Trinity Counties. The complex originated as 38 separate fires started by lightning strikes on August 16-17, 2020. Four of the largest fires, the Doe, Tatham, Glade, and Hull fires, had burned together by August 30. On September 9, the Doe Fire, the main fire of the August Complex, surpassed the 2018 Mendocino Complex to become both the single-largest wildfire and the largest fire complex in recorded California history.

As of September 21, the August Complex fire has burned a total of 846,732 acres, or 1,323 square miles. Due to the immense size of the affected area, the fire is being managed as three separate incidents within a larger complex. The Doe Fire is defined as the August Complex South Zone and the Elkhorn Fire is defined as the August Complex North Zone. The August Complex West Zone was split off from the western portion of the Elkhorn Fire.

The fires have largely burned in the Mendocino National Forest, with portions spilling over to the Shasta-Trinity National Forest and Six Rivers National Forest in the north, as well as private land surrounding the forests. Large areas of the Yolla Bolly-Middle Eel Wilderness and Yuki Wilderness have been burned. Rugged terrain combined with consistent high winds and record heat have complicated firefighting efforts.

**Adopted:** October 1, 2020

On August 18, Governor Gavin Newsom declared a statewide emergency to help ensure the availability of vital resources to combat fires burning across the state, which have been exacerbated by the effects of the historic West Coast heat wave and sustained high winds.

SCPA implemented its "Emergency Consumer Protection Plan and Emergency and Disaster Response Internal Procedures & Policy I.12".

## Customer Service Policy A.6a 2020 Covid-19 Emergency Consumer Protection Policy

### Purpose:

On March 16, 2020 Governor Newsom issued an Executive Order requesting the California Public Utilities Commission (CPUC) to monitor the consumer protections offered by the utilities in response to COVID-19. The CPUC issued a letter to the investor owned utilities, including PG&E, on March 17, 2020 explaining that although COVID-19 has not resulted in the same disruptions or degradations to utility service as the recent wildfires, the utilities should immediately extend applicable protections provided for customers in natural disasters, such as wildfires, to the COVID-19 pandemic. See CPUC Decision 19-07-015.

Based on Governor Newsom's Executive Order on March 16th, SCPA implemented its internal "COVID-19 Emergency Consumer Protection Policy I.13" for its Residential and Non-Residential Customers experiencing financial hardship due to the Covid-19 pandemic. This Policy is consistent with and continues the policies set forth in Policy I.13.

### Definitions:

For purposes of this Policy, the following definitions apply:

- a) **Residential Customer<sup>1</sup>**: Class of customers whose dwellings are single-family units, multi-family units, mobile homes or other similar living establishments. A customer who meets the definition of a Residential Customer will be served under a residential rate schedule if 50% or more of the annual energy use on the meter is for residential end-uses. PG&E's tariff eligibility requirements will determine customer eligibility for this rate class.
- b) **Non-Residential Customer<sup>2</sup>**: Small and medium business customers that take service on a commercial, industrial, or agricultural rate. This definition does not include Non-Residential Customers who are on a fixed usage or unmetered usage rate schedule<sup>3</sup>.
- c) **SCPA Service Area**: As defined by SCPA's Joint Powers Agreement<sup>4</sup>.
- d) **Impacted Customers**: Customers that are in located in the area designated by California Governor's Office or the President of the United States as a state of emergency.

### Background:

On March 4, 2020, Governor Newsom declared a statewide emergency due to COVID-19. In response, PG&E suspended disconnections and implemented flexible payment plans for all residential and small business customers.

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<sup>1</sup> PG&E Electric Rule No. 1: Definitions, Sheet 30

<sup>2</sup> PG&E Advice Letter 4014-G/5378-E. Dated Sept. 7, 2018.

<sup>3</sup> PG&E Electric Rule No. 1: Definitions, Sheet 31

<sup>4</sup> Sonoma Clean Power Authority Joint Powers Authority. <https://sonomacleanpower.org/uploads/documents/Third-Amended-JPA-FinalApproved-10-13-16-with-updated-Ex-C.pdf>

**Ratified:** October 1, 2020

As adopted, D.19-07-015 requires PG&E to implement the emergency disaster relief program “in the event the Governor of California or a President of the United States declares a state of emergency because a disaster has either resulted in the loss or disruption of the delivery or receipt of utility service and/or resulted in the degradation of the quality of utility service.”

Although COVID-19 has not resulted in the loss or disruption of the delivery or receipt of gas and electrical service and/or in the degradation of the quality of gas and electrical service, SCPA understands that customers may be affected financially, whether diagnosed with the virus or not.

On March 16, 2020 Governor Newsom issued an Executive Order requesting the Commission to monitor the consumer protections offered by the utilities in response to COVID-19. The Commission issued a letter to the investor owned utilities on March 17, 2020 explaining that although COVID-19 has not resulted in the same disruptions or degradations to utility service as the recent wildfires, the utilities should immediately extend applicable protections provided for in D.19-07-015 to Impacted Customers.

Based on Governor Newsom’s Executive Order on March 16th, SCPA implemented its internal “COVID-19 Emergency Consumer Protection Policy I.13” for its Residential and Non-Residential Customers experiencing financial hardship during the COVID-19 pandemic.

#### **Eligibility for COVID-19 Emergency Consumer Protection Plan:**

Due to potential financial hardship from COVID-19, a customer will be eligible for SCPA’s 2020 Covid-19 Emergency Consumer Protection Plan if the following criteria has been met:

- a. A state of emergency proclamation has been issued by the California Governor’s Office or the President of the United States due to the health emergency in SCPA’s Service Territory; and
- b. The customer is a Residential Customer or Non-Residential Customer of SCPA.

#### **2020 COVID-19 Emergency Consumer Protection Plan:**

SCPA’s Emergency Consumer Protection Plan goes into effect the day a state of emergency proclamation has been issued by the California Governor’s Office or the President of the United States due to a disaster in SCPA’s Service Territory and includes the measures and parameters outlined below:

- a. **Late Payment Notice:** SCPA will halt sending Late Payment Notices to eligible customers through December 31, 2020.
- b. **Drop for Non-Payment:** SCPA will not drop eligible customers through December 31, 2020.
- c. **Pre-Collection Notices:** SCPA will stop sending Pre-Collection Notices to eligible customers through December 31, 2020.

**Ratified:** October 1, 2020

- a) **Collections:** SCPA will halt collection activity for eligible customers through December 31, 2020.

SCPA's Board of Directors may change or extend these measures at its sole discretion.

## Customer Service Policy A.6b 2020 Lightning Complex Fires Emergency Consumer Protection Policy

### **Purpose:**

Pursuant to the California Public Utilities Commission (CPUC) directives and advice letters, residential and non-residential customers in areas where a state of emergency proclamation is issued by the California Governor's Office or the President of the United States due to a disaster that affects utility service are eligible for consumer protection measure(s) under PG&E's Emergency Consumer Protection Plan<sup>1</sup>. Sonoma Clean Power Authority (SCPA) provides additional emergency consumer protections to its customers as described below.

### **Emergency Incident:**

#### LNU Lightning Complex Fires 2020:

In the early morning hours of Sunday, August 16, and again on Monday, August 17, a series of uncommon thunderstorms rolled through most of northern California as an offshoot of the diminishing Tropical Storm Fausto. With these thunderstorms came a reported 10,849 lightning strikes that - within a 72 hour period - had then presumably sparked 376 known fires across much of California.

On August 18, Governor Gavin Newsom declared a statewide emergency to help ensure the availability of vital resources to combat fires burning across the state, which have been exacerbated by the effects of the historic West Coast heat wave and sustained high winds.

SCPA implemented its "Emergency Consumer Protection Plan and Emergency and Disaster Response Internal Procedures & Policy I.12".

### **Applicability:**

This Policy applies to SCPA Residential Customers and Non-Residential Customers when a state of emergency proclamation is issued by the California Governor's Office or the President of the United States due to a disaster in SCPA's Service Territory that:

- a. Results in the loss or disruption of the delivery or receipt of electric utility service; and/or
- b. Results in the degradation of the quality of electric utility service.

### **Eligibility for Emergency Consumer Protection Plan:**

A customer will be eligible for SCPA's Emergency Consumer Protection Policy if the following criteria have been met:

- a. A state of emergency proclamation has been issued by the California Governor's Office or the President of the United States due to a disaster in SCPA's Service Territory;

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<sup>1</sup> PG&E Advice Letter 4014-G/5378-E. Dated Sept. 7, 2018. [www.pge.com/tariffs/assets/pdf/adviceletter/ELEC\\_5378-E.pdf](http://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_5378-E.pdf).

- b. The customer is a Residential Customer or Non-Residential Customer of SCPA; and
- c. The customer's premise was or is Red Tagged and/or coded by PG&E as DSNT/DSST/DSBR/DSOV, as defined at the end of this Policy.

### Emergency Consumer Protection Plan:

SCPA's Emergency Consumer Protection Plan goes into effect the day a state of emergency proclamation has been issued by the California Governor's Office or the President of the United States due to a disaster in SCPA's Service Territory and includes the measures and parameters outlined below:

- a. **Late Payment Notice:** SCPA will stop sending Late Payment Notices to eligible customers until September 30, 2021.
- b. **Pre-Collection Notice for Non-Payment:** SCPA will stop sending Pre-Collection Notices for non-payment of SCPA charges to eligible customers until September 30, 2021.
- c. **Transfer for Non-Payment:** SCPA will not transfer eligible customers to PG&E service for non-payment of SCPA charges until September 30, 2021.
- d. **Collections:** SCPA will halt collection activity for eligible customers until September 30, 2021.

SCPA's Board of Directors may change or extend these measures at its sole discretion.

### Definitions:

For purposes of this Policy, the following definitions apply. Customers may also wish to review PG&E's Emergency Consumer Protection Plan<sup>2</sup> for additional information.

- a. **Residential Customer<sup>3</sup>:** Class of customers whose dwellings are single-family units, multi-family units, mobile homes or other similar living establishments. A customer who meets the definition of a Residential Customer will be served under a residential rate schedule if 50% or more of the annual energy use on the meter is for residential end-uses. PG&E's tariff eligibility requirements will determine customer eligibility for this rate class.
- b. **Non-Residential Customer<sup>4</sup>:** Small and medium business customers that take service on a commercial, industrial, or agricultural rate. This definition does not include Non-Residential Customers who are on a fixed usage or unmetered usage rate schedule<sup>5</sup>.
- c. **SCPA Service Area:** As defined by SCPA's Joint Powers Agreement<sup>6</sup>.
- d. **Impacted Customers:** Customers that live within 2 miles of the disaster-impacted perimeter as designated by CAL FIRE or another governmental agency. General areas, including by zip code may be used until a disaster-

<sup>2</sup> PG&E Advice Letter 4014-G/5378-E. Dated Sept. 7, 2018. [www.pge.com/tariffs/assets/pdf/adviceletter/ELEC\\_5378-E.pdf](http://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_5378-E.pdf).

<sup>3</sup> PG&E Electric Rule No. 1: Definitions, Sheet 30

<sup>4</sup> PG&E Advice Letter 4014-G/5378-E. Dated Sept. 7, 2018.

<sup>5</sup> PG&E Electric Rule No. 1: Definitions, Sheet 31

<sup>6</sup> Sonoma Clean Power Authority Joint Powers Authority. <https://sonomacleanpower.org/uploads/documents/Third-Amended-JPA-FinalApproved-10-13-16-with-updated-Ex-C.pdf>



impacted perimeter is established at SCPA's sole discretion<sup>7</sup> and/ or coded DSIR by PG&E.

- e. **Inspection Tags<sup>8</sup>**: The three colored tags (green, red and yellow) match placards posted on inspected structures<sup>9</sup>. Each type of placard is used by inspectors under the following circumstances:
- i. **Green (Inspected)** - Buildings can be damaged, yet remain safe - the safety of the building was not significantly changed by the disaster.
  - ii. **Red (Unsafe)** - Buildings are damaged and pose an imminent threat to life or safety under expected loads or other unsafe conditions.
  - iii. **Yellow (Restricted Use)** - There is some risk from damage in all or part of the building that does not warrant red-tagging. The extent of damage may be uncertain or cannot be ascertained within the time and resources available.
  - iv. **Orange (No Access)** - Parcels may be labeled as orange, which is not a tag color, but is used only to indicate that an inspection was performed on the property however the inspector was not able to access the structure(s). This could be due to a number of issues including downed power lines, locked gates, and debris blocking the roadway, damaged bridges, or other similar items.
- f. **PG&E REF|TD Codes** - PG&E will use the EDI billing codes outlined below to identify impacted SCPA customers per CalFire and/or County assessment(s). The codes allow for near real-time status of impacted customers.
- i. **Disaster Event Review (DSIR)** - location with close proximity of disaster, but not confirmed if property is damaged/destroyed/Red Tagged.
  - ii. **Disaster Event Cleared (DSCL)** - After review, the location is not deemed damaged/destroyed/Red Tagged.
  - iii. **Disaster Red Tag Notice (DSNT)** - pending bill relief decision. Stops SA and final/closing bill but will not complete bill - temporary status.
  - iv. **Disaster Red Tag Standard (DSST)** - bill relief not applied. Stops SA, final/closing bill, and completes bill (final status).
  - v. **Disaster Red Tag Bill Relief (DSBR)** - bill relief applied. Stops SA, final/closing bill, completes bill and applies debt reversal adjustment for SA balance (final status).
  - vi. **Disaster Red Tag Override (DSOV)** - manual override. Process manually if needed (final status).

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<sup>7</sup> PG&E Advice Letter 4014-G/5378-E. Dated Sept. 7, 2018. [www.pge.com/tariffs/assets/pdf/adviceletter/ELEC\\_5378-E.pdf](http://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_5378-E.pdf).

<sup>8</sup> County of Sonoma. "Permit Sonoma" <http://sonomacounty.ca.gov/PRMD/Eng-and-Constr/Building/RESA-2019-Flooding/>

<sup>9</sup> Important Note: Although a building may be placarded "Inspected" or "Restricted Use", specific areas in and around the building could be further identified as unsafe.

## Customer Service Policy A.6c 2020 August Complex Fires Emergency Consumer Protection Policy

### **Purpose:**

Pursuant to the California Public Utilities Commission (CPUC) directives and advice letters, residential and non-residential customers in areas where a state of emergency proclamation is issued by the California Governor's Office or the President of the United States due to a disaster that affects utility service are eligible for consumer protection measure(s) under PG&E's Emergency Consumer Protection Plan<sup>1</sup>. Sonoma Clean Power Authority (SCPA) provides additional emergency consumer protections to its customers as described below.

### **Emergency Incident:**

#### August Lightning Complex Fires 2020:

The August Complex is a massive wildfire burning in the Coast Range of Northern California, in Glenn, Lake, Mendocino, Tehama, and Trinity Counties. The complex originated as 38 separate fires started by lightning strikes on August 16-17, 2020. Four of the largest fires, the Doe, Tatham, Glade, and Hull fires, had burned together by August 30. On September 9, the Doe Fire, the main fire of the August Complex, surpassed the 2018 Mendocino Complex to become both the single-largest wildfire and the largest fire complex in recorded California history.

As of September 21, the August Complex fire has burned a total of 846,732 acres, or 1,323 square miles. Due to the immense size of the affected area, the fire is being managed as three separate incidents within a larger complex. The Doe Fire is defined as the August Complex South Zone and the Elkhorn Fire is defined as the August Complex North Zone. The August Complex West Zone was split off from the western portion of the Elkhorn Fire.

The fires have largely burned in the Mendocino National Forest, with portions spilling over to the Shasta-Trinity National Forest and Six Rivers National Forest in the north, as well as private land surrounding the forests. Large areas of the Yolla Bolly-Middle Eel Wilderness and Yuki Wilderness have been burned. Rugged terrain combined with consistent high winds and record heat have complicated firefighting efforts.

On August 18, Governor Gavin Newsom declared a statewide emergency to help ensure the availability of vital resources to combat fires burning across the state, which have been exacerbated by the effects of the historic West Coast heat wave and sustained high winds.

SCPA implemented its "Emergency Consumer Protection Plan and Emergency and Disaster Response Internal Procedures & Policy I.12".

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<sup>1</sup> PG&E Advice Letter 4014-G/5378-E. Dated Sept. 7, 2018. [www.pge.com/tariffs/assets/pdf/adviceletter/ELEC\\_5378-E.pdf](http://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_5378-E.pdf).

### **Applicability:**

This Policy applies to SCPA Residential Customers and Non-Residential Customers when a state of emergency proclamation is issued by the California Governor's Office or the President of the United States due to a disaster in SCPA's Service Territory that:

- a. Results in the loss or disruption of the delivery or receipt of electric utility service; and/or
- b. Results in the degradation of the quality of electric utility service.

### **Eligibility for Emergency Consumer Protection Plan:**

A customer will be eligible for SCPA's Emergency Consumer Protection Policy if the following criteria have been met:

- a. A state of emergency proclamation has been issued by the California Governor's Office or the President of the United States due to a disaster in SCPA's Service Territory;
- b. The customer is a Residential Customer or Non-Residential Customer of SCPA; and
- c. The customer's premise was or is Red Tagged and/or coded by PG&E as DSNT/DSST/DSBR/DSOV, as defined at the end of this Policy.

### **Emergency Consumer Protection Plan:**

SCPA's Emergency Consumer Protection Plan goes into effect the day a state of emergency proclamation has been issued by the California Governor's Office or the President of the United States due to a disaster in SCPA's Service Territory and includes the measures and parameters outlined below:

- a. **Late Payment Notice:** SCPA will stop sending Late Payment Notices to eligible customers until September 30, 2021.
- b. **Pre-Collection Notice for Non-Payment:** SCPA will stop sending Pre-Collection Notices for non-payment of SCPA charges to eligible customers until September 30, 2021.
- c. **Transfer for Non-Payment:** SCPA will not transfer eligible customers to PG&E service for non-payment of SCPA charges until September 30, 2021.
- d. **Collections:** SCPA will halt collection activity for eligible customers until September 30, 2021.

SCPA's Board of Directors may change or extend these measures at its sole discretion.

### **Definitions:**

For purposes of this Policy, the following definitions apply. Customers may also wish to review PG&E's Emergency Consumer Protection Plan<sup>2</sup> for additional information.

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<sup>2</sup> PG&E Advice Letter 4014-G/5378-E. Dated Sept. 7, 2018. [www.pge.com/tariffs/assets/pdf/adviceletter/ELEC\\_5378-E.pdf](http://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_5378-E.pdf).

- a. **Residential Customer**<sup>3</sup>: Class of customers whose dwellings are single-family units, multi-family units, mobile homes or other similar living establishments. A customer who meets the definition of a Residential Customer will be served under a residential rate schedule if 50% or more of the annual energy use on the meter is for residential end-uses. PG&E's tariff eligibility requirements will determine customer eligibility for this rate class.
- b. **Non-Residential Customer**<sup>4</sup>: Small and medium business customers that take service on a commercial, industrial, or agricultural rate. This definition does not include Non-Residential Customers who are on a fixed usage or unmetered usage rate schedule<sup>5</sup>.
- c. **SCPA Service Area**: As defined by SCPA's Joint Powers Agreement<sup>6</sup>.
- d. **Impacted Customers**: Customers that live within 2 miles of the disaster-impacted perimeter as designated by CAL FIRE or another governmental agency. General areas, including by zip code may be used until a disaster-impacted perimeter is established at SCPA's sole discretion<sup>7</sup> and/ or coded DSIR by PG&E.
- e. **Inspection Tags**<sup>8</sup>: The three colored tags (green, red and yellow) match placards posted on inspected structures<sup>9</sup>. Each type of placard is used by inspectors under the following circumstances:
  - i. **Green (Inspected)** - Buildings can be damaged, yet remain safe - the safety of the building was not significantly changed by the disaster.
  - ii. **Red (Unsafe)** - Buildings are damaged and pose an imminent threat to life or safety under expected loads or other unsafe conditions.
  - iii. **Yellow (Restricted Use)** - There is some risk from damage in all or part of the building that does not warrant red-tagging. The extent of damage may be uncertain or cannot be ascertained within the time and resources available.
  - iv. **Orange (No Access)** - Parcels may be labeled as orange, which is not a tag color, but is used only to indicate that an inspection was performed on the property however the inspector was not able to access the structure(s). This could be due to a number of issues including downed power lines, locked gates, and debris blocking the roadway, damaged bridges, or other similar items.
- f. **PG&E REF|TD Codes** - PG&E will use the EDI billing codes outlined below to identify impacted SCPA customers per CalFire and/or County assessment(s). The codes allow for near real-time status of impacted customers.
  - i. **Disaster Event Review (DSIR)** - location with close proximity of disaster, but not confirmed if property is damaged/destroyed/Red Tagged.
  - ii. **Disaster Event Cleared (DSCL)** - After review, the location is not deemed damaged/destroyed/Red Tagged.

<sup>3</sup> PG&E Electric Rule No. 1: Definitions, Sheet 30

<sup>4</sup> PG&E Advice Letter 4014-G/5378-E. Dated Sept. 7, 2018.

<sup>5</sup> PG&E Electric Rule No. 1: Definitions, Sheet 31

<sup>6</sup> Sonoma Clean Power Authority Joint Powers Authority. <https://sonomacleanpower.org/uploads/documents/Third-Amended-JPA-FinalApproved-10-13-16-with-updated-Ex-C.pdf>

<sup>7</sup> PG&E Advice Letter 4014-G/5378-E. Dated Sept. 7, 2018. [www.pge.com/tariffs/assets/pdf/adviceletter/ELEC\\_5378-E.pdf](http://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_5378-E.pdf).

<sup>8</sup> County of Sonoma. "Permit Sonoma" <http://sonomacounty.ca.gov/PRMD/Eng-and-Constr/Building/RESA-2019-Flooding/>

<sup>9</sup> Important Note: Although a building may be placarded "Inspected" or "Restricted Use", specific areas in and around the building could be further identified as unsafe.

- iii. **Disaster Red Tag Notice (DSNT)** – pending bill relief decision. Stops SA and final/closing bill but will not complete bill – temporary status.
- iv. **Disaster Red Tag Standard (DSST)** – bill relief not applied. Stops SA, final/closing bill, and completes bill (final status).
- v. **Disaster Red Tag Bill Relief (DSBR)** – bill relief applied. Stops SA, final/closing bill, completes bill and applies debt reversal adjustment for SA balance (final status).
- vi. **Disaster Red Tag Override (DSOV)** – manual override. Process manually if needed (final status).

## **Financial Policy B.1**

### CEO Spending Authority

The Sonoma Clean Power Authority (SCPA) CEO is authorized to make expenditures without prior Board or Community Advisory Committee review or approval provided that:

1. For power procurement, the total annual cost does not exceed \$5 million AND the expenditure will not result in exceeding the amount annually budgeted and approved for energy and scheduling;
2. For all other expenditures the total annual cost does not exceed \$100,000 AND the expenditure will not result in exceeding the amount annually budgeted and approved in the applicable category;
3. The expenditure is consistent with all adopted SCPA policies;
4. The Board Chair and Vice Chair, and the Community Advisory Committee Chair are notified immediately following any Product purchases that exceed \$100,000;
5. The expenditure is in the best interests of SCPA customers; and
6. All expenditures in excess of \$100,000 are reported at the next Board meeting.

## Financial Policy B.2

### Available Fund Balance, and Operating, Program and Collateral Reserves

SCP has an Operating Reserve for the purpose of supporting agency credit, a Program Reserve that allows multi-year program funding commitments, and a Collateral Reserve to allow the posting of collateral for energy and related purchases.

Target balances are:

Operating Reserve            50% of total annual budgeted expenses

Program Reserve 10% of total annual budgeted expenses

Collateral Reserve            10% of annual energy expenditures

Prior to reaching these targets, the following shall apply to Sonoma Clean Power Authority's financial management:

#### 1) Rate Setting and Budgeting:

- A. If rates can be kept competitive with PG&E, a minimum of 3% of revenues shall be recovered through rates to provide for the Operating Reserve, Program Reserve and Collateral Reserve, and reduce financial risk. Rates shall be deemed competitive if SCP's average retail generation rate<sup>1</sup>, inclusive of all fees<sup>2</sup>, is not more than 2% above PG&E's average retail generation rate<sup>3</sup>.
- B. If rates cannot be kept competitive per the definition in 1.A, then the additional amount to be recovered through rates shall be reduced so that SCP's average retail rate is no more than PG&E's average retail rate. However, the withdrawal of cash reserves to reduce rates should only be done in cases where the Board makes three findings (1) the use of reserves to reduce rates is likely to be needed because of a short-term reason, and unlikely to be needed in subsequent years; (2) there is a material likelihood that SCP or its customers would be significantly harmed without the use of reserves, and (3) the benefit is greater than the potential credit downgrade from use of the reserves.

#### 2) Allocating the Increase in Available Fund Balance, if any:

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<sup>1</sup> The Average Retail Generation Rate is the total revenue collected for generation divided by the total kilowatt-hours of energy sold.

<sup>2</sup> All fees separately charged to SCP customers as determined by the CPUC. Today this includes the Power Charge Indifference Adjustment and a Franchise Fee.

<sup>3</sup> See footnote #1.

- A. 75% to Operating Reserves to support credit and mitigate financial risks.
- B. 15% to Program Reserves to support programs that have financial commitments which extend beyond the current fiscal year consistent with SCPA's mission. Program Reserve usage must be authorized by the SCPA Board of Directors with prior review by the Community Advisory Committee.
- C. 10% to the Collateral Reserves to provide a source of collateral for purchasing energy and energy-market products.

Annual Increase in Available Fund Balance shall be determined based on information reported in the annual audited financial statements. Available fund balance at the end of a fiscal year is equal to assets convertible or expected to be converted into cash within 90 days.

When one or two of the reserve targets are met, greater percentages shall be contributed to the unmet target(s) at the Board's direction.

Upon reaching the target balances, rates and budgets shall be set to maintain the target balances.



## **Financial Policy B.3**

### Accounts Receivable Reserve

In order to accurately report accounts receivable, net assets and earnings, Sonoma Clean Power Authority (SCPA) shall estimate the rate of collection of amounts billed to customers by evaluating and monitoring the historical rates of collection of amounts billed to customers. Consideration shall be given to changes in the commercial and residential customer ratio, demographics, or other factors that might influence changes from historical rates.

As changes in historical rates of collection are identified, SCPA shall adjust estimated reserve amounts and record uncollectable amounts to align with the most recent data available. SCPA shall review historical data no less than twice annually, evaluating any changes that may be needed to the estimated reserve amount and recorded uncollectable amounts.

## **Financial Policy B.4**

### Bad Debt

Sonoma Clean Power Authority (SCPA) shall include an annual budgetary reserve for bad debt. The reserve shall initially be established at 0.35% of revenues. Thereafter, on an annual basis, if actual collections experience so indicates, the bad debt reserve shall be modified appropriately.

## **Power Services Policy C.1**

### Risk Management

Sonoma Clean Power Authority (SCPA) provides retail electric service to customers enrolled in the Sonoma Clean Power program. In order to provide such service while meeting associated legal compliance obligations and furthering the purposes of the program, SCPA engages in several types of procurement activities for an array of energy-related products. The products may include those related to energy, capacity, ancillary services, energy transmission and others that may be defined through legislative and regulatory changes. Procurement activities may include competitive solicitations, bilateral negotiations, programmatic activities, project development and participation in various markets such as those run by the California Independent System Operator (CAISO).

As an agency that serves customer electric load, and manages a portfolio to perform this function, SCPA faces exposure to many types of risk, such as: forecast error, commodity price fluctuation, market liquidity, and counterparty credit. These risks directly impact overall procurement costs and the risk of adverse procurement cost changes.

SCPA shall implement processes that monitor and manage procurement cost risk consistent with utility industry practice, for the purpose of prudently balancing the dual objectives of cost minimization and protection against low-probability adverse cost movements. These objectives are frequently in conflict, as lowest cost procurement may be achieved by settling all transactions in spot markets and none through forward contracts, while the lowest risk portfolio may be achieved at prohibitively high cost.

Therefore, SCPA's risk management processes shall include methods to model and calculate portfolio cost in low probability circumstances (5% probability, or 95th percentile) and shall, on no less frequently than a quarterly basis, monitor this cost against a tolerance threshold equal to a 10% increase in procurement costs. In the event that the calculated portfolio cost at the 95th percentile exceeds the tolerance threshold, SCPA management will be notified and corrective action will be taken to reduce this cost to a level at or below the threshold.

## **Power Services Policy C.2**

California Independent System Operator

Sonoma Clean Power Authority (SCPA) is a Market Participant as defined in the California Independent System Operator's (CAISO) Federal Energy Regulatory Commission filed tariff. SCPA's participation in the CAISO markets includes, but is not limited to, the areas of Scheduling Coordination, energy imbalance settlement, Congestion Revenue Rights accrual, settlements, and other activities, rights and responsibilities as determined in the CAISO tariff as it applies to all CAISO market participants. SCPA's CAISO market participation shall:

- 1) Strictly comply with the laws, rules and regulations governing CAISO operation, including but not limited to, the Federal Energy Regulatory Commission approved CAISO Tariff, CAISO Business Practice Manuals, and any successors;
- 2) Be consistent with SCPA Board adopted Policies; and
- 3) Continuously seek the lowest cost, least risk impact to SCPA customers.

On an interval appropriate to each specific CAISO market, but in no circumstance on less than a monthly basis, SCPA shall monitor CAISO transactions for conformance to expected outcomes. SCPA shall immediately take all appropriate actions to address identified deviations. To the extent SCPA identifies contingencies that are likely to result in an impact exceeding 5% of gross revenues, SCPA shall report such contingencies and their proposed resolution to the Community Advisory Committee and the Board at the next available Committee and Board meetings.

## **Power Services Policy C.3**

### Procurement Criteria, Policies, and Signature Authority

This Procurement Policy C.3 applies to all “Energy Contracts” as defined in Exhibit A to the Third Amended and Restated Joint Powers Agreement.

#### Definitions:

As used in this Procurement Policy C.3:

“Transaction” means any “Energy Contract.”

“Spot Transaction” means any Transaction that involves deliveries of product for a period of less than five days.

#### General Requirements:

All Transactions other than Spot Transactions must be evidenced by a written agreement or confirmation that has been reviewed and approved as to form by the General Counsel or by an outside counsel approved by the General Counsel.

All Transactions must be consistent with any then-applicable Integrated Resource Plan adopted by the Board of Directors. If no Integrated Resource Plan has been adopted by the Board of Directors, all Transactions must be consistent with the purposes stated in the JPA. Transactions that are not consistent with an adopted Integrated Resource Plan or with the JPA must be approved by the Board of Directors. All Transactions must also meet the criteria set forth in Procurement Policy C.1, relating to risk management.

Any Transaction requiring the posting of collateral will require, at a minimum, the signatures of the Director of Power Services and the Chief Executive Officer, in addition to any other applicable signature requirements.

#### Procurement Categories and Signature Requirements:

The table below shows the requirements for specific categories of procurement, and the individuals who are authorized to execute agreements, confirmations, and other documents relating to the procurement.

PROCUREMENT CATEGORY	SIGNATURE REQUIREMENTS	COUNSEL REVIEW REQUIREMENTS
Spot Transactions	(a) Energy Market Analyst <i>and either</i> Senior Power Analyst or Director of Power Services; or (b) Senior Power Analyst and Director of Power Services	None
Non-Spot Transactions of Duration Less Than 3 Years and Having Notional Value of Less Than \$5,000,000	Senior Power Analyst and Director of Power Services	Outside Counsel
Transactions Less Than 10 Years and Notional Value of less than \$250,000,000	Director of Power Services and Chief Executive Officer	Outside Counsel and General Counsel
Transactions of 10 Years or More Duration or Having Notional Value Greater Than \$250,000,000	Director of Power Services, Chief Executive Officer, and Chair and Vice Chair of Board of Directors	Outside Counsel and General Counsel

## **Power Services Policy C.4**

### SCPA Policy Governing Preferred Resources for Serving Multiple SCP Customers During Public Safety Power Shutoffs

The Governing Board of the Sonoma Clean Power Authority (SCPA) establishes the following requirements for electric energy resources serving more than one SCP customer account in microgrids and any situation where customers are disconnected or islanded from transmission and/or distribution service.

**1. Short-term.** Any backup power options that will be in use for less than 3 years are recognized as transitional. SCP creates no additional requirements for these transitional resources beyond the requirements provided by federal and state agencies.

**2. Minimize the Need and Cost for Local Generation and Storage.**

a. The IOU should create a baseline schedule and budget for fully repairing and hardening the transmission grid before any consideration of local generating or storage resources is made. SCP finds it unacceptable to assume that high-voltage transmission lines will be shutoff for any appreciable frequency or duration in PSPS events for a period lasting more than 3 years.

b. The IOU should minimize the number of customers affected by PSPS events through circuit segmentation, substation reconductoring, targeted undergrounding, tree management, and all other practical means before any consideration of local generating or storage resources is made.

**3. Use the State's Adopted Loading Order.** When using the CPUC and CAISO's adopted loading order for microgrids, some resources are naturally excluded, such as large hydropower, coal and nuclear power due to an inability to locate in the distribution grid. The remaining resources are listed here in order:

- a. Demand Response and Energy Efficiency is first. In the case of microgrids, this should also prioritize essential loads ahead of flexible loads. Electric vehicle charging and heat pump water heating are examples of flexible loads under SCP dispatch.
- b. Renewable Portfolio Standard (RPS) eligible resources are next. This includes solar, wind, small hydropower, geothermal, biomass and biogas. Note that SCP's governing board does not allow biomethane offsets of local natural gas use in this category.
- c. Batteries and other means of storing electricity is next.
- d. Combined Heat & Power (CHP) is next. This category is the first that

allows the use of a fossil energy resource (usually natural gas), but with the condition that waste heat is captured and put to a valuable use and that all local natural gas use is offset with biomethane.

- e. Finally, other forms of natural gas power may be considered to meet any remaining residual need. Biomethane offsets of local natural gas are prioritized above projects that do not offset local natural gas use.

For both 3(d) and 3(e), SCP's governing board makes an additional requirement. The IOU should provide detailed information about the likely number, duration and scope of PSPS events if no local natural gas powered systems were installed. In the case that the remaining shutoffs are likely to be infrequent, short in duration and otherwise cause minimal harm, SCP's governing board reserves the right to seek input from the affected community and make a determination of the best pathway.



## **Administrative and General Policy D.1**

### Prohibition Against Dissemination of Untrue or Misleading Information

*Pursuant to California Public Utilities Code Section 396.5:*

Dissemination by Sonoma Clean Power Authority (SCPA) (i.e. Board and Committee Members, and/or SCPA Staff, and/or SCPA representatives acting under authorized SCPA direction) of any statement relating to Sonoma Clean Power's (SCP's) rates or terms and conditions of service that is untrue or misleading, and that is known, or that, by the exercise of reasonable care, should be known, to be untrue or misleading is strictly prohibited. Individuals who violate this Administrative and General Policy D.1 may be, as determined by the Board, subject to corrective action.

## **Administrative and General Policy D.2**

### Records Retention

Whenever possible, Sonoma Clean Power Authority (SCPA) records shall be retained in searchable, electronic format. Records shall be kept, at a minimum, for the period required by law or regulation. If no law or regulation is applicable, or if other compelling reasons are established, records may be retained for longer period of times including in perpetuity.

## **Administrative and General Policy D.3**

### Process for Amending and Adopting Policies

All newly proposed Sonoma Clean Power Authority (SCPA) policies, or substantive proposed amendments to existing SCPA policies, shall be presented to the Community Advisory Committee for review, comment and recommendation, and subsequently presented to the Board for approval by motion.

A current copy of SCPA policies shall be posted on the Sonoma Clean Power website at all times. On at least an annual basis, a thorough review of the SCPA policies shall be conducted. Ministerial updates required to keep the SCPA policies current shall be made under the approval of the CEO and General Counsel, with an email notice containing a link to the updated policies sent to all Board and Committee members.

## **Administrative and General Policy D.4**

### New Customer Communities

Whereas, the Sonoma Clean Power Authority's (SCPA) purposes include:

- Reducing greenhouse gas emissions related to the use of power in Sonoma County and neighboring regions;
- Providing electric power and other forms of energy to customers at a competitive cost;
- Carrying out programs to reduce energy consumption;
- Stimulating and sustaining the local economy by developing local jobs in renewable energy; and
- Promoting long-term electric rate stability and energy security and reliability for residents through local control of electric generation resources; and

Whereas, creating opportunities for new communities to benefit from community choice aggregation programs may allow SCPA to further progress towards these purposes; and

Whereas, SCPA's default CleanStart service reduces greenhouse gas emissions when compared to the incumbent utility's default service; and

Whereas, the addition of new communities to SCPA's service territory will accelerate progress toward SCPA's and the State of California's goals on renewable energy and greenhouse gas reductions;

Therefore, in light of these considerations, it is SCPA's policy to consider providing electric service in new communities to further SCPA's goals, consistent with the criteria set forth below.

Applications to serve new communities will be considered if all of the following criteria are met:

1. The community is relatively close to existing SCPA service territory, so that regular meeting attendance and community engagement is practical.
2. The community agrees to abide by the SCPA Joint Powers Agreement, all existing SCPA adopted policies, and any conditions of service proscribed by SCPA's Board of Directors, and to take all steps required by the Joint Powers Agreement and California law to participate in the SCP program, with governance representation determined by the existing SCPA Board of Directors.
3. The SCPA Board of Directors finds that service to the new region:
  - a. will decrease greenhouse gas emissions;
  - b. will not increase costs or financial risks to existing SCP customers;
  - c. will be consistent with SCPA's purposes of promoting renewable energy, energy efficiency and conservation

4. There should be significant political and public alignment of values between existing and proposed participants, so that fundamental conflicts over key underlying issues are less likely. This would be important, for example, in determining the balance of environmental and economic goals.
5. The addition of the new community is likely to increase the voice of SCPA in legislative and regulatory matters at the California Public Utilities Commission, California Energy Commission, California Air Resource Board, the California State Legislature and other relevant venues.
6. The addition of the new community will not harm SCPA's autonomy over its portfolio of power sources, customer programs, and its ability to serve local, community interests.
7. The addition of the new community will not harm the quality of service to existing SCPA customers and will not give rise to operational risks that could significantly harm SCPA's existing functions.

An applicant community that initially appears to meet the above criteria may be referred by the SCPA Board of Directors to SCPA staff for a more detailed analysis of the applicability of above criteria, and any other relevant issues, following the New Customer Community Application Procedure set forth below.

Sonoma Clean Power  
New Customer Community Application Procedure

- Step 1      Governing body of applicant community submits letter to SCP requesting consideration for service.
- Step 2      Staff evaluates timing of request to determine if internal resources are available to consider request, and to ensure no impact to core agency functions.
- Step 3      Staff submits request to SCPA Board of Directors along with staff's initial opinion, and the Board determines whether a full analysis is warranted. If so, staff sends a letter of acknowledgement to the applicant region.
- Step 4      Staff executes contract with governing body of new community to fund costs of membership analysis and other SCPA costs relating to adding community (e.g., cost of updating Implementation Plan). These costs would be deducted from program funding that normally would flow to the new territory until startup costs are reimbursed to SCPA's operating fund. Staff undertakes and completes a full analysis.
- Step 5      Results of membership analysis presented to governing body of new community and to SCPA Board of Directors. SCPA Board determines whether providing service to new community is consistent with Policy D-4, whether new community will be offered representation on the Board, and what other conditions will apply to new service.
- Step 6      A 60-day period will be provided for SCPA Board members to request a presentation by SCPA staff before their city or town councils or county board of supervisors, and to allow adequate time for city/town and county staff to evaluate the proposed extension of service.
- Step 7      SCPA Board of Directors votes on whether to extend a formal offer for service.
- Step 8      Governing body of new community approves resolution requesting membership and ordinance authorizing community choice aggregation service through SCPA, and takes any other actions required by the SCPA Board of Directors as a condition of service.
- Step 9      SCPA Board of Directors adopts resolution authorizing membership of the additional community, and staff submits updated Implementation Plan to CPUC.

Step 10      SCPA Staff develops service plan and schedule, begins buying additional energy, and starts community outreach.