



# San Gabriel Valley Council of Governments

## AGENDA AND NOTICE

### OF THE MEETING OF THE ENERGY, ENVIRONMENT AND NATURAL RESOURCES (EENR) COMMITTEE

Wednesday, June 21, 2017 – 12:30 PM

Upper San Gabriel Valley Municipal Water District (602 E. Huntington Dr; Monrovia, CA)

Chair  
**Denis Bertone**  
City of San Dimas

Vice Chair  
**Liz Reilly**  
City of Duarte

Members  
*Claremont*  
*Duarte*  
*Glendora*  
*Rosemead*  
*San Dimas*  
*Sierra Madre*  
*South Pasadena*  
*West Covina*

Thank you for participating in today's meeting. The EENR Committee encourages public participation and invites you to share your views on agenda items.

**MEETINGS:** *Regular Meetings of the EENR Committee are held on the third Wednesday of each month at 12:30 PM at the Upper San Gabriel Valley Municipal Water District, 602 E. Huntington Drive, Monrovia, CA.* The EENR Committee agenda packet is available at the San Gabriel Valley Council of Government's (SGVCOG) Office, 1000 South Fremont Avenue, Suite 10210, Alhambra, CA, and on the website, [www.sgvkog.org](http://www.sgvkog.org). Copies are available via email upon request ([sgv@sgvcog.org](mailto:sgv@sgvcog.org)). Documents distributed to a majority of the Committee after the posting will be available for review in the SGVCOG office and on the SGVCOG website. Your attendance at this public meeting may result in the recording of your voice.

**CITIZEN PARTICIPATION:** Your participation is welcomed and invited at all EENR Committee meetings. Time is reserved at each regular meeting for those who wish to address the Committee. SGVCOG requests that persons addressing the Committee refrain from making personal, slanderous, profane or disruptive remarks.

**TO ADDRESS THE EENR COMMITTEE:** At a regular meeting, the public may comment on any matter within the jurisdiction of the Committee during the public comment period and may also comment on any agenda item at the time it is discussed. At a special meeting, the public may only comment on items that are on the agenda. Members of the public wishing to speak are asked to complete a comment card or simply rise to be recognized when the Chair asks for public comments to speak. We ask that members of the public state their name for the record and keep their remarks brief. If several persons wish to address the Committee on a single item, the Chair may impose a time limit on individual remarks at the beginning of discussion. **The EENR Committee may not discuss or vote on items not on the agenda.**

**AGENDA ITEMS:** The Agenda contains the regular order of business of the EENR Committee. Items on the Agenda have generally been reviewed and investigated by the staff in advance of the meeting so that the EENR Committee can be fully informed about a matter before making its decision.

**CONSENT CALENDAR:** Items listed on the Consent Calendar are considered to be routine and will be acted upon by one motion. There will be no separate discussion on these items unless a Committee member or citizen so requests. In this event, the item will be removed from the Consent Calendar and considered after the Consent Calendar. If you would like an item on the Consent Calendar discussed, simply tell Staff or a member of the Committee.



In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the SGVCOG office at (626) 457-1800. Notification 48 hours prior to the meeting will enable the SGVCOG to make reasonable arrangement to ensure accessibility to this meeting.



**PRELIMINARY BUSINESS**

1. Call to Order
2. Roll Call
3. Public Comment (*If necessary, the Chair may place reasonable time limits on all comments*)
4. Changes to Agenda Order: Identify emergency items arising after agenda posting and requiring action prior to next regular meeting (*It is anticipated that the EENR Committee may take action on the following matters*)

**CONSENT CALENDAR** (*It is anticipated that the EENR Committee may take action on the following matters*)

5. EENR Meeting Minutes  
*Recommended Action: Approve.*
6. Correspondence  
*Recommended Action: Receive and File.*

**PRESENTATIONS** (*It is anticipated that the EENR Committee may take action on the following matters*)

7. San Gabriel Mountains Community Collaborative Update – Daniel Rossman, The Wilderness Society  
*Recommended Action: For information only.*
8. Los Angeles Community Choice Energy – Matthew Skolnik and Bill Carnahan, Los Angeles County Chief Sustainability Office  
*Recommended Action: Recommend the Governing Board support the LACCE JPA for interested cities.*

**DISCUSSION ITEMS** (*It is anticipated that the EENR Committee may take action on the following matters*)

**ACTION ITEMS** (*It is anticipated that the EENR Committee may take action on the following matters*)

**UPDATE ITEMS** (*It is anticipated that the EENR Committee may take action on the following matters*)

9. National Forest Foundation Community Collaborative  
*Recommended Action: For information.*
10. SGVCOG Water Committee Update  
*Recommended Action: For information.*
11. San Gabriel Valley Energy Wise Partnership  
*Recommended Action: For information.*

**COMMITTEE MEMBER ITEMS**

**STAFF ANNOUNCEMENTS**

**ANNOUNCEMENTS**

**ADJOURN**



**SGVCOG EENR Committee Unapproved Minutes**

Date: May 17, 2017

Time: 12:31 PM

Location: USGVMWD (602 E. Huntington Drive, Monrovia)

**PRELIMINARY BUSINESS**

1. Call to Order  
This meeting was called to order at 12:31 pm

2. Roll Call

**Members Present**

Claremont	S. Pedroza
Duarte	L. Reilly
Rosemead	M. Clark
San Dimas	D. Mahmud
Sierra Madre	J. Capoccia
South Pasadena	D. Mahmud
West Covina	J. Toma

**Absent**

Glendora

**COG Staff**

Christian Cruz, Staff

3. Public Comment  
No public comment.
4. Changes to Agenda Order: Identify emergency items arising after agenda posting and requiring action prior to next regular meeting  
There were no changes to the Agenda.

**CONSENT CALENDAR**

5. EENR Meeting Minutes
6. Correspondence

**There was a motion to approve consent items 5-6. (M/S: L. Reilly / S. Pedroza).**

**[Motion Passed]**

<b>AYES:</b>	Claremont, Duarte, Rosemead, San Dimas, Sierra Madre, South Pasadena, West Covina
<b>NOES:</b>	
<b>ABSTAIN:</b>	
<b>ABSENT:</b>	Glendora

**PRESENTATIONS**

7. BKK Landfill Project – Chris Freeland, City Manager, City of West Covina  
C. Freeland presented on this item.

**DISCUSSION ITEMS**

**ACTION ITEMS**

- 8. San Gabriel Mountains National Monument Status – Omar Gomez, San Gabriel Mountains Forever

**There was a motion to Recommend the Governing Board adopt a resolution supporting the San Gabriel Mountains National Monument designation and direct the Executive Director to submit comments to the Secretary of the Interior. (M/S: L. Reilly / J. Capoccia).**

**[Motion Passed]**

<b>AYES:</b>	Claremont, Duarte, Rosemead, San Dimas, Sierra Madre, South Pasadena, West Covina
<b>NOES:</b>	
<b>ABSTAIN:</b>	
<b>ABSENT:</b>	Glendora

- 9. AB 1132 (Garcia) – Rainbow Yeung, South Coast AQMD

**There was a motion to Recommend the Governing Board adopt a resolution in support of AB 1132 (Garcia). (M/S: D. Mahmud /L. Reilly).**

**[Motion Passed]**

<b>AYES:</b>	Claremont, Duarte San Dimas, Sierra Madre, South Pasadena, West Covina
<b>NOES:</b>	Rosemead
<b>ABSTAIN:</b>	
<b>ABSENT:</b>	Glendora

- 10. AB 1274 (O’Donnell) – Rainbow Yeung, South Coast AQMD

**There was a motion to Recommend the Governing Board adopt a resolution in support of AB 1274 (O’Donnell). (M/S: J. Toma/L. Reilly).**

**[Motion Passed]**

<b>AYES:</b>	Claremont, Duarte, Rosemead San Dimas, Sierra Madre, South Pasadena, West Covina
<b>NOES:</b>	
<b>ABSTAIN:</b>	
<b>ABSENT:</b>	Glendora

**UPDATE ITEMS**

- 11.** Los Angeles Community Choice Energy JPA  
No report given.
- 12.** National Forest Foundation Community Collaborative  
L. Reilly reported on this item.
- 13.** SGVCOG Water Committee Update  
D. Mahmud reported on this item
- 14.** San Gabriel Valley Energy Wise Partnership  
No report given.

**COMMITTEE MEMBER ITEMS**

**STAFF ANNOUNCEMENTS**

**ANNOUNCEMENTS**

**ADJOURN**

Meeting adjourned at 2:05p.m.

## LA County's first human case of West Nile virus reported in San Gabriel Valley

By Stephanie K. Baer, *The San Gabriel Valley Tribune*

Thursday, June 15, 2017



An elderly resident living in the San Gabriel Valley was hospitalized in late March after contracting West Nile virus, health officials said Thursday.

It was the first case of a human West Nile infection reported in Los Angeles County this year, according to a Los Angeles County Department of Public Health statement. The patient has since recovered from the virus, which is spread through the bite of mosquitoes.

Officials reminded residents to take precautions against mosquito bites, warning that there is currently no vaccine or treatment for West

Nile.

“(Use) a repellent containing DEET when outdoors, especially around dawn or dusk,” interim Health Officer Jeffrey Gunzenhauser said in the statement. “Elderly persons and other people with weak immune systems are at highest risk of developing severe illness.”

Residents should also wear long sleeves and pants when outdoors between dusk and dawn. Windows and doors should have screens to keep the bugs out.

Officials reminded the public to remove all standing water on their property to prevent mosquito breeding. The insects lay their eggs in stagnant water found in pools, buckets, rain barrels and other containers.

West Nile virus is endemic to California and has infected thousands of people and caused more than 200 deaths statewide since it was first detected in 2003. It can cause meningitis, encephalitis and paralysis, according to the statement. Last year, there were more than 150 human cases of West Nile and five deaths from the virus in Los Angeles County.

Most West Nile infections that are reported to the department are severe and recovery can take months or years, according to the statement.

“One study showed that 12 months after infection, about half of those with this disease continued to have cognitive and physical impairment such as memory loss, difficulty walking and fatigue,” the statement said. “In addition to those who develop more serious illness, people infected with West Nile virus may develop mild symptoms that include fever, headache, nausea, body aches and a mild skin rash.”

# REPORT

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DATE: June 21, 2017

TO: Energy, Environment and Natural Resources Committee

FROM: Phil Hawkey, Executive Director

RE: **SAN GABRIEL MOUNTAINS COMMUNITY COLLABORATIVE UPDATE**

## **RECOMMENDED ACTION**

For information only.

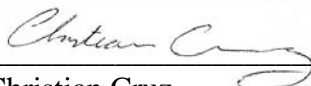
## **BACKGROUND**

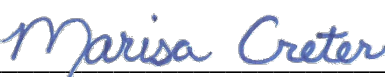
The National Forest Foundation formed the San Gabriel Mountains Community Collaborative (Collaborative) to bring diverse partners and residents together to identify, prioritize and advocate for investments, management objectives, and values that sustainably benefit the Angeles National Forest, the San Gabriel Mountains National Monument, and all communities throughout the region. The Collaborative is comprised of 46 members (Attachment A) and the SGVCOG is represented by Liz Reilly (City of Duarte).

The Collaborative has worked in coordination with the U.S. Forest Service, as the Forest Service developed its land management plan for the San Gabriel Mountains National Monument. The Collaborative provides input and engages in discussions and projects related to the San Gabriel Mountains National Monument. Additionally, the Collaborative works with the U.S. Forest Service to Identify and prioritize sustainable opportunities, including but not limited to improved:

- Public safety
- Watershed
- Recreation
- Visitor services
- Stewardship
- Educational, cultural and historical resources

Daniel Rossman, Senior Regional Representative, the Wilderness Society will be providing an update on the Community Collaborative.

Prepared by:   
Christian Cruz  
Management Analyst

Approved by:   
Marisa Creter  
Assistant Executive Director

## **ATTACHMENTS**

Attachment A – Collaborative Membership List

### San Gabriel Mountains Community Collaborative

- Jacqueline Ayer, Association of Rural Town Councils
- Kathryn Barger, LA County Board of Supervisors – 5<sup>th</sup> District (Antonovich)  
*Alternate* – Brian Mejia, LA County Board of Supervisors – 5<sup>th</sup> District
- Dale Benson, California Department of Transportation, District 7  
*Alternate* – Linda Taira, California Department of Transportation
- Tim Brick, Arroyo Seco Foundation
- Josh Candelaria, San Bernardino County Board of Supervisors (Rutherford)  
*Alternate* – Andy Silva, San Bernardino County Board of Supervisors
- Margaret Clark, Councilwoman, City of Rosemead; Board Member, Rivers & Mountains Conservancy  
*Alternate* - Mark Stanley, Rivers & Mountains Conservancy
- Ann Croissant, San Gabriel Mountains Regional Conservancy  
*Alternate* - Wendy La, San Gabriel Mountains Regional Conservancy
- Ron Ellingson, Mt. Baldy
- William Estrada, Curator and Chair, History Department, Natural History Museum of Los Angeles County
- Dianne Erskine Hellrigel, Executive Director, Community Hiking Club
- Belinda Faustinos, San Gabriel Mountains Forever  
*Alternate* – Jessica Strickland, Trout Unlimited
- Robert Garcia, The City Project  
*Alternate* – Nancy Negrete, The City Project
- Kelly Gardner, San Gabriel Valley Water Association
- Armond Ghazarian, Los Angeles Department of Public Works
- Omar Gomez, Consejo de Federaciones Mexicanas en Norteamérica (COFEM)
- Richard Guttenberg, Archeology/Culture
- Cliff Hamlow, San Gabriel Valley Legislative Coalition of Chambers
- Henry Herrera, CalFire
- Grace J. Kast, Gateway Water Management Authority
- Joseph Lyons, Councilperson, City of Claremont; Representative, San Gabriel Valley Council of Governments
- Mark Masaoka, Asian Pacific Policy & Planning Council (A3PCON)  
*Alternate* – Jackson Lam, Asian Pacific Policy & Planning Council
- Mike McNutt, Palmdale Water District



- Steve Messer, Concerned Off-Road Bicyclists Association (CORBA)  
*Alternate* – Jenny Johnson, Mount Wilson Bicycling Association
- John Monsen, The Sierra Club
- Chuck Myers, National Forest Homeowners  
*Alternate* – Roy Glauthier, National Forest Homeowners
- Judy M. Nelson, Councilwoman, City of Glendora
- Michelle Nuttall, Southern California Edison
- Daniel Oaxaca, San Gabriel Valley Conservation Corps  
*Alternate* – Daniel Prescott, San Gabriel Valley Conservation Corps
- William Reeves – Fisheries Resource Volunteer Corps  
*Alternate* – John Tobin, Pasadena Casting Club
- Liz Reilly, Councilwoman, City of Duarte; Representative, San Gabriel Valley Council of Governments
- Claire Robinson, Amigos de los Rios
- Tamera Robinson, Equestrian  
*Alternate* – Irma “Kelly” Carle, Antelope Valley Unit, Backcountry Horseman of California
- Dan Rosenfeld, Community Partners and Trust for Public Land
- Daniel Rossman, The Wilderness Society
- Jack Sahl, Friends of the Angeles
- Andrew Salas, Gabrieleño Band of Mission Indians - Kizh Nation  
*Alternate* - Gary Stickel, Gabrieleno Band of Mission Indians - Kizh Nation
- Chris Solek, Council for Watershed Health
- Rick Travis, California Rifle and Pistol Association
- Ben Smith, Mountain High  
*Alternate* – Paul Bauer, Mountain High & Stevens Pass
- *Alternate* – Amy Granat, California Off-Road Vehicle Association (CORVA)

# REPORT

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DATE: June 21, 2017

TO: Energy, Environment and Natural Resources Committee

FROM: Phil Hawkey, Executive Director

RE: **LOS ANGELES COUNTY COMMUNITY CHOICE ENERGY JPA**

## **RECOMMENDED ACTION**

Recommend the Governing Board adopt a resolution supporting the LACCE JPA for interested cities.

## **EXECUTIVE SUMMARY**

Los Angeles Community Choice Energy (LACCE) is the regional Community Choice Aggregation program in Los Angeles County. Community Choice Energy (CCE) allows local governments to purchase and sell electricity to customers in their jurisdictions as an alternative to traditional investor owned utility (IOU).

The County of Los Angeles, at the direction of the Board of Supervisors, initiated a technical feasibility study to determine if the County can meet the electricity load requirements for 82 eligible cities and County unincorporated areas with rates that are competitive with the local IOU, in this case, Southern California Edison (SCE). The County of Los Angeles Community Choice Energy Business Plan concluded that the formation of a community choice aggregation (CCA) program in Los Angeles County would be financially prudent and would yield considerable benefits to residents and businesses. The County intends to form a CCA with any interested cities by creating a JPA that would govern the CCA and the County worked with interested to negotiate the JPA.

## **BACKGROUND**

CCA programs allow local governments and special districts to pool their electricity needs and purchase and/or develop environmentally sustainable energy on behalf of residents, businesses, and municipal agencies. CCA is an energy supply model that works in partnership with the region's existing IOU. In our region, Southern California Edison (SCE) is the existing IOU. The existing utility continues to deliver electricity to the customers to through the existing power grid and continues to provide customer service and billing. The CCA procures the electricity that is delivered through the existing power grid and sets electricity rates for end-use customers. Those customers that do not desire to switch to the CCA can choose to remain customers of the existing IOU.

There are a number of reasons that communities have formed and/or joined CCA programs. The creation of a CCA provides residents and businesses with a choice for their electricity provider. When a CCA is created in a City, all businesses and residents in that City become customers of the new CCA. However, all customers have the option to "opt-out" of the CCA and remain customers of the existing utility. Customers must be adequately informed of the opt-out option, and it must be easy for them to do so. In most CCAs, CCA customers can also decide between electricity product options that are generated from more renewable sources. For example,

Peninsula Clean Energy (“PCE”) – the State’s most recent CCA that rolled out in San Mateo County in summer 2016 – provides customers with the option of electricity from 50% renewable sources of 100% renewable sources.

The creation of a CCA also increases the amount of control for local governments in electric services for their residents. Cities will have more control in things like the deployment of renewable energy resources, setting rates, and developing programs. SCE has historically offered electricity coming from the lowest State-mandated level of renewable resources, and these are offered at rates that are set through a legal rate-setting proceeding at the California Public Utilities Commission (CPUC). SCE has recently begun offering electricity that comes from more renewable sources, and these rates were also set through proceedings at the CPUC. Likewise, any programs that are administered by SCE are developed through proceedings at the CPUC. With a CCA, the governing body of the CCA determines the renewable energy make-up of electricity, as well as customer electricity rates, and programs.

Finally, CCAs allow communities to deploy more renewable energy and reduce greenhouse gas emissions. CCAs can purchase electricity from the power grid that comes from more renewable sources, allowing communities to more easily decrease their reliance on traditional power plants for electricity and meet their overall sustainability goals. Many municipalities that have already formed CCAs have done so with a primary focus on increasing the amount of renewable energy in their communities, reducing their greenhouse gas (GHG) emissions, and making progress on all their sustainability goals. In 2014, electric power was the State’s third-largest GHG-emitting sector – following transportation and the industrial sector – with approximately 20% of emissions coming from electric power.

## **LACCE PROGRAM**

As indicated previously, the LACCE Business Plan found that the creation of a Countywide CCA would be financially viable and would yield economic and sustainability benefits for residents and businesses. The Report included a comparison of end-user monthly rates (per kilowatt-hour – kWh) for the proposed CCA versus SCE, which can be found below:

Rate Class	Renewable Portfolio Standard (“RPS”) (33% by 2020)		50% Renewable		100% Renewable	
	SCE	CCA	SCE	CCA	SCE	CCA
Residential	\$0.171	\$0.162	\$0.189	\$0.164	\$0.206	\$0.182
Commercial (GS-1)	\$0.166	\$0.157	\$0.186	\$0.159	\$0.201	\$0.177
Commercial (GS-2)	\$0.158	\$0.150	\$0.176	\$0.152	\$0.193	\$0.169
Commercial (GS-3)	\$0.145	\$0.138	\$0.163	\$0.139	\$0.18	\$0.155

Overall, it is estimated that end-user rates could be at least 4% lower than those of SCE, and the difference would likely be even greater when comparing the rates for 50% and 100% renewable energy. The CCA would deploy approximately twice the amount of renewable resources.

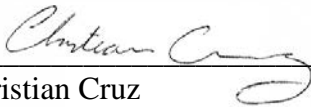
## JPA NEGOTIATIONS

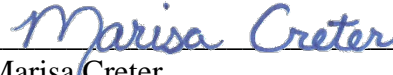
Starting on January 10, 2017, Los Angeles County initiated a series of meetings to begin negotiating the JPA for the LACCE. Negotiation meetings were held and public comment on the JPA was submitted and reviewed at the end of March 2017, and revisions made to the JPA based on those comments. The negotiation topics discussed at the meetings included the following:

- Recitals
- Committees
- Items requiring special voting requirements
- Appointment of non-elected officials as board directors
- Alternates for board directors
- Board composition and voting structure

In April 2017, Los Angeles County supervisors, approved the creation of the LACCE JPA giving interested cities a 180-day window to adopt the JPA and secure their CCE ordinance. LA County anticipates a phased program launch to occur no later than January 2018.

Matthew Skolnik from the Los Angeles County Chief Sustainability Office will provide a presentation on next steps.

Prepared by:   
Christian Cruz  
Management Analyst

Approved by:   
Marisa Creter  
Assistant Executive Director

## ATTACHMENTS

- Attachment A – Presentation
- Attachment B – LACCE Schedule

# Los Angeles Community Choice Energy (LACCE)

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GARY GERO, CHIEF SUSTAINABILITY OFFICER  
COUNTY OF LOS ANGELES

# Los Angeles Community Choice Energy Attachment A

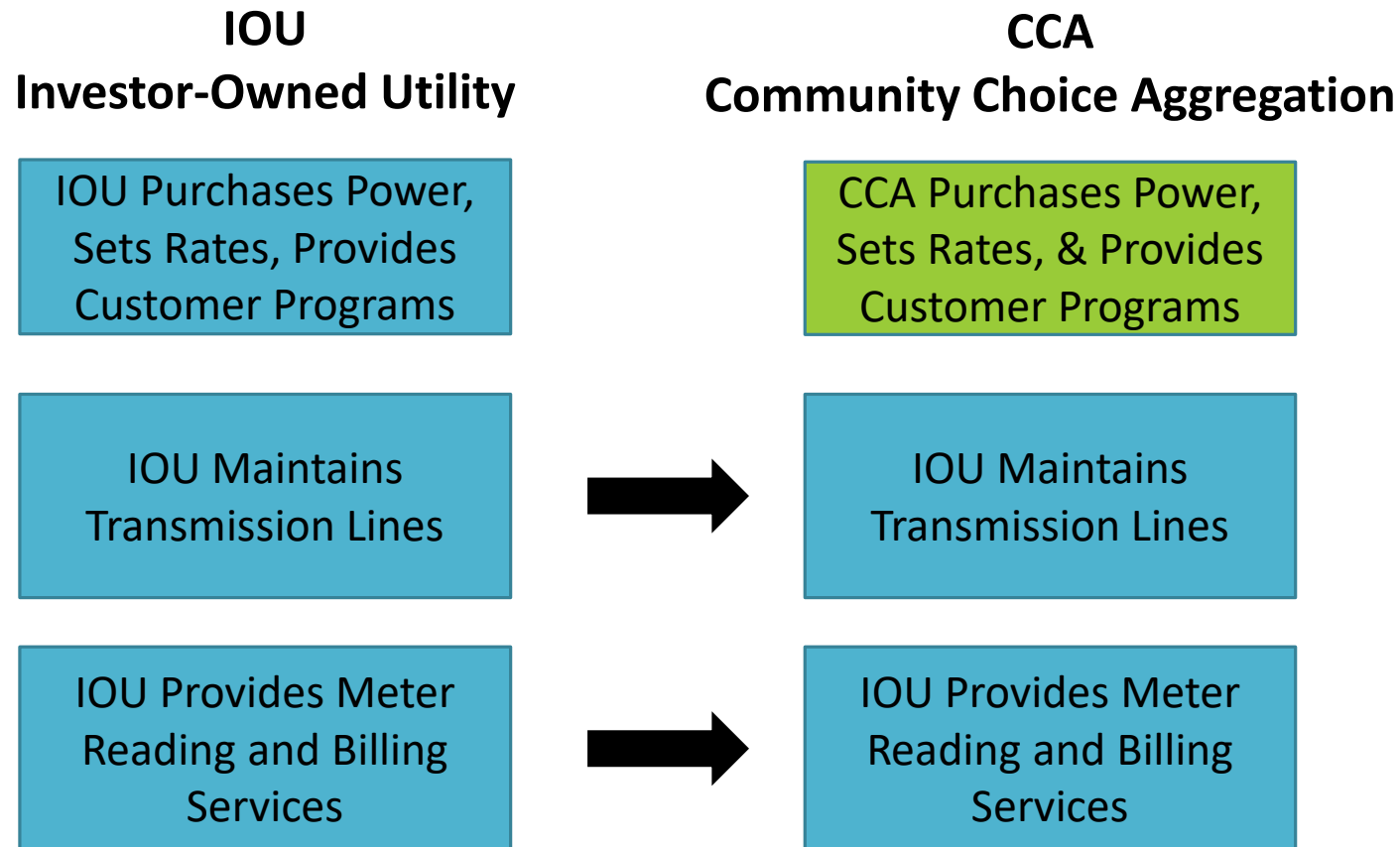
## Overview

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- 1. What is a CCA?**
- 2. CCA Benefits:**
  - Customer Choice and Local Control
  - Rates
  - Greenhouse Gas Emissions
  - Economic Impacts
- 3. LACCE Business Plan and JPA Formation**
  - County and Cities together
  - LA County Board of Supervisors Adoption
- 4. JPA – Governance**
- 5. Risks and Risk Management**
- 5. Schedule for CCA in L.A. County**
- 6. Next Steps for Cities**

# Los Angeles Community Choice Energy

## Community Choice Aggregation (CCA): A Hybrid Approach to Utility Operations



## CCA Benefits: Customer Choice and Local Control

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### ■ Customer Choice

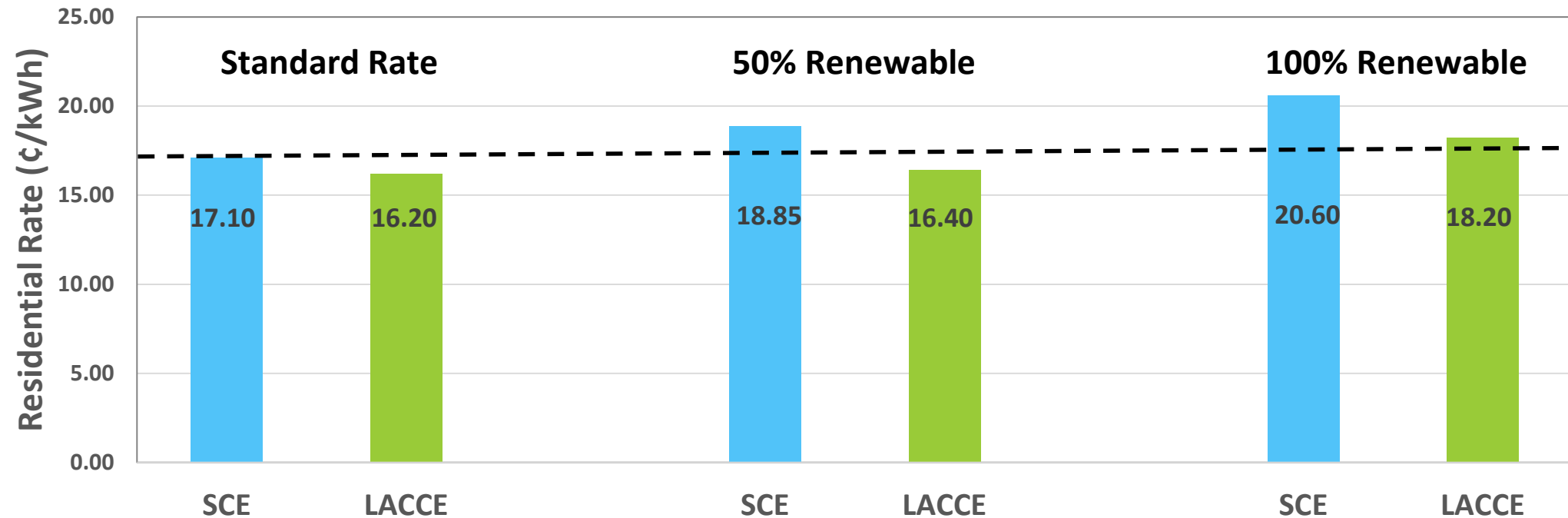
- CCAs offer customers new options (CCA rate offerings), without removing old options (SCE)
- Having both CCA and SCE products gives customers choice
- Customers may opt out of the CCA at any time and return to SCE

### ■ Local Control

- CCAs enable communities to invest locally; instead of sending money to SCE, CCA revenues can be reinvested in the local community
- CCAs have total local control over their power supply, rates, and customer programs (e.g., energy efficiency, solar incentives, EV incentives, etc.)



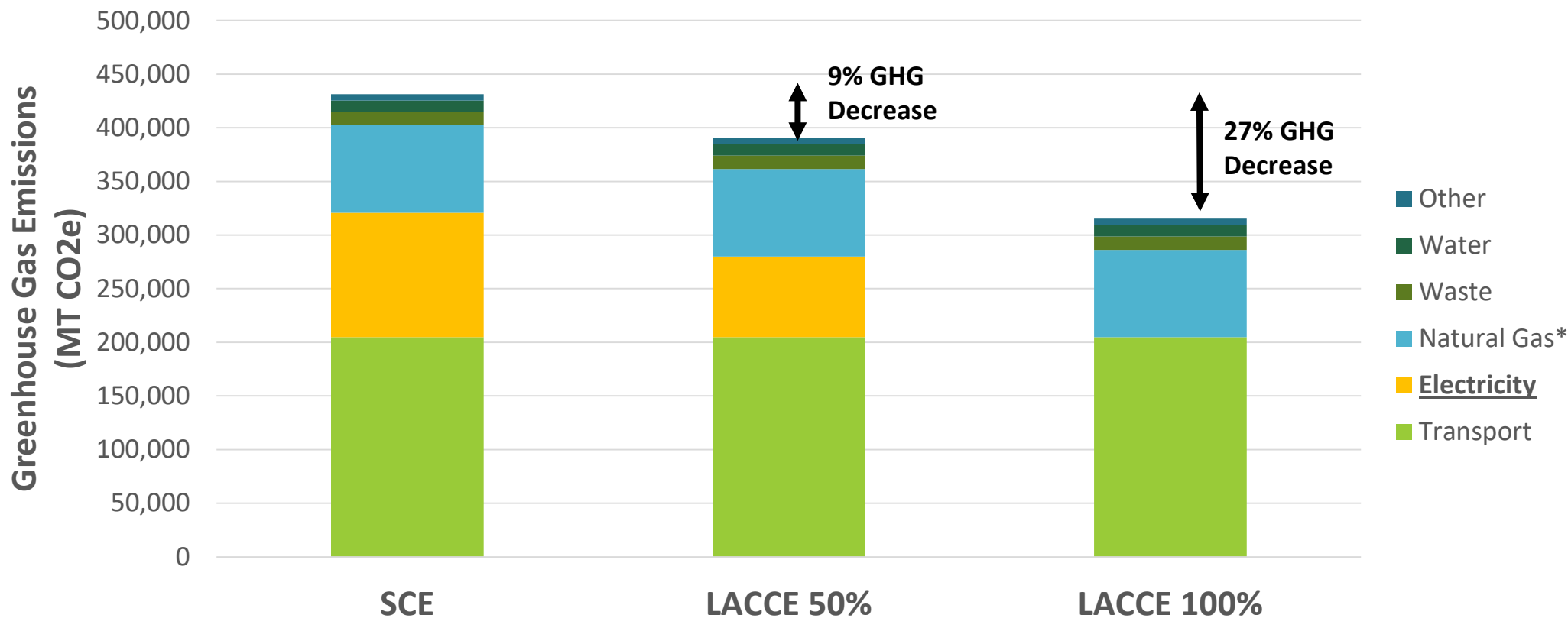
## LACCE Benefits: Rate Savings



- Rates are taken from the LACCE Business Plan
- LACCE rates include considerable financial reserve

# LACCE Benefits: GHG Emissions

## Example: Average L.A. City



\*The natural gas category refers to use for heating and cooking in buildings, not for use in electricity generation.

## CCA Benefits: Economic Development

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- **Total Electricity Savings CCA vs. SCE**
  - In Phase 2, a 5.3% rate reduction saves LACCE customers \$20 million/year
  - This \$20 million rate reduction is estimated to create 200 new jobs in LA County.
  - In aggregate, these benefits could add \$16 million to the County's economy.
  
- **Power Supply Construction Projects**
  - Construction of one 50 MW solar project in County could create 1,500 jobs during construction and 15 full-time permanent jobs.
  - LACCE will need several dozen of these projects at full build-out.

## LACCE Business Plan

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- **LA County Board of Supervisors approved a motion in March 2015 asking staff to conduct a CCA feasibility study for LA County**
- **Report completed in June 2016**
- **LACCE Feasibility Study/Business Plan**
  - Includes all eligible cities in LA County
  - Financially viable
  - Cheaper and greener power than SCE
  - Considerable environmental and economic benefits

## Board Direction: Cities and County Together

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### ■ September 27, 2016 Board of Supervisors Motion:

- Following Feasibility Study, Board said like the idea but wanted to work together with cities to craft a regional program.
- Directed that staff negotiate a JPA with interested cities to create a joint cities-county program
- Ensure equitable representation for all cities
- Model after existing, successful CCAs in northern California (Marin, Sonoma, San Mateo)

### ■ JPA Process: December 2016 – March 2017

- Bi-weekly meetings with interested cities
- Two public workshops to get input from the community and stakeholders
- Public review and comment on draft final JPA
- Negotiations completed at the end of March
- BOS approval on April 18, 2017

## April 18, 2017 Action

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- **On April 18, the Board of Supervisors approved a joint motion from Supervisors Shelia Kuehl and Mark Ridley-Thomas to approve:**
  - LACCE Joint Powers Agreement
  - CCA enabling ordinance
  - \$10 Million in startup funding
  - Plan for program implementation

## Joint Powers Agreement

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### ■ LACCE Governance

- Every member government gets an equal seat on the Board
- Most votes are by a majority of members present
- Some special items require 2/3s of all members
- Option to call for a weighted vote based on load share, with the following restrictions:
  - 3 members must agree to have a weighted vote
  - Weighted votes can only follow an affirmative vote of the Board

## Joint Powers Agreement

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### ■ LACCE Standing Committees

- Executive Committee
- Finance Committee
- Community Advisory Committee

### ■ Directors and Alternates

- Primary Directors must be an elected official of that city
- City's may appoint two Alternate Directors, who may be:
  - Another elected official
  - An appointed official (Commissioners)
  - A city staff person
  - Member of the public with industry expertise



## Risks and Risk Management

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- **The primary risk in forming LACCE is that it will be unable to stay competitive with SoCal Edison, which could be caused by:**
  - Sudden and unfavorable changes to the energy market
  - High customer opt-out rate
  - Unreasonable costs imposed by SCE
  - New California State laws or regulations
  
- **Risk Management**
  - Diverse power portfolio with varied power sources
  - Sound fiscal policies and rate stabilization plan to remain competitive
  - Engagement with the State agencies and State elected officials
  
- **The LACCE Business Plan concludes that there are no reasonable set of risk-related circumstances that would harm the ability of LACCE to be competitive with SCE**

## Other Key Questions

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### ■ Franchise Fee

- The Franchise Fee is unaffected
- Collected by SCE and distributed to cities

### ■ Utility User Tax (UUT)

- UUT is a tax on customer's total electrical bill
- Therefore, a city's UUT revenue will decrease in proportion to the total savings their customers receive from LACCE

### ■ Customer Programs

- LACCE will develop and implement customer programs (EE, PV, EV, etc)

### ■ Customer Billing

- SCE still bills customers for their electrical use
- The bill from SCE will include a line item noting LACCE power charge

## Schedule

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### ■ Open enrollment period – 6 months

- No cost for cities to join

### ■ Phases

- Phase 1 – January 2018 – County municipal accounts
- Phase 2 – No later than July 2018 – County and city commercial and industrial accounts
- Phase 3 – No later than January 2019 – All County and city residents

## Next Steps for Cities

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1. Adopt enabling ordinance and JPA agreement
2. Designate Board Director and alternate(s)
3. Evaluate your constituents' priorities for services and programs
4. Assist with public outreach and noticing

## Contact Information

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**Gary Gero**

Chief Sustainability Officer

[ggero@ceo.lacounty.gov](mailto:ggero@ceo.lacounty.gov)

213-974-1160

More information/documents can be found at:

[lacounty.gov/sustainability](http://lacounty.gov/sustainability)

# LOS ANGELES COMMUNITY CHOICE ENERGY

## Launch and Rollout Schedule

