

AGENDA
ORANGE COUNTY POWER AUTHORITY
REGULAR MEETING OF THE BOARD OF DIRECTORS

Monday, June 8, 2026
2:00 p.m.

This meeting will proceed as an in-person meeting at **15310 Barranca Parkway, Suite 250, Irvine, CA 92618 and 303 W Commonwealth Ave., Fullerton, CA 92832**. In addition, as a convenience to the public, the Orange County Power Authority is also providing an option for members of the public to remotely view and participate in the meeting. Further details are below. Please note that, in the event of a technical issue causing a disruption in the remote participation option, the meeting may continue unless otherwise required by law.

Public Comments: Any member of the public may provide comments to the Orange County Power Authority Board of Directors on any agenda item by requesting to speak during Item 4, or on any matter not appearing on the agenda but within the jurisdiction of the Board by requesting to speak during Item 5. When providing comments to the Board, it is requested that you provide your name and city of residence for the record. Commenters are requested to address their comments to the Board as a whole through the Chair. Comments may be provided in the following manner:

Request to Speak: To provide comments during the meeting, in-person attendees, please fill out the public speaker slip and provide it to the clerk at the beginning of the meeting. Before Items 4 and 5, the Chair or Clerk will ask members of the public to join the queue to provide public comment. The queue will remain open for a reasonable amount of time to allow members of the public sufficient time to request to speak and inform the Board of the number of speakers. After such time, the queue will be closed and the members of the public who have joined the queue to speak will be recognized at the appropriate time may speak. To join the queue on Zoom video conference by computer or mobile phone, use the "Raise Hand" feature. If joining the meeting using the Zoom dial-in number, you can raise your hand and join the queue by pressing *9. Members of the public will not be shown on video but will be able to speak when called upon.

Comments shall generally be limited to three minutes when speaking, provided that the Chair may equally reduce each speaker's time to accommodate a large number of speakers or a large number of agenda items.

Written Communications: If you have a written communication that you wish to be distributed to the Board, please provide it via e-mail to comments@ocpower.org. Written communications are public records and, if received by 5:00 p.m. on the day prior to the meeting, will be distributed to the Board prior to the meeting by either e-mail or hard-copy, posted on the Authority's website and noted, but not read, at the meeting. Communications received after the 5:00 p.m. deadline will be retained in the Authority's records.

The public may participate using the following remote options:

ZOOM WEBINAR

Please click the link below to join the webinar:

[Launch Meeting - Zoom](#)

Dial-in: 1-669-900-6833

Webinar ID: 842 4976 7628

1. **CALL TO ORDER**

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL**

4. **PUBLIC COMMENTS ON AGENDA ITEMS**

Opportunity for members of the public to address the Board on any items on the agenda.

5. **PUBLIC COMMENTS ON NON-AGENDA ITEMS**

Opportunity for members of the public to address the Board on any items not on the agenda but within the jurisdiction of the Board.

6. **DIRECTOR ANNOUNCEMENTS & REPORTS ON CONFERENCES/EVENTS ATTENDED**

Board Members may briefly provide information to other members of the Board and the public, ask questions of staff, or report on conferences, events, or activities related to Authority business. There is to be no discussion or action taken on comments made by Board Members unless authorized by law.

7. **CONSENT CALENDAR**

All items listed under the Consent Calendar are considered to be routine and may be enacted by one motion. Prior to the motion to consider any action by the Board of Directors, any public comments on any of the Consent Items will be heard. There will be no separate action unless members of the Board of Directors request specific items be removed from the Consent Calendar.

1. MINUTES FOR THE REGULAR BOARD MEETING OF MAY 7, 2026

Recommended Action:

Approve as submitted.

2. MARKETING AND COMMUNICATIONS UPDATE FOR APRIL - MAY 2026

Recommended Action:

Receive and file.

3. LEGISLATIVE AND REGULATORY UPDATE

Recommended Action:

Receive and file.

4. COMMUNITY ADVISORY COMMITTEE MEETING UPDATE MAY 2026

Recommended Action:

Receive and file.

5. COMMUNITY ADVISORY COMMITTEE MEETING UPDATE JUNE 2026

Recommended Action:

Receive and file.

6. 2026-27 STRATEGIC PLAN MONTHLY UPDATE

Recommended Action:

Receive and file.

7. PUBLIC RECORDS ACT QUARTERLY REPORT

Recommended Action:

Receive and file.

8. REGULAR CALENDAR

The following items call for discussion or action by the Board of Directors. The Board may discuss and/or take action on any item listed below if the Board is so inclined.

1. CONDUCT A PUBLIC HEARING AND ADOPT A RESOLUTION APPROVING AN UPDATED AMENDMENT NUMBER TWO TO THE OCPA COMMUNITY CHOICE AGGREGATION IMPLEMENTATION PLAN AND STATEMENT OF INTENT

Recommended Action:

1. Conduct a Public Hearing.
2. Adopt Resolution 2026-XX: A Resolution of the Board of Directors of Orange County Power Authority Approving the Updated Amendment Number Two to the Community Choice Aggregation Implementation Plan and Statement of Intent Providing New Electric Service to the City of Fountain Valley.

2. APPROVE OCPA'S FISCAL YEAR 2026/27 OPERATING BUDGET

Recommended Action:

1. Approve the recommended FY2026/27 Operating Budget, which projects a positive net position of approximately \$14.1 million, supports 2026 rate stability, rebuilds operating reserves, and funds essential power supply, operating, customer program, and non-operating expenses as presented in Attachment 1. The recommended budget supports the Board's reserve policy target and OCPA's long-term financial sustainability goals.
2. Approve a 3.7% Cost-of-Living Adjustment (COLA) for full-time employees, effective January 1, 2027, based on the April 2026 Consumer Price Index (CPI) for the Los Angeles-Long Beach-Anaheim area, and authorize corresponding updates to OCPA salary ranges. COLA eligibility will be prorated based on hire date, consistent with OCPA's compensation practices.
3. Approve the Group Health Plan Enhancement to adjust OCPA's employer contribution for baseline employer-covered medical and vision plan options from 95% to 100%, effective July 2026, for employees and dependents enrolled in those plans, with employees continuing to pay any incremental cost for higher-cost plan elections.

9. STAFF REPORT

Staff may briefly provide information to the Board and the public. The Board may engage in discussion if the specific subject matter of the report is identified, but the Board may not take any action. There is to be no other discussion or action taken unless authorized by law.

10. ADJOURNMENT

Compliance with the Americans with Disabilities Act

Board of Directors meetings comply with the protections and prohibitions of the Americans with Disabilities Act. Individuals with a disability who require a modification or accommodation, including auxiliary aids or services, in order to participate in the public meeting may contact 949-263-2612. Requests for disability-related modifications or accommodations require different lead times and should be provided at least 72-hours in advance of the public meeting.

Availability of Board Documents

Copies of the agenda and agenda packet are available at www.ocpower.org. Late-arriving documents related to a Board meeting item which are distributed to a majority of the Board prior to or during the Board meeting are available for public review as required by law. Public records, including agenda-related documents, can be requested electronically at clerk@ocpower.org or by mail to 15642 Sand Canyon Avenue, P.O. Box 54283, Irvine, CA 92619-4283. The documents may also be posted at the above website. Such public records are also available for inspection, by appointment, at 15310 Barranca Parkway, Suite 250, Irvine, CA 92618. Please contact clerk@ocpower.org to arrange an appointment.

OCPA ACRONYM LIST

Last revised on 6/3/2025

Displaying regularly used acronyms is beneficial for public agencies, enhancing clarity and efficiency in communication. OCPA's Acronyms Lists contain terms that are often used and abbreviated to simplify complex terms and processes, making information more accessible to both employees and the public.

Our hope is to ensure that everyone understands the terminology we use, reducing confusion, and misunderstandings. When members of the public can easily decode acronyms, they feel more informed and engaged with the agency's operations. This practice also supports training and onboarding efforts, as new employees can quickly familiarize themselves with commonly used terms, accelerating their integration into the team.

AB	Assembly Bill
ACC	Avoided Cost Calculator
AL	Advice Letter
ALJ	Administrative Law Judge
ARB	Air Resource Board
BA	Balancing Authority
BESS	Battery Energy Storage System
BioMAT	Bioenergy Market Adjusting Tariff
C&I	Commercial & Industrial
CAISO	California Independent System Operator
CalCCA	California Community Choice Association
CAM	Cost Allocation Mechanism
CAPP	California Arrearage Payment Program
CARB	California Air Resources Board
CARE	California Alternate Rates for Energy (Low Income Discount Rate)
CCA	Community Choice Aggregation
CEC	California Energy Commission
CP	Compliance Period
CPE	Central Procurement Entity
CPUC	California Public Utilities Commission
CRR	Congestion Revenue Right
DA	Direct Access (Private Retail Energy Supplier)
DAC	Disadvantaged Community (As Defined by CalEnviroScreen 3.0)
DAME	Day-Ahead Market Enhancements
DCPP	Diablo Canyon Power Plant

Demand	The rate at which electric energy is delivered to or by a system or part of a system, generally expressed in kilowatts (kW), megawatts (MW), or gigawatts (GW), at a given instant or averaged over any designated interval of time. Demand should not be confused with Load or Energy
DER	Distributed Energy Resources
DERMS	Distributed Energy Resource Management System
Distribution	The delivery of electricity to the retail customer's home or business through low voltage distribution lines
DLAP	Default Load Aggregation Point
DR	Demand Response
DRP	Distributed Resource Plans
DWR	Department of Water Resources
ECR	Enhanced Community Renewable
ED	Energy Division
EDAM	Extended Day-Ahead Market
EE	Energy Efficiency
ELCC	Effective Load Carrying Capacity
ELRP	Emergency Load Reduction Program
EPIC	Electric Program Investment Charge
ERRA	Energy Resource Recovery Account (SCE Generation Rate Setting)
ES	Energy Storage
ESA	Energy Storage Agreement
ESP	Energy Service Provider
EV	Electric Vehicle
EVSE	Electric Vehicle Supply Equipment (EV Charger)
FERA	Family Electric Rate Assistance (Low Income Discount Rate)
FERC	Federal Energy Regulatory Commission
GHG	Greenhouse Gas
GRC	General Rate Case
GT	Green Tariff
GTSR	Green Tariff Shared Renewables
GWh	Gigawatt-hour
ICA	Integration Capacity Analysis
IDER	Integrated Distributed Energy Resources
IDSM	Integrated Demand-Side Management
IEPR	Integrated Energy Planning Report
IGFC	Income-Graduated Fixed Charge
IOU	Investor-Owned Utility
IRP	Integrated Resource Plan
JPA	Joint Powers Authority
JRM	Joint Rate Mailer

kW	Kilowatt
kWh	Kilowatt-hour
LCFS	Low Carbon Fuel Standard
LCR	Local (RA) Capacity Requirements
LMP	Locational Marginal Price
LMS	Load Management Standards
LNBA	Locational Net Benefits Analysis
Load	An end use device or customer that receives power from an energy delivery system
LOLE	Loss of load expectations
LSE	Load Serving Entity
LTPP	Long-Term Procurement Rulemaking
MB	Medical Baseline (Discount Rate for Medical Equipment Needs)
MEO	Marketing Education and Outreach
MPB	Market Price Benchmark
MTR	Mid Term Reliability
MW	Megawatt
MWh	Megawatt-hour
NBC	Non-Bypassable Charge
NBT	Net Billing Tariff (NEM 3.0) Also known as Solar Billing Tariff or Solar Billing Plan
NDA	Non-Disclosure Agreement
NEM	Net Energy Metering (Usually for Customers with Solar)
NP-15	North Path 15
OAT	Other Applicable Tariffs
OIR	Order Instituting Rulemaking
OSC	Order to Show Cause
OSW	Offshore Wind
PA	Program Administrator
PCC1	Renewable energy generated in the state of California
PCC2	Renewable energy generated outside California
PCC3	A REC from a Renewable Resource, independent of Energy
PCIA	Power Charge Indifference Adjustment
PCL	Power Content Label
PD	Proposed Decision
PfM	Petition for Modification
PG&E	Pacific Gas & Electric
PHC	Prehearing Conference
Pnode	Pricing Node
POLR	Provider of Last Resort
POU	Publicly Owned or Municipal Utility
PPA	Power Purchase Agreement

PRP	Priority Review Project
PRRR	Progress on Residential Rate Reform
PSD	Power Source Disclosures
PSPS	Public Safety Power Shutoff
PUC	Public Utilities Code / Public Utilities Commission
PURPA	Public Utilities Regulatory Policy Act
PV	Photovoltaic (Solar) Panels
RA	Resource Adequacy
RAM	Renewables Auction Mechanism
RCPPP	Reliable and Clean Power Procurement Program
RE	Renewable Energy
REC	Renewable Energy Credit or Renewable Energy Certificate
RES-BCT	Renewables Energy Self-Generation Bill Credit Transfer
RFI	Request for Information
RFO	Request for Offers
RFP	Request for Proposals
RFQ	Request for Qualifications
RIN	Rate Identifier Number
RPS	Renewable Portfolio Standard
SB	Senate Bill
SBT/SBP	Solar Billing Tariff/Solar Billing Plan
SCE	Southern California Edison
SDG&E	San Diego Gas & Electric
SGIP	Self-Generation Incentive Program
SOD	Slice of Day
T&D	Transmission and Distribution
TBS	Transitional Bundled Service
TE	Transportation Electrification
Time-of-Use (TOU) Rates	The pricing of delivered electricity based on the estimated cost of electricity during a particular time-block
TPP	Transmission Planning Process
Unbundled RECs	Renewable energy certificates that verify a purchase of a MWH unit of renewable power where the actual power and the certificate are “unbundled” and sold to different buyers.
VAMO	Voluntary Allocation, Market Offer
VPP	Virtual Power Plant
WECC	Western Electricity Coordinating Council
WEIM	Western Energy Imbalance Market
WREGIS	Western Renewable Energy Generation Information System



**MINUTES
REGULAR MEETING
BOARD OF DIRECTORS
ORANGE COUNTY POWER AUTHORITY**

Monday, May 7, 2026

1. CALL TO ORDER

CEO Joe Mosca called to order the Regular Meeting of the Orange County Power Authority Board of Directors at 2:02 p.m. on Monday, May 7, 2026.

2. PLEDGE OF ALLEGIANCE

Director Grandis led the Pledge of Allegiance.

3. ROLL CALL

Present:	Director Glenn Grandis	City of Fountain Valley
	Director Fred Jung	City of Fullerton (Teleconference)
	Director Kathleen Treseder	City of Irvine
	Director Go	City of Irvine (Teleconference)
	Chair Susan Sonne	City of Buena Park, Arrived at 2:07 pm

Absent:	Vice Chair Mai	City of Irvine
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4. PUBLIC COMMENTS ON AGENDA ITEMS

Vicki Johnson, City of Laguna Woods resident, commented on Regular Calendar Item 8.1.

5. PUBLIC COMMENTS ON NON-AGENDA ITEMS

Mike Rough, City of Laguna Woods resident, commented on contracts that OCPA has.

Charles Johnson, City of Huntington Beach resident, commented on OCPA's power milestone.

6. DIRECTOR ANNOUNCEMENTS

None.

7. **CONSENT CALENDAR**

Moved by Director Jung, seconded by Director Treseder to:
Approve consent calendar 7.1-7.3

The motion carried unanimously by the following 5-0-0 vote:

Ayes: Director Grandis, Director Jung, Director Treseder, Director Go,
Chair Sonne
Noes: None

1. **MINUTES FOR THE REGULAR BOARD MEETING OF APRIL 13, 2026**

Action Taken:

Approved as submitted.

2. **TREASURER'S REPORT**

Action Taken:

Received and filed.

3. **LEGISLATIVE AND REGULATORY UPDATE**

Action Taken:

Received and filed.

8. **REGULAR CALENDAR**

1. **FISCAL YEAR 2026/2027 BUDGET FRAMEWORK**

Chief Financial Officer Tiffany Law presented the Fiscal Year 2026/2027 Budget Framework. She provided an overview of the key principles guiding Orange County Power Authority's (OCPA) budget development process, as well as the proposed timeline for preparing and adopting the FY 2026/2027 budget.

Staff and the Board of Directors engaged in discussions about what they will see in the proposed budget and how staff decide on the projected numbers. The Board of Directors also asked for future clarification on budget items that will be placed on the final FY26/27 Budget.

Action Taken:

Received and filed.

2. APPROVE THIRD AMENDMENT TO REVEILLE, INC. CONTRACT

Director of Communications and External Affairs Jacquie Henderson presented the background of the Professional Services Agreement between OCPA with Reveille, Inc. After a Request for Proposal (RFP) was released, three (3) firms submitted a response. Reveille emerged as the top scorer and the Board of Directors (Board) approved a short-term contract Reveille with options to extend for three additional one-year terms. The first amendment extended the contract until June 30, 2025 with the second amendment extending it until June 30, 2026.

Jacquie emphasized the importance of Reveille's vast experience with OCPA and the intimate understanding of the agency's needs. She highlighted the successes that OCPA has had with Reveille over the last year as well as the communication achievements for the current fiscal year. Jacquie noted the third amendment with Reveille would have huge impacts to OCPA, which include; Fountain Valley Launch communications: Board Relations: Government Relations: Research: Media Relations: Community and Customer Outreach: Program Launch Support: Multicultural Outreach: Website Enhancements: and much more.

Moved by Chair Sonne, seconded by Director Treseder to authorize CEO to execute an amendment to the agreement with Reveille, Inc. for communications, marketing, strategy, public engagement, digital, and graphic design services, effective from July 1, 2026, to June 30, 2027, and increasing the not-to-exceed amount by \$920,000.

The motion carried unanimously by the following 5-0-0 vote:

Ayes:	Director Grandis, Director Jung, Director Treseder, Director Go, Chair Sonne
Noes:	None

3. PUBLIC HEARING ON ORANGE COUNTY POWER AUTHORITY VACANCIES, RECRUITMENT, AND RETENTION EFFORTS PURSUANT TO ASSEMBLY BILL 2561 / GOVERNMENT COFE SECTION 3502.3

Human Resources Generalist Wendy Garcia presented the background on Assembly Bill 2561 and the addition of section 3502.3 to the Government Code which requires public agencies to present the status of vacancies, recruitment, and retention efforts during a public hearing before the governing body. This public hearing must take place once a fiscal year, and prior to any adoption of the final budget.

Wendy discussed the current vacancies within OCPA staff and the avenues the agency is utilizing to fulfill those positions. She also emphasized the efforts taken to retain employees, including health benefits that were comparable to other CCAs.

Action Taken:

Received and filed.

9. STAFF REPORT

CEO Joe Mosca provided his report in the full agenda packet. Mosca introduced and welcomed the two(2) new additions to the OCPA staff; Frank Harris as the new Regulatory & Legislative Manager: and Carlo Bencomo-Jasso as the new Rates & Revenue Manager.

10. ADJOURNMENT

With no further business to come before the Board, Chair Sonne adjourned the May 7, 2026, Orange County Power Authority Board of Directors Regular meeting at 3:04 p.m.

Chair Sonne noted that the next Orange County Power Authority Board of Directors Regular meeting will be held on Monday, June 8, 2026, at 2:00 p.m.

Submitted by:

Rogelio Palacios, Board Secretary

ORANGE COUNTY POWER AUTHORITY

Staff Report – Item 7.2

To: Orange County Power Authority Board of Directors
From: Jacquie Henderson, Director of Communications & External Affairs
Approved by: Joe Mosca, Chief Executive Officer
Subject: MARKETING AND COMMUNICATIONS COMMITTEE UPDATE FOR APRIL – MAY 2026
Date: June 8, 2026

STRATEGIC GOALS

- ☒ Enrich & Grow the OCPA Community
- ☐ Prioritize Fiscal Sustainability & Affordability
- ☐ Design & Deploy Community-Aligned Customer Programs
- ☐ Energize Our Community with Renewable Energy
- ☒ Raise Awareness of Community Energy & Advocate for Our Customers
- ☐ Not Applicable

RECOMMENDED ACTION(S)

Receive and file.

BACKGROUND

The Orange County Power Authority (OCPA) Marketing and Communications Committee meets quarterly to review the agency's outreach and engagement activities over the previous two to three months. This report will provide details on the success of notable outreach efforts over the past two months, and key future happenings.

DISCUSSION / ANALYSIS

Over the past two months, OCPA participated in numerous community events to interact with current and prospective customers while promoting the mission of cleaner energy and decreased carbon emissions. OCPA continues to provide information on

customer programs across its own and partner platforms, while building relationships with city and community stakeholders across a wide variety of channels. Highlights are outlined below.

Public Outreach and Education

Numerous assets have been developed to support customers' energy education. In the past two months, this has included a blog post explaining the change to California's climate credit that appears on customer bills, and a handout with simple tips to save energy at home.

OCPA also designed targeted awareness pieces including a program ad for the annual Orange County Hispanic Chamber of Commerce Estrella Awards, and an ad for the annual Orange County Council of Governments Conference. OCPA's Programs staff hosted a webinar open to all that provided tips on how to save money and energy, and the OCPA Director of Communications and External Affairs was a featured panelist at the annual California Community Choice Association (CalCCA) Conference, where she shared a communications case study. OCPA also sponsored one of its cornerstone events in May, Irvine's annual CicloIrvine, where staff engaged directly with community members.

Video Production

OCPA is excited to continue evolving its video library with the addition of customer testimonials. This series of short-form videos showcases community members and their reasons for supporting community clean energy in Orange County. Each of the four videos highlights OCPA benefits from varying perspectives. The videos are available on the OCPA YouTube channel and have been running as part of OCPA's paid digital campaign. To date, the videos have received over 51,500 views on YouTube.

Additionally, a new series of OCPA's popular Unplugged short-form series is in production. This series breaks down complex community energy topics into bite-sized content for easy viewing. Topics include What Happens When You Call OCPA, Energy Bill Breakdown, and How OCPA Advocates for Energy Affordability. The latest season of videos will be completed by mid-June and run in organic and paid social.

Digital Communications

The OCPA website continues to evolve so that it remains a helpful, intuitive resource for visitors. Recently, the landing page that navigates customers to OCPA programs has been updated to be more visual and include all current and past OCPA programs. This provides a more helpful tool for customers to see what programs are currently applicable and provide feedback if a past OCPA is of interest.

A new page was also added that provides information on income-qualified energy programs offered through various providers. This has been a goal in the OCPA Strategic Plan and was proven necessary through feedback received during creation of OCPA's Community Power Plan. As a trusted source of information, OCPA prioritizes making helpful information readily available to help customers save money on energy costs.

Renewable Energy Curriculum

Also included in OCPA's Strategic Plan is the development of renewable energy educational tools for students. Over the past four months, OCPA has worked in partnership with the Orange County Department of Education (OCDE) to develop curriculum around renewable energy built on the Next Generation Science Education Standards. Four lessons have been developed with graduating levels of complexity based on grade level. The fourth grade lesson has been piloted in a Buena Park classroom, which has led to the final stages of curriculum modification. Once complete, the lessons will be available through the OCDE and downloadable on the OCPA website for the upcoming school year and beyond.

Upcoming Communications and Outreach

OCPA is excited to concentrate communications and outreach efforts in the Fountain Valley community throughout the remainder of the year and beyond. Summerfest in June will be a great opportunity for OCPA to engage with community members, and presentations to community organizations are being scheduled. Staff are partnering with Fountain Valley Community Advisory Committee members to identify locations for casual engagements including coffee shops and cafes.

FISCAL IMPACT

None.

ATTACHMENT(S)

Attachment A: Marketing and Communications Committee Update_06.01.26

June 2026

MARKETING & COMMUNICATIONS COMMITTEE



HIGHLIGHTS

Public Outreach and Education

- Published a blog post on the California Climate Credit Reimbursement
- Designed the Energy Tips handout
- Placed an ad in the program for the Estrella Awards
- Hosted the "How to Save on Your Electricity Bill" webinar
- Presented at the annual CalCCA Conference
- Created a program ad and videos for OCCOG conference sponsorship
- Attended event for the Fullerton Education Foundation, a Bright Futures Grant recipient
- Sponsored and participated in the CicloIrvine event

Video Production

- Released the "Customer Testimonials" video campaign with 51.5K views to date
- Began production on new season of OCPA Unplugged video series



HIGHLIGHTS (Cont.)

Digital Communications

- Updated Fountain Valley landing page
- Designed a new look for the Energy Programs overview page
- Published the Income-Qualified Energy Programs page

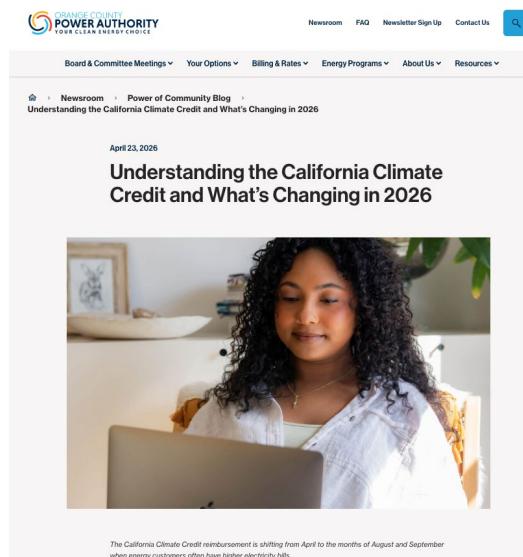
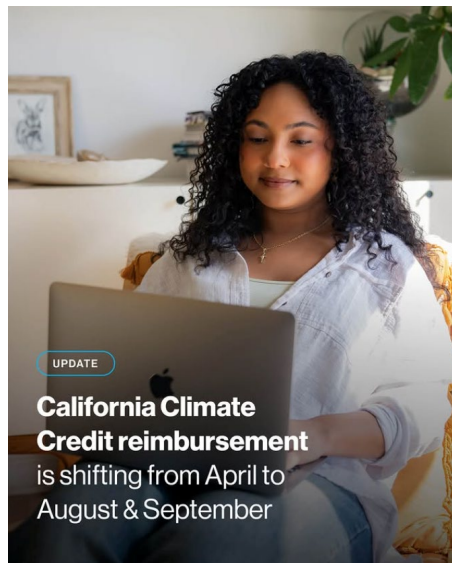
Renewable Energy Curriculum

- Developed curriculum in collaboration with the Orange County Department of Education
 - Curriculum grades 4-12 includes four lessons built on the Next Generation Science Education Standards:
 - Universal lesson on energy, climate and community decisions (Grade 4-12)
 - 4th grade lesson on renewable energy feasibility
 - 6th grade middle school lesson on environmental impact of energy procurement
 - High school lesson on battery storage benefits and site considerations



PUBLIC OUTREACH

- Shared a blog post and social post about the California Climate Credit Reimbursement





PUBLIC OUTREACH

- Designed an Energy Tips handout

Tips to save on your energy bill

Before 4 p.m.



Charge your electric vehicles and bikes.



Bake and cook ahead of time - meal prep



Run the dishwasher and other major appliances



Wash clothes in cold water



Close blinds and drapes to keep out heat



Pre-cool your home by setting your A/C to 72°

Between 4-9 p.m.



Unplug unused electrical devices



Warm pre-made meals or cook in the air fryer or microwave instead of the oven



Limit how often you open your refrigerator and freezer doors



Hang clothes to dry



Use fans instead of the A/C, when possible



Set the thermometer for your A/C to 78°



PUBLIC OUTREACH

- Placed an ad in the program for the Estrella Awards, hosted by the Orange County Hispanic Chamber of Commerce



Orange County Power Authority (OCPA) was created to give residents and businesses a real choice over their energy supply. By purchasing electricity from cleaner sources like wind, solar, and hydroelectric, OCPA offers renewable energy at stable rates—and reinvests revenue back into our communities.

As a locally governed, not-for-profit provider, OCPA is committed to programs and services that make it easier to save energy, cut costs, and create a healthier future for our community.

Cleaner power at stable rates

Reinvesting into our communities

Locally controlled by community leaders

Offering programs to help save money and energy



Explore your energy options
ocpower.org





PUBLIC OUTREACH

- Presented the "How to Save on Your Electricity Bill" webinar and conducted pre- and post- event promotion



Webinar

How to Save on Your Electricity Bill

Date
Thursday, May 7th, 2026

Time
6-7 p.m. (online via zoom)

Cost
Free

What you'll learn

- ✓ How to read your electricity bill
- ✓ Understanding electricity rates and tariffs
- ✓ Rate plans that could lower your bill
- ✓ Bill discount programs
- ✓ Bill payment assistance programs
- ✓ Energy-saving tips
- ✓ OCPA resources and rebates

Bring your electricity bill to the webinar so you can follow along.



Recorded Webinar

How to Save on Your Electricity Bill

What you'll learn

- ✓ How to read your electricity bill
- ✓ Understanding electricity rates and tariffs
- ✓ Rate plans that could lower your bill
- ✓ Bill discount programs
- ✓ Bill payment assistance programs
- ✓ Energy-saving tips
- ✓ OCPA resources and rebates

Watch now on OCPA's YouTube channel.





PUBLIC OUTREACH

- Presented a digital marketing case study, "Communications That Move the Needle," at the CalCCA Conference





PUBLIC OUTREACH

- Created a program ad and video for the Orange County Council of Governments (OCCOG) conference



Powering the communities we call home

Orange County Power Authority (OCPA) gives communities a choice in energy providers for the first time. And with a focus on carbon-free and renewable energy sources, OCPA is an essential to a commercial businesses with ESG obligations.

OCPA is a not-for-profit public agency overseen by a Board of Directors from the communities it serves. Currently serving almost 200,000 accounts in the cities of Irvine, Buena Park, Fullerton, and Fountain Valley (April 2027), we would love to support your community.

Learn more at ocpower.org or contact our team at answers@ocpower.org

Since 2022:

- 2 Billion lbs of carbon emissions eliminated
- Over \$400,000 in grants awarded to community organizations
- 300 renters provided a plug-in HVAC and portable battery to reduce energy use and provide cost savings
- Over 50 customers received \$1,000 rebate on a battery storage system
- Over 200 free level 2 EV chargers given to customers
- Nearly 1,500 Energy Efficiency Kits provided to customers with a focus on low-income residents

Local Control

Energy Choice and Competition

Community Reinvestment

Stable Rates That Provide Predictability for Businesses and Residents

Programs Customized to Community Needs



Explore the benefits of community energy
ocpower.org





PUBLIC OUTREACH

- Attended the Tiny Home Celebration for the Fullerton Education Foundation, which received a Bright Futures Grant (blog and social post to come)





PUBLIC OUTREACH

- Sponsored and participated in CicloIrvine event





Why Bike Irvine?

Cleaner Air. Healthier People. Safer Streets.

Many trips in Irvine are under 3 miles – an easy bike ride instead of a car ride.

1 mile = 5 min. by bike
3 miles = 15-20 min. by bike

Great for trips to parks, schools, shopping centers, and local restaurants.



Did you know?

Car trips under 3 miles are some of the least fuel-efficient and most polluting.

Replacing short drives with bike rides helps reduce greenhouse gas emissions.

Bike-friendly cities are **safer, healthier** and more connected

More connected neighborhoods

Safer streets near schools and parks

More space for people, not just cars

Carbon Output

 141g Car	 108g Bus	 53g EV	 27g Bicycle
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VIDEO PRODUCTION

Released "Customer Testimonials" video campaign

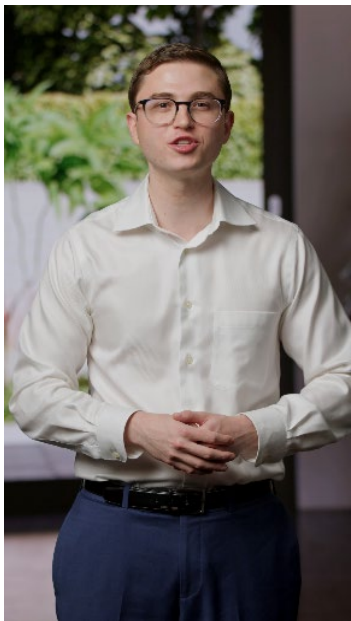
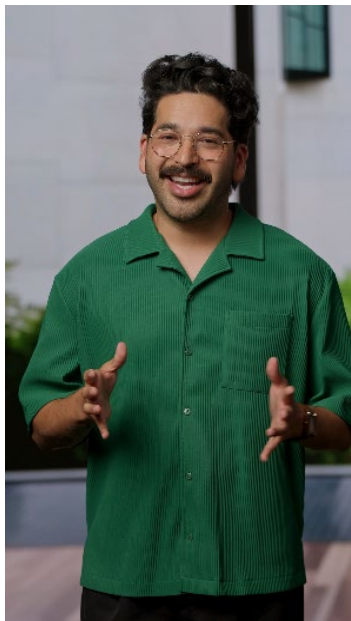
- Objective: Education
- Targeting: Buena Park, Irvine, Fullerton & Fountain Valley
- Campaign has over 51.5K views on YouTube to date





VIDEO PRODUCTION

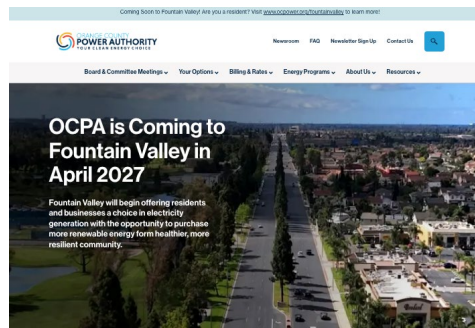
- New season of OCPA Unplugged video series coming soon





DIGITAL COMMUNICATIONS

- Updated the Fountain Valley landing page

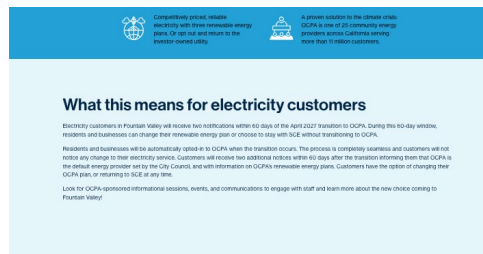


About Orange County Power Authority

Coming soon! Fountain Valley will be offering residents and businesses the ability to choose their electricity provider and purchase more renewable energy to create a healthier, more resilient community.

Orange County Power Authority (OCA) will launch service in the city of Fountain Valley in April 2027 as an alternative to Southern California Edison (SCE), creating competition in the energy marketplace for the first time. The Fountain Valley City Council voted to become a member of OCA in late 2024.

OCA is a not-for-profit community clean energy provider founded in 2021 that currently serves the cities of Buena Park, Fullerton, and Tustin. OCA offers three renewable energy plans at rates rates with customers having the freedom to choose their preferred plan, with each one helping customers reduce their carbon footprint.



New Customer Notification Process

Pre-Enrollment and Post-Enrollment



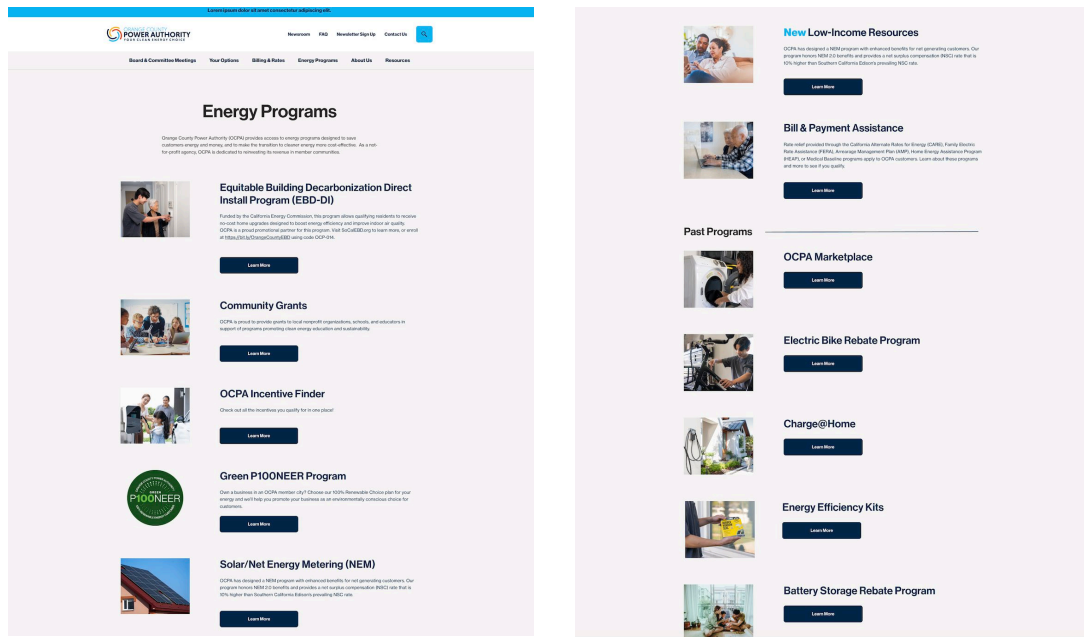
How OCA and SCE Work Together

When OCA becomes the energy provider for Fountain Valley customers, SCE will continue to send monthly electricity bills and provide the transmission and delivery of electricity while maintaining the electrical grid. In an emergency or power outage, customers should call SCE.



DIGITAL COMMUNICATIONS

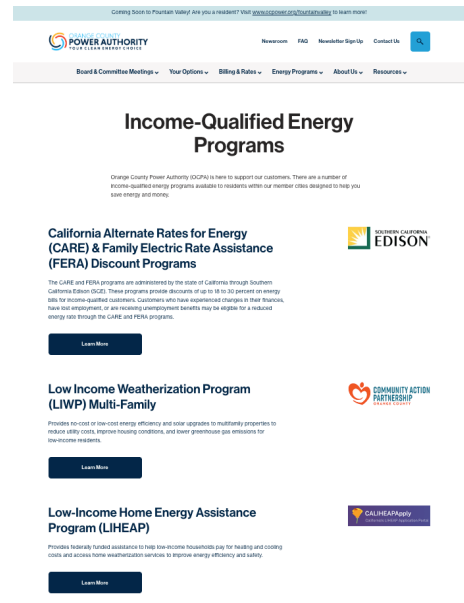
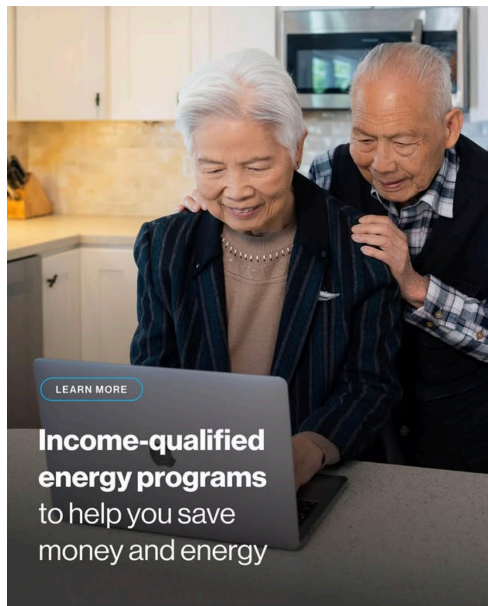
- Redesigned the Energy Programs overview page





DIGITAL COMMUNICATIONS

- Launched the Income-Qualified energy programs webpage and published a social post





RENEWABLE ENERGY CURRICULUM – STRATEGIC PLAN GOAL

- Curriculum developed in collaboration with the OC Department of Education.
- Fourth grade curriculum piloted.
- Curriculum will be completed in June and available to teachers for the 26/27 academic year.
- Four lessons for grades 4-12 built on Next Generation Science Education Standards.
 - **Universal:** Energy, Climate, and Community
 - **Fourth Grade:** Energy and the Environment
 - **Middle School:** Distribution of Renewable Energy Resources
 - **High School:** Energy Storage Infrastructure Decisions



UPCOMING JUNE 2026 AND BEYOND

- Fountain Valley outreach and education, including but not limited to:
 - Summerfest
 - Community organization presentations (Rotary, Community Foundation, Women's Club, etc.)
 - Community coffee shop and diner engagements (Qargo Coffee, Mimi's, Amarith Table)
 - Mayor's Breakfast Presentations





THANK YOU!

ORANGE COUNTY POWER AUTHORITY

Staff Report – Item 7.3

To: Orange County Power Authority Board of Directors
From: Frank Harris, Regulatory and Legislative Manager
Matt Chill, Regulatory Analyst
Approved by: Joe Mosca, Chief Executive Officer
Subject: LEGISLATIVE AND REGULATORY UPDATE
Date: June 8, 2026

STRATEGIC GOALS

- ☐ Enrich & Grow the OCPA Community
- ☐ Prioritize Fiscal Sustainability & Affordability
- ☐ Design & Deploy Community-Aligned Customer Programs
- ☐ Energize Our Community with Renewable Energy
- ☒ Raise Awareness of Community Energy & Advocate for Our Customers
- ☐ Not Applicable

RECOMMENDED ACTION(S)

Receive and file.

BACKGROUND

Orange County Power Authority (OCPA) staff track and analyze bills in the California Legislature and in the United States Congress. OCPA actively advocates on behalf of our customers and contributes to CalCCA's legislative affairs efforts.

DISCUSSION ANALYSIS

Legislative Update

California Legislative Update

The month of May brought several key committee meetings involving CalCCA-sponsored legislation and other bills with significant potential impact on OCPA. Specific updates are discussed below.

CalCCA Sponsored Legislation

CalCCA has sponsored two bills this session. CalCCA's sponsored Resource Adequacy (RA) Transactability legislation was introduced by Senator Padilla (Senate Bill (SB) 1138. CalCCA's Power Charge Indifference Adjustment (PCIA) data disclosure legislation was introduced by Assemblymember Rogers (Assembly Bill (AB) 1761). These bills are part of our strategy to address energy affordability concerns and ultimately drive down costs for OCPA customers. No single effort or solution will solve the energy affordability challenges facing ratepayers throughout the state. Meaningfully reducing the high cost of electricity bills in California will require multiple small-to-moderate enhancements, such as those referenced in these bills.

SB 1138 (Padilla) – RA Transactability

Background: SB 1138 would require the CPUC to permit Load Serving Entities (LSEs) to trade RA obligations to each other up to 25% of their total compliance obligations. Such a modification furthers the intent of the Slice of Day RA framework to enable greater systemwide efficiency and cost savings within the RA program. On April 24, 2026, OCPA submitted a support letter for SB 1138 to the Senate Appropriations Committee.

Update: SB 1138 was referred to the Senate Appropriations Committee on April 8, 2026. At the April 27, 2026, Senate Appropriations Committee hearing, the bill was placed on the suspense file. SB 1138 was ultimately voted out of the Senate Appropriations Committee on May 14, 2026, with a 5-0 vote. On May 19, 2026, the bill was voted out of the Senate with a 30-0 vote. The bill will now move to the Assembly.

AB 1761 (Rogers) – PCIA Data Disclosure

Background: AB 1761 would require that all data used to inform the PCIA calculation and other rate elements from the CPUC and investor-owned utilities (IOUs) be made available to all LSEs and ratepayer advocates on behalf of impacted customers. On April 24, 2026, OCPA submitted a support letter for AB 1761 to the Assembly Appropriations Committee.

Update: Having passed out of the Assembly Utilities and Energy Committee on March 18, 2026, AB 1761 was referred to the Assembly Appropriations Committee on April 29, 2026. Although initially placed on the suspense file, AB 1761 was voted out of appropriations on May 14, 2026. The bill will now move back to the main floor of the Assembly for further discussion.

Additional Legislation of Interest

The legislature continues to express concern about data centers and how their expansion may affect other customers. OCPA is tracking two bills focused on data centers. AB 2383 (Zbur) and SB 886 (Padilla) are both designed to prevent potential

cost shifts. While OCPA supports this principle, there is language in each that challenges CCA autonomy. The legislature also has an interest in dynamic ratemaking. OCPA is tracking two bills referencing dynamic rates. AB 710 (Irwin) requires each electric corporation to offer optional dynamic pricing tariffs. AB 1787 (Schultz) requires large electrical corporations that request smart meter upgrades to offer customers at least one optional dynamic pricing tariff.

AB 2383 (Zbur) – Data Center Ratemaking

Background: AB 2383 would give the CPUC jurisdiction over rates charged to large-load customers of LSEs, including OCPA customers. The bill intends to incorporate consumer protections against cost shifting onto non-large-load customers. While OCPA firmly supports this core principle and is open to incorporating related language into statute, OCPA opposes any legislation that would shift ratemaking authority from our board to the CPUC. OCPA submitted an “oppose unless amended” letter to the Assembly Appropriations Committee, and directly to Assemblymembers Tri Ta and Diane Dixon. In this letter, OCPA requested that the bill's author work with CalCCA on amendments to restrict CPUC jurisdiction over ratemaking to the IOUs alone.

Update: This bill was heard in the Assembly Utilities and Energy Committee on April 9, 2026, and passed on a 16-1 vote. Assemblymember Tri Ta voted no on this bill. Following further discussion and amendments, the bill was referred to the Assembly Appropriations Committee on April 14, 2026. The bill was passed out of the Appropriations Committee on May 14, 2026, without OCPA's requested changes.

On May 15, 2026, CalCCA spoke with Assemblymember Zbur's office. The Assemblymember then sent CalCCA new amendments that include language specifying that the CPUC's ratemaking authority applies solely to the IOUs. CalCCA continues to work with the Assemblymember's office to address additional issues. Once these issues are addressed and amended language protecting CCA autonomy is incorporated into the bill, OCPA will withdraw its “oppose unless amended” letter.

SB 886 (Padilla) – Data Center Ratemaking and Generation Sources

Background: SB 886 also addresses concerns about cost shifting from large energy users to non-large energy users. OCPA supports this principle. However, the bill also stipulates that large energy users prefund a contract of at least 15 years in duration through their LSE and provide dispatchable reliability assets within their LSE's service territory. While neither CalCCA nor OCPA has taken a position on this bill, OCPA holds as a core principle that our governing board shall have authority over our overall rate structures and customer contracting terms. This bill directs the LSEs to use a specific contract type to preclude the potential of a cost shift.

Update: This bill has moved out of the Senate Appropriations Committee. CalCCA continues to work with the author to address the disagreeable language.

AB 710 (Irwin) – Dynamic Rates

Background: This bill directs the CPUC to require each electrical corporation to offer optional dynamic pricing tariffs and deploy Automatic Metering Infrastructure (AMI) for all customers, pending a feasibility analysis.

Update: On January 26, 2026, AB 710 passed through the Assembly with a 61-2 vote. The bill was referred to the Senate Committee on Energy, Utilities, and Communications on May 5, 2026.

AB 1787 (Schultz) – Dynamic Rates

Background: This bill would require large electrical corporations that request smart meter (AMI) and billing system upgrades to offer customers at least one optional dynamic-rate tariff, including both bundled and unbundled customers.

Update: On March 18, 2026, AB 1787 passed through the Assembly Utilities and Energy Committee with amendments, with a 13-0 vote. Amendments from the Assembly Utilities and Energy Committee were released on March 19, 2026, and emphasized the need to equip customers with tools and information to take advantage of the dynamic rate. These amendments also mention the need for adequate protections and safeguards for customers. These are additions that OCPA supports. On May 14, 2026, the bill passed out of the Assembly Appropriations Committee and is awaiting its third reading on the Assembly floor.

Regulatory Update

[CPUC Updates](#)

Power Charge Indifference Adjustment Proceeding – Rulemaking 25-02-005

Background: On February 11, 2025, the CPUC issued an Order Instituting Rulemaking (OIR) to initiate a new proceeding related to the Power Charge Indifference Adjustment (PCIA). The OIR was filed as Rulemaking (R.) 25-02-005. There are three tracks to R.25-02-005.

Track 1:

Track 1 was an expedited track focused on potential modifications to the Resource Adequacy (RA) Market Price Benchmark (MPB). The CPUC issued Decision (D.) 25-06-049 on June 26, 2025. Among other details, the decision adopts a single RA MPB using

three years of transaction data for the forecast calculation and four years of transaction data for the final calculation.

On July 28th, 2025, the California Community Choice Association (CalCCA) filed an Application for Rehearing (AFR) on Track 1 of the proceeding. CalCCA's AFR focused on CCAs' opposition on the CPUC's MPB calculation methodology for the 2025 Energy Resource Recovery Account (ERRA) True Up, asserting that this amounted to illegal retroactive ratemaking. On October 31, 2025, the CPUC issued D.25-10-061, denying CalCCA's AFR of D.25-06-049.

On December 1, 2025, CalCCA requested that the Court grant the Petition for Review of D.25-06-049 and reverse the Decision on the grounds that (1) the Decision violated the prohibition against retroactive ratemaking; and (2) the Decision's retroactive application to 2025 rates was not supported by adequate findings or substantial evidence in the record.¹

Track 2

On February 3, 2026, the CPUC filed a Scoping Ruling that established the issues to be resolved within Track 2 of the proceeding. Specifically, the Commission will determine whether the proposal to value Pre-2019 Banked Renewable Energy Credits (RECs) at a non-zero amount is consistent with applicable law and Commission precedent. If the CPUC finds as such, it will also determine how any such value should be determined and allocated consistent with indifference principles for all customers.

Update: On March 27, 2026, the CPUC released a Staff Report and Proposals on Pre-2019 Banked RECs.² This staff report does not draw a conclusion regarding the balance of indifference between departed and bundled load. The CPUC acknowledges the merits and challenges to the arguments of both CalCCA and the Investor-Owned Utilities (IOUs). The CPUC Offers four Proposals for Valuing Pre-2019 Banked RECs:

1. Load-Share Weighted RPS MPB
2. Department of Energy (DOE) REC Value
3. 50/50 Split
4. Adjusted Weighting Mechanism

¹ See <https://cal-cca.org/wp-content/uploads/2025/12/Petition-for-Writ-of-Review-with-the-California-Court-of-Appeal.pdf>.

² See <https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=ALL&DocID=603533506>.

On April 24, 2026, the CPUC issued a ruling updating the remainder of the schedule for Track 2 of the proceeding.³ Key dates are listed below:

- May 12, 2026: Testimony on the staff report is due.
- May 26, 2026: Deadline to Present Settlement or Motion to Request Hearings.
- June 2, 2026: Evidentiary Hearing if needed
- June 16, 2026: Opening Briefs
- June 25, 2026: Reply Briefs
- August 17, 2026: Proposed Decision (PD)
- September 17, 2026: Commission Decision

On May 12, 2026, CalCCA submitted Testimony on the CPUC's Staff Report. OCPA contributed to the development of the arguments raised in this Testimony. CalCCA reaffirmed its prior stance that the CPUC should value pre-2019 banked RECs at the RPS MPB to maintain indifference principles between bundled and unbundled customers. CalCCA notably stated that if the CPUC chooses not to value pre-2019 banked RECs at the RPS MPB, it should alternatively value these RECs with 90% weighting at the RPS MPB and 10% weighted to a metric that aligns with the value of a Power Content Category (PCC) -3 REC.⁴ CalCCA also stated that it did not support any of the four CPUC-proposed methodologies for determining the value of pre-2019 banked RECs because none of the proposals attempted to quantify the value of a pre-2019 banked REC; instead, they sought a compromise between IOU and CCA positions.

Track 3

On March 27, 2026, CalCCA submitted comments about issues within scope and data access needs for Track 3. CalCCA's primary argument is that it is essential that CCAs have equal access to data as the IOU to ensure that all parties submitting recommendations to enhance the PCIA are on equal footing to submit meaningful proposals.⁵

CalCCA submitted reply comments on Track 3 on April 10, 2026. CalCCA's comments pushed back against the IOUs' opening comments, which argued a need to start Track 3 with an expedited phase that covers restricting against negative PCIA values and

³ See <https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=ALL&DocID=605750799>.

⁴ This aligns with The California Public Advocates Office's (Cal Advocates') comments in its Testimony of Track 2 from March 23, 2026, which argue that the full RPS MPB is likely an overvaluation of pre-2019 banked RECs because these share some characteristics with PCC 3 RECs in that they are unbundled from energy and do not contribute to a Load Serving Entities' Power Content Label.

⁵ Note that one of CalCCA's sponsored bills, Assembly Bill 1761 (Rogers), would require that all data used to inform the PCIA calculation and other rate elements from the CPUC and investor-owned utilities (IOUs) be made available to all LSEs and ratepayer advocates on behalf of impacted customers.

implementing a similar methodology update to the RPS MPB that was done in 2025 to the RA MPB. CalCCA asserted that the point of Track 3 was to be broader; starting with two issues that are important solely from the IOU perspective is not a fair approach.

On May 7, 2026, the CPUC provided a procedural update to parties, noting that Track 3 workshops are expected to be held on June 8, June 9, and June 15, 2026. The CPUC released a subsequent ruling on May 13, 2026, setting the topics for these workshops, as follows:

- June 8, 2026 – A high-level discussion of principles and approaches for achieving indifference.
- June 9, 2026 – Discussion of issues proposed to be included in the scope, with an objective of informing specific scheduling and scoping considerations regarding those issues.
- June 15, 2026 – Data access and confidentiality issues, as well as to conclude discussion of any remaining items from days one and two.

Resource Adequacy - R.25-10-003

Background: R.25-10-003 continues the CPUC's oversight of the RA program. The rulemaking establishes forward RA procurement obligations for load-serving entities (LSEs) beginning with the 2027 compliance year and considers structural reforms to the program. R.25-10-003 is the successor to R.23-10-011, which addressed these topics over the past two years.

This rulemaking will address the 2027 and 2028 RA compliance years, local RA obligations for the 2027-2029 and 2028-2030 compliance years, and further refinements to the Slice of Day (SOD) program.

Track 1 of the proceeding will consider:

1. Adoption of Local Capacity Requirements for 2027-29 compliance years
2. Adoption of Flexible Capacity Requirements for 2027
3. Accreditation for Long-Duration Energy Storage (LDES)
4. Unforced Capacity (UCAP)⁶
5. Accreditation for Solar and Wind Resources
6. Transactability Issues within the Slice of Day Framework
7. Residual Unit Commitment (RUC) for RA Resources
8. Energy Only (EO) Resources⁷

⁶ This is a new metric being developed that considers outage potential for different resources that could be used for Slice of Day (SOD) accreditation and potentially other aspects of the RA program and more broadly throughout CPUC operations.

⁷ This pertains to CalCCA's prior proposal to count co-located EO resources as RA resources.

CalCCA's Track 1 Proposals recommend the CPUC:

1. Coordinate with the CEC to separate data center loads from the forecast used to set RA requirements and instead base associated RA requirements on actual data center load interconnection information;
2. Account for the reliability value that can be provided by energy only co-located resources under the SOD framework;
3. Clarify the intended use of local RA central procurement entity (CPE) data request results⁸ to ensure consistency; and
4. Publish aggregated results of the local RA CPE data request process so that CPEs and LSEs have access to the same information to inform their procurement processes.

The CPUC's Report on Transactability indicated it did not believe the value of transactability justified the effort to implement it. Despite this disappointing result, CalCCA filed its proposal for RA Slice-of-Day (SOD) Transactability on March 3, 2026. CalCCA pushed back on the CPUC's Transactability Report. CalCCA was the only party to file a proposal.⁹

A final decision on Track 1 is anticipated by early July 2026, and Track 2 is expected to conclude by June 2027.

Update: N/A

[Integrated Resource Planning – R.25-06-019](#)

Background: The Integrated Resource Planning (IRP) process requires the CPUC to identify a resource portfolio to ensure a reliable electric supply while also achieving the clean energy and environmental goals of SB 350 and SB 100. This OIR, issued on July 2, 2025, supersedes R.20-05-003 as the primary venue for CPUC oversight of the IRP process.

R.20-05-003 remains open for purposes of considering a staff proposal on the Reliable and Clean Power Procurement Program (RCPPP) framework, as proposed in the April 25, 2025, Administrative Law Judge's Ruling. Future work or further development and implementation of RCPMP, if adopted, R.25-06-019.

⁸ The CPUC collects data from all LSEs in SCE and PG&E territory on existing Local RA contracts and shares an anonymized version of the data to the CPE to inform existing contracts and how much Local RA is still needed.

⁹ Note that one of CalCCA's sponsored bills, Senate Bill (SB) 1138 (Padilla), would require the CPUC to permit LSEs to trade RA obligations with each other.

On February 26, 2026, the CPUC issued D.26-02-057, approving a procurement order for 6,000 megawatts (MW) of clean capacity for LSEs statewide. OCPA is now required to procure 25 MW of capacity in each of 2030, 2031, and 2032, for a total of 75 MW. Out of the 75 MW, OCPA must procure at least 19 MW of clean, firm resources and/or LDES.¹⁰

Update: On April 6, 2026, the Alliance for Retail Energy Markets, Coalition of California Large Energy Users, the Regents of the University of California, and Shell Energy North America (US) filed an AFR of D.26-02-057. They filed the application on the grounds that the procurement order does not comply with California law. Specifically, they argue that D.26-02-057 disregards the California Public Utilities Code requirement that allocation must be based on "contribution of the load-serving entity's load and resource portfolio to the electrical system conditions that created the need for the procurement."¹¹ Since there is a cap for electric service providers (ESPs), these parties assert that they should not be allocated capacity within the recent procurement order.

On April 21, 2026, after meeting with OCPA and other members, CalCCA responded to the AFR, arguing that the CPUC should reject it because:

1. The procurement order was issued and allocated to all LSEs due to a system reliability need, not due to projected load growth.
2. Adjustments to procurement order allocation methodology will take time. There is a compressed timeline for LSEs to meet ordered procurement, and the CPUC should not currently spend this time deliberating it. As such, CalCCA asserts that adjustments to the procurement order should occur within the IRP procurement track, RCPMP, when it is launched.
3. The rehearing parties improperly use the rehearing of this procurement order decision as a vehicle to advance a separate policy objective of reevaluating the cap on ESPs.

[Direct Access Rulemaking - R.19-03-009](#)

Background: The Commission opened this OIR in 2019 to implement SB 237 (Hertzberg), which increases the number of gigawatt-hours (GWh) allowed under Direct Access (DA) arrangements for non-residential customers. The bill also directs the CPUC to provide recommendations to the Legislature on whether and how it should resume the DA program for all interested non-residential customers, among other issues. The statute asserts that all existing customers who are on DA as of January 1, 2019, remain authorized to participate in DA. Except for the express authorization for

¹⁰ These must be energy storage resources that can discharge for at least eight hours continuously.

¹¹ CA Pub Util Code § 397(a)(1)

increased DA transactions under SB 237, the previously enacted suspension of DA transactions remained in effect.

On June 3, 2019, the CPUC issued D.19-05-043, establishing the process for apportioning the additional 4,000 GWh of DA among the IOUs. Also pursuant to SB 237 (Hertzberg), on June 29, 2021, the CPUC issued D.21-06-033, recommending no further expansion of the DA program beyond the 4,000 GWh ordered in D.19-05-043. Update: The Alliance for Retail Energy Markets, California Coalition of Large Energy Users, Direct Access Customer Coalition, Regents of the University of California, Shell Energy North America (US), and Western Power Trading Forum (The Joint Parties) submitted a Petition for Modification (PFM) of D.21-06-033.¹²

The Joint Parties requested that the Commission modify the DA Decision to lift the cap on DA customers, given the recent procurement order which allocated capacity to them. CalCCA filed a response to the PFM on May 6, 2026, which recommends that the CPUC reject the PFM because:

1. The CPUC's prior decision fulfilled its obligations via statute, and there is no legal basis or role in making additional recommendations.
2. Clean energy sales and resource development related drivers of the DA cap have not materially changed; and
3. Claims that DA service is “ideal” for large load customers have not been adequately supported.

OCPA collaborated with CalCCA to develop the comments opposing this PFM and will continue to track this proceeding.

Climate Credit – R.25-07-013

Background: This OIR was opened on July 24, 2025, to improve the California Climate Credit (Climate Credit). The Climate Credit has historically provided residential and small business customers with semi-annual bill credits using a portion of revenues from the California Cap-and-Trade Program. In 2025, residential customers received, on average, ~\$120 from the credit, dispersed in April and October. In 2026, the annual credit amount is anticipated to be closer to \$70. The CPUC opened the proceeding to further address affordability and support the California Industry Assistance, which is intended to prevent businesses from relocating to other states without emissions-compliance programs.

¹² See <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M604/K025/604025685.PDF>.

OCPA aims to support modifications to the Climate Credit that are competitively neutral, including eligibility criteria and customer messaging, while ensuring that existing customers continue receiving the Climate Credit.

Update: On March 19, 2026, the CPUC issued D.26-03-013, pausing the delivery of the residential climate credit until the Commission determines when in 2026 these credits should be distributed. Both the April and October residential credits were paused.

Update: OCPA published a blog post on April 23, 2026, informing its customers of the changes to the Climate Credit in 2026.

On April 30, 2026, the CPUC issued D.26-04-036, which:

- Requires the IOUs to distribute the residential credit in August and September due to these being two of the highest bill months for typical customers throughout California; and
- Requires the IOUs to update messaging on their websites with this info and are mandated to put messaging on-bill during these months, listing the amount of savings and attributing those savings to the Climate Credit and the Cap-and-Invest Program.

On May 18, 2026, the CPUC held a workshop on Phase 1B of the proceeding to address further wholesale changes to Climate Credit for 2027 and beyond. CalCCA attended this workshop on behalf of OCPA and all CCAs. CalCCA asserted that the schedule was ambitious, and it might be preferable to narrow it to a handful of proposals (~4-5) so they can be evaluated in greater depth to determine potential impacts. OCPA will continue to advocate for enhancing the Climate Credit with a focus on affordability for our customers and on maintaining the existing approach of providing the Climate Credit to all OCPA ratepayers.

[Renewable Market Adjusting Tariff & Community Renewable Energy Tariff – Application 22-05-022](#)

Background: The Renewable Market Adjusting Tariff (ReMAT) is a feed-in tariff program that allows small Renewable Portfolio Standard (RPS) eligible generators less than 3 MW to sell renewable electricity to IOUs. ReMAT utilizes fixed-price contracts with standard terms and conditions and market-based prices adjusted annually via CPUC resolution. Electricity generated through the ReMAT program may count towards an IOU's RPS requirements.

Update: In a Proposed Decision (PD) filed on April 7, 2026, the CPUC stated an intention to create a new Community Renewable Energy tariff.¹³ Once a final decision is

¹³ See <https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=ALL&DocID=604536932>.

issued, the IOUs will need to inform the CPUC of their proposed Community Renewable Energy tariffs and an implementation plan.

CCAs may notify the Commission of their intent to participate in the program and may begin participating at any time. CCAs can also end program participation at any time by notifying the Commission. OCPA plans to monitor the development of the Community Renewable Energy program and will decide whether to seek participation when there is greater clarity on the program's composition.

The PD was included on the May 14, 2026, CPUC Voting meeting agenda, but was held to the June 11, 2026, CPUC Voting meeting for further review by CPUC President Reynolds.

[CEC Updates](#)

[Load Management Standards \(23-LMS-01\)](#)

Background: The CEC's Load Management Standards (LMS) have four primary requirements:

1. The California Energy Commission (CEC), large utilities and community choice aggregators maintain the accuracy of existing and future time-varying rates in the publicly available and machine-readable Market Informed Demand Automation Server (MIDAS) rate database.
2. Large utilities and CCAs develop a standard rate-information access tool to support third-party services.
3. Large utilities and CCAs develop and submit locational rates that change at least hourly to reflect marginal wholesale costs.
4. Large utilities and CCAs integrate information about new time-varying rates and automation technologies into existing customer education and outreach programs.

Update: OCPA submitted its updated LMS Report on March 13, 2026. This report provided the CEC with an update on OCPA's progress in developing and implementing a dynamic rate. OCPA's dynamic rate will initially be released as a pilot for commercial and industrial customers, as these customer groups are likely to be better equipped to save on their bills through this pilot via automation and/or dedicated energy managers who routinely monitor electricity consumption. Pilot participants will also be provided with risk-free access, such that their bills will not exceed what they would have under OCPA's standard time-of-use (TOU) rate.

OCPA's LMS Plan Update was approved at the CEC's May 13, 2026, Business Meeting. As a result, OCPA's first annual LMS compliance report will be due on May 13, 2027.

[CARB Updates](#)

Cap and Investment Program

Background: CARB introduced the RPS Adjustment into regulation for the Cap and Investment Program in 2010. The RPS Adjustment reduces the compliance obligations for the Cap and Investment program for PCC-2 RECs based on the quantity of MWh procured from eligible renewable energy resources that were not directly delivered to California. PCC-2 RECs are bundled RPS products where the renewable energy itself isn't directly scheduled into a California balancing authority but is instead "firmed and shaped" by pairing it with an equivalent quantity of substitute (typically non-renewable) energy that is delivered into a California balancing authority.

Update: On April 14, 2026, CARB released an amended regulation to the RPS adjustment that would effectively accelerate sunseting the provision from the end of 2030 to the end of 2026. Such an amendment would render PCC-2 RECs uneconomic and would likely drive up the costs of RPS compliance for LSEs from 2027 to 2030. OCPA contributed to the comments CalCCA submitted requesting an exception for contracts executed prior to the issuance of the proposed sunseting of the RPS Adjustment. Many LSEs signed contracts for PCC-2 RECs with the understanding that the RPS Adjustment would remain in place, so it is reasonable to allow these contracts to use the RPS Adjustment as originally planned. On May 28, 2026, CARB will hold a public hearing to consider the regulation change.

[CAISO Updates](#)

Market Design and Infrastructure Catalogs

Background: These are the new processes the CAISO is using to determine if the CAISO should adopt new initiatives. The infrastructure catalog will consider initiatives related to transmission planning and interconnection. The market design catalog will consider initiatives in market design, RA, and other related topics.

Update: On May 15, 2026, CalCCA submitted comments in response to CAISO questions related to potential policy initiatives that should be prioritized in 2026. CalCCA asserted that the CAISO should explore enhancements necessary to make Energy Only resources fully deliverable when upgrades are required.

Transmission Planning Process (TPP)

Background: Each year, the ISO conducts its transmission planning process to identify potential system limitations and opportunities for system reinforcements that improve reliability and efficiency. The core work product of the transmission planning process is the ISO Transmission Plan, which provides an evaluation of the ISO control grid, examines conventional grid reliability requirements and projects, summarizes key collaborative activities, and provides details on key study areas and associated findings.

Update: On May 19, 2026, the CAISO Board of Governors approved its Revised 2025-2026 Transmission Plan.¹⁴ The plan identifies \$6.7 billion in investments across 38 transmission projects with lead times of 8 to 10 years. The transmission investments and expansion presented in the plan are based on the additional transmission needed to:

- Reduce congestion that can sometimes block the availability of lower-cost power,
- Accommodate the additional load forecast by the Energy Commission of 15 GW by 2035 and 20 GW by 2040, and
- Accommodate additional capacity needs forecast by the CPUC of 74 GW by 2035 and 107 GW by 2040.

Extended Day-Ahead Market

Background: The Extended Day-Ahead Market (EDAM) initiative will develop an approach to extend participation in the day-ahead market to the Western Energy Imbalance Market (WEIM) entities in a framework similar to the existing WEIM approach for the real-time market, rather than requiring full integration into the California ISO balancing area. EDAM will improve market efficiency by integrating renewable resources using day-ahead unit commitment and scheduling across a larger area.

Since its 2014 launch, the Western Energy Imbalance Market (WEIM) has balanced electricity supply and demand every five minutes using the lowest-cost energy across a large, interconnected footprint. By expanding regional coordination into the day-ahead timeframe, when most electricity deliveries are planned, EDAM will enable larger-scale and regionally coordinated day-ahead planning. This allows operators to make more optimized resource commitments and transmission usage across major supply and load centers, better preparing the system to meet real-time needs and improve both efficiency and reliability.

¹⁴ See https://www.caiso.com/about/news/news-releases/iso-board-of-governors-approves-2025-2026-transmission-plan?utm_source=linkedin&utm_medium=social&utm_campaign=news_release_iso_board_approves_2025_2026_transmission_plan_may_2026.

The Southwest Power Pool's (SPP) Markets+, which is scheduled to go live in October 2027, is an alternative to EDAM. To date, Arizona Public Service, Bonneville Power Administration, Chelan County PUD, Grant County PUD, Powerex, Salt River Project, Tacoma Power, and Tucson Electric Power have committed to SPP's Markets+.

Update: On May 1, 2026, the CAISO and PacifiCorp successfully launched the EDAM. Through EDAM, millions of electricity consumers will benefit from coordinated day-ahead operations across the region. EDAM is also positioned for steady expansion. Portland General Electric has signed an implementation agreement and is scheduled to begin participating in October. Other utilities have agreed to join EDAM in 2027, namely LADWP, BANC (including SMUD), the Public Service Company of New Mexico, and the Turlock Irrigation District. NV Energy and Imperial Irrigation District are slated to join in 2028.

CAISO Capacity Reports

Background: The CAISO performs annual studies to determine the minimum local resource capacity required in each local area to meet established reliability criteria. As part of this study process, the CAISO obtains input from stakeholders on the study's criteria, methodology, and assumptions. The CAISO also gathers feedback on the study's results. Based on these results, LSEs receive a proportional allocation of the minimum required local resource capacity. LSEs submit resource adequacy plans to show that they have procured the necessary capacity.

Additionally, every year, the CAISO conducts annual technical studies to determine the flexible capacity needs of its balancing authority area (BAA) for up to three years.

Through this report, the CAISO calculates the overall flexible capacity needed for the entire BAA. Notably, this report does not break out the needs of individual LSEs.

Update: On May 1, 2026, the CAISO filed its Local Capacity Technical Report.¹⁵ This report notes that there is a Local Capacity Requirement (LCR) of 23,618 megawatts (MW) statewide in 2027, representing a 2.6% increase over the 2026 LCR. Unlike Flexible Capacity Requirements for RA, LCR is procured centrally by Southern California Edison (SCE), so this inclusion in the staff report is primarily for informational purposes.

On May 13, 2026, the CAISO filed its Flexible Capacity Needs Assessment and Final 2027 Availability Assessment Hours.¹⁶ This report shows that the calculated flexible

¹⁵ See https://stakeholdercenter.caiso.com/RecurringStakeholderProcesses/Local-capacity-requirements-process-2027?_gl=1*1rvwail*_ga*NjgzNDQ4NTM3LjE3Nzg1Mjg0MzI.*_ga_NDS4B4M2WP*czE3Nzk1NDkxMjgkbzEyJGcxJHQxNzc5NTUwNTA3JGo0NCRsMCRoMA.

¹⁶ See <https://stakeholdercenter.caiso.com/RecurringStakeholderProcesses/Flexible-capacity-needs-assessment-2027>.

capacity needed from the “base flexibility” category is 42% of the total installed or available flexible capacity in the summer months (May-September) and 27% of the total flexible capacity for the non-summer months (October-April). The “peak flexibility” categories are stable for both seasons, with summer 2027 at 53% and winter at 68% of total flexibility.

[FERC Updates](#)

[Large Loads: Advanced Notice of Proposed Rulemaking](#)

Background: On October 23, 2025, the Secretary of Energy released an Advanced Notice of Proposed Rulemaking (ANOPR) related to large loads. The ANOPR directed the Commission to consider “potential reforms to ensure the timely and orderly interconnection of large loads to the transmission system.” There are concerns that this rulemaking could encroach on areas that have traditionally fallen within the states’ primary jurisdiction. Historically, FERC has declined to assert jurisdiction over interconnections, which, along with retail service terms, cost allocation, and resource planning for load growth, have long been within the purview of state regulators under Section 201(b) of the Federal Power Act.

Update: FERC noted that it will act on this docket by the end of June 2026, as stated in a Commission Order issued on April 16, 2026. FERC does not intend this anticipated decision to discourage public utilities from making separate filings to address large load issues. OCPA will continue to monitor this ANOPR in case there are impacts upon the organization and its operations.

FISCAL IMPACT

None.

ATTACHMENT(S)

None.

ORANGE COUNTY POWER AUTHORITY

Staff Report – Item 7.4

To: Orange County Power Authority Board of Directors
From: Jacquie Henderson, Director of Communications & External Affairs
Linda Kraemer, Community Engagement Manager
Approved by: Joe Mosca, Chief Executive Officer
Subject: COMMUNITY ADVISORY COMMITTEE (CAC) REPORT
Date: June 8, 2026

STRATEGIC GOALS

- ☐ Enrich & Grow the OCPA Community
- ☐ Prioritize Fiscal Sustainability & Affordability
- ☐ Design & Deploy Community-Aligned Customer Programs
- ☐ Energize Our Community with Renewable Energy
- ☐ Raise Awareness of Community Energy & Advocate for Our Customers
- ☒ Not Applicable

RECOMMENDED ACTION(S)

Receive and file.

BACKGROUND

On Monday, May 4, 2026, at 6:00 p.m., the Community Advisory Committee (CAC) held its regular monthly meeting. The meeting agenda included presentations on a peer agency collaboration with Central Coast Community Energy; an annual overview of communications and outreach efforts; upcoming public engagement activities; and staff updates on programs and community initiatives. The meeting provided an opportunity for CAC members to receive timely updates, ask clarifying questions, and offer feedback intended to inform Board-level decision-making and ongoing staff work.

DISCUSSION / ANALYSIS

The CAC regular meeting on May 4, 2026, included the following presentations and updates:

Building Bridges and Learning Best Practices: A Visit from Central Coast Community Energy

The Committee received a presentation from representatives of Central Coast Community Energy (3CE), a community choice aggregator serving more than 1.1 million customers across five counties. The presentation provided an overview of 3CE's structure, mission, and approach to delivering reliable, affordable, and clean electricity while supporting local economic development.

A key focus of the discussion was 3CE's collaboration with its Community Advisory Council in the development and refinement of customer programs. 3CE staff highlighted the iterative design process used for its Electrify Your Home program, which incorporated CAC feedback at multiple stages and included community workshops to better understand customer needs, improve accessibility, and reduce participation barriers. These workshops were designed to gather community input, respond to local concerns, and ensure programs are responsive to diverse customer needs.

The presentation also emphasized the role CAC members play in strengthening outreach efforts by leveraging community connections and encouraging participation in workshops. Outcomes of this collaborative approach include expanded contractor engagement, increased program participation, and measurable electrification progress across participating communities. Staff noted that this model of early and ongoing CAC involvement provides valuable insight for OCPA as it continues to refine its own program development processes.

Annual Communications and Outreach Overview

Staff presented an annual overview of OCPA's communications and outreach efforts, highlighting the continued partnership with contractor Reveille, Inc., to support brand development, customer education, and public engagement. The presentation outlined how OCPA's communications strategy has evolved from initial service launch messaging to a more targeted focus on program awareness, rate education, and community-specific outreach.

Over the past year, efforts have resulted in measurable increases in public awareness and engagement. Survey data indicated a 13 percent increase in customer awareness and an 8 percent increase in favorability. Digital and media efforts significantly expanded reach, including more than two million video views, strong newsletter growth, and increased website traffic overwhelmingly driven by paid and organic digital media.

Staff also highlighted the success of multilingual and multicultural outreach efforts, which have helped broaden engagement across OCPA's diverse service territory.

The overview further detailed the range of outreach tools utilized, including newsletters, blog posts, social media campaigns, educational videos, community events, and targeted advertising. Campaigns such as "Get the Facts" and "Powering the Communities We Call Home" were noted for their role in addressing customer questions, improving transparency, and increasing participation in OCPA programs.

Public Engagement for May and June 2026

Staff presented an overview of upcoming public engagement activities for May and June 2026, reflecting continued outreach across member communities through cultural events, civic gatherings, and educational forums. Planned engagements include but are not limited to participation in the Iranian American Chamber of Commerce Expo in Newport Beach, Irvine Pride Day events, the Buena Park Memorial Day Service, the Fullerton Be You Pride Fest, the Fullerton State of the City, the Irvine Cool OC Eco Fair, and the Fountain Valley Summerfest.

These activities support OCPA's goals of strengthening community relationships, increasing awareness of clean energy programs, and providing accessible opportunities for residents and businesses to engage with the agency. Staff also encouraged CAC member participation in upcoming events to further extend community reach.

Updates from Staff

Staff provided updates on communications, programs, and community engagement activities. Communications efforts included continued development of educational content through OCPA's newsroom, blog posts, and customer testimonials, along with promotion of an upcoming webinar focused on helping customers better understand their electricity bills and identify cost-saving opportunities. Staff also noted ongoing recruitment for an at-large CAC member position to support broader community representation, as well as recent collaboration with UCLA and the California Air Resources Board through a focus group on building decarbonization challenges and opportunities.

Program updates highlighted strong participation in the Renter Energy Efficiency Program, which received over 300 applications with a high rate of eligibility, with implementation and equipment delivery anticipated in June. Staff also reported progress on the Equitable Building Decarbonization Direct Install program, with early-stage enrollment underway and targeted outreach planned for priority communities, and staff noted continued development of future energy efficiency initiatives for residential, multifamily, and small commercial customers. Community engagement efforts during April included participation in multiple Earth Day events, educational forums, and

regional partnerships, supporting OCPA's ongoing commitment to customer education, visibility, and community collaboration.

FISCAL IMPACT

None.

ATTACHMENT(S)

None.

ORANGE COUNTY POWER AUTHORITY

Staff Report – Item 7.5

To: Orange County Power Authority Board of Directors

From: Jacquie Henderson, Director of Communications & External Affairs
Linda Kraemer, Community Engagement Manager
Tula Larsen, Communications & External Affairs Intern

Approved by: Joe Mosca, Chief Executive Officer

Subject: COMMUNITY ADVISORY COMMITTEE (CAC) REPORT

Date: June 8, 2026

STRATEGIC GOALS

- ☐ Enrich & Grow the OCPA Community
- ☐ Prioritize Fiscal Sustainability & Affordability
- ☐ Design & Deploy Community-Aligned Customer Programs
- ☐ Energize Our Community with Renewable Energy
- ☐ Raise Awareness of Community Energy & Advocate for Our Customers
- ☒ Not Applicable

RECOMMENDED ACTION(S)

Receive and file.

BACKGROUND

On Monday, June 1, 2026, at 6:00 p.m., the Community Advisory Committee (CAC) held its regular monthly meeting. The meeting agenda included a presentation on OCPA's annual strategic plan; a preview of an OCPA pilot program to support workforce development; an overview of the recently held annual CalCCA Conference; and staff updates on public engagement and communications. The meeting provided an opportunity for CAC members to receive timely updates, ask clarifying questions, and offer feedback intended to inform Board-level decision-making and ongoing staff work.

DISCUSSION / ANALYSIS

The CAC regular meeting on June 1, 2026, included the following presentations and updates:

2026-27 Strategic Plan Presentation and Discussion

Staff presented OCPA's 2026-27 Strategic Plan, which focuses on the agency's organizational goals for the coming fiscal year by establishing structure and key targets aligned with Board priorities. The goals prioritize OCPA's values of growth, affordability, customer programs, and community engagement.

Staff highlighted five central structured goals that include prioritizing affordability, expanding customer programs, and emphasizing customer advocacy and engagement. To enrich the OCPA community, the Strategic Plan recommends engaging with at least two prospective member cities annually and launching school-wide partnerships. To advance low-income support and affordability, the Plan includes launching an in-depth cost-of-service model for the following year's rate design and launching OCPA's DAC-GT program with an estimated 20% discount for income-qualified customers. To advance community-aligned customer programs, the Plan includes implementing three new programs from the Community Power Plan and aiming for a 25% year-over-year growth in grant offerings. The Plan further emphasizes continuing culturally inclusive engagement strategies, expanding resources for low-income customers on OCPA's webpage, and developing policy resources to advance regulatory and legislative advocacy.

The presentation highlighted how strategic planning helps mitigate volatile markets, policy complexity, climate stress, and geopolitical forces.

Home Energy Audit Training Program Pilot

OCPA Programs staff presented a preview of the Home Energy Audit Training Program, a customer program in development aimed at funding local training to perform residential energy audits across Orange County and in OCPA member cities. A goal for this program is to establish a network of professionals with Home Energy Score (HES) familiarity that may support future OCPA residential energy audit programs. OCPA will recruit ten qualified assessors in Orange County to receive a reimbursement of up to \$250 per assessor, which offsets the full cost of HES training, for a \$2,500 total program budget. Assessors will also receive \$250 from partner organization Bay Area Regional Energy Network (BayREN) per home audit performed. Over the course of six months, staff will conduct outreach to prospective assessors, confirm program enrollment, track training progress, and reimburse assessors following course completion.

Staff emphasized that the program is designed to provide home improvements, create home efficiency standards, build relationships with contractors, and potentially provide annual savings and improve residential resell value of assessed units. Staff emphasized opportunities for the committee to support OCPA in outreach efforts.

California Community Choice Association (CalCCA) Annual Conference and Tenth Anniversary Event Highlights

On May 12, 2026, eleven OCPA staff members joined over 1,000 energy experts in attending the 2026 California Community Choice Association (CalCCA) Annual Conference and Tenth Anniversary Event in Sacramento. Staff provided a review of the conference panels, where topics included the evolving energy landscape and CalCCA's goal of creating a unified voice to represent CCA Customers. Staff noted the conference attendance of Community Advisory Committee Second Vice Chair Elliott on behalf of OCPA, and Committee Members Futch and Andrade on their own accord.

Second Vice Chair Elliot shared his gratitude for the opportunity to attend the conference, and noted increased knowledge of California's expanding renewable energy demands and wildfire risks. Committee Member Futch noted his takeaways of how CCAs focus on community needs through programs and local-level grid improvements. Committee Member Andrade noted the benefit of external communications and community engagement. Staff highlighted learning about CCA best practices, extended gratitude for the CCA community's open sharing of resources and knowledge, and noted CalCCA's growing legislative and regulatory impact.

Public Engagement for June and July 2026

OCPA Staff provided an update on events in member cities in June and July 2026. Planned engagements include but are not limited to Fullerton's 2026 State of the City and the Be You Pride Fest, Cool Irvine's Eco Fair, Fountain Valley's Summerfest, and the Buena Park's 250th Anniversary Celebration of the United States of America. These activities support OCPA's goals of strengthening community relationships, increasing awareness of clean energy programs, and providing accessible opportunities for residents and businesses to engage with the agency.

Updates from Staff

Staff provided updates on communications, programs, community engagement, and an overview of OCPA programs. Communications efforts included continued development of educational content through OCPA's newsroom and an educational webinar to help customers better understand their electricity bills. OCPA staff also attended a climate and clean energy community panel hosted at the California State University Center for Healthy Neighborhoods, and the Sustainable Campus Challenge Finale Event, which

advanced OCPA's student engagement and promoted energy and sustainability education to students.

Program updates highlighted strong participation in the Renter Energy Efficiency Program, and ongoing outreach to low and middle-income residents for the Equitable Building Decarbonization Direct Install program. Additionally, applications are open for the 2026 Bright Futures Grant now through July 3, 2026. This is OCPA's annual funding opportunity for community organizations to support educational projects in clean energy and sustainability. Future programs are being explored to support energy efficiency for small businesses and multifamily housing structures.

OCPA staff continued community engagement throughout the month of May, attending events in regional partnerships, Pride Day, and multicultural visibility.

FISCAL IMPACT

None.

ATTACHMENT(S)

None.

ORANGE COUNTY POWER AUTHORITY

Staff Report – Item 7.6

To: Orange County Power Authority Board of Directors
From: Joe Mosca, Chief Executive Officer
Subject: 2026-27 STRATEGIC PLAN MONTHLY UPDATE
Date: June 8, 2026

STRATEGIC GOALS

- ☒ Enrich & Grow the OCPA Community
- ☒ Prioritize Fiscal Sustainability & Affordability
- ☒ Design & Deploy Community-Aligned Customer Programs
- ☒ Energize Our Community with Renewable Energy
- ☒ Raise Awareness of Community Energy & Advocate for Our Customers
- ☐ Not Applicable

RECOMMENDED ACTION(S)

Receive and file.

BACKGROUND

On April 13, 2026, the Orange County Power Authority (OCPA) Board of Directors (Board) approved the 2026-27 Strategic Plan. This strategic plan marks the fourth iteration of the OCPA strategic planning process. This year's strategic plan includes five (5) strategic goals and 13 objectives. Board level updates are included in the monthly agenda as a regular reporting process.

The strategic plan is available online at – <https://www.ocpower.org/strategic-plan>

2026-27 Strategic Goals

1. Enrich and Grow the OCPA Community
2. Prioritize Fiscal Sustainability and Affordability
3. Design and Deploy Community-Aligned Customer Programs

4. Energize Our Community with Renewable Energy Sources
5. Raise Awareness of Community Energy & Advocating for Our Customers

OBJECTIVE	STATUS	UPDATE
1.1 — Expand awareness of OCPA through targeted outreach to prospective member cities and regional organizations	In Progress	Events with stakeholder groups are being identified for June and July.
1.2 — Develop educational programs and partnerships promoting renewable energy understanding across age groups	In Progress	Curriculum materials developed in partnership with OC Dept Ed; will be available for 26/27 school term. Completed partnership with Sustain OC Foundation on Sustainable Campus Challenge with HS students from across OC.
2.1 — Deliver a financially sustainable 2027 rate and product framework grounded in cost-of-service analysis, product pathway evaluation, and disciplined cost management	In Progress	Cost-of-service workplan has launched, consultants are engaged, and initial product pathway scenarios are being developed.
2.2 — Advance credit rating readiness and innovative financing strategies to position OCPA for a potential public credit rating process in 2028	Not Started	
3.1 — Implement customer programs informed by the community power plan, with focus on equity and underserved populations	In Progress	Renter Energy Efficiency program closed first round of funding, 250 customers enrolled. Slate of CPP-informed programs drafted to share with the Board.
3.2 — Grow grant and program participation year-over-year	In Progress	Programs are seeing strong interest; 2026 Bright Futures Grant launched this month, will know level of interest in July.
3.3 — Strengthen community outreach to provide customers with access to OCPA programs and resources	In Progress	Work continues. Currently focusing CBO work on outreach for the state-funded Equitable Building Decarbonization Direct Install program
4.1 — Maintain a diversified, cost-effective power portfolio with risk management protocols that adapt to market conditions	In Progress	Team discussions and reviews are underway to establish risk management protocols; timing of long-term power solicitations is being strategically considered, and joint procurement discussions with partner agencies have begun. Benchmarking against statewide metrics is advancing with the 2025 Power Source Disclosure report completed; the Integrated Resource Plan for 2026 is being drafted for Board presentation.

4.2 — Advance local generation and storage programs through partnerships with member agencies and clean technology providers	In Progress	The RFP for the DAC-GT program is submitted and awaiting CPUC approval; outreach continues with developers and several project proposals are under discussion to ensure compliance.
4.3 — Collaborate with other CCAs on joint procurement, shared resources, and knowledge exchange	In Progress	Agreements with Clean Power Alliance, Clean Energy Alliance, and Dynasty Power are fully executed for trading and PrePay efforts. Further joint procurement discussions and benchmarking of CCA best practices are ongoing.
5.1 — Strengthen community engagement through culturally-inclusive events, networking, and business outreach	In Progress	OCPA closes FY25/26 having tabled approximately 30 community events and conducting around 20 presentations to organizations and communities across OC.
5.2 — Advance regulatory and legislative advocacy to enhance affordability for our customers, protect our customers' interests, and support CCA-favorable policy outcomes	In Progress	Stakeholder mapping and policy risk assessment tools are in development. Advocacy accomplishment tracker and an Energy Policy 101 resource have high-level drafts completed. Efforts continue to categorize impacts and refine strategic outreach.
5.3 — Equip board members with tools, training, and structured support for effective policy engagement	In Progress	Efforts to engage prospective cities are in progress, and planning is underway for Board member study sessions and materials.

Attachments

None.

ORANGE COUNTY POWER AUTHORITY

Staff Report – Item 7.7

To: Orange County Power Authority Board of Directors
From: Nicholas Norvell, Interim General Counsel
Approved by: Joe Mosca, Chief Executive Officer
Subject: PUBLIC RECORDS ACT QUARTERLY REPORT
Date: June 8, 2026

STRATEGIC GOALS

- ☐ Enrich & Grow the OCPA Community
- ☐ Prioritize Fiscal Sustainability & Affordability
- ☐ Design & Deploy Community-Aligned Customer Programs
- ☐ Energize Our Community with Renewable Energy
- ☐ Raise Awareness of Community Energy & Advocate for Our Customers
- ☒ Not Applicable

RECOMMENDED ACTION(S)

Receive and file.

BACKGROUND

As part of its February 2023 report, the State Auditor recommended that OCPA report to the Board of Directors no less than quarterly on: (1) the number of public records requests received, closed, and pending; (2) the average time OCPA took to respond to those requests; and (3) the reasons for withholding or redacting requested records, if applicable.

DISCUSSION / ANALYSIS

Below is a report covering the period from March 6, 2026, through June 1, 2026.

Requests Received	17
Requests Closed	15
Requests Pending (Including Ongoing Requests from Previous Reporting Period)	4
Determination or Extension Letters Provided within 10 Days	Yes
Average Calendar Days to Fully Complete Closed Requests	28
Public Records Act Exemptions Applied <i>(Citations to Government Code unless otherwise noted)</i>	• Please be advised OCPA redacted the record to withhold confidential information as set forth in the California Public Utilities Commission Rulemaking 18-07-003, and Order Instituting Rulemaking 05-06-040, which are incorporated into the PRA by Government Code section 7927.705. In addition, a public disclosure of certain pricing rates and volumes could expose market sensitive information and put OCPA at an unfair competitive disadvantage which would negatively impact OCPA utility customers. Also, public disclosure of federal tax identification numbers and partial bank account numbers could compromise the financial security of the business or organization to which the financial information belongs. For these reasons, the public interest served in withholding the redacted information clearly outweighs the public interest served in disclosure pursuant to Government Code section 7922.000. • Financial account information, disclosure of which could promote financial fraud and could compromise the financial security of the business to which the financial information belongs. For the above reasons, the public interest served by withholding the redacted information clearly outweighs any public interest served by disclosure (Gov. Code § 7922.000).

	• Information regarding customer-specific rate and energy usage data, which is exempt from disclosure pursuant to Government Code § 7927.705, which incorporates Public Utilities Code §§ 8380 and 8381. In addition, the public interest served by withholding the redacted information clearly outweighs any public interest served by disclosure (Gov. Code § 7922.000). • Unique identifying code that a public agency uses to identify a vendor or contractor, or an affiliate of a vendor are exempt from disclosure pursuant to Government Code § 7928.715. • Information regarding customer-specific rate and energy usage data, which is exempt from disclosure pursuant to Government Code § 7927.705, which incorporates Public Utilities Code §§ 8380 and 8381. In addition, the public interest served by withholding the redacted information clearly outweighs any public interest served by disclosure (Gov. Code § 7922.000). • Public disclosure of virtual conference and conference call credentials could comprise the security of the credentials and could promote the unauthorized use of such. Therefore, the public interest served in withholding the redacted information clearly outweighs any public interest served in disclosure pursuant to Government Code section 7922.000. • invasion of personal privacy pursuant to Government Code section 7927.700; • the home addresses all public employees, including elected officials, are exempt as disclosure would constitute an unwarranted invasion of privacy pursuant to Government Code section 7928.300; and • public disclosure of the redacted personal identifying information, such as residential addresses, would constitute an unwarranted invasion of personal privacy. In addition, public disclosure of back account numbers could promote financial fraud and could compromise the financial security of the account holder. Therefore, the public interest served in withholding the redacted information clearly outweighs any public interest served in disclosure pursuant to Government Code section 7922.000.
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ATTACHMENT(S)

None.

ORANGE COUNTY POWER AUTHORITY

Staff Report – Item 8.1

To: Orange County Power Authority Board of Directors
From: Joe Mosca, Chief Executive Officer
Subject: CONDUCT A PUBLIC HEARING AND ADOPT A RESOLUTION APPROVING AN UPDATED AMENDMENT NUMBER TWO TO THE OCPA COMMUNITY CHOICE AGGREGATION IMPLEMENTATION PLAN AND STATEMENT OF INTENT
Date: June 8, 2026

STRATEGIC GOALS

- ☐ Enrich & Grow the OCPA Community
- ☐ Prioritize Fiscal Sustainability & Affordability: Ensure affordable rates for OCPA
- ☐ Design & Deploy Community-Aligned Customer Programs
- ☐ Energize Our Community with Renewable Energy
- ☐ Raise Awareness of Community Energy & Advocate for Our Customers
- ☐ Not Applicable

RECOMMENDED ACTION(S)

1. Conduct a Public Hearing.
2. Adopt Resolution 2026-XX: A Resolution of the Board of Directors of Orange County Power Authority Approving the Updated Amendment Number Two to the Community Choice Aggregation Implementation Plan and Statement of Intent Providing New Electric Service to the City of Fountain Valley.

BACKGROUND

Before initiating or expanding community choice aggregation (CCA) service, OCPA must meet certain legal requirements set forth in California Public Utilities Code section 366.2 and California Public Utilities Commission (CPUC) regulation. The law requires that the governing body of a CCA adopt, at a duly noticed public hearing, an Implementation Plan and Statement of Intent (Implementation Plan) describing various organizational, ratesetting, and other program components and submit the

Implementation Plan to the CPUC for certification. In the case initiating service to a new member, service cannot begin until at least one calendar year after an amended Implementation Plan has been submitted.

OCA's original Implementation Plan included the launch of the CCA program, which was submitted to the CPUC on December 30, 2020 and certified on March 8, 2021. Per CPUC regulations, OCA's CCA program launched one-year later on April 1, 2022.

On November 25, 2024, the OCA Board of Directors adopted Resolution No. 9938 approving Amendment No. 2 to the Implementation Plan adding the City of Fountain Valley to the CCA program and removing the City of Huntington Beach and the County of Orange as program customers. Amendment No. 2 identified a program start date for Fountain Valley of October 1, 2026 and identified certain other forecast modifications reflecting recently updated projections, customer energy requirements, peak demand, renewable energy purchases, financial plan, and various other items. Amendment No. 2 was submitted to the CPUC on December 3, 2024 and certified on January 9, 2025.

DISCUSSION / ANALYSIS

OCA, in consultation with Fountain Valley officials, has determined that it would be operationally efficient to move the city's start date from October 1, 2026 to April 1, 2027. The enrollment of customers in Fountain Valley will result in an increase in enrollments of approximately 18,600 accounts, with annual electricity consumption of approximately 225,000 MWh. This represents an approximate 10% increase to OCA's retail sales. OCA has been in coordination with the Southern California Edison Company and the CPUC's Energy Division on the change in start date. The CPUC requires an updated Implementation Plan to be submitted if there is any modification to the start date, anticipated load, or phase-in schedule. Therefore, OCA is required to modify, approve and submit an updated Amendment No. 2 of the Implementation Plan due to the change in Fountain Valley's start date.

The proposed resolution would adopt the updated Amendment No. 2 adjusting the start date to April 1, 2027, direct the Chief Executive Officer (CEO) to file the amendment with the CPUC, and authorize the CEO to take any actions required by the CPUC or SCE to effectuate the modified start date, including additional modifications to the Implementation Plan.

FISCAL IMPACT

The updated fiscal analysis assumes Fountain Valley's enrollment date shifts from October 2026 to April 2027. Based on OCPA's current budget model, the revised enrollment is projected to generate approximately \$6.0 million in incremental revenue and a positive operating margin of approximately \$0.6 million in fiscal year 2026/27. For fiscal years 2027/28 through 2029/30, Fountain Valley enrollment is projected to continue generating positive operating margins, averaging approximately \$2.2 million annually.

ATTACHMENT(S)

1. Resolution 2026-XX: A Resolution of the Board of Directors of Orange County Power Authority Approving an Updated Amendment Number Two to the Community Choice Aggregation Implementation Plan and Statement of Intent Providing New Electric Service to the City of Fountain Valley.
2. Implementation Plan and Statement of Intent - Amendment No. 2 (Updated).

RESOLUTION NO. 2026-XX

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ORANGE COUNTY POWER AUTHORITY APPROVING AN UPDATED AMENDMENT NUMBER TWO TO THE COMMUNITY CHOICE AGGREGATION IMPLEMENTATION PLAN AND STATEMENT OF INTENT PROVIDING NEW ELECTRIC SERVICE TO THE CITY OF FOUNTAIN VALLEY

A. The Orange County Power Authority (“OCPA”) is a joint powers authority formed pursuant to the Joint Exercise of Powers Act (Cal. Gov. Code § 6500 *et seq.*), California Public Utilities Code § 366.2, and a Joint Powers Agreement, effective November 20, 2020, by and among the member agencies of the Cities of Buena Park, Fullerton, and Irvine.

B. On October 1, 2024, the City of Fountain Valley adopted a resolution requesting membership in OCPA and approved the OCPA Joint Powers Agreement. On November 5, 2024, the City of Fountain Valley adopted an ordinance pursuant to Public Utilities Code § 366.2 authorizing a community choice aggregation program for retail customers within the City of Fountain Valley with electric service provided by OCPA.

C. Public Utilities Code § 366.2 requires that prior to commencing a community choice aggregation program to a new member agency, OCPA must adopt an amended Implementation Plan and Statement of Intent (Implementation Plan) to be filed with and certified by the California Public Utilities Commission (CPUC).

D. Amendment No. 2 of the Implementation Plan was submitted to the CPUC on December 3, 2024 and certified on January 9, 2025, with an identified start date for Fountain Valley customers on October 1, 2026.

E. OCPA has determined that it would be operationally efficient to move the city’s start date to April 1, 2027.

F. The CPUC requires an updated Implementation Plan to be submitted if there is any modification to the start date, anticipated load, or phase-in schedule.

G. OCPA is hereby submitting an Update to Amendment Number Two to the Implementation Plan describing the revised start date as presented to the Board of Directors at a duly noticed public hearing for consideration and adoption on June 8, 2026.

NOW, THEREFORE, BE IT RESOLVED by the Orange County Power Authority Board of Directors, as follows:

Section 1. In accordance with California Public Utilities Code § 366.2, the Board of Directors hereby considers and approves Updated Amendment Number Two to the OCPA Community Choice Aggregation Implementation Plan and Statement of Intent at a duly noticed public hearing held on June 8, 2026 at 11:00 a.m., after allowing interested persons the opportunity to provide public comment.

Section 2. The Board of Directors hereby directs the OCPA Chief Executive Officer to file the Updated Amendment Number Two with the Energy Division of the California Public Utilities Commission, and authorizes the Chief Executive Officer to take any actions required by the CPUC or Southern California Edison Company to effectuate the modified start date, including additional Implementation Plan modifications.

Section 3. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED at a meeting of the Board of Directors of the Orange County Power Authority held on June 8, 2026.

Chair
Orange County Power Authority

Secretary
Orange County Power Authority

AYES: _____ NAYS: _____ ABSENT: _____ ABSTAIN: _____

Orange County Power Authority

**COMMUNITY CHOICE AGGREGATION IMPLEMENTATION
PLAN AND STATEMENT OF INTENT – AMENDMENT No. 2
(Updated)**

To update the program start date for City of Fountain Valley

Approved [DATE]

Filed [DATE]

OCPA submitted Implementation Plan and Statement of Intent – Amendment No. 2 (Amendment No. 2) on December 3, 2024, which addressed statutory community choice aggregation requirements for expanding service to the City of Fountain Valley as a new member agency with an October 1, 2026 program start date. Amendment No. 2 also addressed the departure of the County of Orange’s unincorporated area customers and departure of the City of Huntington Beach. CPUC’s Energy Division certified Amendment No. 2 on January 9, 2026. OCPA subsequently notified the Energy Division and the applicable service lists on March 5, 2026 that the City of Fountain Valley’s start date would move to April 1, 2027.

OCPA is hereby updating Amendment No. 2 to reflect Fountain Valley’s modified start date per the January 8, 2025 certification letter that any modification to the start date, anticipated load, or phase-in schedule must be reflected in an updated Implementation Plan. On [DATE], at a duly noticed public hearing, the OCPA Board of Directors considered and adopted Resolution No. 2026-XXX approving the Updated Amendment No. 2 to the Implementation Plan and authorizing OCPA’s Chief Executive Officer to take any actions required by the CPUC to effectuate the modified start date.

The following modifications are made to Amendment No. 2 to reflect the new start date of April 1, 2027 for the City of Fountain Valley:

1. **Chapter 1 (Introduction):** All references to “October 1, 2026” are changed to “April 1, 2027” (pg. 2).
2. **Chapter 2 (Aggregation Process):** All references to “October 1, 2026” are changed to “April 1, 2027” (pg. 6).
3. **Chapter 5 (Program Phase-In):** “Phase 3 – City of Fountain Valley: All Accounts (October 1, 2026)” is changed to “Phase 3 – City of Fountain Valley: All Accounts (April 1, 2027)” (pg. 18).

No other modifications are proposed to Amendment No. 2.

ORANGE COUNTY POWER AUTHORITY

Staff Report – Item 8.2

To: Orange County Power Authority Board of Directors
From: Tiffany Law, Chief Financial Officer
Approved by: Joe Mosca, Chief Executive Officer
Subject: APPROVE OCPA'S FISCAL YEAR 2026/27 OPERATING BUDGET
Date: June 8, 2026

STRATEGIC GOALS

- ☐ Enrich & Grow the OCPA Community
- ☒ Prioritize Fiscal Sustainability & Affordability: Approve a financially balanced operating budget that supports customer affordability, reserve rebuilding, disciplined cost management, and long-term financial sustainability.
- ☐ Design & Deploy Community-Aligned Customer Programs
- ☐ Energize Our Community with Renewable Energy
- ☐ Raise Awareness of Community Energy & Advocate for Our Customers
- ☐ Not Applicable

RECOMMENDED ACTION(S)

1. Approve the recommended FY2026/27 Operating Budget, which projects a positive net position of approximately \$14.1 million, supports 2026 rate stability, rebuilds operating reserves, and funds essential power supply, operating, customer program, and non-operating expenses as presented in Attachment 1. The recommended budget supports the Board's reserve policy target and OCPA's long-term financial sustainability goals.
2. Approve a 3.7% Cost-of-Living Adjustment (COLA) for full-time employees, effective January 1, 2027, based on the April 2026 Consumer Price Index (CPI) for the Los Angeles-Long Beach-Anaheim area, and authorize corresponding updates to OCPA salary ranges. COLA eligibility will be prorated based on hire date, consistent with OCPA's compensation practices.
3. Approve the Group Health Plan Enhancement to adjust OCPA's employer contribution for baseline employer-covered medical and vision plan options from

95% to 100%, effective July 2026, for employees and dependents enrolled in those plans, with employees continuing to pay any incremental cost for higher-cost plan elections.

BACKGROUND

The Orange County Power Authority (OCPA) develops its annual operating budget using a zero-based budgeting approach, requiring expenses to be reviewed and justified based on current operational needs, projected market conditions, compliance obligations, customer program priorities, and long-term financial sustainability. This approach supports disciplined cost management and helps ensure that budgeted expenditures are tied to defined operational, customer, compliance, and financial objectives.

On February 15, 2023, the OCPA Board approved a Budget Policy that requires the agency to approve a balanced budget and maintain disciplined financial oversight. The policy supports prudent resource allocation, transparency, and long-term financial health. The Board-approved Rate Development Policy, adopted on April 19, 2023, provides a framework for setting customer rates to support full cost recovery, customer competitiveness, reserve contributions, and long-term financial sustainability.

The Board also approved a Reserve Policy establishing an operating reserve target of 30% to 50% of total operating expenses. The reserve target is intended to help OCPA manage market volatility, customer payment risk, regulatory uncertainty, power procurement obligations, and liquidity needs. In addition, the Rate Stabilization Fund Policy supports the ability to manage future revenue shortfalls and avoid sudden rate changes during periods of unusual market or utility rate volatility.

The FY2026/27 Budget aligns with OCPA's updated Strategic Plan and focuses on fiscal sustainability, affordability, customer programs, clean energy objectives, community benefit, regulatory advocacy, and long-term financial resilience. The budget also supports OCPA's goal of positioning the agency to pursue an investment-grade credit rating in 2028 by rebuilding reserves, maintaining liquidity, and strengthening financial planning discipline.

Staff presented the budget framework to the Board on May 7, 2026, briefed the draft budget with Board members in May, incorporated Board feedback, and prepared the recommended FY2026/27 Operating Budget for Board consideration and approval on June 8, 2026.

DISCUSSION / ANALYSIS

FY2025/26 Operating Budget Update

The FY2025/26 reforecast projects a positive net position of approximately \$405,000, compared to the approved Mid-Year Budget projection of an approximately \$4 million deficit. This represents an improvement of approximately \$4.4 million compared to the Mid-Year Budget projection.

The improvement is primarily driven by lower projected power supply costs resulting from updated 2026 Renewable Portfolio Standard (RPS) Market Price Benchmark (MPB) assumptions, risk management actions, and initial renewable energy prepayment savings beginning in June 2026. These improvements reflect OCPA's continued efforts to manage market volatility, optimize portfolio value, and improve financial performance while maintaining customer affordability.

FY2026/27 Operating Budget Overview

The FY2026/27 Recommended Operating Budget projects net electricity revenue of approximately \$259.2 million, investment income of approximately \$1.2 million, power supply costs of approximately \$228.2 million, non-power supply operating expenses of approximately \$18 million, debt service of approximately \$150,000, and a positive net position of approximately \$14.1 million.

Operating reserves are projected to increase to approximately \$59.5 million, or 24% of total operating expenses, by June 30, 2027. OCPA is also projected to reach approximately \$76 million in operating reserves, or 30% of total operating expenses, by December 31, 2027, meeting the Board's minimum reserve target.

The table below summarizes the FY2026/27 Recommended Operating Budget compared to the FY2025/26 reforecast. As shown, the budget projects a positive net position, lower power supply costs, and continued reserve rebuilding.

\$ in thousands Period Ending June 30	FY2025/26 Reforecast	% Revenue	FY2026/27 Recommended Budget	% Revenue	Budget Impact/ Change (\$)
Retail Electricity Revenue	\$245,500		\$259,201		\$13,701
Revenue Deferral / Rate Stabilization Adjustment	30,000		0		(30,000)
Net Electricity Revenue After Revenue Deferral	275,500	99.4%	259,201	99.5%	(16,299)
Investment Income	1,592	0.6%	1,200	0.5%	(392)
Less: Power Supply Costs	(262,837)	94.9%	(228,169)	87.6%	34,668
Less: Non-Power Supply Operating Expenses	(13,540)	4.9%	(17,980)	6.9%	(4,440)
Less: Debt Service	(311)	0.1%	(150)	0.1%	161
Net Position	\$405	0.1%	14,102	5.4%	\$13,697
Operating Reserve as of June 30	\$45,420		\$59,521		\$14,101
Reserve %	16%		24%		
Operating Reserve as of December 31	\$61,695		\$75,953		\$14,258
Reserve %	25%		30%	Meet Board's minimum reserve target	

Overall, the FY2026/27 Recommended Operating Budget strengthens OCPA's financial position, continues reserve rebuilding, supports customer affordability, and maintains the staffing, programs, and professional support needed to operate responsibly in a complex energy market.

FY2026/27 Operating Budget Analysis

This section highlights the key drivers of year-over-year (YOY) changes between the FY2025/26 reforecast and the FY2026/27 Recommended Operating Budget. The FY2026/27 Operating Budget Book (Attachment 2) provides the detailed budget schedules and underlying assumptions.

Net Electricity Revenue After Revenue Deferral (-\$16.3 million)

Net electricity revenue after revenue deferral is projected to decrease by approximately \$16.3 million, from \$275.5 million in the FY2025/26 reforecast to \$259.2 million in the FY2026/27 Recommended Budget.

The decrease is primarily due to the non-recurring \$30 million revenue deferral/rate stabilization adjustment included in the FY2025/26 reforecast. This is partially offset by a \$13.7 million increase in retail electricity revenue, reflecting projected retail load, customer participation, product selections, and Fountain Valley service beginning in April 2027 consistent with its planned launch.

For July through December 2026, revenue assumptions are based on Board-approved rates held flat at October 2025 levels. For January 2027 and beyond, revenue

assumptions are developed consistent with the Board-approved Rate Development Policy and will be informed by the cost-of-service study. The 2027 rate analysis and recommendations will return to the Board after completion of the cost-of-service study, bill impact analysis, product pathway evaluation, procurement and portfolio review, and Board policy discussions.

Investment Income (-\$392k)

Investment income is projected to decrease by approximately \$392,000, from \$1.6 million in the FY2025/26 reforecast to \$1.2 million in the FY2026/27 Recommended Budget.

The decrease reflects updated interest earnings assumptions and expected investment balances. OCPA will continue to manage cash and investments consistent with its Investment Policy, balancing safety, liquidity, and yield.

Power Supply Costs (-\$34.7 million)

Power supply costs are projected to decrease by approximately \$34.7 million, from \$262.8 million in the FY2025/26 reforecast to \$228.2 million in the FY2026/27 Recommended Budget.

Power supply remains OCPA's largest operating cost category and includes energy, renewable resources, carbon-free attributes, Resource Adequacy (RA), and California Independent System Operator (CAISO)-related costs required to serve customers reliably and meet state requirements.

The YOY decrease is primarily driven by updated 2026 and 2027 RPS MPB assumptions for renewable energy, as well as cost-management actions including portfolio planning, forward procurement, risk management, and renewable energy prepayment savings. While market conditions have improved from recent peak levels, system energy, renewable energy, and RA markets remain subject to volatility. Accordingly, the budget reflects updated market assumptions while maintaining a risk-aware procurement approach to support budget predictability, state compliance, customer affordability, and long-term financial sustainability.

System energy, renewable energy, carbon-free attributes, and CAISO-related costs are estimated at approximately \$181 million, or 79% of total power supply costs. RA, a state-mandated reliability requirement, is estimated at approximately \$47 million, or 21% of total power supply costs.

OCPA's first renewable energy prepayment transaction, totaling approximately \$929.4 million, is expected to reduce energy costs for the covered or designated renewable energy supply by approximately 12.45% and generate approximately \$25.3 million in energy procurement cost savings over the initial five-year term, beginning June 2026.

These savings support rate stability, customer affordability, and long-term financial sustainability.

Non-Power Supply Operating Expenses (+\$4.4 million)

Non-power supply operating expenses are projected to increase by approximately \$4.4 million, from \$13.5 million in the FY2025/26 reforecast to \$18 million in the FY2026/27 Recommended Budget. Despite the increase, non-power supply operating expenses remain limited at approximately 6.9% of revenue and support essential services required to operate OCPA as a public power provider.

The YOY increase primarily reflects the full-year impact of approved and existing staffing, budgeted COLA and merit assumptions, employee benefit changes, required customer communications and Fountain Valley launch preparation, customer programs and targeted bill relief, professional contract services, regulatory and legislative advocacy support, and core public agency administrative costs.

These expenditures support essential functions including finance, data, regulatory compliance, customer service, power resources, customer programs, risk management, information technology, and public agency oversight.

Data Manager and SCE Service Fees (+\$367k)

Data Management and SCE Service Fees total approximately \$2.9 million, or 1.1% of revenue. These services support the customer data, billing, and service infrastructure required to operate a CCA serving approximately 188,000 customer accounts.

The category includes Calpine data management services such as billing data validation, bill coordination with SCE, call center operations, customer enrollment database management, move-in/move-out services, and data reporting. It also includes SCE meter reading, data processing, and customer billing-related services required under the utility billing and service framework.

Based on peer CCA budget comparisons, OCPA's projected cost is within the peer range and equates to approximately \$1.27 per customer per month.

Staffing Costs and Workforce Planning (+\$1.9 million)

Staffing costs total approximately \$7.2 million, or 2.8% of revenue. The FY2026/27 budget supports 29 full-time equivalent (FTE) positions and includes 2 intern positions, with no proposed increase in authorized full-time positions.

The YOY change reflects approved position recruitment, the full-year impact of existing staff, budgeted merit adjustments, a 3.7% COLA effective January 1, 2027, and employee

benefit changes. Staffing projections will be reviewed and refined during the FY2026/27 Mid-Year Budget Update based on actual hiring, vacancies, benefit elections, and expenditures.

OCPA will continue to manage headcount carefully. Staff will not automatically fill every approved vacancy and will effectively hold recruitment for positions that are not immediately essential, moving forward only with vacancies necessary to maintain operations and support Board-approved priorities.

The proposed Group Health Plan Enhancement would adjust OCPA's employer contribution for baseline employer-covered medical and vision plan options from 95% to 100%, effective July 2026, for employees and dependents enrolled in those plans. The estimated incremental FY2026/27 budget impact is approximately \$31,000, or about 0.01% of revenue and 0.4% of total staffing costs. The proposal is structured as a targeted market-alignment measure, does not create a new benefit program, and does not increase authorized FTEs. The proposal also maintains a cost-control structure by applying to baseline employer-covered plan options, with employees continuing to pay any incremental cost for higher-cost plan elections.

The proposed adjustment is also supported by OCPA's Mercer CCA compensation survey. Mercer found OCPA's overall group health benefits were below the CCA median, with OCPA's dental benefit ranked 7th out of 7 CCAs before the Board-approved dental enhancement in July 2024. The proposed medical and vision contribution adjustment is intended to help close the remaining employer-contribution gap for OCPA's baseline employer-covered plan options and move OCPA closer to prevailing peer CCA practices.

Because OCPA competes for specialized energy, regulatory, rates, finance, data, and compliance talent, staff evaluated the proposal in the context of CCA and energy-sector labor market practices as well as OCPA's overall compensation structure.

Benefit comparisons should also be considered within the context of total compensation. OCPA does not offer certain benefits commonly available in other public-sector settings, such as CalPERS pension participation, retiree medical benefits, bargaining agreements, or other employer-funded compensation features.

[Professional Contract Services \(+\\$344k\)](#)

Professional contract services total approximately \$1.8 million, or 0.7% of revenue. These services provide specialized support for energy procurement and portfolio management, scheduling coordination, CAISO settlements, accounting, audit, banking, rate strategy, cost-of-service work, information technology, cybersecurity, human resources, and other technical or periodic functions.

These services allow OCPA to access specialized and time-sensitive expertise without adding permanent staff for every technical or project-specific function.

Legal, Compliance, and Legislative Advocacy Support (+\$127k)

Legal, compliance, and legislative advocacy support totals approximately \$791,000, or 0.3% of revenue. These services protect OCPA's operations, support governance, ensure compliance, and represent customer interests in regulatory and legislative matters.

In FY2026/27, OCPA plans to add Sacramento-based legislative advocacy support to strengthen engagement with the California Legislature and state agencies on issues that directly affect customer affordability, rate competitiveness, local energy choice, the Power Charge Indifference Adjustment (PCIA), RA, procurement mandates, and clean energy policy. These issues can materially affect customer costs and often require coordinated regulatory and legislative advocacy beyond local budget actions.

Communications and Outreach (+\$195k)

Communications and outreach costs total approximately \$1.6 million, or 0.6% of revenue. These costs support required customer notifications, rate transparency, multilingual access, program education, community engagement, and Fountain Valley launch preparation.

The YOY change reflects the need to maintain required customer communications and public education while supporting targeted outreach for customer programs and new member launch activities.

General & Administrative Expenses (+\$256k)

General and Administrative expenses total approximately \$1.5 million, or 0.6% of revenue. These costs support core public agency operations, financial controls, risk management, technology systems, office operations, staff training, industry engagement, and membership dues.

California Community Choice Association (CalCCA) and California Community Choice Financing Authority (CCCFA) membership dues support regulatory advocacy, legislative engagement, and financing structures that help OCPA manage long-term power supply costs, strengthen policy representation, and protect customer interests. CCCFA also provides access to prepayment financing structures designed to reduce long-term power supply costs for participating CCAs.

Customer Programs and Externally Funded Programs (+\$1.2 million)

Customer programs total approximately \$2.2 million, or 0.8% of revenue. The budget includes \$1 million for the Green Discount Program, as well as energy efficiency programs for renters, residential customers, multifamily housing, and small businesses, along with the OC Bright Futures Grant, OCPA Marketplace, Incentive Finder, and Build Smart Trailer.

The Green Discount Program is supported by available net prepayment savings and is designed to provide an approximate 1% discount below SCE's equivalent residential generation rates for eligible non-NEM residential customers who select the option, with California Alternate Rates for Energy (CARE), Family Electrical Rate Assistance (FERA), and other income-qualified households prioritized as administratively feasible.

OCPA also participates in several state-, federal-, and utility-funded programs that support under-resourced communities and provide customer energy benefits, including the Equitable Building Decarbonization Direct Install (EBD-DI) Program, OCPA Clean Energy Access (CEA) Program, and Southern California Regional Energy Network (SoCal REN) Program. The FY2026/27 budget includes approximately \$485,000 in program income with offsetting eligible costs, resulting in no net budget impact to OCPA.

Debt Service (-\$161k)

Debt service is projected to decrease by approximately \$161,000, from \$311,000 in the FY2025/26 reforecast to \$150,000 in the FY2026/27 Recommended Budget.

Debt service includes interest costs on OCPA's loan from the City of Irvine, which is scheduled to be fully paid off by January 2027, and imputed interest related to OCPA's office lease under Governmental Accounting Standards Board (GASB) Statement No. 87. At approximately 0.1% of revenue, OCPA's projected debt service cost remains at the low end of the peer CCA range and reflects a modest and declining debt service obligation.

Net Position and Operating Reserves

The FY2026/27 Recommended Budget projects a positive net position of approximately \$14.1 million, an improvement of approximately \$13.7 million compared to the FY2025/26 reforecast.

OCPA maintains operating reserves to absorb key financial and operating risks, including utility generation rate and PCIA volatility, power market volatility, RA cost pressure, customer payment risk, regulatory and legislative uncertainty, and changes in customer load or member participation.

OCPA is projected to reach approximately \$76 million in reserves, or 30% of total operating expenses, by December 31, 2027, and approximately \$125 million in reserves, or approximately 49% of total operating expenses, by December 31, 2029. This reserve rebuilding path supports long-term financial sustainability, customer affordability, credit rating readiness, and cost-effective power procurement.

This reserve rebuilding strategy is an important component of OCPA's long-term financial plan because reserves help protect customers from sudden cost shocks, maintain liquidity for power procurement, and support future credit rating readiness.

FISCAL IMPACT

The recommended FY2026/27 Operating Budget projects total net electricity revenue after revenue deferral of approximately \$259.2 million, investment income of approximately \$1.2 million, total power supply costs of approximately \$228.2 million, total non-power supply operating expenses of approximately \$18 million, debt service of approximately \$150,000, and a positive net position of approximately \$14.1 million.

Operating reserves are projected to increase to approximately \$59.5 million, or 24% of total operating expenses, by June 30, 2027, and to approximately \$76 million, or 30% of total operating expenses, by December 31, 2027, meeting the Board's minimum reserve target.

Approval of the recommended actions will authorize the FY2026/27 Operating Budget, the 3.7% COLA effective January 1, 2027, and the Group Health Plan Enhancement effective July 2026. The Group Health Plan Enhancement would adjust OCPA's employer contribution for baseline employer-covered medical and vision plan options from 95% to 100%, with employees continuing to pay any incremental cost for higher-cost plan elections. The estimated incremental FY2026/27 budget impact is approximately \$31,000, representing approximately 0.01% of revenue and 0.4% of total staffing costs, and is included in the recommended budget.

The recommended budget is financially balanced, projects a positive net position, supports reserve rebuilding, maintains 2026 rate stability, and funds the operational capacity needed to serve customers reliably, responsibly, and cost-effectively.

ATTACHMENT(S)

1. FY 2026/27 Recommended Operating Budget
2. FY 2026/27 Operating Budget Book
3. Glossary

Proposed FY 2026/27 Operating Budget

(\$ in thousands)	Approved Mid-Year Budget FY 2025/26	% of Rev	Reforecast FY2025/26	% of Rev	Proposed Budget FY2026/27	% of Rev	Change \$	Change %
Period Ending Jun 30								
REVENUE AND OTHER SOURCES								
Revenue - Electricity Base	242,389		241,675		254,504			
Revenue - Smart Choice Premium	7,525		7,306		6,233		13,701	5.6%
Revenue - 100% Renewable Premium	262		259		2,412			
Less: Uncollectible Accounts	(3,753)		(3,739)		(3,947)			
Revenue deferral	30,000		30,000		0		(30,000)	(100.0%)
Net Revenue - Electricity	276,425	99.4%	275,500	99.4%	259,201	99.5%	(16,299)	(5.9%)
Investment and Miscellaneous Income	1,535	0.6%	1,592	0.6%	1,200	0.5%	(392)	(24.6%)
Total Net Revenue and Other Sources	277,960	100.0%	277,093	100.0%	260,401	100.0%	(16,691)	(6.0%)
EXPENDITURES AND OTHER USES								
CURRENT EXPENDITURES								
Cost of Energy	267,287	96.2%	262,837	94.9%	228,169	87.6%	(34,667)	(13.2%)
Data Manager	2,217	0.8%	2,220	0.8%	2,607	1.0%	386	17.4%
Utilities Service Fees	399	0.1%	270	0.1%	250	0.1%	(20)	(7.3%)
Staffing Costs	5,198	1.9%	5,295	1.9%	7,218	2.8%	1,923	36.3%
Contract Services	1,808	0.7%	1,446	0.5%	1,791	0.7%	344	23.8%
Legal Services	706	0.3%	663	0.2%	791	0.3%	127	19.2%
Communications and Outreach	1,546	0.6%	1,397	0.5%	1,592	0.6%	195	13.9%
Other G&A	1,316	0.5%	1,272	0.5%	1,528	0.6%	256	20.1%
Energy Programs	1,199	0.4%	976	0.4%	2,204	0.8%	1,228	125.9%
	281,675	101.3%	276,376	99.7%	246,149	94.5%	(30,227)	(10.9%)
NON-OPERATING EXPENDITURES								
Interest costs - nonoperating	317	0.1%	311	0.1%	150	0.1%	(161)	(51.8%)
Total Expenditures and Other Uses	281,992	101.5%	276,688	99.9%	246,299	94.6%	(30,388)	(11.0%)
Net Income (Surplus/Deficit)	(4,032)	(1.5%)	405	0.1%	14,102	5.4%	13,697	3381.4%



2026-2027

Fiscal Year Operating Budget



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Fiscal Year Operating Budget 2026-2027

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CEO Message

As we enter Fiscal Year 2026/27, Orange County Power Authority (OCPA) remains grounded in the principles that inspired our creation: local control, community partnership, affordability, innovation, transparency, and long-term sustainability. This budget reflects our commitment to serving Orange County communities with accountability, responsible stewardship, and purpose.

California's energy landscape continues to evolve rapidly. Increasing regulatory complexity, climate-related reliability needs, volatile power markets, and shifting state and federal policies continue to shape the future of energy procurement and delivery. These pressures affect community choice aggregators (CCAs) and other load-serving entities across California, making disciplined financial planning, active risk management, and customer-focused decision-making more important than ever.

As a locally governed, not-for-profit public agency, OCPA prioritizes customer value rather than shareholder profit. Our mission remains clear: to provide reliable, cleaner energy at competitive and stable rates while reinvesting in the communities we serve and advancing solutions that improve affordability, resilience, and sustainability.

The FY2026/27 Budget aligns with OCPA's updated Strategic Plan and focuses on five core priorities:

- Strengthening community partnerships and engagement;
- Maintaining fiscal sustainability and affordability;
- Designing customer programs that reflect local needs;
- Advancing renewable energy and clean-energy goals; and
- Advocating for customers in state and regional energy policy discussions.

A major accomplishment this past year was the completion of the Community Needs Assessment for OCPA's Community Power Plan (CPP), developed through extensive engagement with residents, businesses, community organizations, and local leaders. This work provides a roadmap for future customer programs and local investments centered on equity, resilience, affordability, and measurable community benefit. The FY2026/27 Budget begins the next phase of this work by moving from assessment to implementation, with a focus on practical benefits for customers and member communities.



CEO Message (Continued)

OCPA also successfully executed its first green prepayment bond transaction, marking a major milestone in the agency's strategy to manage power supply costs and support long-term customer affordability. Totalling approximately \$929.4 million, this innovative financing strategy is expected to generate energy cost savings through a 12.45% discount, producing approximately \$25.3 million in savings over the initial five-year period. This achievement advances OCPA's innovative financing strategy and provides a meaningful tool to help offset power cost pressure and support customer value.

Despite ongoing market and regulatory challenges, OCPA maintained financial stability throughout the year with positive reserves, stable operations, and no immediate liquidity concerns. At the same time, the agency recognizes that financial flexibility remains tighter than our long-term target and that reserve rebuilding must continue in a disciplined and phased manner.

OCPA is also advancing a comprehensive cost-of-service study that will provide the analytical foundation for future rate design, product strategy, cost allocation, customer competitiveness, and long-term financial sustainability beginning in 2027. This effort reflects OCPA's commitment to data-driven decision-making, transparency, and responsible financial planning. It will help ensure that future rate and product decisions are grounded in affordability, fairness, compliance, and the long-term cost realities of serving customers.

As OCPA continues to mature as a public power provider, we remain focused on strengthening long-term financial resilience through disciplined forecasting, reserve planning, liquidity management, and strategic innovation. These efforts support OCPA's goal of positioning the agency to pursue an investment-grade credit rating in 2028. Achieving this milestone would strengthen OCPA's market credibility, improve access to financing and procurement opportunities, and help position the agency as a stronger counterparty in an increasingly complex energy market.

At the same time, challenges remain. Rising long-term procurement costs, Resource Adequacy requirements, evolving clean-energy mandates, and volatility in the Power Charge Indifference Adjustment (PCIA) continue to impact customer affordability and community energy providers across California. Energy costs remain OCPA's largest budget driver, influenced by market prices, long-term procurement obligations, renewable compliance costs, and state procurement mandates.



CEO Message (Continued)

PCIA remains one of the most significant external challenges affecting OCPA's competitiveness and customer affordability. Because PCIA is embedded in SCE bundled rates but shown separately on OCPA customer bills, it can distort the apparent comparison between OCPA and SCE service. OCPA cannot control the PCIA, but we must account for its impact in our financial planning, customer communications, product strategy, and advocacy efforts.

In the near term, OCPA is particularly focused on PCIA Track 2, including the valuation of pre-2019 banked Renewable Energy Credits held by investor-owned utilities. OCPA supports fair valuation of these legacy renewable resources, especially where they provide compliance value to bundled utility customers. Assigning little or no value to these resources can increase PCIA pressure on departed customers, including OCPA customers, and undermine the fairness and transparency of the PCIA framework. OCPA will continue working with CalCCA and other CCAs to advocate for outcomes that are fair, transparent, and aligned with customer affordability.

OCPA will also continue to strengthen its regulatory and legislative engagement on Resource Adequacy, Integrated Resource Planning, procurement mandates, PCIA transparency, and other issues that affect customer costs. These efforts are essential because not all financial pressure can be solved through local budgeting alone. Some challenges require coordinated advocacy and policy reform.

This budget reflects both realism and optimism: realism about the challenges facing California's energy sector and optimism about what can be achieved through responsible leadership, innovation, and strong community partnership. FY2026/27 is a year of focused execution and strategic alignment, with an emphasis on maintaining stability, advancing affordability strategies, implementing customer programs, completing the cost-of-service study, rebuilding reserves, preparing for 2027 rate and product decisions, and continuing progress toward credit rating readiness.

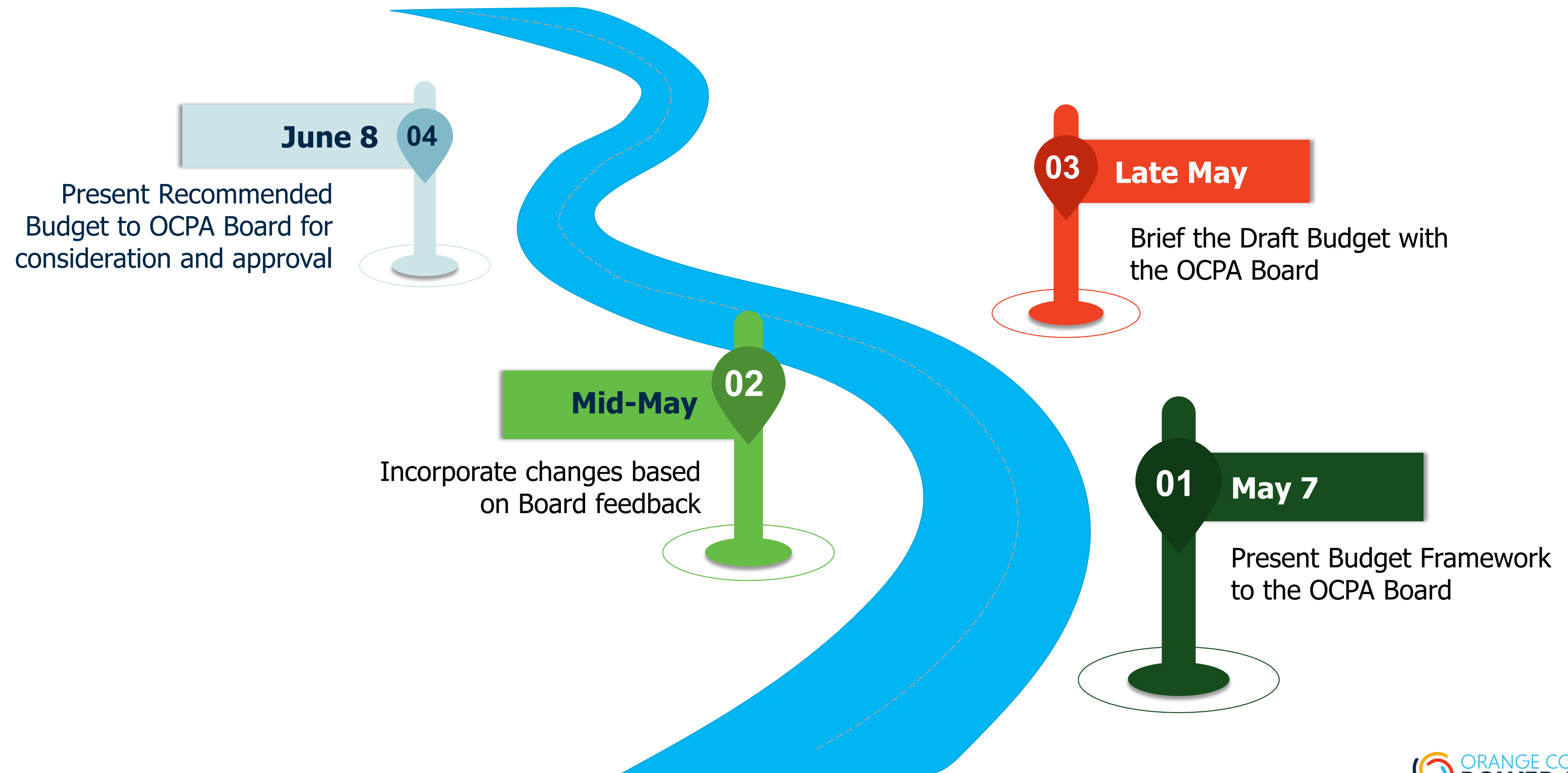
Together, we are building a more affordable, resilient, sustainable, and community-centered energy future for Orange County.



Joe Mosca
Chief Executive Officer



FY2026/27 Budget Roadmap





OCPA FY2026/27 Operating Budget - Background

The Orange County Power Authority (OCPA) is pleased to present a financially balanced FY2026/27 Operating Budget that projects a positive net position while supporting affordability, reserve rebuilding, and long-term financial sustainability.

OCPA's budget is updated annually and reviewed mid-year to balance immediate operational needs with long-term financial stability and rate affordability. It outlines estimated revenues and expenses for the fiscal year, spanning July 1, 2026, to June 30, 2027, and is developed using a zero-based budgeting approach, requiring all expenses to be justified from the ground up to ensure efficient and purpose-driven resource allocation.

The proposed budget is organized into two primary categories: revenues and expenses. These categories are intentionally broad to provide flexibility, minimizing the need for frequent adjustments while ensuring adaptability to changing conditions.





OCPA FY2026/27 Operating Budget - Highlights

- 1. Financial Stability:** Despite near-term budget pressure in FY2025/26 due to OCPA's commitment to limiting customer rate impacts while navigating rising energy costs, OCPA remains financially stable. OCPA is projecting a net surplus of approximately \$14 million and operating reserves of approximately \$60 million, equal to 24% of total operating expenses, by June 30, 2027. The budget also maintains disciplined non-power supply operating expenses while preserving the staffing capacity needed to manage power procurement, customer programs, regulatory compliance, data analytics, and financial oversight.
- 2. Reserve Rebuilding:** OCPA is expected to reach approximately \$76 million in reserves, or 30% of total operating expenses, by December 31, 2027, and approximately \$125 million, or 49% of total operating expenses, by December 31, 2029, consistent with the Board's reserve target. This reserve rebuilding path also supports OCPA's goal of positioning the agency to pursue an investment-grade credit rating in 2028.
- 3. Affordable and Predictable Rates:** OCPA is holding 2026 rates steady while preparing for data-driven 2027 rate and product decisions through the cost-of-service study. This approach allows OCPA to balance near-term affordability, customer competitiveness, financial sustainability, and transparency. OCPA is also implementing targeted affordability measures, including the Green Discount Program for eligible non-NEM residential customers, and continues to preserve NEM 2.0 benefits for all customers.
- 4. Innovative Financing and Cost Management:** OCPA executed its first green prepayment bond transaction totaling approximately \$929.4 million, generating an estimated 12.45% discount and approximately \$25.3 million in energy cost savings over the initial five-year period. Building on this achievement, OCPA will continue evaluating additional green prepayment bond opportunities and other innovative financing tools to reduce long-term power supply costs and support customer affordability.
- 5. Community Programs and Local Benefits:** The FY2026/27 Budget advances implementation of priorities identified through OCPA's Community Power Plan process by supporting programs that respond to local community needs, including energy efficiency, small business support, workforce development, customer education, targeted bill relief, and clean energy access.





Recommended OCPA Operating Budget FY2026/27

(\$ in thousands)	Approved Mid-Year Budget FY 2025/26		Reforecast FY2025/26		Proposed Budget FY2026/27			
Period Ending Jun 30		% of Rev		% of Rev		% of Rev	Change \$	Change %
REVENUE AND OTHER SOURCES								
Revenue - Electricity Base	242,389		241,675		254,504			
Revenue - Smart Choice Premium	7,525		7,306		6,233		13,701	5.6%
Revenue - 100% Renewable Premium	262		259		2,412			
Less: Uncollectible Accounts	(3,753)		(3,739)		(3,947)			
Revenue deferral	30,000		30,000		0		(30,000)	(100.0%)
Net Revenue - Electricity	276,425	99.4%	275,500	99.4%	259,201	99.5%	(16,299)	(5.9%)
Investment and Miscellaneous Income	1,535	0.6%	1,592	0.6%	1,200	0.5%	(392)	(24.6%)
Total Net Revenue and Other Sources	277,960	100.0%	277,093	100.0%	260,401	100.0%	(16,691)	(6.0%)
EXPENDITURES AND OTHER USES								
CURRENT EXPENDITURES								
Cost of Energy	267,287	96.2%	262,837	94.9%	228,169	87.6%	(34,667)	(13.2%)
Data Manager	2,217	0.8%	2,220	0.8%	2,607	1.0%	386	17.4%
Utilities Service Fees	399	0.1%	270	0.1%	250	0.1%	(20)	(7.3%)
Staffing Costs	5,198	1.9%	5,295	1.9%	7,218	2.8%	1,923	36.3%
Contract Services	1,808	0.7%	1,446	0.5%	1,791	0.7%	344	23.8%
Legal Services	706	0.3%	663	0.2%	791	0.3%	127	19.2%
Communications and Outreach	1,546	0.6%	1,397	0.5%	1,592	0.6%	195	13.9%
Other G&A	1,316	0.5%	1,272	0.5%	1,528	0.6%	256	20.1%
Energy Programs	1,199	0.4%	976	0.4%	2,204	0.8%	1,228	125.9%
	281,675	101.3%	276,376	99.7%	246,149	94.5%	(30,227)	(10.9%)
NON-OPERATING EXPENDITURES								
Interest costs - nonoperating	317	0.1%	311	0.1%	150	0.1%	(161)	(51.8%)
Total Expenditures and Other Uses	281,992	101.5%	276,688	99.9%	246,299	94.6%	(30,388)	(11.0%)
Net Income (Surplus/Deficit)	(4,032)	(1.5%)	405	0.1%	14,102	5.4%	13,697	3381.4%





OCPA FY2025/26 Reforecast and FY2026/27 Recommended Budget Overview

\$ in thousands Period Ending June 30	FY2025/26 Reforecast	% Revenue	FY2026/27 Recommended Budget	% Revenue	Budget Impact/ Change (\$)
Retail Electricity Revenue	\$245,500		\$259,201		\$13,701
Revenue Deferral / Rate Stabilization Adjustment	30,000		0		(30,000)
Net Electricity Revenue After Revenue Deferral	275,500	99.4%	259,201	99.5%	(16,299)
Investment Income	1,592	0.6%	1,200	0.5%	(392)
Less: Power Supply Costs	(262,837)	94.9%	(228,169)	87.6%	34,668
Less: Non-Power Supply Operating Expenses	(13,540)	4.9%	(17,980)	6.9%	(4,440)
Less: Debt Service	(311)	0.1%	(150)	0.1%	161
Net Position	\$405	0.1%	14,102	5.4%	\$13,697
Operating Reserve as of June 30	\$45,420		\$59,521		\$14,101
Reserve %	16%		24%		
Operating Reserve as of December 31	\$61,695		\$75,953		\$14,258
Reserve %	25%		30%	Meet Board's minimum reserve target	

Key Notes:

FY2025/26:

- FY2025/26 reforecast projects a **positive net position of approximately \$405,000**, improving by approximately \$4.4 million compared to the approved Mid-Year Budget projection of an approximately \$4.0 million deficit.
- The FY2025/26 improvement is primarily driven by lower projected power supply costs resulting from updated market-based renewable energy cost assumptions, risk management actions, and initial renewable energy prepayment savings beginning in June 2026.

FY2026/27:

- FY2026/27 recommended budget projects a **positive net position of approximately \$14 million** while rebuilding reserves.
- Operating reserves are projected to reach approximately \$60 million or 24% by June 30, 2027, and approximately \$76 million or 30% by December 31, 2027, meeting the Board's minimum reserve target.
- Non-power supply operating expenses remain limited relative to revenue and total operating costs, supporting a lean operating model and essential customer, finance, data, regulatory, and program functions.



OCPA Revenue Assumptions – Key Highlights

Primary Revenue Source: OCPA's operating revenue is primarily derived from retail electricity sales. Revenue assumptions are developed to support power procurement, operating and non-operating costs, and reserve contributions consistent with Board-approved financial policies.

Retail Load Forecast: The forecast reflects projected retail load for Buena Park, Fullerton, Irvine, and Fountain Valley, with Fountain Valley included beginning April 2027 consistent with its planned service launch.

Data-Based Forecasting: Customer counts and load estimates are based on actual customer data from Southern California Edison (SCE) and Calpine Community Energy (Calpine) reports, supplemented by forecast assumptions for future service territory changes, customer usage patterns, and program participation.

2026 Revenue Assumptions, July through December 2026: Revenue is based on Board-approved rates held flat at October 2025 levels, supporting customer affordability and rate predictability. The forecast also reflects current customer product selections and unchanged product adders of +1¢/kWh for Smart Choice and +1.5¢/kWh for 100% Renewable Choice, relative to Basic Choice.

2027 and Future Revenue Assumptions, January 2027 through June 2032: Projected revenue is developed consistent with the Board-approved OCPA Rate Development Policy and will be informed by the cost-of-service study. Revenue assumptions are intended to support power supply costs, operating expenses, debt service, and targeted reserve rebuilding while balancing affordability, competitiveness, and long-term financial sustainability.

Final 2027 rates will be brought to the Board separately after completion of the cost-of-service study, bill impact analysis, and Board policy discussions.





Power Supply Cost Assumptions: Cost Components

OCPA's power supply costs include energy, renewable resources, carbon-free attributes, Resource Adequacy, and CAISO-related costs required to serve customers reliably and meet state requirements. SCE continues to manage transmission, distribution, billing, and grid infrastructure, while OCPA procures electric generation and related power supply products for its customers.

Key cost drivers include market prices, weather, customer load, Resource Adequacy requirements, renewable compliance obligations, and state procurement mandates. OCPA manages these pressures through long-term contracts, forward purchases, portfolio diversification, disciplined procurement planning, and ongoing portfolio risk management, as further discussed on the following page.

Power Supply Cost Components:

- **Energy and Renewable Resources:** Includes system energy, renewable energy, carbon-free attributes, and CAISO-related costs. These costs are estimated at \$181 million, or approximately 79% of total power supply costs.
- **Resource Adequacy (RA):** A state-mandated reliability requirement that ensures sufficient generating capacity is available to serve customer demand during peak and stressed grid conditions. RA costs are estimated at \$47 million, or approximately 21% of total power supply costs.





Power Supply Cost Assumptions: Market Drivers and Cost Management

The FY2026/27 power supply forecast reflects updated market-based assumptions for system energy, renewable energy, and Resource Adequacy. While market conditions have improved from recent peak levels, OCPA continues to use disciplined procurement planning and portfolio risk management because system energy, renewable energy, and Resource Adequacy markets remain subject to volatility.

Key Market Assumptions:

- System Energy: CAISO forward energy prices have continued to decline and are approximately 23% lower than one year ago, reflecting stable natural gas prices and an improved supply outlook.
- Renewable Energy: PCC1 renewable energy prices have declined significantly from prior peak levels. The budget reflects updated market-based renewable energy assumptions while recognizing that renewable compliance costs and CPUC Market Price Benchmark outcomes remain subject to market and regulatory uncertainty.
- Resource Adequacy: RA pricing has generally stabilized as incremental procurement and new supply have helped ease near-term capacity constraints. However, RA remains a state-mandated reliability requirement and a major power supply cost component.
- Cost Management Strategy: OCPA's FY2026/27 forecast reflects multiple cost-management actions, including portfolio planning, forward procurement, renewable energy prepayment savings, and ongoing risk management. These efforts support budget predictability, state compliance, customer affordability, and long-term financial sustainability.





Power Supply Cost Assumptions: Renewable Energy Prepayment Savings

Major Power Supply Cost Savings Achievement: Renewable Energy Prepayment Transaction

- OCPA closed its first renewable energy prepayment transaction on March 19, 2026.
- The transaction totaled approximately \$929.4 million through CCCFA, was rated Aa2 by Moody's, and received a Green Bonds designation.
- The transaction is expected to reduce energy costs for the covered renewable energy supply by approximately 12.45%, generating approximately \$25.3 million in energy cost savings over the initial five-year term.
- These savings support rate stability, customer affordability, and OCPA's long-term financial sustainability.

Budget and Customer Impact

- This transaction helps convert financial innovation into practical customer value by reducing power supply cost pressure.
- Available net prepayment savings will help support the Board-approved Green Discount Program, allowing OCPA to provide targeted bill relief without relying on unrestricted reserves or increasing net operating costs for the program.
- The Green Discount Program provides an approximate 1% discount below SCE's equivalent residential generation rates for eligible non-NEM residential customers who select the Green Discount option. CARE, FERA, and other income-qualified households will be prioritized as administratively feasible.
- The program is designed to maintain overall revenue stability and long-term financial sustainability.





Operating Expenses Highlights: Data Management & SCE Service Fees

Non-power supply operating expenses remain a small portion of OCPA’s overall budget. The FY2026/27 Budget emphasizes disciplined cost management, lean staffing, customer-facing services, regulatory compliance, and investments that support affordability, operational stability, and long-term financial resilience.

OCPA’s Data Management and SCE Service Fees support the customer data, billing, and service infrastructure required to operate a CCA serving approximately 188,000 customer accounts.

Data Management & SCE Service Fees

- Data Management Services: Provided by Calpine, these services include billing data validation, bill coordination with SCE, call center operations, customer enrollment database management, move-in/move-out services, and data reporting.
- SCE Services: SCE provides meter reading, data processing, and customer billing-related services as required under the utility billing and service framework. These fees reflect services needed to support customer billing and data exchange.

\$ in thousands Period Ending June 30		
	FY2026/27 Budget	% of rev
Data Management Fee	\$2,607	
SCE Service Fee	\$250	
Total Data Management & SCE Service Fees	\$2,857	1.1%

CCA Comparison: Based on a comparison of 3CE, MCE, CPA, SDCP, and SVCE, total data management and SCE service fees range from approximately 0.9% to 1.6% of revenue. OCPA’s projected cost of 1.1% of revenue is within the peer CCA range and equates to approximately \$1.27 per customer per month.



Operating Expenses Highlights: Staffing Costs and FTE Discipline

Staffing costs include salaries, payroll taxes, employee benefits, and Board member stipends. The FY2026/27 budget includes assumptions for cost-of-living adjustments, approved position recruitment, full-year impacts of existing staff, budgeted merit adjustments, and employee benefit changes.

Proposed Staffing: The FY2026/27 budget maintains the total number of full-time equivalent positions at 29 FTEs, with no proposed increase in total FTEs. The budget also includes 2 intern positions to support operational workload and professional development opportunities.

Key Staffing Assumptions:

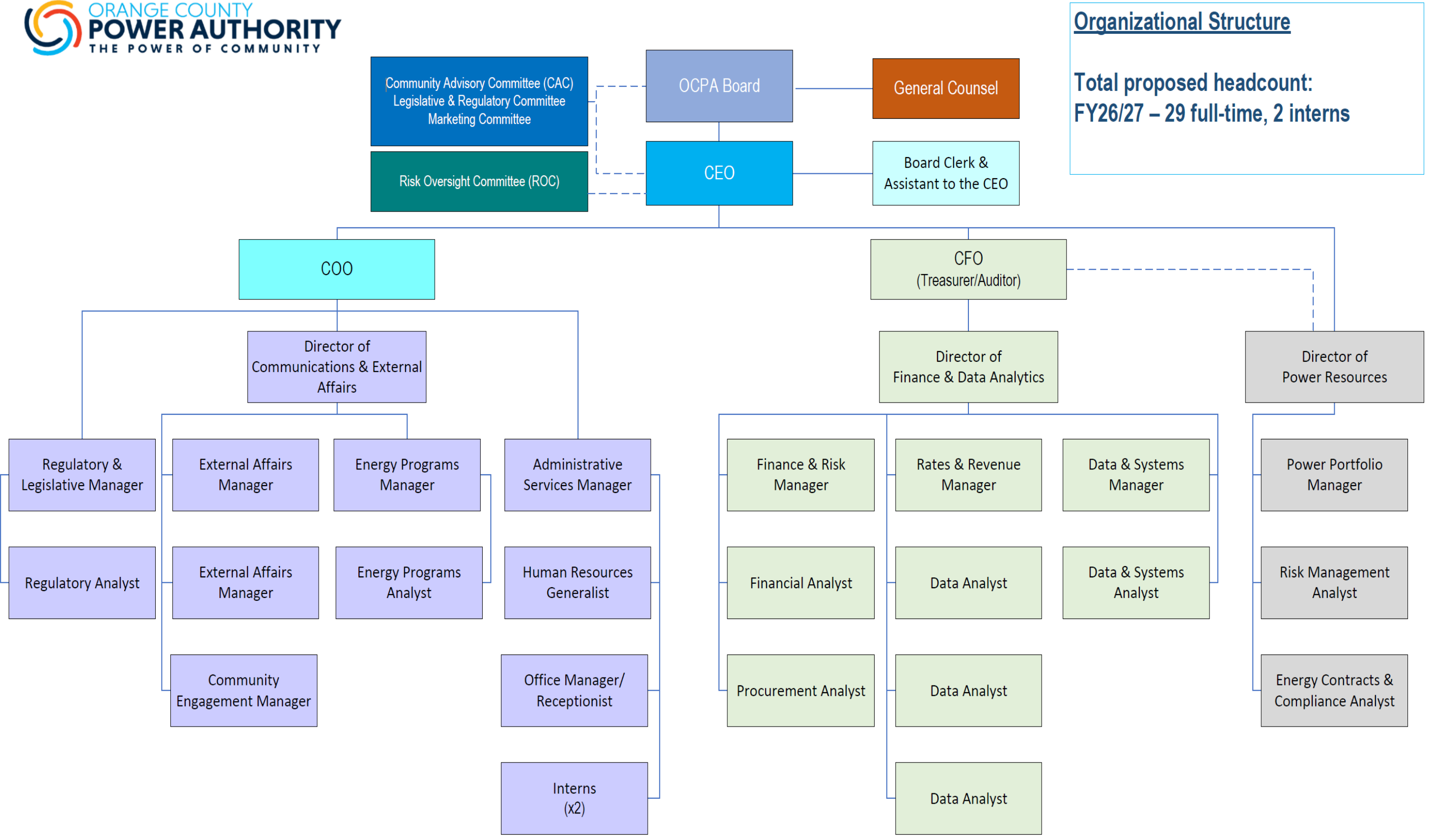
- No net increase in authorized FTEs: Total full-time positions remain at 29 for FY2026/27.
- Approved position recruitment: Budget assumptions include filling approved or vacant positions as needed to support core finance, data, power resources, communications and outreach, customer programs, regulatory and legislative, and administrative functions.
- Compensation planning: The budget includes cost-of-living adjustment (COLA) and merit assumptions consistent with OCPA's compensation policies, labor market conditions, and actual performance evaluations.
- Lean staffing model: OCPA serves approximately 188,000 customer accounts with 29 FTEs, equal to approximately 6,500 customer accounts per FTE.
- Budget refinement: Staffing projections will be reviewed and refined during the FY2026/27 Mid-Year Budget Update based on actual hiring, vacancies, benefit elections, and expenditures.

Key Notes:

OCPA is maintaining a lean staffing model with no increase in authorized full-time positions. Staffing assumptions are designed to preserve essential operational capacity, support regulatory compliance, manage power supply and financial risk, and avoid higher costs that could result from turnover, vacancies, or overreliance on outside support.



FY2026/27 Budget Assumption – Proposed Organizational Chart





Operating Expenses Highlights: Group Health Plan Enhancement

Staff proposes adjusting OCPA's employer contribution for baseline employer-covered medical and vision plan options from 95% to 100%, effective July 2026, for employees and dependents enrolled in those plans. This is an incremental adjustment to OCPA's existing benefits structure, not a new benefit program, and is intended to support retention, recruitment competitiveness, and organizational stability in a specialized energy-sector labor market.

Market Alignment, Retention, and Cost Control

- Incremental adjustment: OCPA currently provides 95% employer-paid medical and vision coverage. The proposal closes the remaining 5% employee cost-share for OCPA's baseline employer-covered plan options and aligns more closely with peer CCA practices.
- Relevant labor market comparison: While 100% employer-paid coverage may be less common in the broader private sector, OCPA competes for specialized energy, regulatory, rates, finance, data, and compliance talent with CCAs, utilities, public agencies, and energy-sector organizations. For this reason, CCA and energy-sector benchmarks provide the most relevant comparison for recruitment and retention purposes.
- Peer CCA alignment: Mercer's CCA compensation survey found OCPA's overall group health benefits were below the CCA median, with its dental ranked 7th out of 7 CCAs before the Board-approved dental enhancement in July 2024.
- Not an outlier: Based on the benchmarking reviewed, the proposal is consistent with benefit practices used by comparable CCAs and moves OCPA closer to prevailing CCA market practices rather than above market.
- Total compensation context: Benefit comparisons should be considered within total compensation. OCPA does not offer certain benefits commonly available in other public-sector settings, such as CalPERS pension participation, retiree medical benefits, bargaining agreements, or other employer-funded compensation features. The proposed enhancement helps support competitiveness within OCPA's actual labor market without increasing authorized FTEs.
- Retention and continuity: OCPA's workforce is small and specialized; retaining experienced staff helps reduce recruiting costs, knowledge loss, and reliance on external consultants.

Key Notes:

The proposed group health plan enhancement is a targeted market-alignment measure.

The proposal does not increase authorized FTEs, does not create a new benefit program, and represents an estimated incremental FY2026/27 budget impact of approximately \$31,000, or about 0.01% of revenue and 0.4% of total staffing costs. Employees would continue to pay any incremental cost for higher-cost plan elections, preserving the cost-control structure.



Operating Expenses Highlights: Cost-of-Living Adjustments and Staffing Costs

OCPA proposes to continue providing a Cost-of-Living Adjustment (COLA) for full-time employees, effective January 1, 2027, to help offset inflationary pressures and maintain competitive salary ranges. The adjustment will be based on the April 2026 Consumer Price Index (CPI) for the Los Angeles-Long Beach-Anaheim area, which is 3.7%. If approved, OCPA’s budgetary salary pay ranges will be updated to reflect the COLA.

COLA eligibility will be prorated based on hire date. Full-time employees hired before December 1, 2026, would receive the adjustment on a prorated basis. Employees hired on or after January 1, 2027, would not receive a COLA in this cycle.

\$ in thousands			
Period Ending June 30	FY2026/27 Budget	% of total	% of rev
Salaries	\$5,708	79.1%	
Benefits	\$1,141	15.8%	
COLA	\$174	2.4%	
Board Stipends	\$119	1.6%	
Payroll Taxes	\$76	1.1%	
Total Staffing Costs	\$7,218	100%	2.8%
Total FTEs	29		
Estimated Customer Accounts per FTE	6,500		

OCPA maintains 29 FTEs with no increase in authorized full-time positions. Total staffing costs represent 2.8% of revenue, within the peer CCA range of 1.8% to 5.3%, and support a lean staffing model serving approximately 188,000 customer accounts, or about 6,500 accounts per FTE.



Operating Expenses Highlights: Professional Contract Services

OCPA uses specialized external expertise to support essential functions that require technical, regulatory, financial, and energy market knowledge. This approach allows OCPA to maintain a lean staffing model while accessing expertise that may be specialized, time-sensitive, or periodic in nature. Professional contract services support the following areas:

- Energy Procurement and Portfolio Management: Supports power supply portfolio management, new member feasibility studies, scheduling coordination, Congestion Revenue Rights (CRR) purchases and sales, and California Independent System Operator (CAISO) settlements and reporting.
- Financial, Technology, and Other Professional Services: Includes accounting, annual financial audit, credit facility evaluation, rate strategy and cost-of-service study, SCE Energy Resource Recovery Account (ERRA) special assessment, information technology support, cybersecurity services, human resources, and banking services.

\$ in thousands		
Period Ending June 30	FY2026/27 Budget	% of rev
Power Supply Portfolio Management and Related	\$638	
Accounting, Auditing, and Banking	\$375	
Scheduling Coordination and Related	\$287	
Rate Strategies and Assessments	\$287	
IT, HR, Cybersecurity, and Other Support	\$204	
Total Professional Contract Services	\$1,791	0.7%

Key Notes:

These services allow OCPA to access specialized, time-sensitive expertise without adding permanent staff for functions that may be technical, periodic, or project-specific.

Professional contract services total approximately \$1.8 million, or 0.7% of revenue, supporting specialized energy, financial, technology, regulatory, and compliance functions while allowing OCPA to maintain a lean staffing model.

Based on peer CCA budget comparisons, professional contract services range from approximately 0.3% to 3.0% of revenue. OCPA's projected professional contract services cost of 0.7% of revenue is within this peer range.



Operating Expenses Highlights: Legal, Compliance & Legislative Advocacy Support Services

OCPA uses legal and specialized advocacy support to protect the agency’s operations, ensure compliance, support governance, and represent customer interests in regulatory and legislative matters. These services include general and special counsel, power procurement contract review and negotiation, regulatory proceedings, employment and labor matters, governance support, risk and liability management, clerk support, and legislative advocacy.

In FY2026/27, OCPA plans to add Sacramento-based legislative advocacy support to strengthen engagement with the California Legislature and state agencies. This support will help OCPA monitor legislation, provide timely policy insight, and advocate on issues that directly affect customer affordability, rate competitiveness, local energy choice, the Power Charge Indifference Adjustment (PCIA), Resource Adequacy, procurement mandates, and clean energy policy.

\$ in thousands		
Period Ending June 30	FY2026/27 Budget	% of rev
General Counsel	\$309	
Regulatory & Legislative	\$116	
Clerk Support	\$109	
Power Procurement Transactional & Negotiation	\$105	
Labor Related	\$102	
Sacramento Legislative Advocacy Support	\$50	
Total Legal, Compliance & Legislative Advocacy Support Services	\$791	0.3%
Additional In-House Legal FTEs	None	

Based on peer CCA budget comparisons, total legal and advocacy support costs range from approximately 0.1% to 0.4% of revenue. OCPA’s projected cost of 0.3% of revenue is within the peer range, with no additional in-house legal FTEs.



Operating Expenses Highlights: Communications & Outreach

OCPA’s Communications and Outreach budget supports required customer notifications, public education, program awareness, community engagement, and transparent communication with customers and member communities. These activities help ensure residents and businesses understand OCPA’s rates, customer choices, clean energy programs, and role as a locally governed public agency.

For FY2026/27, the budget funds mandatory customer notices, including Joint Rate Comparisons, direct mailers, website and translation support, customer surveys, community outreach, and targeted communications for the Fountain Valley launch. The budget also supports outreach for customer programs, community events, sponsorships, and partnerships that help OCPA provide practical information about available services and benefits.

\$ in thousands		
Period Ending June 30	FY2026/27 Budget	% of rev
Customer Communications, Education, Consulting, and Public Outreach	\$920	
Required Notices, Direct Mailers, and Postage	\$315	
Sponsorships and Community Memberships	\$165	
Translation, Website Enhancement, and Annual Survey	\$143	
Customer Materials, Design, and Miscellaneous Outreach Support	\$49	
Total Communications & Outreach	\$1,592	0.6%

Based on peer CCA budget comparisons, communications and outreach costs range from approximately 0.2% to 0.6% of revenue. OCPA’s projected cost of 0.6% of revenue is within the peer range. Communications and Outreach supports required customer notices, rate transparency, multilingual access, program education, community engagement, and Fountain Valley launch preparation.



Operating Expenses Highlights: General & Administrative Expenses

General and Administrative expenses support OCPA’s core public agency operations, financial controls, risk management, technology systems, office operations, and industry participation. These costs include office rent and lease amortization, utilities, insurance, bank and commitment fees, IT equipment and software, office maintenance, subscriptions, supplies, and ordinary business expenses.

G&A expenses also include targeted staff training, professional development, industry engagement, and membership dues for the California Community Choice Association (CalCCA) and the California Community Choice Financing Authority (CCCFA). These memberships support regulatory advocacy, legislative engagement, and financing structures that help OCPA manage long-term power supply costs, strengthen policy representation, and protect customer interests.

\$ in thousands		
Period Ending June 30		
	FY2026/27 Budget	% of rev
CalCCA and CCCFA Membership Dues	\$453	
Office Rental and Lease Amortization	\$227	
Bank and Commitment Fees	\$180	
IT Equipment and Software	\$152	
Business Insurance	\$140	
Office Maintenance, Improvements, Supplies, and Utilities	\$114	
Staff Training, Industry Engagement, and Business Travel	\$175	
Board, Public Meeting, and Business Meal Support	\$40	
Other Ordinary Business Expenses	\$47	
Total General & Administrative Expenses	\$1,528	0.6%

- CalCCA supports CCA advocacy before the California Legislature and regulatory agencies on issues affecting customer affordability, PCIA, Resource Adequacy, and procurement requirements.
- CCCFA supports prepayment financing structures designed to lower long-term power supply costs for participating CCAs.
- G&A expenses total approximately \$1.5 million, or 0.6% of revenue, supporting core operations, financial controls, risk management, IT systems, industry advocacy, and green prepayment bond administration. OCPA’s projected G&A cost remains within the peer CCA range of 0.4% to 1.6% of revenue.



Operating Expenses Highlights: Customer Programs, Targeted Bill Relief, and Incentives

OCPA is committed to reinvesting in the community through customer programs that support affordability, energy efficiency, clean energy access, and measurable local benefits. These programs are designed to respond to the needs of households, renters, small businesses, multifamily communities, and cost-sensitive customers.

Building on priorities identified through OCPA’s Community Power Plan (CPP) process, FY2026/27 programs will focus on practical customer benefits, including targeted bill relief, energy efficiency improvements, customer education, workforce development, and community grants.

Green Discount Program: Provides targeted bill relief for eligible non-NEM residential customers who select the Green Discount option, with an approximate 1% discount below SCE’s equivalent residential generation rates. Program participation will be supported by available net prepayment savings, with CARE, FERA, and other income-qualified households prioritized as administratively feasible.

\$ in thousands		
Period Ending June 30	FY2026/27 Budget	% of rev
Green Discount Program, Targeted Bill Relief	\$1,000	
Energy Efficiency Programs:		
Renter	\$545	
Residential	\$263	
Multifamily Housing	\$235	
Small Business	\$45	
OC Bright Futures Grant	\$100	
OCPA Marketplace, Incentive Finder, and Build Smart Trailer	\$16	
Total Customer Programs	\$2,204	0.8%

Based on peer CCA budget comparisons, customer program costs range from approximately 1.1% to 3.6% of revenue. OCPA’s projected customer program budget of 0.8% of revenue remains below this peer range while funding targeted affordability, energy efficiency, and community benefit programs.



Operating Expenses Highlights: State, Federal, and Utility-Funded Programs

OCPA participates in several state-, federal-, and utility-funded programs that support under-resourced communities and provide customer energy benefits. The FY2026/27 budgeted program income fully offsets eligible program costs, resulting in no net budget impact to OCPA.

Equitable Building Decarbonization Direct Install (EBD-DI): A California Energy Commission statewide initiative supporting all-electric appliances, energy efficiency measures, and weatherization upgrades for low-income households in under-resourced communities. OCPA's role includes outreach, participant handoffs, follow-up surveys, and program reporting.

OCPA Clean Energy Access (CEA) Program: OCPA's locally branded Disadvantaged Community Green Tariff (DAC-GT) Program is a CPUC-approved program designed to provide eligible low-income residential customers in disadvantaged communities with clean energy benefits. Participants would receive 100% solar energy and an additional 20% bill discount. When combined with CARE or FERA discounts, qualified customers could save more than 50% on their monthly electric bill.

SoCal REN Program: The Southern California Regional Energy Network, a service of the County of Los Angeles, helps public agencies, households, multifamily properties, and small businesses access energy efficiency opportunities that reduce energy use and lower costs.

FY2026/27 Budget			
	Income (\$ in thousands)	Costs (\$ in thousands)	Net Impact (\$ in thousands)
EBD-DI Program	\$89	(\$89)	\$0
CEA Program	\$291	(\$291)	\$0
SoCal REN Program	\$105	(\$105)	\$0
Total	\$485	(\$485)	\$0

All three programs are externally funded and fully reimbursable, allowing OCPA to deliver targeted benefits to under-resourced communities without increasing net operating costs.



Non-Operating Expenses Highlights: Debt Service

Debt service includes interest costs on OCPA’s loan from the City of Irvine, which is scheduled to be fully paid off by January 2027, as well as imputed interest related to OCPA’s office lease. Lease-related interest is calculated in accordance with Governmental Accounting Standards Board (GASB) Statement No. 87, which requires lease obligations to be recognized over the lease term.

\$ in thousands Period Ending June 30		
	FY2026/27 Budget	% of rev
Interest Costs, City of Irvine Loan, Scheduled Payoff January 2027	\$107	
Interest Costs, OCPA Office Lease	\$43	
Total Debt Service	\$150	0.1%

CCA Comparison: Based on peer CCA budget comparisons, debt service costs range from approximately 0.1% to 0.4% of revenue. OCPA’s projected debt service cost of 0.1% of revenue is at the low end of the peer range, and the City of Irvine loan is scheduled to be fully paid off by January 2027.



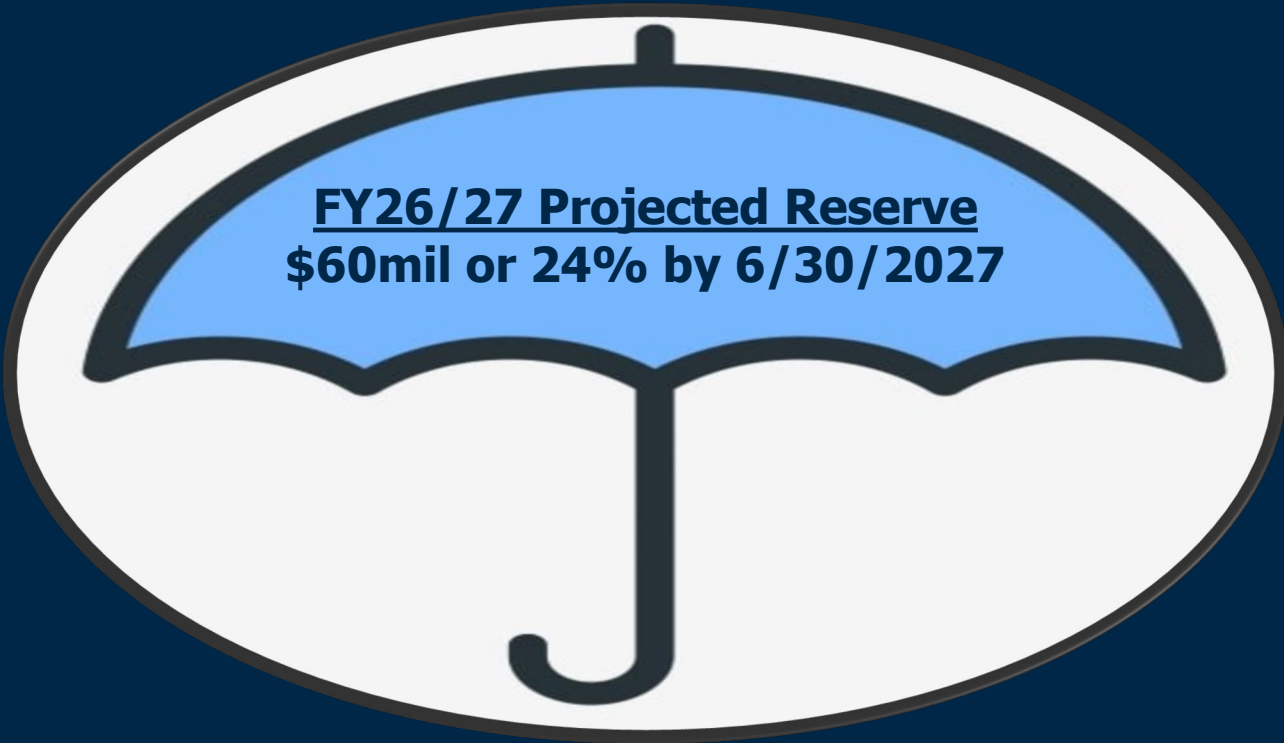
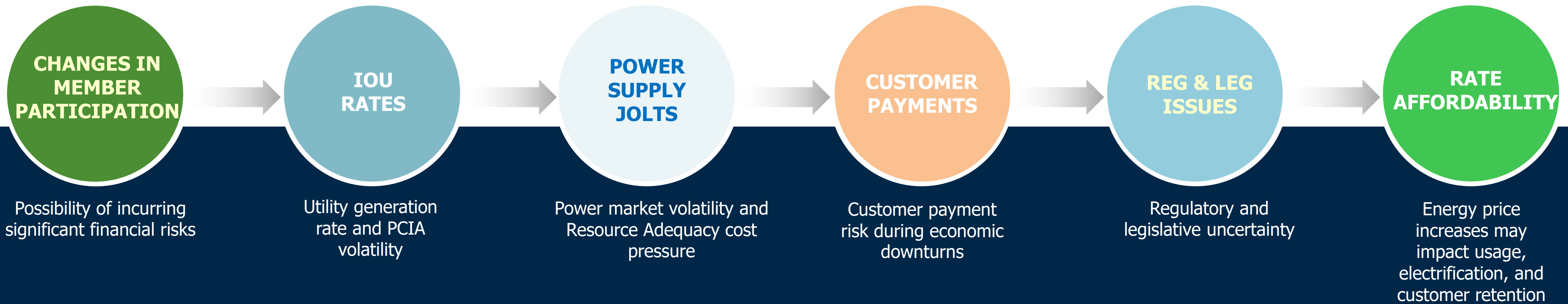
5-Year OCPA Financial Proforma FY2026/27 to 2031/32

(\$ in thousands)														
	Reforecast FY2025/26	% of Rev	Budget FY2026/27	% of Rev	Projection FY2027/28	% of Rev	Projection FY2028/29	% of Rev	Projection FY2029/30	% of Rev	Projection FY2030/31	% of Rev	Projection FY2031/32	% of Rev
Period Ending Jun 30														
REVENUE AND OTHER SOURCES														
Revenue - Electricity Base	241,675	87.2%	254,504	97.7%	265,722	97.3%	264,161	97.3%	267,441	97.3%	263,251	97.1%	269,742	97.2%
Revenue - Smart Choice Premium	7,306	2.6%	6,233	2.4%	4,881	1.8%	4,878	1.8%	4,960	1.8%	5,041	1.9%	5,129	1.8%
Revenue - 100% Renewable Premium	259	0.1%	2,412	0.9%	5,360	2.0%	5,438	2.0%	5,525	2.0%	5,609	2.1%	5,701	2.1%
Less: Uncollectible Accounts	(3,739)	(1.5%)	(3,947)	(1.5%)	(4,139)	(1.5%)	(4,117)	(1.5%)	(4,169)	(1.5%)	(4,109)	(1.5%)	(4,209)	(1.5%)
Revenue deferral	30,000		0		0		0		0		0		0	
Net Revenue - Electricity	275,500	99.4%	259,201	99.5%	271,824	99.6%	270,359	99.6%	273,757	99.6%	269,792	99.6%	276,363	99.6%
Investment and Miscellaneous Income	1,592	0.6%	1,200	0.5%	1,200	0.4%	1,200	0.4%	1,200	0.4%	1,200	0.4%	1,200	0.4%
Total Net Revenue and Other Sources	277,093	100.0%	260,401	100.0%	273,024	100.0%	271,559	100.0%	274,957	100.0%	270,992	100.0%	277,563	100.0%
EXPENDITURES AND OTHER USES														
CURRENT EXPENDITURES														
Cost of Energy	262,837	94.9%	228,169	87.6%	226,023	82.8%	229,737	84.6%	235,578	85.7%	244,074	90.1%	251,237	90.5%
Data Manager	2,220	0.8%	2,607	1.0%	2,849	1.0%	2,949	1.1%	3,052	1.1%	3,159	1.2%	3,270	1.2%
Utilities Service Fees	270	0.1%	250	0.1%	260	0.1%	267	0.1%	275	0.1%	284	0.1%	292	0.1%
Staffing Costs	5,295	1.9%	7,218	2.8%	8,102	3.0%	8,516	3.1%	8,942	3.3%	9,389	3.5%	9,858	3.6%
Contract Services	1,446	0.5%	1,791	0.7%	1,845	0.7%	1,724	0.6%	1,754	0.6%	1,784	0.7%	1,815	0.7%
Legal Services	663	0.2%	791	0.3%	828	0.3%	866	0.3%	866	0.3%	866	0.3%	866	0.3%
Communications and Outreach	1,397	0.5%	1,592	0.6%	1,688	0.6%	1,769	0.7%	1,855	0.7%	1,945	0.7%	2,039	0.7%
Other G&A	1,272	0.5%	1,528	0.6%	1,477	0.5%	1,510	0.6%	1,538	0.6%	1,569	0.6%	1,601	0.6%
Energy Programs	976	0.4%	2,204	0.8%	1,204	0.4%	1,204	0.4%	1,204	0.4%	1,204	0.4%	1,204	0.4%
	276,376	99.7%	246,149	94.5%	244,277	89.5%	248,543	91.5%	255,064	92.8%	264,273	97.5%	272,183	98.1%
NON-OPERATING EXPENDITURES														
Interest costs - nonoperating	311	0.1%	150	0.1%	35	0.0%	26	0.0%	16	0.0%	5	0.0%	5	0.0%
Total Expenditures and Other Uses	276,688	99.9%	246,299	94.6%	244,311	89.5%	248,569	91.5%	255,079	92.8%	264,278	97.5%	272,188	98.1%
Net Income Surplus/(Deficit)	405	0.1%	14,102	5.4%	28,712	10.5%	22,991	8.5%	19,877	7.2%	6,714	2.5%	5,375	1.9%
Reserve Balance:														
Carryover balance	45,014	16.2%	45,420	17.4%	59,521	21.8%	88,234	32.5%	111,224	40.5%	131,102	48.4%	137,816	49.7%
Net Income Surplus/(Deficit)	405	0.1%	14,102	5.4%	28,712	10.5%	22,991	8.5%	19,877	7.2%	6,714	2.5%	5,375	1.9%
Ending balance	45,420		59,521		88,234		111,224		131,102		137,816		143,191	
% of operating expenses	16%		24%		36%		45%		51%		52%		53%	



OCPA Operating Reserves

OCPA maintains operating reserves to absorb key financial and operating risks, including:



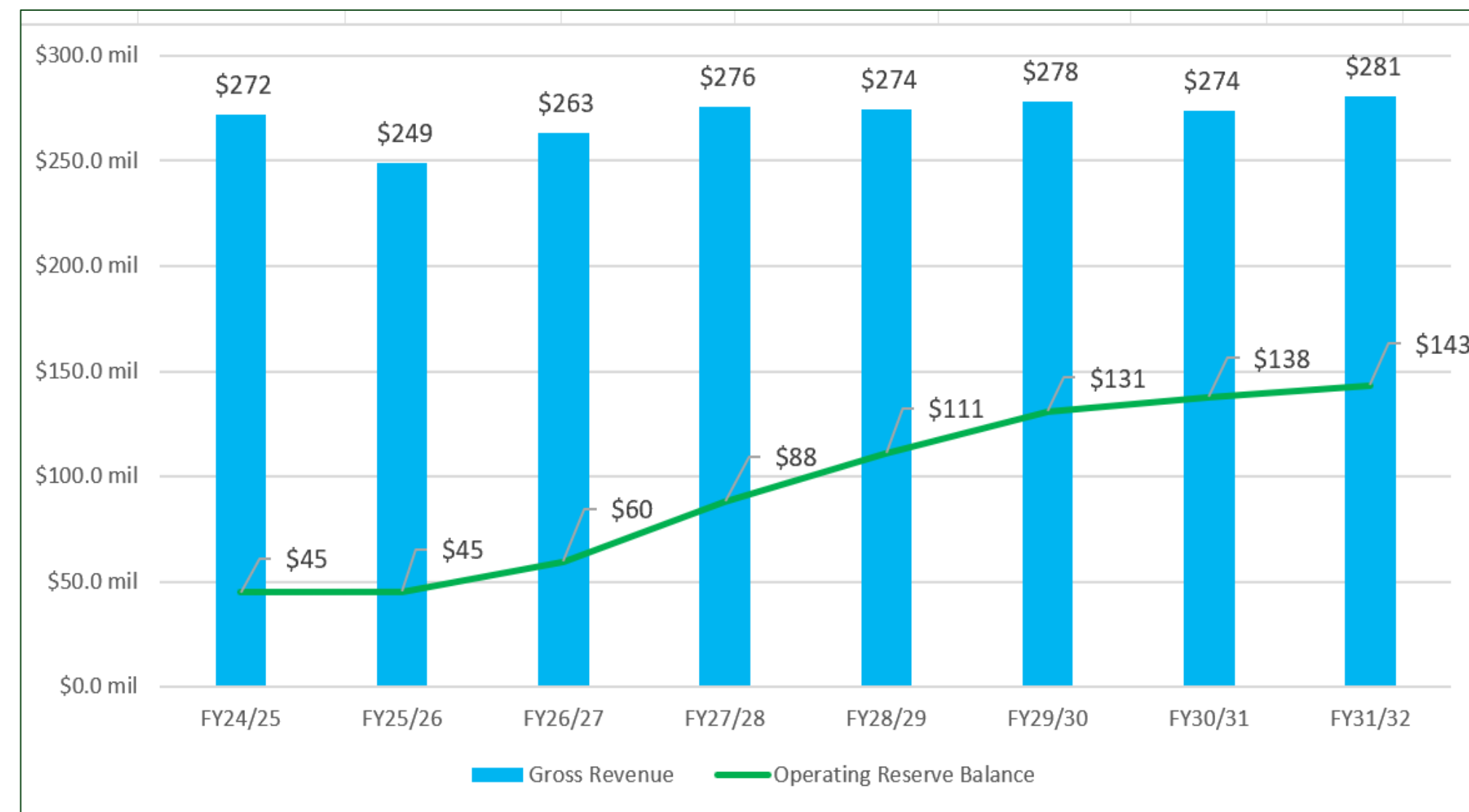


5-Year Financial Outlook and Reserve Rebuilding Plan

OCPA's five-year financial outlook shows a disciplined reserve rebuilding path while maintaining stable operations and supporting customer affordability. The reserve strategy is designed to strengthen OCPA's ability to manage external risks, maintain liquidity, support power procurement, and prepare for future credit rating evaluation.

OCPA is projected to reach approximately \$76 million in reserves, or 30% of total operating expenses, by December 31, 2027, and approximately \$125 million in reserves, or approximately 49% of total operating expenses, by December 31, 2029. This reserve rebuilding path supports long-term financial sustainability, customer affordability, credit rating readiness, and cost-effective power procurement.

Projected Revenue Stability and Reserve Growth



Key Notes:

OCPA is projected to meet the Board's minimum reserve target by December 31, 2027, and approach the upper end of the reserve target range by December 31, 2029. This supports financial resilience, customer affordability, credit rating readiness, and cost-effective power procurement.



About OCPA

Established in November 2020 as a Joint Powers Authority, OCPA is a locally governed, not-for-profit public agency that provides electric generation services to customers in Buena Park, Fullerton, and Irvine through California's Community Choice Aggregation model. Fountain Valley is scheduled to begin receiving service through OCPA in April 2027.

OCPA procures electricity generation on behalf of customers, while SCE continues transmission, distribution, metering, and billing services. OCPA's work focuses on cleaner energy, customer affordability, local control, rate stability, customer programs, and long-term financial sustainability.





2026 OCPA Board



Susan Sonne
Chair

**Councilmember
City of Buena Park**



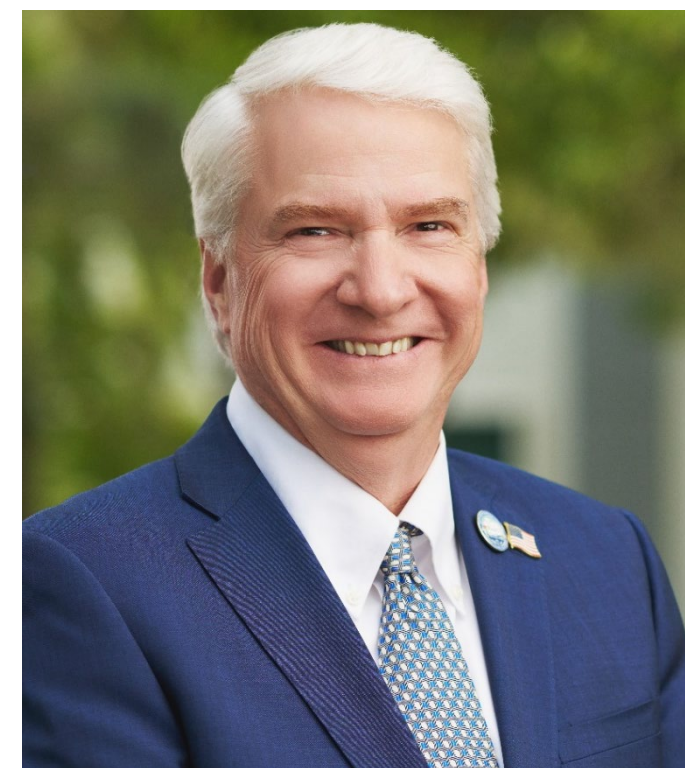
James Mai
Vice Chair

**Vice Mayor
City of Irvine**



Fred Jung
Director

**Mayor
City of Fullerton**



Glenn Grandis
Director

**Councilmember
City of Fountain
Valley**



Kathleen Treseder
Director

**Councilmember
City of Irvine**

Alternates Board Members:

**Lamiya Hoque
Vice Mayor
City of Buena Park**

**William Go
Councilmember
City of Irvine**

**Shanna Charles
Councilmember
City of Fullerton**

**Ted Bui
Councilmember
City of Fountain
Valley**

**Betty Martinez Franco
Councilmember
City of Irvine**

Glossary

Cost-of-Living Adjustment (COLA)

A COLA is an increase in compensation intended to help employees maintain the value of their pay against inflation. COLAs are typically based on inflation rates measured by the Consumer Price Index (CPI) for a specific period.

Consumer Price Index (CPI)

The Consumer Price Index (CPI) measures the monthly change in prices paid by U.S. consumers and is used to measure inflation and deflation. The Bureau of Labor Statistics calculates the CPI as a weighted average of prices for a basket of goods and services.

Renewable Portfolio Standards (RPS)

RPS are regulations that require energy providers to generate a minimum percentage of their energy from renewable sources.

California's RPS program was established in 2002 by Senate Bill (SB) 1078 (Sher, 2002), which initially mandated that 20% of electricity retail sales be served by renewable resources by 2017. The program was later expanded by SB 100 (de León, 2018), which increased the RPS requirement to 60% by 2030 and mandated that 100% of California's electricity come from carbon-free resources by 2045.

The California Energy Commission (CEC) verifies the eligibility of renewable energy procured by LSEs, including retail sellers, publicly owned utilities (POUs), and other entities serving retail electricity sales in California that are obligated to participate and report to the RPS program.

Eligible renewable resources are defined in California Public Resources Code § 25741 and include facilities using the following technologies: Biomass, Solar Thermal, Photovoltaic, Wind, Geothermal, Fuel cells using renewable fuels, Hydroelectric under 30 MW, Digester gas, Municipal solid waste conversion, Landfill gas, Ocean wave, Ocean thermal, Tidal current.

Market Price Benchmark (MPB)

The MPB is an average of utility portfolio costs used in calculating the ERRA Forecast Updates. It is a key component in PCIA calculations. The MPB is determined using the volume-weighted average of most recent market transactions and is used to calculate the final portfolio values in the PCIA.

California Public Utilities Commission (CPUC)

CPUC is a state agency that regulates investor-owned utilities (IOU) in California. Its responsibilities include overseeing utility services, protecting consumers, safeguarding the environment, and ensuring Californians have access to safe and reliable utility infrastructure and services.

While the CPUC does not regulate the pricing of Community Choice Aggregators (CCAs), it enforces various operational requirements mandated by the legislature. These include compliance with the Renewable Portfolio Standard (RPS), Energy Storage mandates, Resource Adequacy (RA) requirements, public goods charge energy efficiency funding, and rate comparison disclosures.

In addition, numerous CPUC proceedings can directly or indirectly affect CCAs. These include IOU procurement and rate-setting processes, as well as the establishment of exit fee calculations, which impact CCA operations and costs.

Resource Adequacy (RA)

The CPUC adopted an RA policy framework in 2004, as outlined in Public Utilities Code section 380, to ensure the reliability of electric service in California. This framework established RA obligations for all LSEs within the CPUC's jurisdiction, including IOUs, energy service providers (ESPs), and CCAs.

The RA policy framework, implemented through the RA program, guides resource procurement and promotes infrastructure investment by requiring LSEs to procure capacity to ensure that resources are available to the California Independent System Operator (CAISO) when and where they are needed.

To ensure LSEs can meet peak demand, the CPUC requires CCAs to submit annual and monthly filings demonstrating compliance with specified capacity procurement percentages. The RA program includes separate requirements for system, local, and flexible RA.

California Independent System Operator (CAISO)

The CAISO manages the flow of electricity across high-voltage, long-distance power lines, administers a wholesale energy market, and oversees transmission planning to maximize efficiency and reliability.

Full-Time Equivalent (FTE)

An FTE measures the total number of hours employees work in relation to a full-time work schedule.

Power Charge Indifference Adjustment (PCIA)

The PCIA is a fee charged by IOUs to CCA customers to ensure that remaining utility (bundled) customers do not face cost increases due to customers migrating to a CCA. The PCIA calculation methodology is established by the CPUC and is updated annually. Vintages are assigned based on the year of customer departure from the utility.

CCA customers are responsible for paying this fee, which is set by utilities. However, CCAs, including OCPA, typically set their rates lower to help offset the impact of the PCIA on their customers.

California Community Choice Association (CalCCA)

The CalCCA represents the interests of California's community choice electricity providers in the legislature and at state regulatory agencies, including the California Public Utilities Commission, California Energy Commission, and California Air Resources Board. CalCCA's mission is to create a legislative and regulatory environment that supports the development and long-term sustainability of locally-run Community Choice Aggregators (CCAs) in California.

California Community Choice Financing Authority (CCCFA)

The CCCFA was established in 2021 with the goal of reducing the cost of power purchases for member CCAs through pre-payment structures. The prepay structure effectively leverages the difference between tax-exempt and taxable debt rates to fund the reduction in the cost of power purchases.

Net Energy Metering (NEM)

NEM is a billing mechanism that allows customers with renewable energy systems, like solar panels, to receive credit for surplus electricity they send back to the grid.

California Alternate Rates for Energy (CARE)

CARE is a financial assistance program administered by SCE that helps qualifying families lower their monthly energy bills with a 32.5% bill discount. OCPA customers have access to the same rate assistance programs offered by SCE and CARE remains available to eligible OCPA customers.

Family Electrical Rate Assistance (FERA)

FERA is another financial assistance program administered by SCE that helps qualifying families lower their monthly energy bills with an 18% bill discount. OCPA customers have access to the same rate assistance programs offered by SCE and FERA remains available to eligible OCPA customers.

Equitable Building Decarbonization Direct Install (EBD-DI) Program

The EBD-DI Program is a state-wide program that aims to reduce greenhouse gas emissions in homes and advance energy equity through incentivizing increased adoption of low-carbon technologies. The Direct Install program provides decarbonization retrofits to low- and moderate-income households.

OCPA's Clean Energy Access (CEA) Program

In June 2018, the CPUC approved the Disadvantaged Communities Green Tariff (DAC-GT) program, which provides low-income residential customers in disadvantaged areas with 100% solar energy and a 20% bill discount. OCPA was recently approved to administer this program, securing 0.53 MW capacity from SCE and is naming the program Clean Energy Access (CEA) Program.

Southern California Regional Energy Network (SoCalREN) Program

The SoCalREN is a ratepayer-funded program authorized by the CPUC and administered by the County of Los Angeles. It is designed to help residents, businesses,

and local government agencies across Southern California to reduce energy use, lower utility costs, and transition to a more sustainable energy future.

Governmental Accounting Standards Board (GASB)

The GASB is an independent, private-sector organization that establishes accounting and financial reporting standards for U.S. state and local governments that follow generally accepted accounting principles (GAAP).

ORANGE COUNTY POWER AUTHORITY

Staff Report – Item 9

To: Orange County Power Authority Board of Directors
From: Joe Mosca, Chief Executive Officer
Subject: Chief Executive Officer's Report
Date: June 8, 2026

OCPA Load Management Standards Plan Update

OCPA's updated OCPA Load Management Standards Plan was approved by the California Energy Commission at its May 13, 2026 business meeting. The plan confirms OCPA's continued compliance with the Load Management Standards and outlines a proposed limited dynamic-rate pilot for large commercial and industrial customers, with a target launch in late 2027 or early 2028.

Cost of Service Study Update

Advancing cost-of-service analysis and product pathway evaluation is one of OCPA's FY2026/27 Strategic Plan goals related to fiscal sustainability and affordability. This effort began in mid-April 2026 with the launch of the workplan, consultant kickoff, and internal coordination. Data requests and the evaluation of feasible product pathways have been completed, including both the status quo model and new product pathway model. The next phase of work will incorporate procurement, compliance, cost, and portfolio considerations into the cost-of-service study, followed by development of the draft cost-of-service model, revenue requirement analysis, rate design scenarios, and customer bill impact tools.

Revenue Deferral Transfer

As contemplated in the FY 2025/26 Budget, OCPA will utilize \$45 million of previously deferred revenue from FY 2023/24, including \$15 million in FY 2024/25 and \$30 million in FY 2025/26, to help offset the anticipated revenue shortfall. The shortfall is primarily driven by continuation of the 2024 rate design into 2025 and the City of Irvine's transition from 100% Renewable Choice to Basic Choice. This strategic use of deferred revenue is consistent with the Board-approved Rate Stabilization Policy and serves as an important financial tool to support long-term rate stability and affordability. By proactively applying these funds, OCPA enhances its ability to manage financial risk, stabilize rates, and help protect customers from market volatility.

2026 CalCCA Conference

The 2026 CalCCA Annual Conference in Sacramento—held adjacent to the State Capitol—underscored how central Community Choice Aggregators have become to California’s energy future. As CalCCA marked its 10th anniversary, discussions reflected both on the movement’s origins and its growing responsibilities. CCAs now serve roughly one-third of the state’s electric load and play a critical role in affordability, reliability, resilience, and grid stability.

Conference discussions with state regulators, legislators, and the Governor’s Office highlighted CCAs’ leadership in clean energy procurement, distributed energy resources, and customer-focused innovation. Equally important was the momentum: CCAs are no longer just emerging participants, but essential partners shaping statewide energy policy. Maintaining that momentum—through prudent investment, collaboration, and continued local engagement—will be critical to delivering long-term value to the communities we serve. Thank you for your continued support of community choice!

Communications & External Affairs

Communications

- Orange County Power Authority spoke on a panel at the CSU Fullerton Center for Healthy Neighborhoods that highlighted clean energy and ways to make energy more affordable for local households. Over 30 majority Spanish-speaking Fullerton residents attended and engaged in the conversation, where live translation took place to ensure equitable information distribution. Read about the panel in [this article](#) from the Fullerton Observer.
- The clean energy curriculum developed in partnership with the OC Department of Education is soft launching in a classroom next week. We anticipate having the full curriculum of four lessons (universal, fourth grade, middle school, high school) completed in June for a 2027 school year rollout.

Community Engagement & External Affairs

- OCPA was a 2026 sponsor of the Sustain SoCal Foundations Sustainable Campus Challenge, and last week, staff attended the finale presentation event. Groups of students in high schools across Orange County presented actionable solutions to sustainability challenges in their communities. OCPA participated in judging the presentations and spoke with student teams from Capo Valley, Laguna, and Los Alamitos High Schools.
- OCPA was a presenting sponsor at CicloIrvine, where we engaged with hundreds of attendees and provided education on OCPA and information about OCPA programs. Check out our [social media post](#) to see some of the fun we had.

- Staff attended the Fullerton Prayer Breakfast where we connected with a range of attendees including Mayor Jung, chamber representatives, and local business leaders.
- OCPA is proud to have sponsored the OC Business Expo hosted by the Iranian American Chamber of Commerce. Our outreach efforts were focused on increasing awareness of OCPA among commercial customers and expanding relationships within the community-based organization network.
- OCPA launched its Income Qualified landing page this week with resources and programs to support residents facing financial challenges. It is on the website here: <https://www.ocpower.org/income-qualified-energy-programs/>
- OCPA's annual internship program is seeking applicants to support the Communications and External Affairs team. Here is a link to the application for you to distribute in your communities: <https://www.ocpower.org/about-us/careers/intern/>

Customer Programs

- Community Power Plan: The full plan is now published on the [OCPA website](#), where you can click a link to view a reactive [dashboard](#) of data.
- Renter Energy Efficiency Program: Appliances have been sent out to all 250 program participants.
- Energy Efficiency Equipment Showcase: The team is partnering with the U.S. Green Building Council (USGBC) to bring their BuildSMART Trailer to member cities. OCPA is hoping to bring this to each member city by the end of 2026.
- Equitable Building Decarbonization Direct Install Grant: The program has launched, with the interest and enrollment form going live. We are currently putting together an outreach plan.
- Residential Battery Rebate Program: A total of 54 applications have been approved for this program. It is no longer accepting new applications.
- ***Future programs in development***:
 - Multifamily housing energy efficiency rebate program
 - Small commercial energy audit program + support for energy efficiency implementation (funding support through SoCalREN)
 - Residential energy audit program + support for energy efficiency implementation (funding support through StopWaste)
 - Residential energy audit training program

Human Resources Updates

- External Affairs Manager: Candidate review is underway, with phone screen interviews currently in progress.
- Intern: One returning Intern has been onboarded as a Senior Intern for summer 2026. Recruitment is progressing, with panel interviews currently underway for a second intern.

Events & Stakeholder Outreach

The OCPA team attended the following events and community meetings since our last Board meeting:

DATE	HOST	EVENT/MEETING	CITY	START	END
5/7/2026	OCIACC	OC Business Expo	Orange County (Irvine)	4:00 PM	8:00 PM
5/12/2026	CalCCA	CalCCA Conference - Day 1	Orange County (All)	2:30 PM	7:00 PM
5/13/2026	CalCCA	CalCCA Conference - Day 2	Orange County (All)	7:30 AM	9:00 PM
5/14/2026	CalCCA	CalCCA Conference - Day 3	Orange County (All)	7:30 AM	4:30 PM
5/14/2026	Buena Park Collaborative	Monthly Meeting - May	Buena Park	10:00 AM	12:00 PM
5/21/2026	Sustain OC Foundation	Student Finale	Orange County (All)	3:00 PM	6:00 PM
5/21/2026	Dana Point Chamber of Commerce	Chamber Mixer	Orange County (All)	5:30 PM	7:30 PM
5/22/2026	City of Irvine	Irvine Pride Day/Harvey Milk Celebration	Irvine	5:00 PM	7:00 PM
5/25/2026	City of Buena Park	Memorial Day Remembrance Service	Buena Park	10:00 AM	12:00 PM
5/27/2026	OCCOG	2026 Annual Conference	Orange County (All)	8:00 AM	2:00 PM
6/2/2026	Voice of Laguna	Podcast	Orange County (All)	11:00 AM	12:00 PM
6/6/2026	City of Fullerton	Be You Pride Fest	Fullerton	2:00 PM	7:00 PM

We are looking forward to many opportunities to engage with the community and key stakeholders, including:

DATE	HOST	EVENT/MEETING	CITY	START	END
6/11/2026	Buena Park Collaborative	Monthly Meeting - June	Buena Park	10:00 AM	12:00 PM
6/11/2026	City of Fullerton	2026 Fullerton State of the City	Fullerton	2:30 PM	5:00 PM
6/12/2026	AWWEE	Visit To The Ecology Center	Orange County (All)	TBD	TBD
6/13/2026	Cool Irvine	Eco Fair	Irvine	9:00 AM	1:00 PM
6/18/2026	City of Fountain Valley	Fountain Valley Summer Fest	Fountain Valley	3:00 PM	11:00 PM
6/24/2026	ACC-OC	2026 Annual Leadership Summit and Golden Hub of Innovation Awards	Orange County (All)	4:30 PM	8:00 PM
6/24/2026	CivicWell	Day 1 of 2 - California Climate and Energy Collaborative (CCEC) Forum	Orange County (All)	11:00 AM	6:00 PM
6/25/2026	CivicWell	Day 2 of 2 - California Climate and Energy Collaborative (CCEC) Forum	Orange County (All)	8:00 AM	3:30 PM

Attachments

Attachment A – Non-Power Supply Contracts In Excess of \$50,000 to Under \$100,000

Orange County Power Authority
Non Power Supply Contracts In Excess of \$50,000 to Under \$100,000

Item No	Vendor	Term	Contract Amount	Brief Service Description	Remark