

Los Angeles Community Choice Energy

500 West Temple Street, Suite 493
Los Angeles, California 90012
213-893-0286

December 29, 2017

Mr. Edward Randolph
Director, CPUC Energy Division
505 Van Ness Avenue
San Francisco, California 94102

Los Angeles Community Choice Energy Implementation Plan Addendum Number 1.

Mr. Edward Randolph:

Los Angeles Community Choice Energy (LACCE) is a joint powers authority consisting of 24 jurisdictions throughout southern California. LACCE was formed to launch and operate a Community Choice Aggregation (CCA) program within its members' communities.

LACCE submitted its initial Implementation Plan to the California Public Utilities Commission (CPUC) on August 15, 2017, and received certification on November 13, 2017.

Since that time, LACCE has expanded to include 21 new jurisdictions, and seeks to update some aspects of its initial Implementation Plan.

To that end, I hereby submit LACCE's CCA Implementation Plan Addendum No.1 (attached) for CPUC review and certification. If you have any questions, please feel free to contact me.

Thank you.



Bill Carnahan
Interim Executive Director
Los Angeles Community Choice Energy
500 West Temple Street, Room 493
Los Angeles, CA 90012
Telephone: 626-487-5356

Los Angeles Community Choice Energy (LACCE)

ADDENDUM NO. 1 TO THE COMMUNITY CHOICE AGGREGATION IMPLEMENTATION PLAN AND STATEMENT OF INTENT

**TO ADDRESS LACCE EXPANSION TO THE CITIES OF:
AGOURA HILLS, ALHAMBRA, ARCADIA, BEVERLY HILLS,
CALABASAS, CARSON, CLAREMONT, CULVER CITY,
DOWNEY, HAWAIIAN GARDENS, HAWTHORNE, MALIBU,
MANHATTAN BEACH, OJAI, PARAMOUNT, SANTA
MONICA, SIERRA MADRE, TEMPLE CITY, THOUSAND OAKS,
WEST HOLLYWOOD, COUNTY OF VENTURA**

DECEMBER 29, 2017

Table of Contents

CHAPTER 1 – Introduction.....	1
CHAPTER 2 – Changes to Address LACCE Expansion to the Cities of Agoura Hills, Alhambra, Arcadia, Beverly Hills, Calabasas, Carson, Claremont, Culver City, Downey, Hawaiian Gardens, Hawthorne, Malibu, Manhattan Beach, Ojai, Paramount, Santa Monica, Sierra Madre, Temple City, Thousand Oaks, West Hollywood, and the County of Ventura	3
Aggregation Process	4
Organizational Structure.....	4
Start-Up Plan and Funding	5
Program Phase-In	5
Sales and Customer Forecast	6
Financial Plan	10
Expansion Addendum Appendices	13

CHAPTER 1 – Introduction

The purpose of this document is to make certain revisions to the Los Angeles Community Choice Energy Implementation Plan in order to address the expansion of Los Angeles Community Choice Energy (“LACCE”) to the cities of Agoura Hills, Alhambra, Arcadia, Beverly Hills, Calabasas, Carson, Claremont, Culver City, Downey, Hawaiian Gardens, Hawthorne, Malibu, Manhattan Beach, Ojai, Paramount, Santa Monica, Sierra Madre, Temple City, Thousand Oaks, West Hollywood, and the County of Ventura. The Los Angeles Community Choice Energy (“LACCE”) Authority is a public joint powers agency (“JPA”) located within Los Angeles County, formed in August 2017 for the purpose of implementing a community choice aggregation program (“CCA”, or “Community Choice Energy” – “CCE” – which has been recently used as an alternative identifying term for the CCA service model), which has been named Los Angeles Community Choice Energy (the “Program” or “LACCE”).

In anticipation of CCA program implementation and in compliance with state law, LACCE submitted the Los Angeles Community Choice Energy Implementation Plan and Statement of Intent (“Implementation Plan”) to the California Public Utilities Commission (“CPUC” or “Commission”) on August 15, 2017. When initially formed, the Member Agencies of the LACCE Authority included two (2) municipalities, Rolling Hills Estates and City of South Pasadena, located within the County of Los Angeles (“County”), as well as the unincorporated areas of the County itself (together, the “Members” or “Member Agencies”), which have elected to allow the LACCE Authority to provide electric generation service within their respective jurisdictions.

LACCE had advised cities that they may join the LACCE program by the end of 2017 simply by adopting the enabling ordinance and executing the JPA agreement, and this fact was included in the August 2017 LACCE Implementation Plan which the Commission certified in November 2017. Over the course of 2017, LACCE staff have presented at many jurisdiction’s council meetings in Los Angeles and Ventura Counties to review the LACCE program organization and implementation, including review program benefits and risks, describe LACCE governance and other JPA provisions, and process for joining the joint powers authority. In response to public interest, the cities of Agoura Hills, Alhambra, Arcadia, Beverly Hills, Calabasas, Carson, Claremont, Culver City, Downey, Hawaiian Gardens, Hawthorne, Malibu, Manhattan Beach, Ojai, Paramount, Santa Monica, Sierra Madre, Temple City, Thousand Oaks, West Hollywood, and the County of Ventura approved the LACCE JPA agreement and adopted the requisite enabling ordinance for joining LACCE and implementing a CCA program in their community. Many of these cities have already been seated on the LACCE Board of Directors and participated in LACCE decision-making.

This Addendum No. 1 to the Los Angeles Community Choice Energy Implementation Plan and Statement of Intent (“Implementation Plan”) describes LACCE’s expansion plans to include the Cities of Agoura Hills, Alhambra, Arcadia, Beverly Hills, Calabasas, Carson, Claremont, Culver City, Downey, Hawaiian Gardens, Hawthorne, Malibu, Manhattan Beach, Ojai, Paramount, Santa

Monica, Sierra Madre, Temple City, Thousand Oaks, West Hollywood, and the County of Ventura. According to the Commission, the Energy Division is required to receive and review a revised LACCE Implementation Plan reflecting changes/consequences of additional members. With this in mind, LACCE has reviewed its Implementation Plan, which was filed with the Commission on August 15, 2017, and has identified certain information that requires updating to reflect the changes and consequences of adding the new municipalities as well as other forecast modifications reflecting the most recent historical electricity energy use within LACCE's territory. This Addendum No. 1 reflects pertinent changes related to the new members additions as well as projections that account for LACCE's planned expansion. This document format, including references to LACCE's Implementation Plan, which is incorporated by reference and attached hereto as Appendix D, addresses all requirements identified in PU Code Section 366.2(c)(3), including universal access, reliability, equitable treatment of all customer classes and any requirements established by state law or by the CPUC concerning aggregated services, while streamlining public review of pertinent changes related to LACCE expansion.

CHAPTER 2 – Changes to Address LACCE Expansion to the Cities of Agoura Hills, Alhambra, Arcadia, Beverly Hills, Calabasas, Carson, Claremont, Culver City, Downey, Hawaiian Gardens, Hawthorne, Malibu, Manhattan Beach, Ojai, Paramount, Santa Monica, Sierra Madre, Temple City, Thousand Oaks, West Hollywood, and the County of Ventura

This Addendum No. 1 addresses the anticipated impacts of LACCE’s planned expansion to the Cities of Agoura Hills, Alhambra, Arcadia, Beverly Hills, Calabasas, Carson, Claremont, Culver City, Downey, Hawaiian Gardens, Hawthorne, Malibu, Manhattan Beach, Ojai, Paramount, Santa Monica, Sierra Madre, Temple City, Thousand Oaks, West Hollywood, and the County of Ventura, as well as other forecast modifications reflecting the most recent historical electric energy use within LACCE’s service territory. As a result of these member additions, certain assumptions regarding LACCE’s future operations have changed, including customer energy requirements, peak demand, renewable energy purchases, revenues and expenses as well as various other items. The following section highlights pertinent changes related to this planned expansion. To the extent that certain details related to membership expansion are not specifically discussed within this Addendum No. 1, LACCE represents that such information shall remain unchanged relative to the August 15, 2017 Implementation Plan, which was certified by the Commission on November 13, 2017.

With regard to the defined terms Members and Member Agencies, the following communities are now signatories of the LACCE Joint Powers Agreement and represent LACCE’s current membership:

Member Agencies	
Agoura Hills	Malibu
Alhambra	Manhattan Beach
Arcadia	Ojai
Beverly Hills	Paramount
Calabasas	Rolling Hills Estates
Carson	Santa Monica
Claremont	Sierra Madre
Culver City	South Pasadena
Downey	Temple City
Hawaiian Gardens	Thousand Oaks
Hawthorne	West Hollywood
Los Angeles County (unincorporated)	Ventura County (unincorporated)

Throughout this document, use of the terms Members and Member Agencies shall now include the aforementioned communities. To the extent that discussion addresses the process of aggregation and LACCE organization, each of these communities is now an LACCE Member and its electric customers will be offered CCA service consistent with the noted phase-in schedule.

Aggregation Process

LACCE's aggregation process as discussed in Chapter 2 of LACCE's August 15, 2017 Implementation Plan. The fifth paragraph of Chapter 2 is replaced in its entirety with the following verbiage:

Before they are enrolled in the Program, prospective LACCE customers will receive two written notices in the mail from the LACCE Authority that will provide information needed to understand the Program's terms and conditions of service and explain how customers can opt-out of the Program, if desired. All customers that do not follow the opt-out process specified in the customer notices will be automatically enrolled, and service will begin at their next regularly scheduled meter read date no later than thirty days following the date of automatic enrollment, subject to the service phase-in plan described in Chapter 5. The initial enrollment notices will be provided to the first phase of customers in December 2017. Initial enrollment notices will be provided to subsequent customer phases consistent with statutory requirements and based on schedule(s) determined by the LACCE Authority. These notices will be sent to customers in subsequent phases twice within 60 days of automatic enrollment.

Organizational Structure

Organizational structure was discussed in Chapter 3 of LACCE's August 15, 2017 Implementation Plan. The second and third paragraphs of Chapter 3 are replaced in their entirety with the following verbiage:

On August 4, 2017, the LACCE Authority formed its Board of Directors to serve as its Governing Board. The Board is responsible for establishing LACCE Program policies and objectives and overseeing the LACCE Authority's operation. Also on August 4, 2017, the Board appointed an Interim Executive Director to manage the operation of the LACCE Authority in accordance with policies adopted by the Board. Following the LACCE Authority certification received from the CPUC on November 13, 2017, the interim executive director proceeded to hire consultants and contractors to manage the LACCE Authority's activities, while continuing to receive staff support from the County of Los Angeles. These activities include support services (administration, finance and information technology), marketing and public affairs (community outreach, key account management and customer advocacy), supply acquisition (energy trading, contract negotiation and system development) and legal and government affairs.

The LACCE Program will be governed by the LACCE Authority's Board, which shall include one appointed designee from each of the Members. The LACCE Authority will be a joint powers agency formed under California law created on June 27, 2017. The Members of the LACCE

Authority include twenty (20) municipalities located within Los Angeles County as well as the unincorporated areas of Los Angeles County, and two (2) municipalities located within Ventura County as well as the unincorporated areas of Ventura County, all of which have elected to allow the LACCE Authority to provide electric generation service within their respective jurisdictions. The LACCE Authority's Board will be comprised of representatives appointed by each of the Members in accordance with the JPA agreement. The LACCE Program will be operated under the direction of an executive director appointed by the Board, with legal and regulatory support provided by a Board appointed General Counsel.

Start-Up Plan and Funding

Capital Requirements were discussed in Chapter 4 of LACCE's August 15, 2017 Implementation Plan. The sixth paragraph of Chapter 4 is replaced in its entirety with the following:

The Start-up of the CCA Program will require capital for three major functions: (1) staffing and contractor costs; (2) deposits and reserves; and (3) working capital. Based on the LACCE Authority's anticipated start-up activities and phase-in schedule, a total need of nearly \$30 million has been identified to support the aforementioned functions. The finance plan in Chapter 7 provides some additional detail regarding the LACCE Authority's expected capital requirements and general Program finances

Program Phase-In

Program phase-in was discussed in Chapter 5 of LACCE's August 15, 2017 Implementation Plan. Chapter 5 is replaced in its entirety with the following verbiage:

The LACCE Authority will roll out its service offering to customers over the course of three or more phases:

Phase 1. LA County Municipal accounts

Phase 2. Municipal, Commercial and Industrial Customers in JPA service area

Phase 3. All Remaining Customers in JPA service area

This approach provides the LACCE Authority with the ability to initiate its program with sufficient economic scale before building to full program integration for an expected customer base of approximately 750,000 accounts, post customer opt-out. The LACCE Authority will offer service to all customers on a phased basis, which is expected to be completed within 12 months of initial service to Phase 1 customers.

Phase 1 of the Program is targeted to begin on or about February 1, 2018, subject to a decision to proceed by the LACCE Authority. During Phase 1, the LACCE Authority anticipates serving approximately 1,950 accounts, comprised of all LA County municipal accounts, totaling nearly 215 GWh of annual energy sales. Specific accounts to be included in Phase 1 will be approximately 2 percent of the LACCE Authority's total customer load and will be specifically defined after further

analysis and consideration by the LACCE Authority.

Phase 2 of the Program will commence following successful operation of the LACCE Program over an approximate four-month term, which corresponds with an expected Phase 2 service commencement date occurring no later than June 2018. It is anticipated that approximately 85,300 additional customers, comprised of commercial and industrial customers, will be included in Phase 2, with annual energy consumption approximating 6,500 GWh, or sixty (60) percent of the LACCE Authority's total prospective customer load, inclusive of Phase 1. The LACCE Authority is currently refining the potential composition of Phase 2 accounts in consideration of cost of service and customer load characteristics as well as other operational considerations.

Following the successful completion of Phase 1 and Phase 2 customer enrollments, the LACCE Authority will complete roll out to all remaining customers in Phase 3, which is currently expected to occur no later than December 2018, subject to roll-out success of previous phases. This phase is expected to include residential accounts within LACCE's service territory as well as all agricultural and street lighting accounts. Phase 3 will total approximately 663,000 accounts with annual energy consumption of approximately 4,400 GWh, or one hundred (100) percent of LACCE's current prospective customer load, inclusive of Phases 1 and 2.

To the extent that additional customers require enrollment after the completion of Phase 3, the LACCE Authority will evaluate a subsequent phase of CCA enrollment.

The LACCE Authority may also evaluate other phase-in options based on current market conditions, statutory requirements and regulatory considerations as well as other factors potentially affecting the integration of additional customer accounts.

At its meeting of December 7, 2017, the LACCE Board of Directors adopted a New Entrants Policy governing the addition of cities to LACCE in 2018. This policy requires that cities seeking to be a member of LACCE formally request entry into the program. Following a financial analysis to determine the economic impact of the new entrant on the LACCE program, the LACCE board may choose to add additional cities on a case by case basis. LACCE will file further amendments to its Implementation Plan to add such cities and describe the timing and process for their entry into service.

Sales and Customer Forecast

With regard to LACCE's sales and customer forecast, which is addressed in Chapter 6, Load Forecast & Resource Plan, LACCE assumes the total retail sales will increase to approximately 10,000 GWh by the end of Phase 3. Approximately 63 service accounts per day will be switched over during the first month of service. For Phase 2, the number of accounts switched over to LACCE service will increase to about 2,800 accounts per day. For Phase 3, the number of accounts switched over to LACCE service will increase again to about 22,000 accounts per day.

A preliminary estimate of the LACCE Authority's annual local capacity requirement for the ten-

year planning period ranges from approximately 825 MW to 1157 MW.

The following tables have also been updated to reflect the impacts of planned expansion to LACCE's new membership.

Table 1 Los Angeles Community Choice Energy Proposed Resource Plan (GWh) 2018 to 2027										
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
LACCE Demand										
Retail Demand	4,173	10,676	10,697	10,719	10,740	10,762	10,783	10,805	10,826	10,848
Dist. Gen	0	0	0	0	0	0	0	0	0	0
Energy Efficiency	0	0	0	0	0	0	0	0	0	0
Losses and UFE	271	694	695	696	698	699	701	702	703	705
TOTAL DEMAND	4,444	11,370	11,392	11,415	11,438	11,461	11,484	11,507	11,530	11,553
LACCE Supply										
Total Renewable Resources	2667	5,685	5,696	5,708	5,719	5,730	5,742	5,753	5,765	5,776
Total Conventional Resources	1778	5,685	5,696	5,708	5,719	5,730	5,742	5,753	5,765	5,776
TOTAL SUPPLY	4,444	11,370	11,392	11,415	11,438	11,461	11,484	11,507	11,530	11,553
Energy Open Position	0	0	0	0	0	0	0	0	0	0

Table 2 Los Angeles Community Choice Energy Enrolled Retail Service Accounts Phase-In Period (End of Month)				
LACCE Customers	Eligible Accounts	Jan-18 Phase 1	Jun-18 Phase 2	Dec-18 Phase 3
Residential	724,337	34	34	663,306
Small Commercial	79,916	816	65,858	65,858
Medium Commercial	13,020	172	11,061	11,061
Large Commercial	1,009	17	854	854
Industrial	432	10	355	355
Street Lighting & Traffic	6,133	821	6,088	6,088
Agricultural & Pumping	3,557	83	3,016	3,016
Total	828,405	1,954	87,266	750,538

Table 3
Los Angeles Community Choice Energy
Retail Service Accounts (End of Year)
2018 to 2027

LACCE Customers	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Residential	663,306	664,632	665,962	667,294	668,628	669,965	671,305	672,648	673,993	675,341
Small Commercial	65,858	65,989	66,121	66,254	66,386	66,519	66,652	66,785	66,919	67,053
Medium Commercial	11,061	11,515	11,538	11,561	11,584	11,607	11,631	11,654	11,677	11,701
Large Commercial	854	856	858	859	861	863	864	866	868	870
Industrial	355	366	366	367	368	369	369	370	371	372
Street Lighting & Traffic	6,088	6,100	6,112	6,125	6,137	6,149	6,161	6,174	6,186	6,199
Agricultural & Pumping	3,016	3,022	3,028	3,034	3,040	3,046	3,052	3,058	3,065	3,071
Total	750,538	752,481	753,986	755,494	757,005	758,519	760,036	761,556	763,079	764,605

Table 4
Los Angeles Community Choice Energy
Annual Energy Requirements (GWh)
2018 to 2027

LACCE Energy Req.	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Retail Energy	4,173	10,676	10,697	10,719	10,740	10,762	10,783	10,805	10,826	10,848
Losses and UFE	271	694	695	696	698	699	701	702	703	705
Total Load Requirement	4,444	11,370	11,392	11,415	11,438	11,461	11,484	11,507	11,530	11,553

Table 5
Los Angeles Community Choice Energy
Forward Capacity and Reserve Requirements (MW)
2018 to 2020

Month	2018	2019	2020
January	0	2,124	2,129
February	34	2,113	2,081
March	35	2,049	2,053
April	39	2,210	2,214
May	38	2,093	2,098
June	1,378	2,236	2,241
July	1,380	2,462	2,467
August	1,398	2,622	2,627
September	1,531	2,751	2,756
October	1,667	2,782	2,787
November	1,389	2,216	2,220
December	2,011	2,015	2,019

Table 6
Los Angeles Community Choice Energy
Capacity Requirements (MW)
2018 to 2027

Demand (MW)	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Retail Demand	2,011	2,782	2,787	2,787	2,793	2,798	2,804	2,810	2,815	2,821
Losses and UFE	0	0	0	0	0	0	0	0	0	0
Total Net Peak Demand	2,011	2,782	2,787	2,787	2,793	2,798	2,804	2,810	2,815	2,821
Reserve Requirement (%)	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Capacity Reserve Requirement	302	417	418	418	419	420	421	421	422	423
Capacity Requirement Including Reserve	2,313	3,199	3,205	3,205	3,212	3,218	3,225	3,231	3,237	3,244

Table 7
Los Angeles Community Choice Energy
Local Capacity Requirements (MW)
2018 to 2027

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
LACE Peak	2,011	2,782	2,787	2,787	2,793	2,798	2,804	2,810	2,815	2,821
Local Capacity Req. (% of Peak)	41%	41%	41%	41%	41%	41%	41%	41%	41%	41%
LA Basin Share of Local Capacity	76%	76%	76%	76%	76%	76%	76%	76%	76%	76%
Other SCE Areas (Big Creek/Ventura) Share of Local Capacity	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%
LACCE Local Capacity Req., LA Basin	630	872	873	873	875	877	879	880	882	884
LACCE Local Capacity Req., Other SCE	194	269	269	269	270	270	271	272	272	273
LACCE Local Capacity Req., Total	825	1140	1143	1143	1145	1147	1150	1152	1154	1157

Table 8
Los Angeles Community Choice Energy
RPS Requirements (GWh)
2018 to 2027

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Retail Sales	4,173	10,676	10,697	10,719	10,740	10,762	10,783	10,805	10,826	10,848
Baseline	1,043	3,096	3,530	3,725	3,920	4,116	4,313	4,502	4,691	4,882
% of Current Year Retail Sales*	25%	29%	33%	35%	37%	38%	40%	42%	43%	45%

*Note: Specific details related to SB 350 implementation have yet to be identified. For purposes of this table, the LACCE Authority assumed a straight-line increase from California's 33 percent RPS procurement mandate in 2020 to California's new, 50 percent RPS procurement mandate in 2030. The LACCE Authority may choose to accelerate this schedule in the future.

Financial Plan

With regard to LACCE's financial plan, which is addressed in Chapter 7, Financial Plan, LACCE has updated its expected operating results, which now include projected impacts related to service expansion within LACCE's new member communities. The following table reflects updated operating projections in consideration of these planned expansions. Working capital requirements have been updated to \$30 million.

Table 9
Los Angeles Community Choice Energy
Summary of CCA Program Start-Up and Phase-In
2018 to 2027

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Revenue from Operations (\$)											
Electric Sales Rev	\$306,388,872	\$829,306,627	\$860,215,413	\$897,301,273	\$934,531,646	\$973,793,771	\$1,020,911,477	\$1,060,778,131	\$1,099,836,417	\$1,146,332,621	\$9,129,396,246
Less Uncollected Accounts	\$1,023,103	\$2,575,628	\$2,654,337	\$2,707,899	\$2,757,131	\$2,810,299	\$2,877,242	\$2,936,123	\$2,998,437	\$3,043,939	\$26,384,138
Total Revenues	\$305,365,769	\$826,730,999	\$857,561,075	\$894,593,374	\$931,774,515	\$970,983,472	\$1,018,034,235	\$1,057,842,008	\$1,096,837,979	\$1,143,288,681	\$9,103,012,108
Cost of Operations (\$)											
Cost of Energy	\$194,448,053	\$491,029,935	\$507,316,095	\$518,054,425	\$529,758,931	\$542,149,494	\$555,489,966	\$567,216,694	\$579,578,810	\$588,576,896	\$5,073,619,299
PCIA	\$77,721,495	\$237,481,472	\$275,174,990	\$271,473,515	\$268,020,449	\$211,452,848	\$206,191,743	\$202,903,270	\$199,627,015	\$195,897,877	\$2,145,944,673
Operating & Administrative											
Billing & Data Management	\$1,608,900	\$11,623,532	\$11,646,779	\$11,670,073	\$11,693,413	\$11,716,800	\$11,740,234	\$11,763,714	\$11,787,242	\$11,810,816	\$107,061,503
SCE Fees	\$4,718,694	\$4,983,056	\$3,820,240	\$3,827,880	\$3,835,536	\$3,843,206	\$3,850,893	\$3,858,594	\$3,866,311	\$3,874,044	\$40,478,454
Tech. Services	\$366,500	\$366,500	\$950,000	\$830,000	\$830,000	\$830,000	\$830,000	\$830,000	\$830,000	\$830,000	\$7,493,000
Staffing	\$1,090,000	\$2,825,400	\$2,881,908	\$2,939,546	\$2,998,337	\$3,058,304	\$3,119,470	\$3,181,859	\$3,245,496	\$3,310,406	\$28,650,727
G&A Exp.	\$435,000	\$390,200	\$345,504	\$350,914	\$356,432	\$462,061	\$417,802	\$373,658	\$379,631	\$385,724	\$3,896,927
Debt Service	\$1,953,473	\$3,906,946	\$3,906,946	\$3,906,946	\$1,953,473	\$0	\$0	\$0	\$0	\$0	\$15,627,784
Total O&A Costs	\$10,172,567	\$24,095,635	\$23,551,377	\$23,525,359	\$21,667,191	\$19,910,371	\$19,958,398	\$20,007,826	\$20,108,681	\$20,210,990	\$203,208,396
Operating Reserves	\$12,277,237	\$30,907,534	\$31,852,048	\$32,494,787	\$33,085,567	\$33,723,592	\$34,526,902	\$35,233,471	\$35,981,249	\$36,527,273	\$316,609,662
New Programs Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost & Reserves	\$294,619,351	\$783,514,576	\$837,894,511	\$845,548,086	\$852,532,138	\$807,236,306	\$816,167,009	\$825,361,262	\$835,295,755	\$841,213,036	\$7,739,382,030
CCA Program Surplus/(Deficit)	\$10,746,417	\$43,216,423	\$19,666,565	\$49,045,288	\$79,242,377	\$163,747,166	\$201,867,226	\$232,480,746	\$261,542,224	\$302,075,645	\$1,363,630,078

Table 10
Los Angeles Community Choice Energy
Reserves Summary
2018 to 2027

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Reserve Additions											
Operating Reserve Contr.	\$23,023,654	\$74,123,957	\$51,518,613	\$81,540,075	\$112,327,944	\$197,470,758	\$236,394,128	\$267,714,218	\$297,523,474	\$338,602,918	\$1,680,239,740
Cash from Financing	\$30,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$30,000,000
Total Additions	\$53,023,654	\$74,123,957	\$51,518,613	\$81,540,075	\$112,327,944	\$197,470,758	\$236,394,128	\$267,714,218	\$297,523,474	\$338,602,918	\$1,710,239,740
Reserves Outlays											
Start-Up Funding Payments	\$6,680,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,680,000
Working Capital Repayment	\$0	\$0	\$0	\$0	\$19,927,842	\$0	\$0	\$0	\$0	\$0	\$19,927,842
New Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserve Outlays	\$6,680,000	\$0	\$0	\$0	\$19,927,842	\$0	\$0	\$0	\$0	\$0	\$26,607,842
Rate Stabilization Reserve Balance	\$42,496,533	\$103,467,223	\$145,676,246	\$212,985,038	\$286,295,277	\$450,588,516	\$647,248,327	\$869,954,534	\$1,117,445,855	\$1,399,070,134	

Expansion Addendum Appendices

Appendix A: Resolution adopting Implementation Plan Addendum No. 1

Appendix B: Joint Powers Agreement

Appendix C: Member Ordinances

Appendix D: Los Angeles Community Choice Energy Implementation Plan and Statement of Intent (August 15, 2017)

RESOLUTION NO. 17-004

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOS ANGELES COMMUNITY CHOICE ENERGY AUTHORITY ADOPTING THE IMPLEMENTATION PLAN ADDENDUM NO. ONE REQUIRED BY PUBLIC UTILITIES CODE SECTION 366.2(c)(3).

THE BOARD OF DIRECTORS OF THE LOS ANGELES COMMUNITY CHOICE ENERGY AUTHORITY DOES HEREBY FIND, RESOLVE, AND ORDER AS FOLLOWS:

Section 1. Recitals:

(a) The Los Angeles Community Choice Energy (“LACCE”) Authority is a joint powers authority established on June 27, 2017 for the purpose of studying, promoting, developing, conducting, operating and managing energy and energy-related climate change programs including but not limited to implementing a community choice aggregation program under Public Utilities Code Section 366.2.

(b) The members of the LACCE Authority is expected to include the Cities of South Pasadena, Rolling Hills Estates, Calabasas, West Hollywood, Alhambra, Culver City, Downey, Claremont, Sierra Madre, Santa Monica, Manhattan Beach, Hawthorne, Carson, Agoura Hills, Temple City, Paramount, Thousand Oaks, Ojai, Beverly Hills, Arcadia, Malibu, Hawaiian Gardens, and the Counties of Los Angeles and Ventura.

(c) Public Utilities Code Section 366.2 requires that before commencing a community choice aggregation program, the LACCE Authority first must prepare and adopt an Implementation Plan to be filed with the California Public Utilities Commission.

(d) The LACCE Implementation Plan and Statement of Intent was adopted by the LACCE Board of Directors on August 4, 2017.

(d) The LACCE Implementation Plan Addendum No. 1 was presented to the Board of Directors at a duly noticed public hearing for its consideration and adoption.

Section 2. Adoption.

After conducting a duly noticed public hearing as required by Public Utilities Code Section 366.2(c)(3), the Board of Directors hereby adopts the LACCE Implementation Plan Addendum No. 1. **ADOPTED AND APPROVED this 19th Day of December, 2017**



Acting Chair, Los Angeles Community
Choice Energy Authority

Attest:

Secretary, Los Angeles Community
Choice Energy Authority

Appendix B: Joint Powers Agreement

1. Agoura Hills
2. Alhambra
3. Arcadia (pending)
4. Beverly Hills
5. Calabasas
6. Carson
7. Claremont
8. Culver City
9. Downey
10. Hawaiian Gardens
11. Hawthorne
12. LA County
13. Malibu
14. Manhattan Beach
15. Ojai
16. Paramount
17. Rolling Hills Estates
18. Santa Monica
19. Sierra Madre (pending)
20. South Pasadena
21. Temple City
22. Thousand Oaks
23. Ventura county
24. West Hollywood

LOS ANGELES COMMUNITY CHOICE ENERGY AUTHORITY

JOINT POWERS AGREEMENT

This Joint Powers Agreement (the "Agreement"), effective as of June 27, 2017, is made and entered into pursuant to the provisions of Title 1, Division 7, Chapter 5, Article 1 (Section 6500 et seq.) of the California Government Code relating to the joint exercise of powers among the public agencies set forth in Exhibit A.

RECITALS

1. The Parties are public agencies sharing various powers under California laws, including but not limited to the power to purchase, supply, and aggregate electricity for themselves and their inhabitants.
2. In 2006, the State Legislature adopted AB 32, the Global Warming Solutions Act, which mandates a reduction in greenhouse gas emissions in 2020 to 1990 levels. The California Air Resources Board is promulgating regulations to implement AB 32 which will require local government to develop programs to reduce greenhouse emissions.
3. The purposes for the Initial Participants (as such term is defined in Section 2.3 below) entering into this Agreement include addressing climate change by reducing energy related greenhouse gas emissions and securing energy supply and price stability; energy efficiencies and local economic benefits, such as jobs creation, community energy programs; and local power development. It is the intent of this Agreement to promote the development and use of a wide range of renewable energy sources and energy efficiency programs, including but not limited to solar and wind energy production.
4. The Parties desire to establish a separate public agency, known as the Los Angeles Community Choice Energy Authority ("Authority"), under the provisions of the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 et seq.) ("Act") in order to collectively study, promote, develop, conduct, operate, and manage energy programs.
5. The Initial Participants have each adopted an ordinance electing to implement through the Authority a Community Choice Aggregation program pursuant to California Public Utilities Code Section 366.2 ("CCA Program"). The first priority of the Authority will be the consideration of those actions necessary to implement the CCA Program.
6. By establishing the Authority, the Parties seek to:
 - (a) Develop an electric supply portfolio with overall lower greenhouse gas intensity and lower greenhouse gas (GHG) emissions than Southern California Edison ("SCE"), and one that supports the achievement of the parties' greenhouse gas reduction goals and the comparable goals of all participating jurisdictions;
 - (b) Establish an energy portfolio that encourages the use and development of cost-effective local renewable and distributed energy resources and that discourages the use unbundled renewable energy credits;
 - (c) Promote an energy portfolio that incorporates energy efficiency and demand response programs and pursues ambitious energy consumption reduction goals;

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

- (d) Provide electricity rates that are lower or at worst competitive with those offered by SCE for similar products;
- (e) Offer differentiated energy options (e.g. 33% or 50% qualified renewable) for default service, and a 100% renewable content option in which customers may "opt-up" and voluntarily participate;
- (f) Achieve quantifiable economic benefits to the region;
- (g) Recognize the value of current workers in existing jobs that support the energy infrastructure of Los Angeles County and Southern California (e.g. union and prevailing wage jobs, local workforce development, apprenticeship programs, and local hire). The Authority, as a leader in the shift to clean energy, commits to ensuring it will take steps to minimize any adverse impacts to these workers to ensure a "just transition" to the new clean energy economy;
- (h) Support a stable, skilled workforce through such mechanisms as project labor agreements, collective bargaining agreements, or community benefit agreements, or other workforce programs that are designed to avoid work stoppages, ensure quality, and benefit local residents by delivering cost-effective clean energy programs and projects (e.g. new energy programs and increased local energy investments);
- (i) Promote supplier and workforce diversity, including returning veterans and those from disadvantaged and under-represented communities, to better reflect the diversity of the region;
- (j) Promote personal and community ownership of renewable resources, spurring equitable economic development and increased resilience, especially in low income communities;
- (k) Provide and manage its energy portfolio and products in a manner that provides cost savings to customers and promotes public health in areas impacted by energy production;
- (l) Ensure that low-income households and communities are provided with affordable and flexible energy options, including the provision of energy discounted rates to eligible low-income households;
- (m) Recognize and address the importance of healthy communities, including those disproportionately affected by air pollution and climate change;
- (n) Use program revenues to provide energy-related programs and services; and
- (o) Create an administering Authority that is financially sustainable, responsive to regional priorities, well-managed, and a leader in fair and equitable treatment of employees.

1. DEFINITIONS

- 1.1 "AB 117" means Assembly Bill 117 (Stat. 2002, Ch. 838, codified at Public Utilities Code Section 366.2), which created Community Choice Aggregation.

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

- 1.2 "Act" means the Joint Exercise of Powers Act of the State of California (Chapter 5, Division 7, Title 1 of the Government Code commencing with Section 6500).
- 1.3 "Agreement" means this Joint Powers Agreement.
- 1.4 "Authority" means Los Angeles Community Choice Energy Authority.
- 1.5 "Authority Document(s)" means document(s) duly adopted by the Board by resolution or motion implementing the powers, functions and activities of the Authority, including but not limited to the Operating Policies and Procedures, the annual budget, and plans and policies.
- 1.6 "Board" means the Board of Directors of the Authority.
- 1.7 "Community Choice Aggregation" or "CCA" means an electric service option available to cities, counties, and other public agencies pursuant to Public Utilities Code Section 366.2.
- 1.8 "CCA Program" means the Authority's program relating to CCA that is principally described in Section 2.4 (Purpose) of this Agreement.
- 1.9 "Days" shall mean calendar days unless otherwise specified by this Agreement.
- 1.10 "Director" means a member of the Board representing a Party, including up to two alternate Directors appointed in accordance with Sections 4.1 (Board of Directors) and 4.2 (Appointment and Removal of Directors) of this Agreement.
- 1.11 "Effective Date" means the date on which the Agreement shall become effective and the Authority shall exist as a separate public agency, as further described in Section 2.1 (Effective Date and Term) of this Agreement.
- 1.12 "Initial Costs" means all costs incurred by the Authority relating to the establishment and initial operation of the Authority, such as the hiring of the executive, technical, and any administrative staff, any required accounting, administrative, technical and legal services in support of the Authority's initial formation activities or in support of the negotiation, preparation and approval of power purchase agreements. The Board shall determine the termination date for the Initial Costs.
- 1.13 "Initial Participants" means, for purpose of this Agreement, the County of Los Angeles, and the cities of Calabasas, Rolling Hills Estates, and any other Parties joining in accordance with Section 2.3 (Initial Participants) of this Agreement.
- 1.14 "Operating Policies and Procedures" means the rules, regulations, policies, bylaws and procedures governing the operation of the Authority.
- 1.15 "Parties" means, collectively, the signatories to this Agreement that have satisfied the conditions in Section 2.3 (Initial Participants) or Section 2.5 (Addition

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

of Parties) of this Agreement, such that they are considered members of the Authority.

- 1.16 "Party" means, singularly, a signatory to this Agreement that has satisfied the conditions in Section 2.3 (Initial Participants) or Section 2.5 (Addition of Parties) of this Agreement, such that it is considered a member of the Authority.
- 1.17 "Public Agency" as defined in the Act includes, but is not limited to, the federal government or any federal department or agency, this state, another state or any state department or agency, a county, a county board of education, county superintendent of schools, city, public corporation, public district, regional transportation commission of this state or another state, a federally recognized Indian tribe, or any joint powers authority formed pursuant to the Act.

2. FORMATION OF LOS ANGELES COMMUNITY CHOICE ENERGY AUTHORITY

- 2.1 **Effective Date and Term.** This Agreement shall become effective and the Authority shall exist as a separate public agency on the date this Agreement is executed by the County of Los Angeles and at least one other public agency after the adoption of the ordinances required by Public Utilities Code Section 366.2(c)(12). The Authority shall provide notice to the Parties of the Effective Date. The Authority shall continue to exist, and this Agreement shall be effective, until the Agreement is terminated in accordance with Section 8.3 (Mutual Termination) of this Agreement, subject to the rights of the Parties to withdraw from the Authority.
- 2.2 **Formation of the Authority.** Under the Act, the Parties hereby create a separate joint exercise of power agency which is named Los Angeles Community Choice Energy Authority. Pursuant to Sections 6506 and 6507 of the Act, the Authority is a public agency separate from the Parties. The debts, liabilities or obligations of the Authority shall not be debts, liabilities or obligations of the individual Parties unless the governing body of a Party agrees in writing to assume any of the debts, liabilities or obligations of the Authority. The jurisdiction of the Authority shall be all territory within the geographic boundaries of the Parties; however the Authority may, as authorized under applicable law, undertake any action outside such geographic boundaries as is necessary and incidental to the accomplishment of its purpose.
- 2.3 **Initial Participants.** In addition to Parties executing this Agreement on or prior to the Effective Date, any incorporated municipality, county, or other eligible public agency may become a Party and recognized as an Initial Participant provided during the first 180 days after the Effective Date it executes this Agreement and delivers an executed copy of this Agreement and a copy of the adopted ordinance required by Public Utilities Code Section 366.2(c)(12) to the Authority. All Initial Participants to this Agreement shall be required to commence electric service as soon as practicable, as determined by the Board.
- 2.4 **Purpose.** The purpose and objectives of this Agreement are to establish the Authority, to provide for its governance and administration, and to define the rights and obligations of the Parties. This Agreement authorizes the Authority to

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

provide a means by which the Parties can more effectively develop and implement sustainable energy initiatives that reduce energy demand, increase energy efficiency, and advance the use of clean, efficient, and renewable resources in the region for the benefit of the Parties and their constituents, including, but not limited to, establishing and operating a Community Choice Aggregation program.

2.5 **Addition of Parties.** After 180 days from the Effective Date any incorporated municipality, county, or other public agency may become a Party to this Agreement if all of the following conditions are met:

2.5.1 The adoption of a resolution of the Board admitting the public agency to the Authority;

2.5.2 The adoption by an affirmative vote of the Board satisfying the requirements described in Section 4.10 (Board Voting) of this Agreement, of a resolution authorizing membership into the Authority and establishing its pro rata share of organizational, planning and other pre-existing expenditures, and describing additional conditions, if any, associated with membership;

2.5.3 The adoption by the public agency of an ordinance required by Public Utilities Code Section 366.2(c)(12) and approval and execution of this Agreement and other necessary program agreements by the public agency;

2.5.4 Payment of the membership payment, if any; and

2.5.5 Satisfaction of any reasonable conditions established by the Board.

Pursuant to this Section 2.5 (Addition of Parties), all parties shall be required to commence electric service as soon as is practicable, as determined by the Board, as a condition to becoming a Party to this Agreement.

2.6 **Continuing Participation.** The Parties acknowledge that membership in the Authority may change by the addition, withdrawal and/or termination of Parties. The Parties agree to participate with such other Parties as may later be added, as described in Section 2.5 (Addition of Parties) of this Agreement. The Parties also agree that the withdrawal or termination of a Party shall not affect this Agreement or the remaining Parties' continuing obligations under this Agreement.

3. POWERS

3.1 **General Powers.** The Authority shall have the powers common to the Parties and which are necessary or convenient to the accomplishment of the purposes of this Agreement, subject to the restrictions set forth in Section 3.4 (Limitation on Powers) of this Agreement. As provided in the Act, the Authority shall be a public agency separate and apart from the Parties.

3.2 **Specific Powers.** The Authority shall have all powers common to the Parties and such additional powers accorded to it by law. The Authority is authorized, in

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

its own name, to exercise all powers and do all acts necessary and proper to carry out the provisions of this Agreement and fulfill its purposes, including, but not limited to, each of the following:

- 3.2.1 make and enter into contracts;
- 3.2.2 employ agents and employees, including but not limited to an Executive Director;
- 3.2.3 acquire, contract, manage, maintain, and operate any buildings, works or improvements;
- 3.2.4 acquire property by eminent domain, or otherwise, except as limited under Section 6508 of the Act, and to hold or dispose of any property;
- 3.2.5 lease any property;
- 3.2.6 sue and be sued in its own name;
- 3.2.7 incur debts, liabilities, and obligations, including but not limited to loans from private lending sources pursuant to its temporary borrowing powers authorized by law pursuant to Government Code Section 53850 et seq. and authority under the Act;
- 3.2.8 issue revenue bonds and other forms of indebtedness;
- 3.2.9 apply for, accept, and receive all licenses, permits, grants, loans or other aids from any federal, state or local public agency;
- 3.2.10 form independent corporations or entities, if necessary to carry out energy supply and energy conservation programs at the lowest possible cost or to take advantage of legislative or regulatory changes;
- 3.2.11 submit documentation and notices, register, and comply with orders, tariffs and agreements for the establishment and implementation of the CCA Program and other energy programs;
- 3.2.12 adopt rules, regulations, policies, bylaws and procedures governing the operation of the Authority ("Operating Policies and Procedures"); and
- 3.2.13 make and enter into service agreements relating to the provision of services necessary to plan, implement, operate and administer the CCA Program and other energy programs, including the acquisition of electric power supply and the provision of retail and regulatory support services.

- 3.3 **Additional Powers to be Exercised.** In addition to those powers common to each of the Parties, the Authority shall have those powers that may be conferred upon it as a matter of law and by subsequently enacted legislation.

- 3.4 **Limitation on Powers.** As required by Section 6509 of the Act, the powers of the Authority are subject to the restrictions upon the manner of exercising power possessed by the County of Los Angeles.
- 3.5 **Obligations of the Authority.** The debts, liabilities, and obligations of the Authority shall not be the debts, liabilities, and obligations of the Parties unless the governing body of a Party agrees in writing to assume any of the debts, liabilities, and obligations of the Authority. In addition, pursuant to the Act, no Director shall be personally liable on the bonds or subject to any personal liability or accountability by reason of the issuance of bonds.
- 3.6 **Compliance with the Political Reform Act and Government Code Section 1090.** The Authority and its officers and employees shall comply with the Political Reform Act (Government Code Section 81000 et seq.) and Government Code Section 1090 et seq. The Board shall adopt a Conflict of Interest Code pursuant to Government Code Section 87300. The Board may adopt additional conflict of interest regulations in the Operating Policies and Procedures.

4. GOVERNANCE

- 4.1 **Board of Directors.** The governing body of the Authority shall be a Board of Directors ("Board") consisting of one director for each Party appointed in accordance with Section 4.2 (Appointment and Removal of Directors) of this Agreement. The Board, in consultation with the Executive Director, may determine at any time to consider options to reduce the size of the Board if it determines that the efficient functioning and operation of the Board would be improved by having a smaller number of Directors. Any such change to the size of the Board would require amendment of this Joint Powers Agreement in accordance with Section 4.11 (Special Voting).
- 4.2 **Appointment and Removal of Directors.** The Directors shall be appointed and may be removed as follows:
- 4.2.1 The governing body of each Party shall appoint and designate in writing one regular Director who shall be authorized to act for and on behalf of the Party on matters within the powers of the Authority. The governing body of each Party shall appoint and designate in writing up to two alternate Directors who may vote on matters when the regular Director is absent from a Board meeting. The person appointed and designated as the regular Director shall be an elected or appointed member of the governing body of the Party. The persons appointed and designated as the alternate Directors may be an elected or appointed member of the governing body of the Party, an appointed member of an advisory body of the Party, a staff member of the Party or a member of the public who meets the criteria below. All Directors and alternates shall be subject to the Board's adopted Conflict of Interest Code.
- (a) Any alternate Director that is a member of the public must have demonstrated knowledge in energy-related matters through

significant experience in either: 1) an electric utility or company, agency, or nonprofit providing services to a utility, 2) a regulatory agency or local government body overseeing an electric utility or a company, agency, or nonprofit providing services to such an agency, 3) an academic or nonprofit organization engaged in research and/or advocacy related to the electric sector.

- 4.2.2 The Operating Policies and Procedures, to be developed and approved by the Board in accordance with Section 3.2.12 (Specific Powers), shall specify the reasons for and process associated with the removal of an individual Director for cause. Notwithstanding the foregoing, no Party shall be deprived of its right to seat a Director on the Board and any such Party for which its Director and/or alternate Directors have been removed may appoint a replacement.
- 4.3 **Terms of Office.** Each regular and alternate Director shall serve at the pleasure of the governing body of the Party that the Director represents, and may be removed as Director by such governing body at any time. If at any time a vacancy occurs on the Board, the affected Party shall appoint to fill the position of the previous Director within 90 days of the date that such position becomes vacant.
- 4.4 **Purpose of Board.** The general purpose of the Board is to:
 - 4.4.1 Provide structure for administrative and fiscal oversight;
 - 4.4.2 Retain an Executive Director to oversee day-to-day operations;
 - 4.4.3 Retain legal counsel;
 - 4.4.4 Identify and pursue funding sources;
 - 4.4.5 Set policy;
 - 4.4.6 Maximize the utilization of available resources; and
 - 4.4.7 Oversee all Committee activities.
- 4.5 **Specific Responsibilities of the Board.** The specific responsibilities of the Board shall be as follows:
 - 4.5.1 Identify Party needs and requirements;
 - 4.5.2 Formulate and adopt the budget prior to the commencement of the fiscal year;
 - 4.5.3 Develop and implement a financing and/or funding plan for ongoing Authority operations;
 - 4.5.4 Retain necessary and sufficient staff and adopt personnel and compensation policies, rules and regulations;

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

- 4.5.5 Adopt rules for procuring supplies, equipment, and services;
- 4.5.6 Adopt rules for the disposal of surplus property;
- 4.5.7 Establish standing and ad hoc committees as necessary to ensure that the interests and concerns of each Party are represented and to ensure operational, technical, and financial issues are thoroughly researched and analyzed;
- 4.5.8 The setting of retail rates for power sold by the Authority and the setting of charges for any other category of retail service provided by the Authority;
- 4.5.9 Termination of the CCA Program;
- 4.5.10 Address any concerns of consumers and customers;
- 4.5.11 Conduct and oversee Authority audits at intervals not to exceed three years;
- 4.5.12 Arrange for an annual independent fiscal audit;
- 4.5.13 Adopt such bylaws, rules and regulations as are necessary or desirable for the purposes hereof; provided that nothing in the bylaws, rules and regulations shall be inconsistent with this Agreement;
- 4.5.14 Exercise the Specific Powers identified in Sections 3.2 and 4.6 except as the Board may elect to delegate to the Executive Director; and
- 4.5.15 Discharge other duties as appropriate or required by statute.
- 4.6 **Startup Responsibilities.** The Authority shall have the duty to do the following within one year of the Effective Date of the Agreement:
 - 4.6.1 To adopt an implementation plan prepared by the County of Los Angeles, pursuant to Public Utilities Code Section 366.2(c)(3), for electrical load aggregation;
 - 4.6.2 To prepare a statement of intent, pursuant to Public Utilities Code Section 366.2(c)(4), for electrical load aggregation;
 - 4.6.3 To encourage other qualified public agencies to participate in the Authority;
 - 4.6.4 To obtain financing and/or funding as is necessary or desirable;
 - 4.6.5 To evaluate the need for, acquire, and maintain insurance.
- 4.7 **Meetings and Special Meetings of the Board.** The Board shall hold at least one regular meeting per year but the Board may provide for the holding of regular meetings at more frequent intervals. The date, hour and place of each regular

meeting shall be fixed by resolution or ordinance of the Board. Regular meetings may be adjourned to another meeting time. Special meetings of the Board may be called in accordance with the provisions of Government Code Section 54956. Directors may participate in meetings telephonically, with full voting rights, only to the extent permitted by law.

4.8 **Brown Act Applicable.** All meetings of the Board shall be conducted in accordance with the provisions of the Ralph M. Brown Act (Government Code Section 54950, et seq.).

4.9 **Quorum; Approvals.** A majority of the Directors shall constitute a quorum, except that less than a quorum may adjourn from time to time in accordance with law. The affirmative votes of a majority of the Directors who are present at the subject meeting shall be required to take any action by the Board.

4.10 **Board Voting.**

4.10.1 **Percentage Vote.** Each Director shall have one vote. Action of the Board on all matters shall require an affirmative vote of a majority of all Directors who are present at the subject meeting, except when a supermajority vote is expressly required by this Agreement. When a supermajority vote is required under Section 4.11 (Special Voting), action of the Board shall require an affirmative vote of the specified supermajority of all Directors who are present at the subject meeting. All votes taken pursuant to this Section 4.10.1 shall be referred to as a percentage vote. Notwithstanding the foregoing, in the event of a tie in a percentage vote, the Board can break the tie and act upon an affirmative voting shares vote as described in section 4.10.2 (Voting Shares Vote).

4.10.2 **Voting Shares Vote.** In addition to and immediately after an affirmative percentage vote three or more Directors may request that a vote of the voting shares shall be held. In such event, the corresponding voting shares, as described in section 4.10.3, of all Directors voting in order to take an action shall exceed 50%, or such other higher voting shares percentage expressly required by this Agreement or the Operating Policies and Procedures of all Directors who are present at the subject meeting. All votes taken pursuant to this Section 4.10.2 shall be referred to as a voting shares vote. In the event that any one Director has a voting share that equals or exceeds that which is necessary to disapprove the matter being voted on by the Board, at least one other Director shall be required to vote in the negative in order to disapprove such matter. When a voting shares vote is held, action by the Board requires both an affirmative percentage vote and an affirmative voting shares vote.

4.10.3 **Voting Shares Formula.** When a voting shares vote is requested by three or more Directors, voting shares of the Directors shall be determined by the following formula:

(Annual Energy Use/Total Annual Energy) multiplied by 100, where (a) "Annual Energy Use" means (i) with respect to the first two years

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

following the Effective Date, the annual electricity usage, expressed in kilowatt hours ("kWh"), within the Party's respective jurisdiction and (ii) with respect to the period after the second anniversary of the Effective Date, the annual electricity usage, expressed in kWh, of accounts within a Party's respective jurisdiction that are served by the Authority and (b) "Total Annual Energy" means the sum of all Parties' Annual Energy Use.

4.11 Special Voting.

4.11.1 Except as provided below, matters that require Special Voting as described in this Section shall require 72 hours prior notice to any Brown Act meeting or special meeting. Two-thirds vote (or such greater vote as required by state law) of the appointed Directors shall be required to take any action on the following:

- (a) Change the designation of Treasurer or Auditor of the Authority;
- (b) Issue bonds or other forms of debt;
- (c) Exercise the power of eminent domain, subject to prior approval by the passage of an authorizing ordinance or other legally sufficient action by the affected Party; and
- (d) Amend this Agreement or adopt or amend the bylaws of the Authority. At least 30 days advance notice shall be provided for such actions. The Authority shall also provide prompt written notice to all Parties of the action taken and enclose the adopted or modified documents.

5. INTERNAL ORGANIZATION

5.1 **Chair and Vice Chair.** For each fiscal year, the Board shall elect a Chair and Vice Chair from among the Directors. The term of office of the Chair and Vice Chair shall continue for one year, but there shall be no limit on the number of terms held by either the Chair or Vice Chair. The Chair shall be the presiding officer of all Board meetings, and the Vice Chair shall serve in the absence of the Chair. The Chair shall sign all contracts on behalf of the Authority, and shall perform such other duties as may be imposed by the Board. In the absence of the Chair, the Vice-Chair shall sign contracts and perform all of the Chair's duties. The office of the Chair or Vice Chair shall be declared vacant and a new selection shall be made if: (a) the person serving dies, resigns, or the Party that the person represents removes the person as its representative on the Board, or (b) the Party that he or she represents withdraws from the Authority pursuant to the provisions of this Agreement. Upon a vacancy, the position shall be filled at the next regular meeting of the Board held after such vacancy occurs or as soon as practicable thereafter. Succeeding officers shall perform the duties normal to said offices.

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

- 5.2 **Secretary.** The Board shall appoint a Secretary, who need not be a member of the Board, who shall be responsible for keeping the minutes of all meetings of the Board and all other office records of the Authority.
- 5.3 **Treasurer.** The Board shall appoint a qualified person to act as the Treasurer, who need not be a member of the Board. Unless otherwise exempted from such requirement, the Authority shall cause an independent audit to be made by a certified public accountant, or public accountant, in compliance with Section 6506 of the Act. The Treasurer shall act as the depository of the Authority and have custody of all the money of the Authority, from whatever source, and as such, shall have all of the duties and responsibilities specified in Section 6505.5 of the Act. The Board may require the Treasurer to file with the Authority an official bond in an amount to be fixed by the Board, and if so requested the Authority shall pay the cost of premiums associated with the bond. The Treasurer shall report directly to the Board and shall comply with the requirements of treasurers of incorporated municipalities. The Board may transfer the responsibilities of Treasurer to any person or entity as the law may provide at the time.
- 5.4 **Auditor.** The Board shall appoint a qualified person to act as the Auditor, who shall not be a member of the Board. The Board may require the Auditor to file with the Authority an official bond in an amount to be fixed by the Board, and if so requested the Authority shall pay the cost of premiums associated with the bond.
- 5.5 **Executive Director.** The Board shall appoint an Executive Director for the Authority, who shall be responsible for the day-to-day operation and management of the Authority and the CCA Program. The Executive Director may exercise all powers of the Authority, except those powers specifically reserved to the Board including but not limited to those set forth in Section 4.5 (Specific Responsibilities of the Board) of this Agreement or the Operating Policies and Procedures, or those powers which by law must be exercised by the Board. The Executive Director may enter into and execute any Energy Contract, in accordance with criteria and policies established by the Board.
- 5.6 **Bonding of Persons Having Access to Property.** Pursuant to the Act, the Board shall designate the public officer or officers or person or persons who have charge of, handle, or have access to any property of the Authority exceeding a value as established by the Board, and shall require such public officer or officers or person or persons to file an official bond in an amount to be fixed by the Board.
- 5.7 **Other Employees/Agents.** The Board shall have the power by resolution to hire employees or appoint or retain such other agents, including officers, loan-out employees, or independent contractors, as may be necessary or desirable to carry-out the purpose of this Agreement.
- 5.8 **Privileges and Immunities from Liability.** All of the privileges and immunities from liability, exemption from laws, ordinances and rules, all pension, relief, disability, workers' compensation and other benefits which apply to the activities of officers, agents or employees of a public agency when performing their respective functions shall apply to the officers, agents or employees of the

Authority to the same degree and extent while engaged in the performance of any of the functions and other duties of such officers, agents or employees under this Agreement. None of the officers, agents or employees directly employed by the Board shall be deemed, by reason of their employment by the Authority to be employed by the Parties or by reason of their employment by the Authority, to be subject to any of the requirements of the Parties.

- 5.9 **Commissions, Boards and Committees.** The Board may establish any advisory commissions, boards and committees as the Board deems appropriate to assist the Board in carrying out its functions and implementing the CCA Program, other energy programs and the provisions of this Agreement. The Board may establish rules, regulations, policies, bylaws or procedures to govern any such commissions, boards, or committees and shall determine whether members shall be compensated or entitled to reimbursement for expenses.

5.9.1 The Board shall establish the following Advisory Committees:

- (a) **Executive Committee.** The Board shall establish an executive committee consisting of a smaller number of Directors. The Board may delegate to the Executive Committee's such authority as the Board might otherwise exercise, except that the Board may not delegate authority regarding certain essential functions, including but not limited to, approving the fiscal year budget or hiring or firing the Executive Director, and other functions as provided in the Operating Policies and Procedures. The Board may not delegate to the Executive Committee or any other committee its authority under Section 3.2.12 to adopt and amend the Operating Policies and Procedures.
- (b) **Finance Committee.** The Board shall establish a finance committee consisting of a smaller number of Directors. The primary purpose of the Finance Committee is to review and recommend to the Board:
 - (1) A funding plan;
 - (2) A fiscal year budget;
 - (3) Financial policies and procedures to ensure equitable contributions by Parties;
 - (4) Such other responsibilities as provided in the Operating Policies and Procedures, including but not limited to policies, rules and regulations governing investment of surplus funds, and selection and designation of financial institutions for deposit of Authority funds.
- (c) **Community Advisory Committee.** The Board shall establish a community advisory committee comprised of members of the public representing key stakeholder communities. The primary

purpose of the Community Advisory Committee shall be to provide a venue for ongoing citizen support and engagement in the operations of the Authority.

- (d) **Meetings of the Advisory Committees.** All meetings of the Advisory Committees shall be held in accordance with the Ralph M. Brown Act. For the purposes of convening meetings and conducting business, unless otherwise provided in the bylaws, a majority of the members of the Advisory Committee shall constitute a quorum for the transaction of business, except that less than a quorum or the secretary of each Advisory Committee may adjourn meetings from time-to-time. As soon as practicable, but no later than the time of posting, the Secretary of the Advisory Committee shall provide notice and the agenda to each Party, Director and Alternate Directors.
- (e) **Officers of Advisory Committees.** Unless otherwise determined by the Board, each Advisory Committee shall choose its officers, comprised of a Chairperson, a Vice-Chairperson and a Secretary.

6. IMPLEMENTATION ACTION AND AUTHORITY DOCUMENTS

6.1 Preliminary Implementation of the CCA Program.

- 6.1.1 **Enabling Ordinance.** In addition to the execution of this Agreement, each Party shall adopt an ordinance in accordance with Public Utilities Code Section 366.2(c)(12) for the purpose of specifying that the Party intends to implement a CCA Program by and through its participation in the Authority.
- 6.1.2 **Implementation Plan.** The Authority shall cause to be prepared and secure Board approval of an Implementation Plan meeting the requirements of Public Utilities Code Section 366.2 and any applicable Public Utilities Commission regulations as soon after the Effective Date as reasonably practicable. .
- 6.1.3 **Termination of CCA Program.** Nothing contained in this Section 6 or this Agreement shall be construed to limit the discretion of the Authority to terminate the implementation or operation of the CCA Program at any time in accordance with any applicable requirements of state law.

- 6.2 **Authority Documents.** The Parties acknowledge and agree that the affairs of the Authority will be implemented through various documents duly adopted by the Board through Board resolution or minute action, including but not necessarily limited to the Operating Policies and Procedures, the annual budget, and specified plans and policies defined as the Authority Documents by this Agreement. The Parties agree to abide by and comply with the terms and conditions of all such Authority Documents that may be adopted by the Board, subject to the Parties' right to withdraw from the Authority as described in Section 8 (Withdrawal and Termination) of this Agreement.

7. FINANCIAL PROVISIONS

7.1 **Fiscal Year.** The Authority's fiscal year shall be 12 months commencing July 1 and ending June 30. The fiscal year may be changed by Board resolution.

7.2 **Depository.**

7.2.1 All funds of the Authority shall be held in separate accounts in the name of the Authority and not commingled with funds of any Party or any other person or entity.

7.2.2 All funds of the Authority shall be strictly and separately accounted for, and regular reports shall be rendered of all receipts and disbursements, at least quarterly during the fiscal year. The books and records of the Authority shall be open to inspection and duplication by the Parties at all reasonable times. The Board shall contract with a certified public accountant or public accountant to make an annual audit of the accounts and records of the Authority, which shall be conducted in accordance with the requirements of Section 6506 of the Act.

7.2.3 All expenditures shall be made in accordance with the approved budget and upon the approval of any officer so authorized by the Board in accordance with its Operating Policies and Procedures. The Treasurer shall draw checks or warrants or make payments by other means for claims or disbursements not within an applicable budget only upon the prior approval of the Board.

7.3 **Budget and Recovery Costs.**

7.3.1 **Budget.** The initial budget shall be approved by the Board. The Board may revise the budget from time to time as may be reasonably necessary to address contingencies and unexpected expenses. All subsequent budgets of the Authority shall be prepared and approved by the Board in accordance with the Operating Policies and Procedures.

7.3.2 **Funding of Initial Costs.** Subject to the approval of the Board of Supervisors, the County of Los Angeles has agreed to provide up to \$10 million for funding Initial Costs in establishing the Authority and implementing the CCA Program. In the event that the CCA Program becomes operational, the County of Los Angeles shall be reimbursed for the Initial Costs. The County and the Authority will execute an agreement specifying the terms and conditions of the Initial Costs provided by the County, including but not limited to: (a) Repayment of this amount, which shall be first priority in relation to all other indebtedness of the Authority; and (b) authorization for the County Auditor-Controller to conduct an audit of the Authority's books and records (including personnel records, as necessary) and/or investigation, following reasonable advance notice from the County, to ensure compliance with the terms and conditions of the agreement. The Authority may establish a reasonable time period over which such costs are recovered. In the event that the CCA Program

does not become operational, the County shall not be entitled to any reimbursement of the Initial Costs they have paid from the Authority or any other Party.

7.3.3 **Program Costs.** The Parties desire that, to the extent reasonably practicable, all costs incurred by the Authority that are directly or indirectly attributable to the provision of electric services under the CCA Program, including the establishment and maintenance of various reserve and performance funds, shall be recovered through charges to CCA customers receiving such electric services.

7.3.4 **General Costs.** Costs that are not directly or indirectly attributable to the provision of electric services under the CCA Program, as determined by the Board, shall be defined as general costs. General costs shall be shared among the Parties on such bases as the Board shall determine pursuant to the Authority documents.

7.4 **Contributions.** Parties are not required under this Agreement to make any financial contributions. Consumers may subscribe as customers of the Authority pursuant to the Act and outside of this Agreement and through their on-bill selections.

7.4.1 A Party may, in the appropriate circumstance, and when agreed-to:

- (a) Make contributions from its treasury for the purposes set forth in this Agreement;
- (b) Make payments of public funds to defray the cost of the purposes of the Agreement and Authority;
- (c) Make advances of public funds for such purposes, such advances to be repaid as provided by written agreement; or
- (d) Use its personnel, equipment or property in lieu of other contributions or advances.
- (e) No Party shall be required to adopt any tax, assessment, fee or charge under any circumstances.

7.5 **Accounts and Reports.** The Treasurer shall establish and maintain such funds and accounts as may be required by good accounting practice or by any provision of any trust agreement entered into with respect to the proceeds of any bonds issued by the Authority. The books and records of the Authority in the hands of the Treasurer shall be open to inspection and duplication at all reasonable times by duly appointed representatives of the Parties. The Treasurer, within 180 days after the close of each fiscal year, shall give a complete written report of all financial activities for such fiscal year to the Parties.

7.6 **Funds.** The Treasurer shall receive, have custody of and/or disburse Authority funds in accordance with the laws applicable to public agencies and generally

accepted accounting practices, and shall make the disbursements required by this Agreement in order to carry out any of the purposes of this Agreement.

8. WITHDRAWAL AND TERMINATION

8.1 Withdrawal

8.1.1 Withdrawal by Parties. Any Party may withdraw its membership in the Authority, effective as of the beginning of the Authority's fiscal year, by giving no less than 180 days advance written notice of its election to do so, which notice shall be given to the Authority and each Party. Withdrawal of a Party shall require an affirmative vote of the Party's governing board.

8.1.2 Amendment. Notwithstanding Section 8.1.1 (Withdrawal by Parties) of this Agreement, a Party may withdraw its membership in the Authority upon approval and execution of an amendment to this Agreement provided that the requirements of this Section 8.1.2 are strictly followed. A Party shall be deemed to have withdrawn its membership in the Authority effective 180 days after the Board approves an amendment to this Agreement if the Director representing such Party has provided notice to the other Directors immediately preceding the Board's vote of the Party's intention to withdraw its membership in the Authority should the amendment be approved by the Board.

8.1.3 Continuing Liability; Further Assurances. A Party that withdraws its membership in the Authority may be subject to certain continuing liabilities, as described in Section 8.4 (Continuing Liability; Refund) of this Agreement, including, but not limited to, Power Purchase Agreements. The withdrawing Party and the Authority shall execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary, as determined by the Board, to effectuate the orderly withdrawal of such Party from membership in the Authority. The Operating Policies and Procedures shall prescribe the rights if any of a withdrawn Party to continue to participate in those Board discussions and decisions affecting customers of the CCA Program that reside or do business within the jurisdiction of the Party.

8.2 Involuntary Termination. This Agreement may be terminated with respect to a Party for material non-compliance with provisions of this Agreement or the Authority Documents upon an affirmative vote of the Board in which the minimum percentage vote and percentage voting shares, as described in Section 4.10 (Board Voting) of this Agreement, shall be no less than 67% excluding the vote and voting shares of the Party subject to possible termination. Prior to any vote to terminate this Agreement with respect to a Party, written notice of the proposed termination and the reason(s) for such termination shall be delivered to the Party whose termination is proposed at least 30 days prior to the regular Board meeting at which such matter shall first be discussed as an agenda item. The written notice of proposed termination shall specify the particular provisions of this Agreement or the Authority Documents that the Party has allegedly violated.

The Party subject to possible termination shall have the opportunity at the next regular Board meeting to respond to any reasons and allegations that may be cited as a basis for termination prior to a vote regarding termination. A Party that has had its membership in the Authority terminated may be subject to certain continuing liabilities, as described in Section 8.4 (Continuing Liability; Refund) of this Agreement. In the event that the Authority decides to not implement the CCA Program, the minimum percentage vote of 67% shall be conducted in accordance with Section 4.10 (Board Voting) of this Agreement.

8.3 **Mutual Termination.** This Agreement may be terminated by mutual agreement of all the Parties; provided, however, the foregoing shall not be construed as limiting the rights of a Party to withdraw its membership in the Authority, and thus terminate this Agreement with respect to such withdrawing Party, as described in Section 8.1 (Withdrawal) of this Agreement.

8.4 **Continuing Liability; Refund.** Upon a withdrawal or involuntary termination of a Party, the Party shall remain responsible for any claims, demands, damages, or liabilities arising from the Party's membership in the Authority through the date of its withdrawal or involuntary termination, it being agreed that the Party shall not be responsible for any claims, demands, damages, or liabilities arising after the date of the Party's withdrawal or involuntary termination. In addition, such Party also shall be responsible for any costs or obligations associated with the Party's participation in any program in accordance with the provisions of any agreements relating to such program provided such costs or obligations were incurred prior to the withdrawal of the Party. The Authority may withhold funds otherwise owing to the Party or may require the Party to deposit sufficient funds with the Authority, as reasonably determined by the Authority, to cover the Party's liability for the costs described above. Any amount of the Party's funds held on deposit with the Authority above that which is required to pay any liabilities or obligations shall be returned to the Party.

8.5 **Disposition of Authority Assets.** Upon termination of this Agreement and dissolution of the Authority by all Parties, and after payment of all obligations of the Authority, the Board:

8.5.1 May sell or liquidate Authority property; and

8.5.2 Shall distribute assets to Parties in proportion to the contributions made by the existing Parties.

Any assets provided by a Party to the Authority shall remain the asset of that Party and shall not be subject to distribution under this section.

9. MISCELLANEOUS PROVISIONS

9.1 **Dispute Resolution.** The Parties and the Authority shall make reasonable efforts to settle all disputes arising out of or in connection with this Agreement. Before exercising any remedy provided by law, a Party or the Parties and the Authority shall engage in nonbinding mediation or arbitration in the manner agreed upon by the Party or Parties and the Authority. The Parties agree that

each Party may specifically enforce this section 9.1 (Dispute Resolution). In the event that nonbinding mediation or arbitration is not initiated or does not result in the settlement of a dispute within 60 days after the demand for mediation or arbitration is made, any Party and the Authority may pursue any remedies provided by law.

9.2 **Liability of Directors, Officers, and Employees.** The Directors, officers, and employees of the Authority shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to this Agreement. No current or former Director, officer, or employee will be responsible for any act or omission by another Director, officer, or employee. The Authority shall defend, indemnify and hold harmless the individual current and former Directors, officers, and employees for any acts or omissions in the scope of their employment or duties in the manner provided by Government Code Section 995 et seq. Nothing in this section shall be construed to limit the defenses available under the law, to the Parties, the Authority, or its Directors, officers, or employees.

9.3 **Indemnification of Parties.** The Authority shall acquire such insurance coverage as is necessary to protect the interests of the Authority, the Parties and the public. The Authority shall defend, indemnify and hold harmless the Parties and each of their respective governing board members, officers, agents and employees, from any and all claims, losses, damages, costs, injuries and liabilities of every kind arising directly or indirectly from the conduct, activities, operations, acts and omissions of the Authority under this Agreement.

9.4 **Notices.** Any notice required or permitted to be made hereunder shall be in writing and shall be delivered in the manner prescribed herein at the principal place of business of each Party. The Parties may give notice by (1) personal delivery; (2) e-mail; (3) U.S. Mail, first class postage prepaid, or a faster delivery method; or (4) by any other reasonable method deemed appropriate by the Board.

Upon providing written notice to all Parties, any Party may change the designated address or e-mail for receiving notice.

All written notices or correspondence sent in the described manner will be deemed given to a party on whichever date occurs earliest: (1) the date of personal delivery; (2) the third business day following deposit in the U.S. mail, when sent by "first class" mail; or (3) the date of transmission, when sent by e-mail or facsimile.

9.5 **Successors.** This Agreement shall be binding upon and shall inure to the benefit of the successors of each Party.

9.6 **Assignment.** Except as otherwise expressly provided in this Agreement, the rights and duties of the Parties may not be assigned or delegated without the advance written consent of all of the other Parties, and any attempt to assign or delegate such rights or duties in contravention of this Section 9.6 shall be null and void. This Agreement shall inure to the benefit of, and be binding upon, the

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

successors and assigns of the Parties. This Section 9.6 does not prohibit a Party from entering into an independent agreement with another agency, person, or entity regarding the financing of that Party's contributions to the Authority, or the disposition of the proceeds which that Party receives under this Agreement, so long as such independent agreement does not affect, or purport to affect, the rights and duties of the Authority or the Parties under this Agreement.

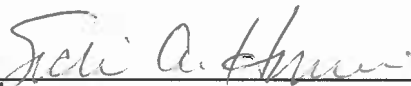
- 9.7 **Severability.** If any one or more of the terms, provisions, promises, covenants, or conditions of this Agreement were adjudged invalid or void by a court of competent jurisdiction, each and all of the remaining terms, provisions, promises, covenants, and conditions of this Agreement shall not be affected thereby and shall remain in full force and effect to the maximum extent permitted by law.
- 9.8 **Governing Law.** This Agreement is made and to be performed in the State of California, and as such California substantive and procedural law shall apply.
- 9.9 **Headings.** The section headings herein are for convenience only and are not to be construed as modifying or governing the language of this Agreement.
- 9.10 **Counterparts.** This Agreement may be executed in any number of counterparts, and upon execution by all Parties, each executed counterpart shall have the same force and effect as an original instrument and as if all Parties had signed the same instrument. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signatures thereon, and may be attached to another counterpart of this Agreement identical in form hereto but having attached to it one or more signature pages.
- 9.11 **No Third Party Beneficiaries.** This Agreement and the obligations hereunder are not intended to benefit any party other than the Authority and its Parties, except as expressly provided otherwise herein. No entity that is not a signatory to this Agreement shall have any rights or causes of action against any party to this Agreement as a result of that party's performance or non-performance under this Agreement, except as expressly provided otherwise herein.
- 9.12 **Filing of Notice of Agreement.** Within 30 days after the Effective Date, or amendment thereto, the Secretary shall cause to be filed with the Secretary of State the notice of Agreement required by the Act.

IN WITNESS WHEREOF, each Party has caused this Agreement to be executed and attested by its proper officers thereunto duly authorized, its official seals to be hereto affixed, as follows:

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

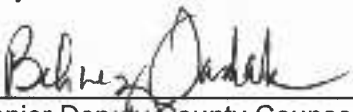
LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

COUNTY OF LOS ANGELES

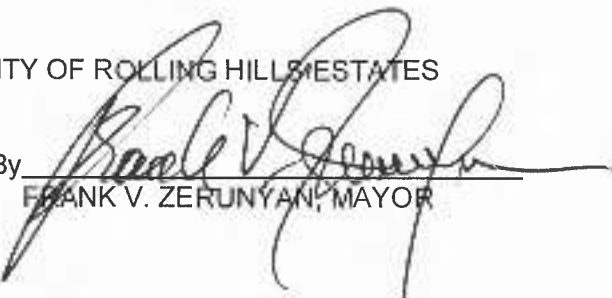
By 
Sachi A. Hamai
Chief Executive Officer

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

By 
Senior Deputy County Counsel

CITY OF ROLLING HILL ESTATES

By 
FRANK V. ZERUNYAN, MAYOR

ATTEST:

By 
DOUGLAS R. PRICHARD, CITY CLERK

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

COUNTY OF LOS ANGELES


By _____
Sachi A. Hamai
Chief Executive Officer

APPROVED AS TO FORM:


MARY C. WICKHAM
County Counsel

By _____
Senior Deputy County Counsel

CITY OF South Pasadena

By 
Mayor

ATTEST:

By 
City Clerk

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

CITY OF Agoura Hills
By: [Signature]
Mayor

ATTEST:

By: [Signature]
City Clerk



Counterparts. This Agreement may be executed in any number of counterparts, and upon execution by all Parties, each executed counterpart shall have the same force and effect as an original instrument and as if all Parties had signed the same instrument. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signatures thereon, and may be attached to another counterpart of this Agreement identical in form hereto but having attached to it one or more signature pages.

CITY OF

AZHAMBRA

By: Stephen Sham

Mayor


ATTEST:

By: Janet [Signature]

City Clerk

City of Beverly Hills signatures continued for Los Angeles Community Choice Energy Authority
Joint Powers Agreement:


APPROVED AS TO FORM:


LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:


MAHDI ALUZRI
City Manager


SHANA EPSTEIN
Director of Public Works


SHARON L'HEUREUX DRESSEL
Interim Risk Manager

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

COUNTY OF LOS ANGELES


By _____
Sachi A. Hamai
Chief Executive Officer

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

By _____
Senior Deputy County Counsel


CITY OF CALABASAS

By  _____
Mary Sue Maurer, Mayor

ATTEST:

By  _____
Maricela Hernandez, MMC
City Clerk

APPROVED AS TO FORM:


By  _____
Scott H. Howard, City Attorney
Colantuono, Highsmith & Whatley

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

APPROVED AS TO FORM:


CITY OF CARSON:


Sunny K. Solani, City Attorney


Alber Robles, Mayor



ATTEST:

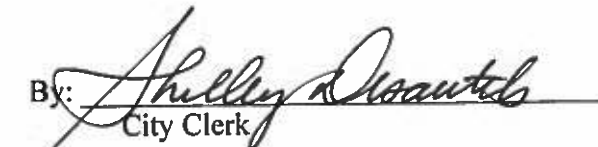

Donesia L. Gause, MMC, City Clerk

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

CITY OF CLAREMONT

By: 
Mayor

ATTEST:

By: 
City Clerk

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

COUNTY OF LOS ANGELES


By _____
Sachi A. Hamai
Chief Executive Officer

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

By _____
Senior Deputy County Counsel

CITY OF CULVER CITY

By  _____
John Nachbar, City Manager

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

CITY OF DOWNEY

By: 

FERNANDO VASQUEZ, Mayor

ATTEST:

By: 

MARIA ALICIA DUARTE, CMC
Interim City Clerk

APPROVED AS TO FORM:

By: 

YVETTE M. ABICH GARCIA
City Attorney

LOS ANGELES COMMUNITY CHOICE ENERGY - JOINT POWERS AGREEMENT

CITY OF HAWAIIAN GARDENS

By: Ronald P. Rodriguez
Mayor

ATTEST:

By: Shirley Anderson
City Clerk

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

CITY OF Hawthorne

By: 
Mayor

ATTEST:

By: 
City Clerk

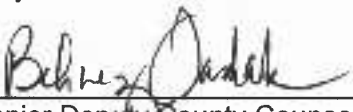
LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

COUNTY OF LOS ANGELES

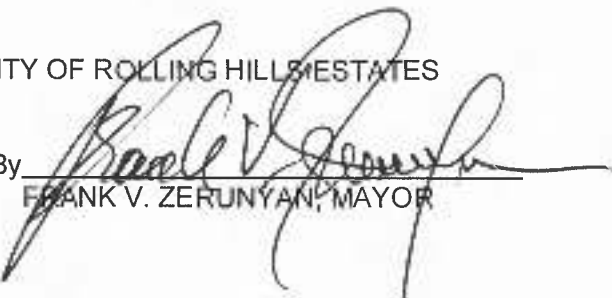
By 
Sachi A. Hamai
Chief Executive Officer

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

By 
Senior Deputy County Counsel

CITY OF ROLLING HILL ESTATES

By 
FRANK V. ZERUNYAN, MAYOR

ATTEST:

By 
DOUGLAS R. PRICHARD, CITY CLERK

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

CITY OF MALIBU

By: SKYLAR PEAK
SKYLAR PEAK, Mayor

ATTEST:

By: HEATHER GLASER
HEATHER GLASER, City Clerk

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

CITY OF Manhattan Beach

By: 
Mayor

ATTEST:

By: Maitha Alvarez 12/7/17
(for) City Clerk

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

CITY OF Glendale

By: [Signature]
Mayor

ATTEST:


By: [Signature]
City Clerk

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signatures thereon, and may be attached to another counterpart of this Agreement identical in form hereto but having attached to it one or more signature pages.

CITY OF PARAMOUNT

By:


Peggy Lemons, Mayor

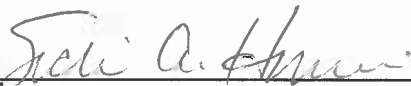
ATTEST:

By:


Lana Chikami, City Clerk

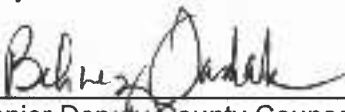
LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

COUNTY OF LOS ANGELES

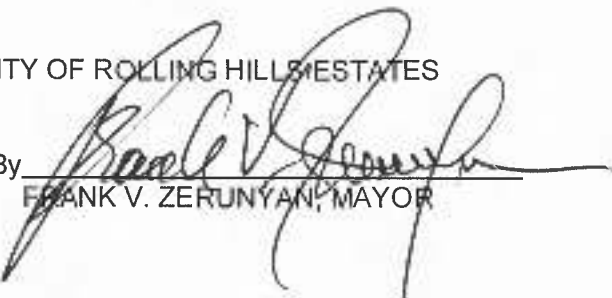
By 
Sachi A. Hamai
Chief Executive Officer

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

By 
Senior Deputy County Counsel

CITY OF ROLLING HILL ESTATES

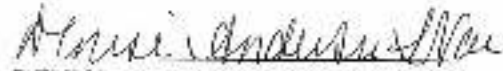
By 
FRANK V. ZERUNYAN, MAYOR

ATTEST:

By 
DOUGLAS R. PRICHARD, CITY CLERK


LOS ANGELES COMMUNITY CHOICE ENERGY - JOINT POWERS AGREEMENT

ATTEST:



DENISE ANDERSON WARREN
City Clerk

CITY OF SANTA MONICA,
a municipal corporation

By:


RICK COLE
City Manager

APPROVED AS TO FORM:


LANE DILG
City Attorney

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

COUNTY OF LOS ANGELES

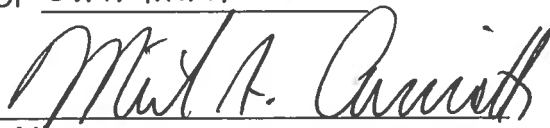
By _____
Sachi A. Hamai
Chief Executive Officer

APPROVED AS TO FORM:


MARY C. WICKHAM
County Counsel

By _____
Senior Deputy County Counsel

CITY OF South Pasadena

By 
Mayor

ATTEST:

By 
City Clerk

long as such independent agreement does not affect, or purport to affect, the rights and duties of the Authority or the Parties under this Agreement.

- 9.7 **Severability.** If any one or more of the terms, provisions, promises, covenants, or conditions of this Agreement were adjudged invalid or void by a court of competent jurisdiction, each and all of the remaining terms, provisions, promises, covenants, and conditions of this Agreement shall not be affected thereby and shall remain in full force and effect to the maximum extent permitted by law.
- 9.8 **Governing Law.** This Agreement is made and to be performed in the State of California, and as such California substantive and procedural law shall apply.
- 9.9 **Headings.** The section headings herein are for convenience only and are not to be construed as modifying or governing the language of this Agreement.
- 9.10 **Counterparts.** This Agreement may be executed in any number of counterparts, and upon execution by all Parties, each executed counterpart shall have the same force and effect as an original instrument and as if all Parties had signed the same instrument. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signatures thereon, and may be attached to another counterpart of this Agreement identical in form hereto but having attached to it one or more signature pages.

CITY OF Temple City

By: _____

Cynthia Sternquist, Mayor

ATTEST:

By: _____

Peggy Kuo, City Clerk

LOS ANGELES COMMUNITY CHOICE ENERGY AUTHORITY

JOINT POWERS AGREEMENT

This Joint Powers Agreement (the "Agreement"), effective as of December 12, 2017, is made and entered into pursuant to the provisions of Title 1, Division 7, Chapter 5, Article 1 (Section 6500 et seq.) of the California Government Code relating to the joint exercise of powers among the public agencies set forth in Exhibit A.

RECITALS

1. The Parties are public agencies sharing various powers under California laws, including but not limited to the power to purchase supply, and aggregate electricity for themselves and their inhabitants.
2. In 2006, the State Legislature adopted AB 32, the Global Warming Solutions Act, which mandates a reduction in greenhouse gas emissions in 2020 to 1990 levels. The California Air Resources Board is promulgating regulations to implement AB 32 which will require local government to develop programs to reduce greenhouse emissions.
3. The purposes for the Initial Participants (as such term is defined in Section 2.3 below) entering into this Agreement include addressing climate change by reducing energy related greenhouse gas emissions and securing energy supply and price stability; energy efficiencies and local economic benefits, such as jobs creation, community energy programs; and local power development. It is the intent of this Agreement to promote the development and use of a wide range of renewable energy sources and energy efficiency programs, including but not limited to solar and wind energy production.
4. The Parties desire to establish a separate public agency, known as the Los Angeles Community Choice Energy Authority ("Authority"), under the provisions of the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 et seq.) ("Act") in order to collectively study, promote, develop, conduct, operate, and manage energy programs.
5. The Initial Participants have each adopted an ordinance electing to implement through the Authority a Community Choice Aggregation program pursuant to California Public Utilities Code Section 366.2 ("CCA Program"). The first priority of the Authority will be the consideration of those actions necessary to implement the CCA Program.
6. By establishing the Authority, the Parties seek to:
 - (a) Develop an electric supply portfolio with overall lower greenhouse gas intensity and lower greenhouse gas (GHG) emissions than Southern California Edison ("SCE"), and one that supports the achievement of the parties' greenhouse gas reduction goals and the comparable goals of all participating jurisdictions;

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

CITY OF THOUSAND OAKS

By: Rob McLaughlin for Andrew P. Fox
Andrew P. Fox, Mayor

ATTEST:

By: Cynthia M. Rodriguez
for Cynthia M. Rodriguez, City Clerk

APPROVED BY DEPARTMENT HEAD:

By: Jay T. Spurgin
Jay T. Spurgin, Public Works Director

APPROVED AS TO FORM:
Office of the City Attorney

By: Felicia Liberman
Felicia Liberman, Assistant City Attorney

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

COUNTY OF VENTURA

By: John C. Zoragza
Chair, Board of Supervisors

ATTEST: MICHAEL POWERS

Clerk of the Board of Supervisors,

County of Ventura, State of California

By: Michael Powers
Deputy Clerk of the Board

IN WITNESS WHEREOF, each Party has caused this Agreement to be executed and attested by its proper officers thereunto duly authorized, its official seals to be hereto affixed, as follows:

CITY OF WEST HOLLYWOOD



JOHN HEILMAN, MAYOR

ATTEST:



YVONNE QUARKER, CITY CLERK

Appendix C: Member Ordinances

1. Agoura Hills
2. Alhambra
3. Arcadia
4. Beverly Hills
5. Calabasas
6. Carson
7. Claremont
8. Culver City
9. Downey
10. Hawaiian Gardens
11. Hawthorne
12. LA County
13. Malibu
14. Manhattan Beach
15. Ojai
16. Paramount
17. Rolling Hills Estates
18. Santa Monica
19. Sierra Madre
20. South Pasadena
21. Temple City
22. Thousand Oaks
23. Ventura County
24. West Hollywood

ORDINANCE NO. 17-432

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AGOURA HILLS, CALIFORNIA, AUTHORIZING THE IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION PROGRAM WITH THE LOS ANGELES COMMUNITY CHOICE ENERGY JOINT POWERS AUTHORITY AND APPROVING THE RELATED JOINT POWERS AGREEMENT

THE CITY COUNCIL OF THE CITY OF AGOURA HILLS, CALIFORNIA DOES ORDAIN AS FOLLOWS:

SECTION 1. Findings. The City of Council of the City of Agoura Hills does hereby make the following findings:

A. The Los Angeles Community Choice Energy Joint Powers Authority ("LACCE JPA") is a joint powers authority established on _____, for the purpose of studying, promoting, developing, conducting, operating and managing energy and energy-related climate change programs including but not limited to implementing a community choice aggregation program under California Public California Public Utilities Code Section 366.2; hereinafter referred to as the "Act"), which authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation ("CCA").

B. The Act expressly authorizes participation in a CCA program through a joint powers agency, and to this end, the County of Los Angeles ("County") has been participating since 2015 in the evaluation of a CCA program for the County and the cities and towns within it.

C. The existing members of LACCE JPA are County of Los Angeles, City of Calabasas, City of Rolling Hills Estates, City of South Pasadena, and the City of West Hollywood.

D. The LACCE JPA has developed the Los Angeles Community Choice Energy Authority Joint Powers Agreement ("Joint Powers Agreement") (attached hereto as Exhibit A) in order to accomplish the following:

(a) To form a Joint Powers Authority (JPA) known as "Los Angeles Community Choice Energy JPA"; and

(b) To specify the terms and conditions by which participants may participate as a group in energy programs, including, but not limited to, the preliminary implementation of a CCA program.

E. The City of Agoura Hills ("City") has been investigating options to provide electric services to constituents within its service area, with the intent of achieving greater local involvement over the provisions of electric services and promoting competitive and renewable energy.

F. Community Choice Aggregation, by and through the LACCE JPA, appears to provide a reasonable opportunity to accomplish all of the following:

- (a) To provide greater levels of local involvement in and collaboration on energy decisions;
- (b) To increase significantly, the amount of renewable energy available to LACCE JPA energy customers;
- (c) To provide initial price stability, long-term electricity cost savings, and other benefits for the community; and
- (d) To reduce greenhouse gases that are emitted by creating electricity for the community.

G. The Act requires CCA program participants to individually adopt an ordinance ("CCA Ordinance") electing to implement a CCA program within its jurisdiction, by and through its participation in the LACCE JPA.

H. The City desires to join the LACCE JPA and participate in its CCA program.

I. The Joint Powers Agreement expressly allows the City to withdraw its membership in the LACCE JPA (and its participation in the CCA program) prior to the actual implementation of a CCA program through Program Agreement.

J. This Ordinance is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to the State CEQA Guidelines, as it is not a "project" and has no potential to result in a direct or reasonably foreseeable indirect physical change to the environment. (14 Cal. Code Regs. § 15378(a).) Further, the ordinance is exempt from CEQA, as there is no possibility that the ordinance or its implementation would have a significant negative effect on the environment. (14 Cal. Code Regs. § 15061(b)(3).) The ordinance is also categorically exempt because it is an action taken by a regulatory agency to assure the maintenance, restoration, enhancement or protection of the environment. (14 Cal. Code Regs. § 15308.) The Planning Director shall cause a Notice of Exemption to be filed as authorized by CEQA and the State CEQA Guidelines.

SECTION 2. The City Council finds that the above findings are true and correct.

SECTION 3. Authorization. Based upon the foregoing, and to provide businesses and residents within the City of Agoura Hills with a choice of power providers, the City of Agoura Hills hereby: (a) elects to implement a community choice aggregation program within the jurisdiction of the City by participating in the Community Choice Aggregation program of the LACCE JPA, as described in its Joint Powers Agreement; and (b) approves the City's execution of the LACCE JPA Joint Powers Agreement.

SECTION 4. Severability. If any part of this Ordinance, or the application thereof to any person or circumstances, is for any reason held invalid by a court of competent jurisdiction, the validity of the remainder of this Ordinance, or the application of such provision to other persons or circumstances, shall not be affected.

SECTION 5. Effective Date. This Ordinance shall take effect thirty (30) days after the date of its adoption and shall be published and posted as required by law.

PASSED, APPROVED, AND ADOPTED, at a regular meeting of the City Council of the City of Agoura Hills, California, on this 13th day of December 2017.

AYES: ()
NOES: ()
ABSENT: ()
ABSTAIN: ()

William D. Koehler, Mayor

ATTEST:

Kimberly M. Rodrigues, MMC, City Clerk

APPROVED AS TO FORM:

Candice K. Lee, City Attorney

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALHAMBRA, CALIFORNIA, APPROVING THE JOINT POWERS AGREEMENT FOR LOS ANGELES COMMUNITY CHOICE ENERGY AND AUTHORIZING THE IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION PROGRAM

THE CITY COUNCIL OF THE CITY OF ALHAMBRA, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. The City of Alhambra has been actively investigating options to provide electric services to constituents within its service area with the intent of achieving greater local involvement over the provisions of electric services and promoting competitive and renewable energy.

SECTION 2. On September 24, 2002, the Governor signed into law Assembly Bill 117 (Stat. 2002, ch. 838; see California Public Utilities Code section 366.2; hereinafter referred to as the "Act"), which authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation.

SECTION 3. The Act expressly authorizes participation in a Community Choice Aggregation (CCA) program through a joint powers agency, and to this end the County has been participating since 2015 in the evaluation of a CCA program for the County and the cities and towns within it.

SECTION 4. Through Docket No. R.03-10-003, the California Public Utilities Commission has issued various decisions and rulings addressing the implementation of Community Choice Aggregation programs, including the recent issuance of a procedure by which the California Public Utilities Commission will review "Implementation Plans," which are required for submittal under the Act as the means of describing the Community Choice Aggregation program and assuring compliance with various elements contained in the Act.

SECTION 5. Representatives from the City along with representatives of its JPA partners, have developed the Los Angeles Community Choice Energy Authority Joint Powers Agreement ("Joint Powers Agreement") (attached hereto as Exhibit A) in order to accomplish the following:

- (a) To form a Joint Powers Authority (JPA) known as "Los Angeles Community Choice Energy" and;
- (b) To specify the terms and conditions by which participants may participate as a group in energy programs, including but not limited to the preliminary implementation of a Community Choice Aggregation program.

SECTION 6. Representatives from the City along with its partner JPA members have developed a Business Plan (attached hereto as Exhibit B) that describes the formation of Los Angeles Community Choice Energy and the Community Choice Aggregation program to be implemented by and through the LACCE Authority.

SECTION 7. A final Implementation Plan will be submitted for review and adoption by the Board of Directors of the LACCE Authority as soon after the formation of the Authority as reasonably practicable.

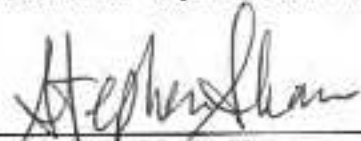
SECTION 8. As described in the Business Plan, Community Choice Aggregation by and through the LACCE Authority appears to provide a reasonable opportunity to accomplish all of the following:

- (a) To provide greater levels of local involvement in and collaboration on energy decisions.
- (b) To increase significantly the amount of renewable energy available to LACCE energy customers,
- (c) To provide initial price stability, long-term electricity cost savings and other benefits for the community, and
- (d) To reduce greenhouse gases that are emitted by creating electricity for the community.

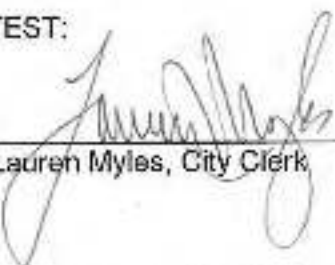
SECTION 9. The Act requires Community Choice Aggregation program participants to individually adopt an ordinance ("CCA Ordinance") electing to implement a Community Choice Aggregation program within its jurisdiction by and through its participation in the LACCE Authority.

SECTION 10. The Joint Powers Agreement expressly allows the City to withdraw its membership in the LACCE Authority (and its participation in the Community Choice Aggregation program) prior to the actual implementation of a Community Choice Aggregation program through Program Agreement.

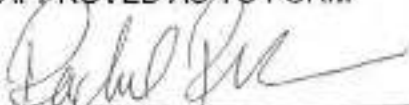
PASSED, APPROVED, AND ADOPTED ON this 23rd day of October, 2017.


Stephen Sham, Mayor

ATTEST:

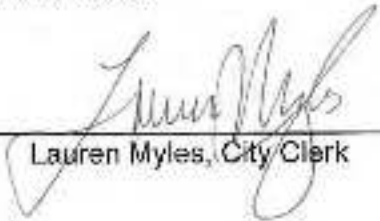

Lauren Myles, City Clerk

APPROVED AS TO FORM


Joseph M. Montes, City Attorney

I, Lauren Myles, City Clerk of the City of Alhambra, certify Ordinance No. O2M17-4722 was adopted by the City Council at a regular meeting held on the 23rd day of October, 2017, by the following vote:

AYES: MESSINA, MALONEY, MEJIA, AYALA, SHAM
NOES: NONE
ABSENT: NONE



Lauren Myles, City Clerk

ORDINANCE NO. 2353

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARCADIA,
CALIFORNIA, APPROVING THE JOINT POWERS AGREEMENT FOR
LOS ANGELES COMMUNITY CHOICE ENERGY AND AUTHORIZING
THE IMPLEMENTATION OF A COMMUNITY CHOICE
AGGREGATION PROGRAM

THE CITY COUNCIL OF THE CITY OF ARCADIA, CALIFORNIA, DOES
ORDAIN AS FOLLOWS:

SECTION 1. The City of Arcadia has been actively investigating options to provide electric services to constituents within its service area with the intent of achieving greater local involvement over the provisions of electric services and promoting competitive and renewable energy.

SECTION 2. On September 24, 2002, the Governor signed into law Assembly Bill 117 (Stat. 2002, ch. 838; see California Public Utilities Code section 366.2; hereinafter referred to as the "Act"), which authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation.

SECTION 3. The Act expressly authorizes participation in a Community Choice Aggregation ("CCA") program through a joint powers agency, and to this end the County has been participating since 2015 in the evaluation of a CCA program for the County and the cities and towns within it.

SECTION 4. Through Docket No. R.03-10-003, the California Public Utilities Commission has issued various decisions and rulings addressing the implementation of Community Choice Aggregation programs, including the recent issuance of a

procedure by which the California Public Utilities Commission will review "Implementation Plans," which are required for submittal under the Act as the means of describing the Community Choice Aggregation program and assuring compliance with various elements contained in the Act.

SECTION 5. Representatives from the City along with representatives of its JPA partners, have developed the Los Angeles Community Choice Energy Authority Joint Powers Agreement (hereinafter referred to as the "Joint Powers Agreement") (attached hereto as Exhibit "A") in order to accomplish the following:

- (a) To form a Joint Powers Authority ("JPA") known as "Los Angeles Community Choice Energy"; and
- (b) To specify the terms and conditions by which participants may participate as a group in energy programs, including but not limited to the preliminary implementation of a Community Choice Aggregation program.

SECTION 6. Representatives from the City along with its partner JPA members have developed a Business Plan (attached hereto as Exhibit "B") that describes the formation of Los Angeles Community Choice Energy and the Community Choice Aggregation program to be implemented by and through the LACCE Authority.

SECTION 7. A final Implementation Plan will be submitted for review and adoption by the Board of Directors of the LACCE Authority as soon after the formation of the Authority as reasonably practicable.

SECTION 8. As described in the Business Plan, Community Choice Aggregation by and through the LACCE Authority appears to provide a reasonable opportunity to accomplish all of the following:

- (a) To provide greater levels of local involvement in and collaboration on energy decisions.
- (b) To increase significantly the amount of renewable energy available to LACCE energy customers.
- (c) To provide initial price stability, long-term electricity cost savings and other benefits for the community.
- (d) To reduce greenhouse gases that are emitted by creating electricity for the community.

SECTION 9. The Act requires Community Choice Aggregation program participants to individually adopt an ordinance ("CCA Ordinance") electing to implement a Community Choice Aggregation program within its jurisdiction by and through its participation in the LACCE Authority.

SECTION 10. The Joint Powers Agreement expressly allows the City to withdraw its membership in the LACCE Authority (and its participation in the Community Choice Aggregation program) prior to the actual implementation of a Community Choice Aggregation program through Program Agreement.

SECTION 11. The City Clerk shall certify to the adoption of this Ordinance and shall cause a copy of the same to be published in the official newspaper of said City within fifteen (15) days after its adoption. The Ordinance shall take effect on the thirty-first (31) day after its adoption.


Passed, approved and adopted this day of , 2017.

Mayor of the City of Arcadia

ATTEST:

City Clerk

APPROVED AS TO FORM:



Stephen P. Deitsch
City Attorney

ORDINANCE OF THE CITY OF BEVERLY HILLS
APPROVING THE JOINT POWERS AGREEMENT FOR LOS
ANGELES COMMUNITY CHOICE ENERGY AUTHORITY
AND AUTHORIZING THE IMPLEMENTATION OF A
COMMUNITY CHOICE AGGREGATION PROGRAM

RECITALS

WHEREAS, the City of Beverly Hills ("City") has been actively investigating options to provide electric services to constituents within its service area with the intent of achieving greater local involvement over the provisions of electric services and promoting competitive and renewable energy;

WHEREAS, on September 24, 2002, the Governor signed into law Assembly Bill 117 (Stat. 2002, Ch. 838; see California Public Utilities Code section 366.2; hereinafter referred to as the "Act"), which authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation ("CCA");

WHEREAS, the Act expressly authorizes participation in a Community Choice Aggregation program through a joint powers agency, and to this end the County of Los Angeles ("County") has been participating since 2015 in the evaluation of a CCA program for the County and the cities and towns within it;

WHEREAS, through Docket No. R.03-10-003, the California Public Utilities Commission has issued various decisions and rulings addressing the implementation of CCA programs, including the recent issuance of a procedure by which the California Public Utilities Commission will review "Implementation Plans," which are required for submittal under the Act as the means of describing the CCA program and assuring compliance with various elements contained in the Act;

WHEREAS, representatives from the City along with representatives from the County and participating cities within the County, have developed the Los Angeles Community Choice Energy Authority Joint Powers Agreement ("Joint Powers Agreement") (attached hereto as Exhibit A) in order to accomplish the following:

- (a) To form a Joint Powers Authority known as the Los Angeles Community Choice Energy ("LACCE") Authority; and
- (b) To specify the terms and conditions by which participants may participate as a group in energy programs, including but not limited to the preliminary implementation of a CCA program;

WHEREAS, representatives from the City along with the County and participating cities within the County have developed a Business Plan (attached hereto as Exhibit B) that describes the formation of LACCE Authority and the CCA program to be implemented by and through the LACCE Authority;

WHEREAS, a final Implementation Plan will be submitted for review and adoption by the LACCE Authority's Board of Directors;

WHEREAS, as described in the Business Plan, Community Choice Aggregation by and through the LACCE Authority appears to provide a reasonable opportunity to accomplish all of the following:

- (a) To provide greater levels of local involvement in and collaboration on energy decisions.
- (b) To increase significantly the amount of renewable energy available to LACCE Authority energy customers,
- (c) To provide initial price stability, long-term electricity cost savings and other benefits for the community, and
- (d) To reduce greenhouse gases that are emitted by creating electricity for the community;

WHEREAS, the Act requires CCA program participants to individually adopt an ordinance ("CCA Ordinance") electing to implement a CCA program within its jurisdiction by and through its participation in the LACCE Authority;

WHEREAS, based on the feasibility studies and Business Plan, it is in the public's interest and welfare to establish a CCA program within the City; and

WHEREAS, the Joint Powers Agreement expressly allows the City to withdraw its membership in the LACCE Authority (and its participation in the CCA program) by providing no less than 180 advance written notice to the LACCE Authority.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BEVERLY HILLS, CALIFORNIA DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. That the recitals set forth above are true and correct and are incorporated as though fully set forth herein.

SECTION 2. Based upon the findings and declarations set forth in this ordinance, and in order to provide businesses and residents within the jurisdictional boundaries of the City with a choice of power providers and with the benefits described in the recitals above, the City Council hereby elects to implement a CCA program within the City's jurisdiction boundaries. Upon approval of the LACCE Joint Powers Agreement, the City will implement the CCA program by and through the City's participation in the LACCE

Authority, a joint powers authority established pursuant to California Government Code section 6500 et seq. and California Public Utilities Code section 366(c)(12).

SECTION 3. That the City Council hereby approves and directs that the City proceed with the participation in the LACCE Joint Powers Authority, and hereby approves the Los Angeles Community Choice Energy Authority Joint Powers Agreement.

SECTION 4. That the City Council declares that, should any provision, section, paragraph, sentence or word of this ordinance be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences or words of this ordinance as hereby adopted shall remain in full force and effect.

SECTION 5. The Mayor shall sign and the City Clerk shall attest to the passage of this Ordinance. The City Clerk shall cause the same to be published once in the official newspaper within 15 days after its adoption.

SECTION 6. This Ordinance shall go into effect and be in full force and effect at 12:01 a.m. on the thirty-first (31st) day after its passage.


Adopted:
Effective:

LILI BOSSE
Mayor of the City of Beverly Hills

ATTEST:

(SEAL)
BYRON POPE
City Clerk

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

MAHDI ALUZRI
City Manager

ORDINANCE NO. 2017-350

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CALABASAS, CALIFORNIA, APPROVING THE JOINT POWERS AGREEMENT WITH THE COUNTY OF LOS ANGELES, ESTABLISHING LOS ANGELES COMMUNITY CHOICE ENERGY AUTHORITY AND AUTHORIZING THE IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION PROGRAM.

THE CITY COUNCIL OF CALABASAS ORDAINS AS FOLLOWS:

SECTION 1. The City of Calabasas has been actively investigating options to provide electric services to constituents within its service area with the intent of achieving greater local involvement over the provisions of electric services and promoting competitive and renewable energy.

SECTION 2. On September 24, 2002, the Governor signed into law Assembly Bill 117 (Stat. 2002, ch. 838; see California Public Utilities Code section 366.2; hereinafter referred to as the "Act"), which authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation.

SECTION 3. The Act expressly authorizes participation in a Community Choice Aggregation (CCA) program through a joint powers agency, and to this end the County has been participating since 2015 in the evaluation of a CCA program for the County and the cities and towns within it.

SECTION 4. Through Docket No. R.03-10-003, the California Public Utilities Commission has issued various decisions and rulings addressing the implementation of Community Choice Aggregation programs, including the recent issuance of a procedure by which the California Public Utilities Commission will review "Implementation Plans," which are required for submittal under the Act as the means of describing the Community Choice Aggregation program and assuring compliance with various elements contained in the Act.

SECTION 5. Representatives from the City along with representatives of its JPA partners have developed the Los Angeles Community Choice Energy Authority Joint Powers Agreement ("Joint Powers Agreement") (attached hereto as Exhibit A) in order to accomplish the following:

(a) To form a Joint Powers Authority (JPA) known "Los Angeles Community Choice Energy" and

(b) To specify the terms and conditions by which participants may participate as a group in energy programs, including but not limited to the preliminary implementation of a Community Choice Aggregation program.

SECTION 6. Representatives from the City along with its partner JPA members have developed a Business Plan (attached hereto as Exhibit B) that describes the formation of Los Angeles Community Choice Energy and the Community Choice Aggregation program to be implemented by and through the LACCE Authority.

SECTION 7. A final Implementation Plan will be submitted for review and adoption by the Board of Directors of the LACCE Authority as soon after the formation of the Authority as reasonably practicable.

SECTION 8. As described in the Business Plan, Community Choice Aggregation by and through the LACCE Authority appears to provide a reasonable opportunity to accomplish all of the following:

(a) To provide greater levels of local involvement in and collaboration on energy decisions.

(b) To increase significantly the amount of renewable energy available to LACCE energy customers,

(c) To provide initial price stability, long-term electricity cost savings and other benefits for the community, and

(d) To reduce greenhouse gases that are emitted by creating electricity for the community.

SECTION 9. The Act requires Community Choice Aggregation program participants to individually adopt an ordinance ("CCA Ordinance") electing implement a Community Choice Aggregation program within its jurisdiction by and through its participation in the LACCE Authority.

SECTION 10. The Joint Powers Agreement expressly allows the City to withdraw its membership in the LACCE Authority (and its participation in the Community Choice Aggregation program) prior to the actual implementation of a Community Choice Aggregation program through Program Agreement.

SECTION 11. Effective Date

This Ordinance shall take effect 30 days after its passage and adoption pursuant to California Government Code Section 36937 and shall supersede any conflicting provision of any City of Calabasas ordinance.

SECTION 12. Certification

The City Clerk shall certify to the passage and adoption of this ordinance and shall cause the same to be published or posted according to law.

PASSED, APPROVED AND ADOPTED this 9th day of August, 2017.




Mary Sue Maurer, Mayor

ATTEST:


Maricela Hernandez, MMC
City Clerk

APPROVED AS TO FORM:


Scott H. Howard, City Attorney
Colantuono, Highsmith & Whatley

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) §
CITY OF CALABASAS)

I, **MARICELA HERNANDEZ, MMC**, City Clerk of the City of Calabasas, California, **DO HEREBY CERTIFY** that the foregoing ordinance, being **Ordinance No. 2017-350** was duly introduced and approved by the City Council of the City of Calabasas at a regular meeting held on the 24th day of May, 2017 and adopted and passed by said Council at a regular meeting held on the 9th day of August, 2017, by the following vote:

AYES: Mayor Maurer, Mayor pro Tem Gaines, Councilmembers Bozajian, Shapiro and Weintraub.

NOES: None.

ABSTAIN: None.

ABSENT: None.



Maricela Hernandez, MMC
City Clerk
City of Calabasas, California

ORDINANCE NO. 17-1633

**AN ORDINANCE OF THE CITY OF CARSON, CALIFORNIA,
APPROVING THE JOINT POWERS AGREEMENT FOR LOS
ANGELES COMMUNITY CHOICE ENERGY AND
AUTHORIZING THE IMPLEMENTATION OF A
COMMUNITY CHOICE AGGREGATION PROGRAM**

WHEREAS, the City of Carson ("City") has been actively investigating options to provide electricity services to constituents within its service area in a way that would achieve greater local control over the provision of electricity services, reduce energy rates, and increase the use of renewable energy sources; and

WHEREAS, pursuant to Assembly Bill 117, signed into law in 2002 and codified *inter alia* at Public Utilities Code Sections 331.1 and 366.2 (the "Act"), California cities and counties may elect to become "community choice aggregators" and thereby combine the energy loads of their residents, businesses, and municipal facilities into a communitywide electricity buyers' program known as Community Choice Aggregation ("CCA") program in order to obtain the benefits of pooled purchasing power; and

WHEREAS, the Act also provides that multiple community choice aggregators may participate as a group in a CCA program through a joint powers agency; and

WHEREAS, the County of Los Angeles, in dialogue with representatives from the City and other cities in Los Angeles County, has developed the Los Angeles Community Choice Energy Joint Powers Agreement ("Agreement"), attached hereto as Exhibit A, which forms a Joint Powers Authority made up of community choice aggregators and known as Los Angeles Community Choice Energy ("LACCE"); and

WHEREAS, LACCE would be responsible for purchasing energy for its members' constituents, including City residents, businesses, and municipal facilities, which would then be delivered by the current utilities provider (Southern California Edison) or its successor; and

WHEREAS, participating in a CCA program as part of the LACCE Joint Powers Authority would provide greater levels of local involvement in energy purchasing decisions, provide cost saving through pooled purchasing power, and increase the amount of renewable energy available to the City residents, businesses, and municipal facilities; and

WHEREAS, the Act provides that customers have the right to opt out of a CCA program and continue to receive services from the current utility provider; and

WHEREAS, Public Utilities Code Section 366.2(c)(12)(A) requires cities electing to implement a CCA program within their jurisdiction to do so by the approval of an ordinance; and

WHEREAS, the City may join the LACCE Joint Powers Authority by signing the Agreement.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. The foregoing Recitals are true and correct and adopted into the terms of this Ordinance by this reference.

Section 2. On the basis of the forgoing, and in order to provide City residents, businesses, and municipal facilities with a choice of power providers and with the benefits described above, the City hereby elects to implement a Community Choice Aggregation program within the jurisdiction of the City of Carson.

Section 3. Mayor Albert Robles is hereby authorized to and shall sign the Los Angeles Community Choice Energy Joint Powers Agreement, attached hereto as Exhibit A, on behalf of the City in order to make the City a member of the Los Angeles Community Choice Energy Joint Powers Authority.

Section 4. The City Council finds that this ordinance is not subject to the California Environmental Quality Act ("CEQA"), pursuant to CEQA Guidelines Section 15061(b)(3), because it can be seen with certainty that it will not have a significant effect on or cause a physical change to the environment.

Section 5. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of any competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance, and each and every section, subsection, sentence, clause and phrase thereof not declared invalid or unconstitutional without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

Section 6. This Ordinance shall be in full force and effect thirty (30) days after its second reading and adoption.

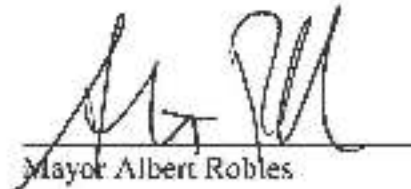
Section 7. The City Clerk shall certify to the adoption of this Ordinance, and shall cause the same to be posted and codified in the manner required by law.

PASSED, APPROVED and ADOPTED this 21st day of November, 2017.

APPROVED AS TO FORM:

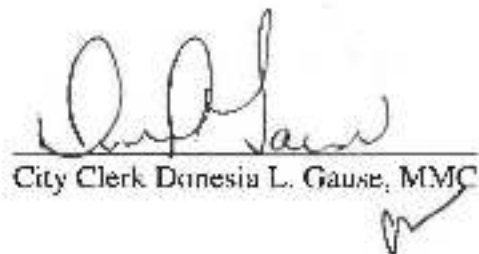


City Attorney Sunny K. Soltani



Mayor Albert Robles

ATTEST:



City Clerk Donesia L. Gause, MMC

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.
CITY OF CARSON)

I, Donesia L. Gause, City Clerk of the City of Carson, California, hereby attest to and certify that the foregoing resolution, being Ordinance No. 17-1633, adopted by the Carson City Council at its meeting held on the 21st day of November, 2017, by the following vote:

AYES: COUNCIL MEMBERS: Robles, Davis-Holmes, Santarina, Hicks, Hilton

NOES: COUNCIL MEMBERS: None

ABSTAIN: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: None



City Clerk Donesia L. Gause, MMC

ORDINANCE NO. 2017-09

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CLAREMONT, CALIFORNIA, APPROVING THE JOINT POWERS AGREEMENT FOR LOS ANGELES COMMUNITY CHOICE ENERGY AND AUTHORIZING THE IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION PROGRAM

WHEREAS, the City of Claremont has been actively investigating options to provide electric services to constituents within its service area with the intent of achieving greater local involvement over the provisions of electric services and promoting competitive and renewable energy; and

WHEREAS, on September 24, 2002, the Governor signed into law Assembly Bill 117 (Stat. 2002, Ch. 838; see California Public Utilities Code Section 366.2; hereinafter referred to as the "Act"), which authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation; and

WHEREAS, The Act expressly authorizes participation in a Community Choice Aggregation (CCA) program through a joint powers agency, and to this end the County has been participating since 2015 in the evaluation of a CCA program for the County and the cities and towns within it; and

WHEREAS, through Docket No. R.03-10-003, the California Public Utilities Commission has issued various decisions and rulings addressing the implementation of Community Choice Aggregation programs, including the recent issuance of a procedure by which the California Public Utilities Commission will review "Implementation Plans," which are required for submittal under the Act as the means of describing the Community Choice Aggregation program and assuring compliance with various elements contained in the Act; and

WHEREAS, representatives from the City, along with representatives of its JPA partners, have developed the Los Angeles Community Choice Energy Authority Joint Powers Agreement ("Joint Powers Agreement") (attached hereto as Exhibit A) in order to accomplish the following:

(a) To form a Joint Powers Authority (JPA) known as "Los Angeles Community Choice Energy" (LACCE);

(b) To specify the terms and conditions by which participants may participate as a group in energy programs, including but not limited to the preliminary implementation of a Community Choice Aggregation program; and

WHEREAS, representatives from the City along with its partner JPA members have developed a Business Plan (attached hereto as Exhibit B) that describes the

formation of Los Angeles Community Choice Energy and the Community Choice Aggregation program to be implemented by and through the LACCE Authority;

WHEREAS, a final Implementation Plan will be submitted for review and adoption by the Board of Directors of the LACCE Authority as soon after the formation of the Authority as reasonably practicable;

WHEREAS, as described in the Business Plan, Community Choice Aggregation by and through the LACCE Authority appears to provide a reasonable opportunity to accomplish all of the following:

- (a) To provide greater levels of local involvement in and collaboration on energy decisions;
- (b) To increase significantly the amount of renewable energy available to LACCE energy customers;
- (c) To provide initial price stability, long-term electricity cost savings and other benefits for the community; and
- (d) To reduce greenhouse gases that are emitted by creating electricity for the community.

WHEREAS, the Joint Powers Agreement expressly allows the City to withdraw its membership in the LACCE Authority as well as the City's participation in the Community Choice Aggregation program.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CLAREMONT, CALIFORNIA DOES ORDAIN AS FOLLOWS:

Section 1. The City Council finds that the above recitals are true and correct and, accordingly, are incorporated as a material part of this Ordinance.

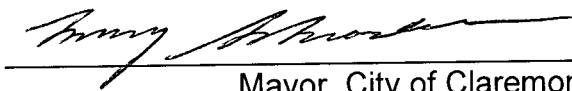
Section 2. The City Council hereby finds and determines that this Ordinance is not subject to the California Environmental Quality Act ("CEQA") because the activity is not a project as defined in CEQA Guidelines section 15378. Even if the Joint Powers Agreement did constitute a "project" within the meaning of CEQA, the terms of the Agreement are exempt under CEQA Guidelines section 15061 for the reasons set forth in this Ordinance and the corresponding staff report. This Agreement does not have the potential for resulting in physical change to the environment, directly or indirectly. Therefore, based upon the entire administrative record, the City Council hereby determines that no further environmental review is required.

Section 3. The City Council hereby adopts a Community Choice Aggregation program within the City of Claremont.

Section 4. The City Council hereby approves and authorizes the Mayor to sign the Joint Powers Agreement attached hereto as Exhibit A and incorporated by this reference as though fully set forth herein .

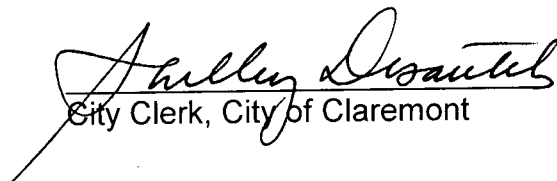
Section 5. The Mayor shall sign this Ordinance and the City Clerk shall attest and certify to the passage and adoption of it, and within fifteen (15) days, publish a summary of the Ordinance in the Claremont Courier, a weekly newspaper of general circulation, printed, published, and circulated in the City of Claremont and thirty (30) days thereafter it shall take effect and be in force.

PASSED, APPROVED, and ADOPTED this 14th day of November, 2017.



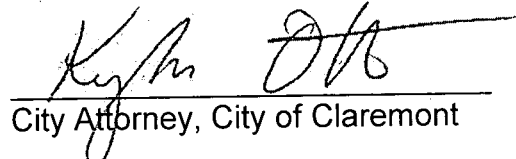
Mayor, City of Claremont

ATTEST:



City Clerk, City of Claremont

APPROVED AS TO FORM:



City Attorney, City of Claremont

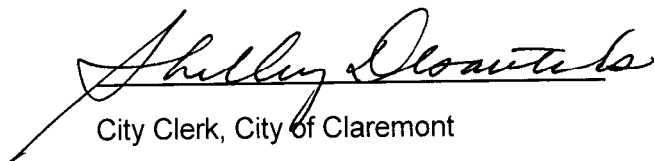
STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)ss.
CITY OF CLAREMONT)

I, Shelley Desautels, City Clerk of the City of Claremont, County of Los Angeles, State of California, hereby certify that the foregoing Ordinance No. 2017-09 was introduced at a regular meeting of said council held on the 24th day of October, 2017, that it was regularly passed and adopted by said City Council, signed by the Mayor and attested by the City Clerk of said City, all at a regular meeting of said council held on the 14th day of November, 2017, and that the same was passed and adopted by the following vote:

AYES: COUNCILMEMBERS: CALAYCAY, LYONS, PEDROZA

NOES: COUNCILMEMBERS: NASIALI, SCHROEDER

ABSENT: COUNCILMEMBERS: NONE


City Clerk, City of Claremont

ORDINANCE NO. 2017- 016

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
CULVER CITY APPROVING THE JOINT POWERS
AGREEMENT FOR LOS ANGELES COMMUNITY CHOICE
ENERGY AND AUTHORIZING THE IMPLEMENTATION OF A
COMMUNITY CHOICE AGGREGATION PROGRAM.

WHEREAS, the City of Culver City has been actively investigating options to provide electric services to constituents within its service area with the intent of achieving greater local involvement over the provisions of electric services and promoting competitive and renewable energy; and

WHEREAS, on September 24, 2002, the Governor signed into law Assembly Bill 117 (Stat. 2002, ch. 838; see California Public Utilities Code section 366.2; hereinafter referred to as the "Act"), which authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation; and

WHEREAS, the Act expressly authorizes participation in a Community Choice Aggregation (CCA) program through a joint powers authority (JPA), and to this end the County has been participating since 2015 in the evaluation of a CCA program for the County and the cities and towns within it; and

WHEREAS, through Docket No. R.03-10-003, the California Public Utilities Commission has issued various decisions and rulings addressing the implementation of CCA programs, including the recent issuance of a procedure by which the California Public Utilities Commission will review "Implementation Plans," which are required for submittal under the Act as the means of describing the CCA program and assuring compliance with various elements contained in the Act; and

1 **WHEREAS**, representatives from the City, along with representatives of its
2 JPA partners, have developed the *Los Angeles Community Choice Energy Authority Joint*
3 *Powers Agreement* ("Joint Powers Agreement") (attached hereto as Exhibit A) in order to
4 accomplish the following:

5 (a) To form a JPA known as "Los Angeles Community Choice
6 Energy;" and

7 (b) To specify the terms and conditions by which participants may
8 participate as a group in energy programs, including but not limited to the
9 preliminary implementation of a CCA program; and

10 **WHEREAS**, representatives from the City along with its partner JPA
11 members have developed a Business Plan (attached hereto as Exhibit B) that describes
12 the formation of Los Angeles Community Choice Energy Joint Powers Authority (LACCE
13 Authority) and the CCA program to be implemented by and through the LACCE Authority;
14 and

15 **WHEREAS**, a final Implementation Plan will be submitted for review and
16 adoption by the LACCE Authority's Board of Directors; and

17 **WHEREAS**, as described in the Business Plan, Community Choice
18 Aggregation, by and through the LACCE Authority, appears to provide a reasonable
19 opportunity to accomplish all of the following:

20 (a) To provide greater levels of local involvement in and
21 collaboration on energy decisions;

22 (b) To significantly increase the amount of renewable energy
23 available to LACCE energy customers;

24 (c) To provide initial price stability, long-term electricity cost savings
25 and other benefits for the community; and

26 (d) To reduce greenhouse gases that are emitted by creating
27 electricity for the community; and
28

1 **WHEREAS**, the Act requires CCA program participants to individually adopt
2 an ordinance electing to implement a CCA program within its jurisdiction by and through its
3 participation in the LACCE Authority; and

4 **WHEREAS**, based on the feasibility studies and Business Plan, it is in the
5 public's interest and welfare to establish a CCA program within the City of Culver City; and

6 **WHEREAS**, the Joint Powers Agreement expressly allows the City to
7 withdraw its membership in the LACCE Authority (and its participation in the CCA program)
8 by providing no less than 180 days advance written notice to the LACCE Authority.

9
10 **NOW THEREFORE**, the City Council of the City of Culver City, California,
11 **DOES HEREBY ORDAIN** as follows:

12 **SECTION 1.** The recitals set forth above are true and correct and are
13 incorporated as though fully set forth herein.

14 **SECTION 2.** Based upon the findings and declarations set forth in this
15 Ordinance, and in order to provide businesses and residents within the jurisdictional
16 boundaries of the City with a choice of power providers and with the benefits described in
17 the recitals above, the City Council hereby elects to implement a CCA program within the
18 City's jurisdictional boundaries. Upon approval of the LACCE Joint Powers Agreement, the
19 City will implement the CCA program by and through the City's participation in the LACCE
20 Authority), a joint powers authority established pursuant to California Government Code
21 section 6500 et seq. and California Public Utilities Code section 366(c)(12).
22

23
24 **SECTION 3.** The City Council hereby approves the Joint Powers Agreement
25 and directs the City to proceed with the participation in the LACCE Joint Powers Authority.

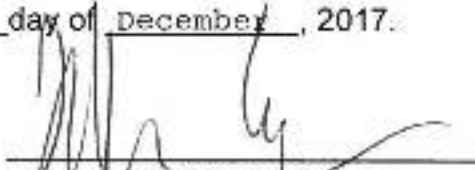
26 **SECTION 4.** Pursuant to Section 619 of the City Charter, this Ordinance
27 shall take effect 30 days after the date of its adoption. Pursuant to Sections 616 and 621
28

1 of the City Charter, prior to the expiration of fifteen (15) days after the adoption, the City
2 Clerk shall cause this Ordinance, or a summary thereof, to be published in the Culver City
3 News and shall post this Ordinance or a summary thereof in at least three places within the
4 City.

5 **SECTION 5.** The City Council hereby declares, all the provisions of any of
6 the City's ordinances as heretofore adopted by the City that are in conflict with the
7 provisions of this ordinance are hereby repealed.

8 **SECTION 6.** The City Council hereby declares that, if any provision, section,
9 subsection, paragraph, sentence, phrase or word of this ordinance is rendered or declared
10 invalid or unconstitutional by any final action in a court of competent jurisdiction or by
11 reason of any preemptive legislation, then the City Council would have independently
12 adopted the remaining provisions, sections, subsections, paragraphs, sentences, phrases
13 or words of this ordinance and as such they shall remain in full force and effect.
14

15 **APPROVED AND ADOPTED** this 11 day of December, 2017.

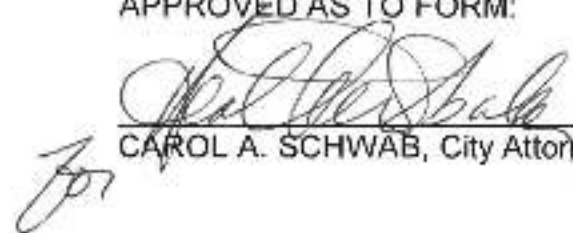
16
17
18 
19 **JEFFREY COOPER, Mayor**
20 **City of Culver City, California**

21 **ATTEST:**

22 
23 **JEREMY GREEN, City Clerk**

24 A17-00850

25 **APPROVED AS TO FORM:**

26 
27 **CAROL A. SCHWAB, City Attorney**
28

ORDINANCE NO. 17-1386

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DOWNEY
APPROVING THE JOINT POWERS AGREEMENT FOR LOS ANGELES
COMMUNITY CHOICE ENERGY AND AUTHORIZING THE
IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION
PROGRAM**

**NOW, THEREFORE, THE CITY COUNCIL OF DOWNEY DOES HEREBY ORDAINS
AS FOLLOWS:**

SECTION 1. The City of Downey has been actively investigating options to provide electric services to constituents within its service area with the intent of achieving greater local involvement over the provisions of electric services and promoting competitive and renewable energy.

SECTION 2. On September 24, 2002, the Governor signed into law Assembly Bill 117 (Stat. 2002, ch. 838; see California Public Utilities Code section 366.2; hereinafter referred to as the "Act"), which authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation.

SECTION 3. The Act expressly authorizes participation in a Community Choice Aggregation (CCA) program through a joint powers agency, and to this end the County has been participating since 2015 in the evaluation of a CCA program for the County and the cities and towns within it.

SECTION 4. Through Docket No. R.03-10-003, the California Public Utilities Commission has issued various decisions and rulings addressing the implementation of Community Choice Aggregation programs, including the recent issuance of a procedure by which the California Public Utilities Commission will review "Implementation Plans," which are required for submittal under the Act as the means of describing the Community Choice Aggregation program and assuring compliance with various elements contained in the Act.

SECTION 5. Representatives from the City along with representatives of its JPA partners have developed the Los Angeles Community Choice Energy Authority Joint Powers Agreement ("Joint Powers Agreement") (attached hereto as Exhibit A) in order to accomplish the following:

- (a) To form a Joint Powers Authority (JPA) known as "Los Angeles Community Choice Energy" and
- (b) To specify the terms and conditions by which participants may participate as a group in energy programs, including but not limited to the preliminary implementation of a Community Choice Aggregation program.

SECTION 6. Representatives from the City along with its partner JPA members have developed a Business Plan (attached hereto as Exhibit B) that describes the formation of Los Angeles Community Choice Energy and the Community Choice Aggregation program to be implemented by and through the LACCE Authority.

SECTION 7. A final Implementation Plan will be submitted for review and adoption by the Board of Directors of the LACCE Authority as soon after the formation of the Authority as reasonably practicable.

SECTION 8. As described in the Business Plan, Community Choice Aggregation by and through the LACCE Authority appears to provide a reasonable opportunity to accomplish all of the following:

- (a) To provide greater levels of local involvement in and collaboration on energy decisions.
- (b) To increase significantly the amount of renewable energy available to LACCE energy customers,
- (c) To provide initial price stability, long-term electricity cost savings and other benefits for the community, and
- (d) To reduce greenhouse gases that are emitted by creating electricity for the community.

SECTION 9. The Act requires Community Choice Aggregation program participants to individually adopt an ordinance ("CCA Ordinance") electing to implement a Community Choice Aggregation program within its jurisdiction by and through its participation in the LACCE Authority.

SECTION 10. The Joint Powers Agreement expressly allows the City to withdraw its membership in the LACCE Authority (and its participation in the Community Choice Aggregation program) prior to the actual implementation of a Community Choice Aggregation program through Program Agreement.

SECTION 11. If any section, subsection, paragraph, sentence, clause or phrase of this Ordinance is declared by a court of competent jurisdiction to be unconstitutional or otherwise invalid, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council declares that it would have adopted this Ordinance, and each section, subsection, sentence, clause, phrase or portion thereof, irrespective of the fact that any one or more sections, subsections, phrases, or portions be declared invalid or unconstitutional.

SECTION 12. The City Clerk shall certify to the adoption of this Ordinance and cause the same to be published in the manner prescribed by law.

APPROVED AND ADOPTED this 14th day of November, 2017.


FERNANDO VASQUEZ, Mayor

ATTEST:


MARIA ALICIA DUARTE, CMC
Interim City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss:
CITY OF DOWNEY)

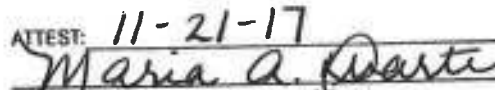
I HEREBY CERTIFY that the foregoing Ordinance No. 17-1386 was introduced at a Regular Meeting of the City Council of the City of Downey held on the 24th day of October, 2017, and **adopted** at a Regular Meeting of the City Council of the City of Downey held on the 14th day of November, 2017, by the following vote to wit:

AYES: Council Members: Pacheco, Rodriguez, Saab, Ashton, Mayor Vasquez
NOES: Council Member: None.
ABSENT: Council Member: None.
ABSTAIN: Council Member: None.

I FURTHER CERTIFY that a summary of the foregoing Ordinance No. 17-1386 was published in the Downey Patriot, a newspaper of general circulation in the City of Downey, on October 26, 2017 (after introduction), and on November 16, 2017 (after adoption including the vote thereon). It was also posted in the Regular posting places in the City of Downey on the same dates.


MARIA ALICIA DUARTE, CMC
Interim City Clerk

The foregoing instrument is a full, true and correct copy
of the original on file in this office

ATTEST: 11-21-17

City Clerk of the City of Downey

LOS ANGELES COMMUNITY CHOICE ENERGY AUTHORITY

JOINT POWERS AGREEMENT

This Joint Powers Agreement (the "Agreement"), effective as of October 24, 2017, is made and entered into pursuant to the provisions of Title 1, Division 7, Chapter 5, Article 1 (Section 6500 et seq.) of the California Government Code relating to the joint exercise of powers among the public agencies set forth in Exhibit A.

RECITALS

1. The Parties are public agencies sharing various powers under California laws, including but not limited to the power to purchase supply, and aggregate electricity for themselves and their inhabitants.
2. In 2006, the State Legislature adopted AB 32, the Global Warming Solutions Act, which mandates a reduction in greenhouse gas emissions in 2020 to 1990 levels. The California Air Resources Board is promulgating regulations to implement AB 32 which will require local government to develop programs to reduce greenhouse emissions.
3. The purposes for the Initial Participants (as such term is defined in Section 2.3 below) entering into this Agreement include addressing climate change by reducing energy related greenhouse gas emissions and securing energy supply and price stability; energy efficiencies and local economic benefits, such as jobs creation, community energy programs; and local power development. It is the intent of this Agreement to promote the development and use of a wide range of renewable energy sources and energy efficiency programs, including but not limited to solar and wind energy production.
4. The Parties desire to establish a separate public agency, known as the Los Angeles Community Choice Energy Authority ("Authority"), under the provisions of the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 et seq.) ("Act") in order to collectively study, promote, develop, conduct, operate, and manage energy programs.
5. The Initial Participants have each adopted an ordinance electing to implement through the Authority a Community Choice Aggregation program pursuant to California Public Utilities Code Section 366.2 ("CCA Program"). The first priority of the Authority will be the consideration of those actions necessary to implement the CCA Program.
6. By establishing the Authority, the Parties seek to:
 - (a) Develop an electric supply portfolio with overall lower greenhouse gas intensity and lower greenhouse gas (GHG) emissions than Southern California Edison ("SCE"), and one that supports the achievement of the parties' greenhouse gas reduction goals and the comparable goals of all participating jurisdictions;

RESOLUTION NO. 091-2017

A RESOLUTION OF THE CITY COUNCIL, OF THE CITY OF HAWAIIAN GARDENS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AUTHORIZING A JOINT POWERS AGREEMENT TO ESTABLISH A SEPARATE PUBLIC AGENCY, KNOWN AS THE LOS ANGELES COMMUNITY CHOICE ENERGY AUTHORITY UNDER THE PROVISIONS OF JOINT EXERCISE OF POWERS ACT OF THE STATE OF CALIFORNIA IN ORDER TO MANAGE ENERGY PROGRAMS

THE CITY COUNCIL OF THE CITY OF HAWAIIAN GARDENS DOES RESOLVE AS FOLLOWS:

WHEREAS, the Parties are public agencies sharing various powers under California laws, including but not limited to the power to purchase supply, and aggregate electricity for themselves and their inhabitants.

WHEREAS, in 2006, the State Legislature adopted AB 32, the Global Warming Solutions Act, which mandates a reduction in greenhouse gas emissions in 2020 to 1990 levels. The California Air Resources Board is promulgating regulations to implement AB 32 which will require local government to develop programs to reduce greenhouse emissions.

WHEREAS, the purposes for the City of Hawaiian Gardens entering into this Agreement include addressing climate change by reducing energy related greenhouse gas emissions and securing energy supply and price stability; energy efficiencies and local economic benefits, such as jobs creation, community energy programs; and local power development. It is the intent of this Agreement to promote the development and use of a wide range of renewable energy sources and energy efficiency programs, including but not limited to solar and wind energy production.

WHEREAS, the Parties desire to establish a separate public agency, known as the Los Angeles Community Choice Energy Authority ("Authority"), under the provisions of the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 et seq.) ("Act") in order to collectively study, promote, develop, conduct, operate, and manage energy programs.

WHEREAS, the City of Hawaiian Gardens has introduced an ordinance electing to implement through the Authority a Community Choice Aggregation program pursuant to California Public Utilities Code Section 366.2 ("CCA Program"). The first priority of the Authority will be the consideration of those actions necessary to implement the CCA Program.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF HAWAIIAN GARDENS AS FOLLOWS:

Section 1. That the City Council of the City of Hawaiian Gardens hereby authorizes the Joint Powers Agreement (Attached) as a participant in the Los Angeles Community Choice Energy Authority to develop an electric supply portfolio with overall lower greenhouse

gas intensity and lower greenhouse gas (GHG) emissions than Southern California Edison ("SCE"), and one that supports the achievement of the parties' greenhouse gas reduction goals and the comparable goals of all participating jurisdictions

Section 2. The Mayor is hereby authorized to affix his signature to this Resolution signifying its adoption, and the City Clerk is directed to attest thereto.

Section 3. The Mayor is hereby authorized to affix his signature to the attached Joint Powers Agreement signifying its adoption, and the City Clerk is directed to attest thereto.

Section 4. The City Clerk, or his/her duly designee is hereby directed to attest and certify the adoption of this Resolution and shall be included in the Book of Resolutions of the City.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Hawaiian Gardens, California on this 20th day of December 2017.


REYNALDO RODRIGUEZ
MAYOR

ATTEST


CITY CLERK

**CITY OF HAWAIIAN GARDENS
CITY CLERK'S OFFICE
CERTIFICATION**

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF HAWAIIAN GARDENS)

I, SUZANNE UNDERWOOD, City Clerk/Records Manager of the City of Hawaiian Gardens, do hereby certify that **Resolution No. 091-2017**, was duly and regularly passed and adopted by the City Council of the City of Hawaiian Gardens at its meeting on this **20TH day of DECEMBER 2017**, by the following votes as the same appears on file and of record in the Office of the City Clerk.

AYES: RODRIGUEZ, BRUCE, TRIMBLE, MARAVILLA,
NOES: NONE
ABSENT: RIOS
ABSTAIN: NONE


SUZANNE UNDERWOOD
CITY CLERK/RECORDS MANAGER

ORDINANCE NO. 2156

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE APPROVING THE JOINT POWERS AGREEMENT FOR LOS ANGELES COMMUNITY CHOICE ENERGY AUTHORITY AND AUTHORIZING THE IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION PROGRAM

THE CITY COUNCIL OF THE CITY OF HAWTHORNE ORDAINS AS FOLLOWS:

WHEREAS, the City of Hawthorne has been actively investigating options to provide electric services to constituents within its service area with the intent of achieving greater local involvement over the provisions of electric services and promoting competitive and renewable energy;

WHEREAS, on September 24, 2002, the Governor signed into law Assembly Bill 117 (Stat. 2002, Ch. 838; see California Public Utilities Code section 366.2; hereinafter referred to as the "Act"), which authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation;

WHEREAS, the Act expressly authorizes participation in a Community Choice Aggregation (CCA) program through a joint powers agency, and to this end the County of Los Angeles (County) has been participating since 2015 in the evaluation of a CCA program for the County and the cities and towns within it;

WHEREAS, through Docket No. R.03-10-003, the California Public Utilities Commission has issued various decisions and rulings addressing the implementation of CCA programs, including the recent issuance of a procedure by which the California Public Utilities Commission will review "Implementation Plans," which are required for submittal under the Act as the means of describing the CCA program and assuring compliance with various elements contained in the Act;

WHEREAS, representatives from the City along with representatives from the County and participating cities within the County, have developed the Los Angeles Community Choice Energy Authority Joint Powers Agreement ("Joint Powers Agreement") (attached hereto as Exhibit A) in order to accomplish the following:

To form a Joint Powers Authority known as "Los Angeles Community Choice Energy Authority"; and

To specify the terms and conditions by which participants may participate as a group in energy programs, including but not limited to the preliminary implementation of a CCA program;

WHEREAS, representatives from the City along with the County and participating cities within the County have developed a Business Plan (attached hereto as Exhibit B) that describes the formation of Los Angeles Community Choice Energy (LACCE) Authority and the CCA program to be implemented by and through the LACCE Authority;

WHEREAS, a final Implementation Plan will be submitted for review and adoption by the LACCE Authority's Board of Directors;

WHEREAS, as described in the Business Plan, Community Choice Aggregation by and through the LACCE Authority appears to provide a reasonable opportunity to accomplish all of the following:

To provide greater levels of local involvement in and collaboration on energy decisions.

To increase significantly the amount of renewable energy available to LACCE Authority energy customers,

To provide initial price stability, long-term electricity cost savings and other benefits for the community, and

To reduce greenhouse gases that are emitted by creating electricity for the community;

WHEREAS, the Act requires CCA program participants to individually adopt an ordinance ("CCA Ordinance") electing to implement a CCA program within its jurisdiction by and through its participation in the LACCE Authority;

WHEREAS, based on the feasibility studies and Business Plan, it is in the public's interest and welfare to establish a CCA program within the City of Hawthorne; and

WHEREAS, the Joint Powers Agreement expressly allows the City to withdraw its membership in the LACCE Authority (and its participation in the CCA program) by providing no less than 180 advance written notice to the LACCE Authority.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. That the recitals set forth above are true and correct and are incorporated as though fully set forth herein.

SECTION 2. Based upon the findings and declarations set forth in this ordinance, and in order to provide businesses and residents within the jurisdictional boundaries of the City with a choice of power providers and with the benefits described in the recitals above, the City Council hereby elects to implement a CCA program within the City's jurisdiction boundaries. Upon approval of the LACCE Joint Powers

Agreement, the City will implement the CCA program by and through the City's participation in the LACCE Authority), a joint powers authority established pursuant to California Government Code section 6500 et seq. and California Public Utilities Code section 366(c)(12).

SECTION 3. That the City Council hereby approve and direct that the City proceed with the participation in the LACCE Joint Powers Authority.

SECTION 4. That the City Council declares that, should any provision, section, paragraph, sentence or word of this ordinance be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences or words of this ordinance as hereby adopted shall remain in full force and effect.

SECTION 5. That all the provisions of any of the City's ordinances as heretofore adopted by the City that are in conflict with the provisions of this ordinance are hereby repealed.

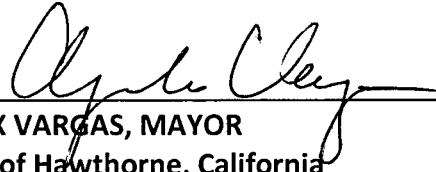
SECTION 6. That this ordinance shall take effect thirty (30) days after its adoption.

SECTION 7. That the City Attorney prepared and framed this ordinance pursuant to the Hawthorne Municipal Code and finds that the City Council has the authority to adopt this ordinance, that the ordinance is constitutionally valid and that the ordinance is consistent with the general powers and purposes of the City as set forth in the City's Municipal Code.

SECTION 8. The Mayor shall sign and the City Clerk shall attest to the passage of this Ordinance. The City Clerk shall cause the same to be published once in the official newspaper within 15 days after its adoption. This Ordinance shall become effective 30 days from its adoption.

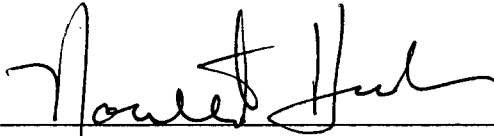
[This Section Intentionally Left Blank]

PASSED, APPROVED, and ADOPTED this 12th day of December, 2017



ALEX VARGAS, MAYOR
City of Hawthorne, California

ATTEST:



NORBERT HUBER,
CITY CLERK
City of Hawthorne, California

APPROVED AS TO FORM: -



RUSSELL I. MIYAHIRA,
CITY ATTORNEY
City of Hawthorne, California

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) §
CITY OF HAWTHORNE)

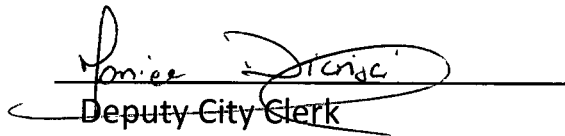
I, **Monica Dicrisci**, the duly appointed Deputy City Clerk of the City of Hawthorne, California, **DO HEREBY CERTIFY** that the foregoing Ordinance, No. 2156 was duly adopted by the City Council of the City of Hawthorne, at their regular meeting of the City Council held **December 12, 2017** and that it was adopted by the following vote, to wit:

AYES: Councilmembers Reyes English, Valentine, Mayor Vargas.

NOES: None.

ABSTAIN: None.

ABSENT: Councilmembers Awad, Michelin.



Deputy City Clerk
City of Hawthorne, California

ANALYSIS

This ordinance establishes and authorizes the implementation of a Community Choice Aggregation Program within the jurisdictional boundaries of the County of Los Angeles and the creation of a joint powers authority to carry out the purposes of the program.

MARY C. WICKHAM
County Counsel

By 
Behnaz Tashakorian
Senior Deputy County Counsel
Contracts Division

BT:pt

Requested: 12/8/16
Revised: 2/21/17

ORDINANCE NO. 2017-0021

An ordinance of the County of Los Angeles authorizing the Implementation of a Community Choice Aggregation Program.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Findings and Declarations.

The Board of Supervisors finds and declares as follows:

A. The County of Los Angeles has been actively investigating options to provide electric services to constituents within its jurisdictional boundaries with the intent of achieving greater local involvement over the provisions of electric services and promoting competitive and renewable energy;

B. On September 24, 2002, the Governor signed into law Assembly Bill 117 (Chapter 838, Statutes of 2002; see California Public Utilities Code section 366.2; hereinafter referred to as the "Act"), which authorizes any California city or county whose governing body so elects to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation ("CCA");

C. The Act expressly authorizes establishment of, and participation in, a CCA program independently or through a joint powers agency, and to this end the County has been participating since 2015 in the evaluation of a CCA program for the County and the cities, towns and special districts within its jurisdiction;

D. Through Docket No. R.03-10-003, the California Public Utilities Commission has issued various decisions and rulings addressing the implementation of

CCA programs, including the recent issuance of a procedure by which the California Public Utilities Commission will review "Implementation Plans," which are required for submittal under the Act as the means of describing the CCA program and assuring compliance with various elements contained in the Act;

E. An initial feasibility study conducted by the County Office of Sustainability, in the Internal Services Department, in cooperation with the County Chief Executive Office, in 2015, concluded that a CCA program is a feasible alternative for local governments to control their clean power economies;

F. A County of Los Angeles Community Choice Energy Business Plan ("Business Plan"), developed as part of a CCA preliminary technical analysis and feasibility study conducted through the County Internal Services Department in 2016 and attached hereto as Exhibit A, concluded that the formation of a CCA in Los Angeles County is financially viable and would yield considerable benefits for County residents and businesses, including but not limited to lower rates for electricity with roughly twice the amount of renewable resources utilized thus significantly reducing regional greenhouse gas emissions arising from electricity use;

G. The Business Plan also recognized that implementation of a CCA on a regional basis through a joint powers authority by and between the County, cities, and/or other public agencies within the County would significantly increase the environmental and economic benefits to residents and businesses;

H. The Act requires CCA program participants to adopt an ordinance electing to implement a CCA program within the jurisdiction of the local government agency; and

I. Based on the feasibility studies and Business Plan, it is in the public's interest and welfare to establish a CCA program within Los Angeles County.

SECTION 2. Based upon the findings and declarations set forth in this ordinance, and in order to provide businesses and residents within the jurisdictional boundaries of the County with a choice of power providers and with the benefits described in Section 1 above, the Board of Supervisors hereby elects to implement a CCA program within the County's jurisdiction boundaries. Upon negotiation and approval of a Joint Powers Agreement, the County will implement the CCA program by and through the County's participation in the Los Angeles Community Choice Energy Authority ("Authority"), a joint powers authority to be established pursuant to California Government Code section 6500 et seq. and California Public Utilities Code section 366(c)(12). The Authority will:

A. Govern and operate the CCA program on behalf of its member jurisdictions, which adopt both a resolution approving the execution of the Joint Powers Agreement and the CCA ordinance required by California Public Utilities Code section 366.2(c)(12);

B. Enter into agreements with electric power suppliers and other service providers and, based upon those agreements, will provide electrical power to residents and businesses at rates that are competitive with those of the incumbent utility; and

C. Provide service to customers within unincorporated Los Angeles County and those cities that choose to participate in the Authority, once the California Public Utilities Commission approves an implementation plan submitted by the Authority.

SECTION 3. If any section, subsection, sentence, clause, phrase or portion of this ordinance is held for any reason to be invalid or unconstitutional by the decision of any court of competent jurisdiction, or regulatory agency responsible for reviewing CCA programs, such decision shall not affect the validity of the remaining portions of this ordinance. The Board of Supervisors hereby declares that it would have adopted the ordinance and each section, subsection, sentence, clause, phrase or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases or portions be declared invalid or unconstitutional.

SECTION 4. The ordinance shall take effect thirty days after the date of its passage.

[JPALACOMMCHENPTCC]

SECTION 5. This ordinance shall be published in The Daily Commerce a newspaper printed and published in the County of Los Angeles.



Mark Ridley-Thomas
Chairman

ATTEST:

Lori Glasgow
Lori Glasgow
Executive Officer -
Clerk of the Board of Supervisors
County of Los Angeles

I hereby certify that at its meeting of May 2, 2017 the foregoing ordinance was adopted by the Board of Supervisors of said County of Los Angeles by the following vote, to wit:

Ayes

Supervisors Hilda Solis
Mark Ridley-Thomas
Sheila Kuehl
Janice Hahn
Kathryn Barger

Noes

Supervisors None

Effective Date: June 1, 2017

Operative Date:

Lori Glasgow
Lori Glasgow
Executive Officer -
Clerk of the Board of Supervisors
County of Los Angeles

I hereby certify that pursuant to Section 25133 of the Government Code, delivery of this document has been made.

LORI GLASGOW
Executive Officer
Clerk of the Board of Supervisors

By [Signature]
Deputy



APPROVED AS TO FORM:
MARY C. WICKHAM
County Counsel

By [Signature]
Lester J. Tolnai
Chief Deputy County Counsel

AN ORDINANCE OF THE CITY OF MALIBU APPROVING THE
JOINT POWERS AGREEMENT FOR LOS ANGELES COMMUNITY
CHOICE ENERGY AUTHORITY AND AUTHORIZING THE
IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION
PROGRAM

The City Council of the City of Malibu does ordain as follows:

SECTION 1. Findings

The recitals below are true and correct and are incorporated as though fully set forth herein:

Whereas, the City of Malibu has been actively investigating options to provide electric services to constituents within its service area with the intent of achieving greater local involvement over the provisions of electric services and promoting competitive and renewable energy;

Whereas, on September 24, 2002, the Governor signed into law Assembly Bill 117 (Stat. 2002, Ch. 838; see California Public Utilities Code section 366.2; hereinafter referred to as the "Act"), which authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation;

Whereas, the Act expressly authorizes participation in a Community Choice Aggregation (CCA) program through a joint powers agency, and to this end the County of Los Angeles (County) has been participating since 2015 in the evaluation of a CCA program for the County and the cities and towns within it;

Whereas, through Docket No. R.03-10-003, the California Public Utilities Commission has issued various decisions and rulings addressing the implementation of CCA programs, including the recent issuance of a procedure by which the California Public Utilities Commission will review "Implementation Plans," which are required for submittal under the Act as the means of describing the CCA program and assuring compliance with various elements contained in the Act;

Whereas, representatives from the City along with representatives from the County and participating cities within the County, have developed the Los Angeles Community Choice Energy Authority Joint Powers Agreement ("Joint Powers Agreement") (attached hereto as Exhibit A) in order to accomplish the following:

To form a Joint Powers Authority known as "Los Angeles Community Choice Energy Authority";
and

To specify the terms and conditions by which participants may participate as a group in energy programs, including but not limited to the preliminary implementation of a CCA program;

Whereas, the City supports and is in agreement with the Business Plan (attached hereto as Exhibit B) developed by the County and other participating cities within the County that describes the formation

of Los Angeles Community Choice Energy (LACCE) Authority and the CCA program to be implemented by and through the LACCE Authority;

Whereas, a final Implementation Plan will be submitted for review and adoption by the LACCE Authority's Board of Directors;

Whereas, as described in the Business Plan, Community Choice Aggregation by and through the LACCE Authority appears to provide a reasonable opportunity to accomplish all of the following:

To provide greater levels of local involvement in and collaboration on energy decisions.

To increase significantly the amount of renewable energy available to LACCE Authority energy customers,

To provide initial price stability, long-term electricity cost savings and other benefits for the community, and

To reduce greenhouse gases that are emitted by creating electricity for the community;

Whereas, the Act requires CCA program participants to individually adopt an ordinance ("CCA Ordinance") electing to implement a CCA program within its jurisdiction by and through its participation in the LACCE Authority;

Whereas, based on the feasibility studies and Business Plan, it is in the public's interest and welfare to establish a CCA program within the City of Malibu; and

Whereas, the Joint Powers Agreement expressly allows the City to withdraw its membership in the LACCE Authority (and its participation in the CCA program) by providing no less than 180 advance written notice to the LACCE Authority

SECTION 2. Implementation

Based upon the findings and declarations set forth in this ordinance, and in order to provide businesses and residents within the jurisdictional boundaries of the City with a choice of power providers and with the benefits described in the recitals above, the City Council hereby elects to implement a CCA program within the City's jurisdiction boundaries. Upon approval of the LACCE Joint Powers Agreement, the City will implement the CCA program by and through the City's participation in the LACCE Authority), a joint powers authority established pursuant to California Government Code section 6500 et seq. and California Public Utilities Code section 366(c)(12).

SECTION 3. Participation

That the City Council hereby approve and direct that the City proceed with the participation in the LACCE Joint Powers Authority.

SECTION 4. Severability

If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance or the application thereof to any person or place, is for any reason held to be invalid or unconstitutional by the final decision of any court of competent jurisdiction, the remainder of this Ordinance shall remain in full force and effect.

The City Council hereby declares that it would have passed this ordinance and each section, subsection, phrase or clause thereof irrespective of the fact that any one or more sections, subsections, phrases, or clauses be declared unconstitutional.

SECTION 5. Effective Date. This Ordinance shall take effect on 30 days after its final adoption.

SECTION 6. Certification. The City Clerk shall certify the adoption of this ordinance.

PASSED, APPROVED AND ADOPTED this _____ day of _____ 2017.

SKYLAR PEAK, Mayor

ATTEST:

HEATHER GLASER, City Clerk
(seal)

Date: _____

APPROVED AS TO FORM:



CHRISTI HUGIN, City Attorney

ORDINANCE NO. 17-0022

ORDINANCE OF THE CITY OF MANHATTAN BEACH APPROVING THE JOINT POWERS AGREEMENT FOR LOS ANGELES COMMUNITY CHOICE ENERGY AND AUTHORIZING THE IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION PROGRAM

THE CITY COUNCIL OF THE CITY OF MANHATTAN BEACH ORDAINS AS
FOLLOWS:

SECTION 1. The City of Manhattan Beach ("City") has been actively investigating options to provide electric services to constituents within its service area with the intent of achieving greater local involvement over the provisions of electric services and promoting competitive and renewable energy.

SECTION 2. On September 24, 2002, the Governor signed into law Assembly Bill 117 (Stat. 2002, ch. 838; see California Public Utilities Code section 366.2; hereinafter referred to as the "Act"), which authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation.

SECTION 3. The Act expressly authorizes participation in a Community Choice Aggregation (CCA) program through a joint powers agency, and to this end the County has been participating since 2015 in the evaluation of a CCA program for the County and the cities and towns within it.

SECTION 4. Through Docket No. R.03-10-003, the California Public Utilities Commission has issued various decisions and rulings addressing the implementation of Community Choice Aggregation programs, including the recent issuance of a procedure by which the California Public Utilities Commission will review "Implementation Plans," which are required for submittal under the Act as the means of describing the Community Choice Aggregation program and assuring compliance with various elements contained in the Act.

SECTION 5. Representatives from the City along with representatives of its partner JPA members have developed the Los Angeles Community Choice Energy Authority Joint Powers Agreement ("Joint Powers Agreement") (attached hereto as Exhibit A) in order to accomplish the following:

(a) To form a Joint Powers Authority (JPA) known as "Los Angeles Community Choice Energy" ("LACCE"), and

(b) To specify the terms and conditions by which participants may participate as a group in energy programs, including but not limited to the preliminary implementation of a Community Choice Aggregation program.

SECTION 6. Representatives from the City along with its partner JPA members have developed a Business Plan (attached hereto as Exhibit B) that describes the formation of Los Angeles Community Choice Energy and the Community Choice Aggregation program to be implemented by and through the LACCE Authority.

SECTION 7. A final Implementation Plan will be submitted for review and adoption by the Board of Directors of the LACCE Authority as soon after the formation of the Authority as reasonably practicable.

SECTION 8. As described in the Business Plan, Community Choice Aggregation by and through the LACCE Authority appears to provide a reasonable opportunity to accomplish all of the following:

- (a) To provide greater levels of local involvement in and collaboration on energy decisions.
- (b) To increase significantly the amount of renewable energy available to LACCE energy customers,
- (c) To provide initial price stability, long-term electricity cost savings and other benefits for the community, and
- (d) To reduce greenhouse gases that are emitted by creating electricity for the community.

SECTION 9. The Act requires Community Choice Aggregation program participants to individually adopt an ordinance ("CCA Ordinance") electing to implement a Community Choice Aggregation program within its jurisdiction by and through its participation in the LACCE Authority.

SECTION 11. The Joint Powers Agreement expressly allows the City to withdraw its membership in the LACCE Authority (and its participation in the Community Choice Aggregation program) pursuant to Section 8 of the Joint Powers Agreement.

SECTION 12. Based on the above and in accordance with Public Utilities Code Section 366.2(c)(12), the City Council hereby elects to implement a community choice aggregation program and join the LACCE Authority. The City Council authorizes the Mayor to execute the Los Angeles Community Choice Energy Authority Joint Powers Agreement attached hereto as Exhibit A. The Mayor, or Mayor's designee, shall submit in writing to the Board of Directors the names of one regular Director and up to two alternate Directors for the Board of Directors to serve on behalf of the City, as may be appointed by a majority vote of the City Council and in accordance with the terms of the Joint Powers Agreement.

SECTION 13. The City Council determines that this ordinance is exempt from review under the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., "CEQA") and the regulations promulgated thereunder (14 California Code of Regulations §§ 15000, et seq., the "CEQA

Guidelines"). It can be seen with certainty that there is no possibility that the adoption of this Ordinance may have a significant effect on the environment, and the action taken herein is not a "project" within the meaning of CEQA.

SECTION 14. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause this Ordinance to be published within 15 days after its passage, in accordance with Section 36933 of the Government Code.

PASSED, APPROVED AND ADOPTED _____, 2017.

AYES:

NOES:

ABSENT:

ABSTAIN:

AMY HOWORTH
Mayor

ATTEST:

LIZA TAMURA
City Clerk

APPROVED AS TO FORM:

Special Counsel

CITY OF OJAI
ORDINANCE NO. 881

**AN URGENCY ORDINANCE OF THE CITY COUNCIL OF
THE CITY OF OJAI, CALIFORNIA APPROVING A JOINT
POWERS AGREEMENT WITH THE COUNTY OF LOS
ANGELES, ESTABLISHING THE LOS ANGELES
COMMUNITY CHOICE ENERGY AUTHORITY AND
AUTHORIZING THE IMPLEMENTATION OF A
COMMUNITY CHOICE AGGREGATION PROGRAM**

WHEREAS, The City of Ojai intends to facilitate the provision of improved electric services to constituents within the City, with the intent of achieving greater local involvement over the provision of electric services and promoting competitive and renewable energy; and

WHEREAS, on September 24, 2002, the Governor signed into law Assembly Bill 117 (Stat. 2002, ch. 838; see California Public Utilities Code section 366.2; hereinafter referred to as the "Act"), which authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation; and

WHEREAS, through Docket No. R.03-10-003, the California Public Utilities Commission has issued various decisions and rulings addressing the implementation of Community Choice Aggregation programs, including the issuance of a procedure by which the California Public Utilities Commission will review "Implementation Plans," which are required for submittal under the Act as the means of describing the Community Choice Aggregation program and assuring compliance with various elements contained in the Act; and

WHEREAS, the County of Los Angeles and its community partners have developed the Los Angeles Community Choice Energy Authority Joint Powers Agreement ("Joint Powers Agreement") in order to accomplish the following:

- (a) To form a Joint Powers Authority (JPA) known "Los Angeles Community Choice Energy" and
- (b) To specify the terms and conditions by which participants may participate as a group in energy programs, including but not limited to the preliminary implementation of a Community Choice Aggregation program; and

City of Ojai
Ordinance No. 881

WHEREAS, the County of Los Angeles and its community partner have developed a Business Plan that describes the formation of Los Angeles Community Choice Energy and the Community Choice Aggregation program to be implemented by and through the LACCE Authority; and

WHEREAS, a final Implementation Plan will be submitted for review and adoption by the Board of Directors of the LACCE Authority as soon after the formation of the Authority as reasonably practicable; and

WHEREAS, as described in the Business Plan, Community Choice Aggregation by and through the LACCE Authority appears to provide a reasonable opportunity to accomplish all of the following:

- (a) To provide greater levels of local involvement in and collaboration on energy decisions.
- (b) To increase significantly the amount of renewable energy available to LACCE energy customers,
- (c) To provide initial price stability, long-term electricity cost savings and other benefits for the community, and
- (d) To reduce greenhouse gases that are emitted by creating electricity for the community; and

WHEREAS, the Act requires Community Choice Aggregation program participants to individually adopt an ordinance electing to implement a Community Choice Aggregation program within its jurisdiction by and through its participation in the LACCE Authority; and

WHEREAS, the Joint Powers Agreement allows the City to withdraw its membership in the LACCE Authority (and its participation in the Community Choice Aggregation program) under its Section 8 prior to the actual implementation of a Community Choice Aggregation program through Program Agreement;

WHEREAS, the Joint Powers Agreement provides in its Sections 2.2 and 3.5 that: "The debts, liabilities or obligations of the Authority shall not be debts, liabilities or obligations of the Parties unless the governing body of a Party agrees in writing to assume any of the debts, liabilities or obligations of the Authority."; and

WHEREAS, the City of Ojai expressly declines to assume any of the debts, liabilities, or obligations of the LACCE Authority; and

WHEREAS, the City Council of the City of Ojai intends, by the adoption of this ordinance, to join the LACCE Authority and enter into the Joint Power Agreement; and

WHEREAS, the City Council has the power to enact an urgency ordinance, by a four-fifths vote, not in conflict with general laws, as necessary to protect public peace, health, and safety via exercise of the police power provided to cities in Article XI, section 7 of the California Constitution and in compliance with Government Code section 36937; and

WHEREAS, the County of Los Angeles has stated that the deadline to join the LACCE as a founding member is December 27, 2017; and

WHEREAS, the City Council declares that the preservation of the public's health, safety, and welfare requires that the City join the LACCE as a founding member, thereby ensuring access by its residents and businesses to the renewable energy provided by LACCE, necessary to combat the threat posed to the community by climate change and to ensure that the community does not suffer from the present lack of available renewable electricity options, particularly the present lack of a 100% renewable-sourced electricity generation option.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF OJAI CALIFORNIA DOES ORDAIN AS FOLLOWS:

SECTION 1. Findings. The City Council hereby determines that the foregoing findings are true and correct, and incorporates them herein by reference.

SECTION 2. LACCE Joint Powers Agreement Approved. Based upon the findings and declarations set forth in this ordinance, and in order to provide businesses and residents within the jurisdictional boundaries of the City with a choice of power providers and with the benefits described in the recitals above, the City Council hereby elects to implement a CCA program within the City's jurisdiction boundaries. Upon approval of the LACCE Joint Powers Agreement, the City will implement the CCA program by and through the City's participation in the LACCE Authority, a joint powers authority established pursuant to California Government Code section 6500 et seq. and California Public Utilities Code section 366, subdivision (c)(12).

SECTION 3. Implementation Direction. The City Council hereby approves and directs that the City Manager take all lawful and necessary actions to proceed with the City's participation in the LACCE Joint Powers Authority, including executing the LACCE Joint Powers Agreement.

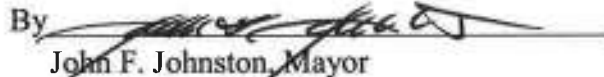
SECTION 4. Severability. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the final decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council declares that it would have adopted this Ordinance, and each section, subsection, sentence, clause, phrase or portion thereof, irrespective of the fact that any one or more sections, subsections, phrases or portions might be declared invalid or unconstitutional.

SECTION 5. Environmental Determination. The City Council determines that the following findings reflect the independent judgment of the City Council. The City Council finds that this amendment to the Municipal Code is exempt from California Environmental Quality Act (CEQA). The City Council has considered all of the evidence in the record, including the staff reports, the testimony received during the public hearing on the matter held by the City Council, and hereby determines that the adoption of this ordinance entering into a joint powers agreement to facilitate community aggregation of electricity service provision will not have a significant effect on the environment. This Ordinance is therefore exempt from California Environmental Quality Act review pursuant to Title 14, Section 15061 (b)(3) of the California Code of Regulations.

SECTION 6. Certification. The City Clerk shall cause this Ordinance to be published once, within fifteen (15) calendar days after its passage, in the *Ojai Valley News*, a newspaper of general circulation, printed, published and circulated in the City, and shall cause a copy of this Ordinance and its certification, together with proof of publication, to be entered in the Book of Ordinances of the City.

SECTION 7. Adoption as Urgency Ordinance and Effective Date. This ordinance is adopted as an urgency ordinance pursuant to powers conferred on the City by the California Constitution, Article XI, Section 7, and California Government Code Sections 36934 and 36937, and shall be effective immediately upon its adoption. As detailed in the recitals and findings set forth above, the City Council finds and determines that the adoption of this urgency ordinance is necessary for the immediate preservation of the public peace, health, and safety. This urgency ordinance must be adopted by not less than a four-fifths (4/5th) vote of the City Council.

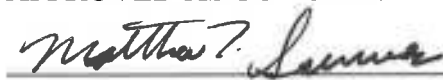
CITY OF OJAI, CALIFORNIA

By 
John F. Johnston, Mayor
12-21-17
Date signed

ATTEST:


Gail Davis, Deputy City Clerk

APPROVED AS TO FORM:



Matthew T. Summers, City Attorney

City of Ojai
Ordinance No. 881

STATE OF CALIFORNIA)
COUNTY OF VENTURA)
CITY OF OJAI)

I, Gail Davis, Deputy City Clerk of the City of Ojai do hereby certify that the foregoing Ordinance was adopted at a regular meeting of the City Council of the City of Ojai held on December 12, 2017 by the following vote:

AYES:	Blatz, Francina, Haney, Johnston, Weirick
NOES:	None
ABSTAIN:	None
ABSENT:	None



Gail Davis
Deputy City Clerk for the City of Ojai

CITY OF PARAMOUNT
LOS ANGELES COUNTY, CALIFORNIA

ORDINANCE NO. 1093

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT, CALIFORNIA APPROVING THE JOINT POWERS AGREEMENT TO JOIN THE LOS ANGELES COMMUNITY CHOICE ENERGY AUTHORITY AND AUTHORIZE THE IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION PROGRAM

THE CITY COUNCIL OF THE CITY OF PARAMOUNT DOES ORDAINS AS FOLLOWS:

WHEREAS, the City of Paramount has been actively investigating options to provide electric services to constituents within its service area with the intent of achieving greater local involvement over the provisions of electric services and promoting competitive and renewable energy;

WHEREAS, on September 24, 2002, the Governor signed into law Assembly Bill 117 (Stat. 2002, Ch. 838; see California Public Utilities Code section 366.2; hereinafter referred to as the "Act"), which authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation;

WHEREAS, the Act expressly authorizes participation in a Community Choice Aggregation (CCA) program through a joint powers agency, and to this end the County of Los Angeles (County) has been participating since 2015 in the evaluation of a CCA program for the County and the cities and towns within it;

WHEREAS, through Docket No. R.03-10-003, the California Public Utilities Commission has issued various decisions and rulings addressing the implementation of CCA programs, including the recent issuance of a procedure by which the California Public Utilities Commission will review "Implementation Plans," which are required for submittal under the Act as the means of describing the CCA program and assuring compliance with various elements contained in the Act;

WHEREAS, representatives from the City along with representatives from the County and participating cities within the County, have developed the Los Angeles Community Choice Energy Authority Joint Powers Agreement ("Joint Powers Agreement") (attached hereto as Exhibit A) in order to accomplish the following:

To form a Joint Powers Authority known as "Los Angeles Community Choice Energy Authority"; and

To specify the terms and conditions by which participants may participate as a group in energy programs, including but not limited to the preliminary implementation of a CCA program;

WHEREAS, representatives from the City along with the County and participating cities within the County have developed a Business Plan that describes the formation of Los Angeles Community Choice Energy (LACCE) Authority and the CCA program to be implemented by and through the LACCE Authority;

WHEREAS, a final Implementation Plan will be submitted for review and adoption by the LACCE Authority's Board of Directors;

WHEREAS, as described in the Business Plan, Community Choice Aggregation by and through the LACCE Authority appears to provide a reasonable opportunity to accomplish all of the following:

- a. To provide greater levels of local involvement in and collaboration on energy decisions.
- b. To increase significantly the amount of renewable energy available to LACCE Authority energy customers,
- c. To provide initial price stability, long-term electricity cost savings and other benefits for the community, and
- d. To reduce greenhouse gases that are emitted by creating electricity for the community;

WHEREAS, the Act requires CCA program participants to individually adopt an ordinance ("CCA Ordinance") electing to implement a CCA program within its jurisdiction by and through its participation in the LACCE Authority;

WHEREAS, based on the feasibility studies and Business Plan, it is in the public's interest and welfare to establish a CCA program within the City of Paramount; and

WHEREAS, the Joint Powers Agreement expressly allows the City to withdraw its membership in the LACCE Authority (and its participation in the CCA program) by providing no less than 180 advance written notice to the LACCE Authority.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PARAMOUNT, CALIFORNIA DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. That the recitals set forth above are true and correct and are incorporated as though fully set forth herein.

SECTION 2. Based upon the findings and declarations set forth in this ordinance, and in order to provide businesses and residents within the jurisdictional boundaries of the City with a choice of power providers and with the benefits described in the recitals above, the City Council hereby elects to implement a CCA program within the City's jurisdiction boundaries. Upon approval of the LACCE Joint Powers Agreement, the City will implement the CCA program by and through the City's participation in the LACCE Authority, a joint powers authority established pursuant to California Government Code section 6500 et seq. and California Public Utilities Code section 366(c)(12).

SECTION 3. That the City Council hereby approves and directs that the City proceed with the participation in the LACCE Joint Powers Authority.

SECTION 4. That the City Council declares that, should any provision, section, paragraph, sentence or word of this ordinance be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences or words of this ordinance as hereby adopted shall remain in full force and effect.

SECTION 5. That all the provisions of any of the City's ordinances as heretofore adopted by the City that are in conflict with the provisions of this ordinance are hereby repealed.

SECTION 6. That this ordinance shall take effect thirty (30) days after its adoption.

SECTION 7. That the City Attorney prepared reviewed this ordinance pursuant to the Municipal Code and finds that the City Council has the authority to adopt this ordinance, that the ordinance is constitutionally valid and that the ordinance is consistent with the general powers and purposes of the City as set forth in the City's Municipal Code.

SECTION 8. The Mayor shall sign and the City Clerk shall attest to the passage of this Ordinance. The City Clerk shall cause the same to be published once in the official newspaper within 15 days after its adoption. This Ordinance shall become effective 30 days from its adoption.

PASSED, APPROVED, and ADOPTED by the City Council of the City of Paramount this 9th day of January 2018.

Peggy Lemons, Mayor

ATTEST:

Lana Chikami, City Clerk

ORDINANCE NO. 718

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ROLLING HILLS ESTATES APPROVING THE JOINT POWERS AGREEMENT FOR LOS ANGELES COMMUNITY CHOICE ENERGY AND AUTHORIZING THE IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION PROGRAM

The City Council of the City of Rolling Hills Estates ordains as follows:

SECTION 1. Findings. The City Council finds as follows:

A. The City of Rolling Hills Estates has been actively investigating options to provide electric services to constituents within its service area with the intent of achieving greater local involvement over the provisions of electric services and promoting competitive and renewable energy.

B. On September 24, 2002, the Governor signed into law Assembly Bill 117 (Stat. 2002, ch. 838; see California Public Utilities Code section 366.2; hereinafter referred to as the "Act"), which authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation.

C. The Act expressly authorizes participation in a Community Choice Aggregation (CCA) program through a joint powers agency, and to this end the County has been participating since 2015 in the evaluation of a CCA program for the County and the cities and towns within it.

D. Through Docket No. R.03-10-003, the California Public Utilities Commission has issued various decisions and rulings addressing the implementation of Community Choice Aggregation programs, including the recent issuance of a procedure by which the California Public Utilities Commission will review "Implementation Plans," which are required for submittal under the Act as the means of describing the Community Choice Aggregation program and assuring compliance with various elements contained in the Act.

E. Representatives from the City, along with representatives of its JPA partners, have developed the Los Angeles Community Choice Energy Authority Joint Powers Agreement ("Joint Powers Agreement") attached as Exhibit A) in order to accomplish the following:

1. To form a Joint Powers Authority (JPA) known as the "Los Angeles Community Choice Energy Authority" ("LACCE Authority") and
2. To specify the terms and conditions by which participants may participate as a group in energy programs, including but not limited to the preliminary implementation of a Community Choice Aggregation program.

F. Representatives from the City along with its partner JPA members have developed a Business Plan (attached as Exhibit B) that describes the formation of Los Angeles Community Choice Energy and the Community Choice Aggregation program to be implemented by and through the LACCE Authority.

G. A final Implementation Plan will be submitted for review and adoption by the Board of Directors of the LACCE Authority as soon after the formation of the LACCE Authority as reasonably practicable.

H. As described in the Business Plan, Community Choice Aggregation by and through the LACCE Authority appears to provide a reasonable opportunity to accomplish all of the following:

1. To provide greater levels of local involvement in and collaboration on energy decisions.
2. To increase significantly the amount of renewable energy available to LACCE energy customers,
3. To provide initial price stability, long-term electricity cost savings and other benefits for the community, and

4. To reduce greenhouse gases that are emitted by creating electricity for the community.

I. The Act requires Community Choice Aggregation program participants to individually adopt an ordinance ("CCA Ordinance") electing to implement a Community Choice Aggregation program within its jurisdiction by and through its participation in the LACCE Authority.

J. The Joint Powers Agreement expressly allows the City to withdraw its membership in the LACCE Authority (and its participation in the Community Choice Aggregation program) prior to the actual implementation of a Community Choice Aggregation program through Program Agreement.

SECTION 2. Approval and Implementation of JPA. The City Council hereby approves the City's participation as a member of the LACCE Authority and authorizes the Mayor to execute the Joint Powers Agreement, and further authorizes the Mayor and staff to execute such other documents as may be necessary to join as a member of the LACCE Authority and to implement a Community Choice Aggregation program within its jurisdiction by and through its participation in the LACCE Authority.

SECTION 3. Severability. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision will not affect the validity of the remainder of this ordinance. The City Council hereby declares that it would have adopted this ordinance, and each any every section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof is declared invalid or unconstitutional.

SECTION 4. The City Clerk is directed to certify to the adoption of this ordinance and cause it to be published in the manner required by law.

ADOPTED this 27th day of June, 2017.



FRANK V. ZERUNYAN, MAYOR

ATTEST:



DOUGLAS R. PRICHARD, CITY CLERK


I, DOUGLAS R. PRICHARD, City Clerk of the City of Rolling Hills Estates, do hereby certify that the foregoing Ordinance No. 718 was introduced and placed upon its first reading at a regular meeting of the City Council on the 13th day of June, 2017, and was duly adopted and passed at a regular meeting of the City Council on the 27th day of June, 2017, by the following vote:

AYES: HUFF, SCHMITZ, ZERUNYAN, ZUCKERMAN

NOES: NONE

ABSENT: MITCHELL

ABSTAIN: NONE



DOUGLAS R. PRICHARD, CITY CLERK

ORDINANCE NUMBER ____ (CCS)

(City Council Series)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
SANTA MONICA, CALIFORNIA, ESTABLISHING COMMUNITY
CHOICE AGGREGATION THROUGH THE LOS ANGELES COMMUNITY
CHOICE ENERGY (LACCE) JOINT POWERS AUTHORITY PURSUANT
TO THE PUBLIC UTILITIES CODE

WHEREAS, the City of Santa Monica ("City") is a charter city and a political subdivision of the State of California; and

WHEREAS, the City is pursuing alternative energy solutions in hopes of bettering the current and future environmental and economic conditions of its community and region; and

WHEREAS, the City has been actively investigating options to procure and provide electric power to its citizens with the intent of achieving greater local involvement over the provision of electric services and promoting competitively priced renewable energy; and

WHEREAS, on September 24, 2002, the Governor signed into law Assembly Bill 117, which consists of amendments to and additions of Sections 218.3, 331.1, 366, 366.2, 381.1, 394 and 394.25 of the California Public Utilities Code (the "Act"), and which authorizes any California city or county, whose governing body so elects, to combine the

electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation; and

WHEREAS, the Act allows two or more cities, counties, or cities and counties to participate as a group in a Community Choice Aggregation through a joint powers agency (“JPA”) established pursuant to Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the California Government Code, if each entity adopts an ordinance to implement Community Choice Aggregation within its jurisdiction; and

WHEREAS, the County of Los Angeles and the cities of Rolling Hills Estates, City of South Pasadena, City of Calabasas, City of West Hollywood, Alhambra, Downey, Sierra Madre, Claremont, and Carson have formed a JPA named the Los Angeles Community Choice Energy Authority (“Authority”) to participate as a group in a Community Choice Aggregation within the respective jurisdictions of each member of the Authority; and

WHEREAS, the City of Santa Monica desires to implement a Community Choice Aggregation within the City’s jurisdiction through the Authority; and

WHEREAS, through Docket No. R.03-10-003, the California Public Utilities Commission (“Commission”) has issued various decisions and rulings addressing the implementation of Community Choice Aggregation, including the issuance of a procedure by which the Commission will certify Implementation Plans, which are required for submittal under the Act as the means of describing the Community Choice Aggregation and assuring compliance with various elements contained in the Act; and

WHEREAS, an initial technical study concluded that Community Choice Aggregation would serve the City and provide benefits to include the use of renewable

energy at or above the required Renewable Portfolio Standard level while providing economic benefits to the City; and

WHEREAS, in accordance with the Act, the Authority received certification of its Implementation Program by the Commission on November 13, 2017, a copy of which is attached hereto and incorporated herein by this reference as Exhibit "A"; and

WHEREAS, as described in the Implementation Plan, Community Choice Aggregation by and through the Authority, appears to provide a reasonable opportunity to accomplish all of the following: (a) provide greater levels of local involvement in and collaboration on energy decisions; (b) increase the amount of locally supplied renewable energy available to the City's citizens; and (c) provide initial price stability, long-term electricity cost savings and other benefits for the community; and

WHEREAS, the City Council has determined that it is in the public interest and welfare to establish a Community Choice Aggregation through the Authority.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SANTA MONICA, CALIFORNIA DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. That the recitals set forth above are true and correct and are incorporated as though fully set forth herein.

SECTION 2. That the City Council hereby approve and direct that the City proceed with the implementation of Community Choice Aggregation through the Authority, as described in the Implementation Plan.

SECTION 3. The Mayor shall sign and the City Clerk shall attest to the passage of this Ordinance. The City Clerk shall cause the same to be published once in the official newspaper within 15 days after its adoption. This Ordinance shall become effective 30 days from its adoption.

APPROVED AS TO FORM:

A handwritten signature in black ink, appearing to read 'Lane Dilg', is written over a horizontal line.

LANE DILG
City Attorney

ORDINANCE NO. 1393

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY
OF SIERRA MADRE, CALIFORNIA, APPROVING THE
JOINT POWERS AGREEMENT FOR LOS ANGELES
COMMUNITY CHOICE ENERGY AND AUTHORIZING
THE IMPLEMENTATION OF A COMMUNITY CHOICE
AGGREGATION PROGRAM**

WHEREAS, the City of Sierra Madre (City) has been actively investigating options to provide electric services to constituents within its service area with the intent of achieving greater local involvement over the provisions of electric services and promoting competitive and renewable energy; and

WHEREAS, on September 24, 2002, the Governor signed into law Assembly Bill 117 (Act), which authorizes any California city or county, whose governing body so elects, to combine the electricity of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation; and

WHEREAS, the Act expressly authorizes participation in a Community Choice Aggregation (CCA) program through a joint powers agency, and to this end the County of Los Angeles (County) has been participating since 2015 in the evaluation of a CCA program for the County and the cities and towns within it; and

WHEREAS, through Docket No. R.03-10-003, the California Public Utilities Commission has issued various decisions and rulings addressing the implementation of CCA programs, including the recent issuance of a procedure by which the California Public Utilities Commission will review "Implementation Plans", which are required for submittal under the Act as the means of describing the CCA program and assuring compliance with various elements contained in the Act; and

WHEREAS, representatives from the City along with representative of its JPA partners have developed the Los Angeles Community Choice Energy Authority Joint Powers Agreement (JPA) in order to accomplish the following:

(a) To form a Joint Powers Authority known as "Los Angeles Community Choice Energy" (LACCE) and

(b) To specify the terms and conditions by which participants may participate as a group in energy programs, including but not limited to the preliminary implementation of a Community Choice Aggregation program.

WHEREAS, representatives from the City along with its partner JPA members have reviewed a Business Plan that describes the formation of Los Angeles Community

Choice Energy and the Community Choice Aggregation program to be implemented by and through the LACCE Authority; and

WHEREAS, a final Implementation Plan will be submitted for review and adoption by the Board of Directors of the LACCE Authority as soon after the formation of the Authority is reasonably practicable; and

WHEREAS, as described in the Business Plan, Community Choice Aggregation by and through the LACCE Authority appears to provide a reasonable opportunity to accomplish all of the following:

(a) To provide greater levels of local involvement in and collaboration on energy decisions,

(b) To increase significantly the amount of renewable energy available to LACCE energy customers,

(c) To provide initial price stability, long-term electricity cost savings and other benefits for the community, and

(d) to reduce greenhouse gases that are emitted by creating electricity for the community.

WHEREAS, this Act requires Community Choice Aggregation program participants to individually adopt an ordinance electing to implement a Community Choice Aggregation program within its jurisdiction by and through its participation in the LACCE Authority; and

WHEREAS, the Joint Powers Agreement expressly allows the City to withdraw its membership in the LACCE Authority (and its participation in the Community Choice Aggregation Program) prior to the actual implementation of a Community Choice Aggregation Program through Program Agreement. .

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SIERRA MADRE, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. This ordinance shall take effect thirty (30) days after its final passage, and within fifteen (15) days after its passage, the City Clerk of the City of Sierra Madre shall certify to the passage and adoption of this ordinance and to its approval by the Mayor and City Council and shall cause the same to be published in a newspaper in the manner required by law.

PASSED, APPROVED, AND ADOPTED ON this 3rd^h day of October.

Rachelle Arizmendi, Mayor

APPROVED AS TO FORM

Teresa Highsmith, City Attorney

I HEREBY CERTIFY the foregoing ordinance was duly adopted by the City Council of the City of Sierra Madre, California, at a special meeting held on the 3rd day of October, 2017 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Melinda Carrillo, City Clerk

ORDINANCE NO. 2316**AN ORDINANCE OF THE CITY COUNCIL
OF THE CITY OF SOUTH PASADENA, CALIFORNIA,
APPROVING THE JOINT POWERS AGREEMENT FOR
LOS ANGELES COMMUNITY CHOICE ENERGY AND
AUTHORIZING THE IMPLEMENTATION OF A
COMMUNITY CHOICE AGGREGATION PROGRAM**

WHEREAS, the City of South Pasadena (City) has been actively investigating options to provide electric services to constituents within its service area with the intent of achieving greater local involvement over the provisions of electric services and promoting competitive and renewable energy; and

WHEREAS, on September 24, 2002, the Governor signed into law Assembly Bill 117 (Stat. 2002, ch. 838; see California Public Utilities Code Section 366.2; hereinafter referred to as the Act), which authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation (CCA); and

WHEREAS, the Act expressly authorizes participation in a CCA Program through a joint powers agency, and to this end the County of Los Angeles (County) has been participating since 2015 in the evaluation of a CCA Program for the County and the cities and towns within it; and

WHEREAS, through Docket No. R.03-10-003, the California Public Utilities Commission has issued various decisions and rulings addressing the implementation of Community Choice Aggregation programs, including the recent issuance of a procedure by which the California Public Utilities Commission will review "Implementation Plans," which are required for submittal under the Act as the means of describing the Community Choice Aggregation program and assuring compliance with various elements contained in the Act; and

WHEREAS, representatives from the City along with representatives of its JPA partners have developed the Los Angeles Community Choice Energy Authority Joint Powers Agreement (Joint Powers Agreement) (attached hereto as Exhibit A) in order to accomplish the following:

(a) To form a Joint Powers Authority (JPA) known as "Los Angeles Community Choice Energy" (LACCE); and

(b) To specify the terms and conditions by which participants may participate as a group in energy programs, including but not limited to the preliminary implementation of a Community Choice Aggregation program.

WHEREAS, representatives from the City along with its partner JPA members have developed a Business Plan (attached hereto as Exhibit B) that describes the formation of LACCE and the Community Choice Aggregation Program to be implemented by and through the LACCE Authority; and

WHEREAS, a final Implementation Plan will be submitted for review and adoption by the Board of Directors of the LACCE Authority as soon after the formation of the Authority as reasonably practicable; and

WHEREAS, as described in the Business Plan, CCA by and through the LACCE Authority appears to provide a reasonable opportunity to accomplish all of the following:

- (a) To provide greater levels of local involvement in and collaboration on energy decisions;
- (b) To increase significantly the amount of renewable energy available to LACCE energy customers;
- (c) To provide initial price stability, long-term electricity cost savings and other benefits for the community; and
- (d) To reduce greenhouse gases that are emitted by creating electricity for the community.

WHEREAS, the Act requires CCA Program participants to individually adopt an ordinance (CCA Ordinance) electing to implement a CCA program within its jurisdiction by and through its participation in the LACCE Authority; and

WHEREAS, the Joint Powers Agreement expressly allows the City to withdraw its membership in the LACCE Authority (and its participation in the CCA Program) prior to the actual implementation of a CCA Program through the Program Agreement.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. This ordinance shall take effect thirty (30) days after its final passage, and within fifteen (15) days after its passage, the City Clerk of the City of South Pasadena shall certify to the passage and adoption of this ordinance and to its approval by the Mayor and City Council and shall cause the same to be published in a newspaper in the manner required by law.

PASSED, APPROVED, AND ADOPTED ON this 19th day of July, 2017,



Michael A. Cacciotti, Mayor

ATTEST:

APPROVED AS TO FORM:



Evelyn G. Zneimer, City Clerk

(seal)

Date: 7/19/2017



Teresa L. Highsmith, City Attorney

I HEREBY CERTIFY the foregoing ordinance was duly adopted by the City Council of the City of South Pasadena, California, at a regular meeting held on the 19th day of July, 2017, by the following vote:

AYES: Joe, Khubesrian, Mahmud, Schneider, and Mayor Cacciotti

NOES: None

ABSENT: None

ABSTAINED: None



Evelyn G. Zneimer, City Clerk

(seal)

ORDINANCE NO. 17-1030

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMPLE CITY, CALIFORNIA, APPROVING THE JOINT POWERS AGREEMENT FOR LOS ANGELES COMMUNITY CHOICE ENERGY AND AUTHORIZING THE IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION PROGRAM

THE CITY COUNCIL OF THE CITY OF TEMPLE CITY, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. The City of Temple City has been actively investigating options to provide electric services to constituents within its service area with the intent of achieving greater local involvement over the provisions of electric services and promoting competitive and renewable energy.

SECTION 2. On September 24, 2002, the Governor signed into law Assembly Bill 117 (Stat. 2002, ch. 838; see California Public Utilities Code section 366.2; hereinafter referred to as the "Act"), which authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation.

SECTION 3. The Act expressly authorizes participation in a Community Choice Aggregation (CCA) program through a joint powers agency, and to this end the County of Los Angeles has been participating since 2015 in the evaluation of a CCA program for the County and the cities and towns within it.

SECTION 4. Through Docket No. R.03-10-003, the California Public Utilities Commission has issued various decisions and rulings addressing the implementation of Community Choice Aggregation programs, including the recent issuance of a procedure by which the California Public Utilities Commission will review "Implementation Plans," which are required for submittal under the Act as the means of describing the Community Choice Aggregation program and assuring compliance with various elements contained in the Act.

SECTION 5. Representatives from the City along with representatives of its JPA partners, have developed the Los Angeles Community Choice Energy Authority Joint Powers Agreement ("Joint Powers Agreement") (attached hereto as Exhibit A) in order to accomplish the following:

- (a) To form a Joint Powers Authority (JPA) known as "Los Angeles Community Choice Energy" ("LACCE") and;
- (b) To specify the terms and conditions by which participants may participate as a group in energy programs, including but not limited to the preliminary implementation of a Community Choice Aggregation program.

SECTION 6. Representatives from the City along with its partner JPA members have developed a Business Plan (attached hereto as Exhibit B) that describes the formation of Los Angeles Community Choice Energy and the Community Choice Aggregation program to be implemented by and through the LACCE Authority.

SECTION 7. A final Implementation Plan will be submitted for review and adoption by the Board of Directors of the LACCE Authority as soon after the formation of the Authority as reasonably practicable.

SECTION 8. As described in the Business Plan, Community Choice Aggregation by and through the LACCE Authority appears to provide a reasonable opportunity to accomplish all of the following:

- (a) To provide greater levels of local involvement in and collaboration on energy decisions.
- (b) To increase significantly the amount of renewable energy available to LACCE energy customers,
- (c) To provide initial price stability, long-term electricity cost savings and other benefits for the community, and
- (d) To reduce greenhouse gases that are emitted by creating electricity for the community.

SECTION 9. The Act requires Community Choice Aggregation program participants to individually adopt an ordinance ("CCA Ordinance") electing to implement a Community Choice Aggregation program within its jurisdiction by and through its participation in the LACCE Authority.

SECTION 10. The Joint Powers Agreement expressly allows the City to withdraw its membership in the LACCE Authority (and its participation in the Community Choice Aggregation program) prior to the actual implementation of a Community Choice Aggregation program through Program Agreement.

THE CITY COUNCIL OF THE CITY OF TEMPLE CITY HEREBY ORDAINS AS FOLLOWS:

SECTION 1. That the recitals set forth above are true and correct and are incorporated as though fully set forth herein.

SECTION 2. Based upon the findings and declarations set forth in this ordinance, and in order to provide businesses and residents within the jurisdictional boundaries of the City with a choice of power providers and with the benefits described in the recitals above, the City Council hereby elects to implement a CCA program within the City's jurisdiction boundaries. Upon approval of the LACCE Joint Powers Agreement, the City

will implement the CCA program by and through the City's participation in the LACCE Authority), a joint powers authority established pursuant to California Government Code section 6500 et seq. and California Public Utilities Code section 366(c)(12).

SECTION 3. That the City Council hereby approve and direct that the City proceed with the participation in the LACCE Joint Powers Authority.

SECTION 4. That the City Council declares that, should any provision, section, paragraph, sentence or word of this ordinance be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences or words of this ordinance as hereby adopted shall remain in full force and effect.

SECTION 5. That all the provisions of any of the City's ordinances as heretofore adopted by the City that are in conflict with the provisions of this ordinance are hereby repealed.

SECTION 6. That this ordinance shall take effect thirty (30) days after its adoption.

SECTION 7. The Mayor shall sign and the City Clerk shall attest to the passage of this Ordinance. The City Clerk shall cause the same to be published once in the official newspaper within 15 days after its adoption. This Ordinance shall become effective 30 days from its adoption.

PASSED, APPROVED, AND ADOPTED ON this 19th day of December, 2017.

Cynthia Sternquist, Mayor

ATTEST:

APPROVED AS TO FORM

Peggy Kuo, City Clerk

Eric S. Vail, City Attorney

I, Peggy Kuo, City Clerk of the City of Temple City, certify Ordinance No. 17-1030 was introduced by the City Council at a regular meeting of December 5th, 2017 and adopted by the City Council at a regular meeting held on the 19th day of December, 2017, by the following vote:

AYES: Councilmember -
NOES: Councilmember -
ABSENT: Councilmember -

Peggy Kuo, City Clerk

ORDINANCE NO. ____

ORDINANCE OF THE BOARD OF SUPERVISORS
OF THE COUNTY OF VENTURA
AUTHORIZING THE IMPLEMENTATION
OF A COMMUNITY CHOICE AGGREGATION PROGRAM

The Board of Supervisors of the County of Ventura ordains as follows:

WHEREAS, the County of Ventura (County) has been actively investigating options to provide electric services to constituents within the unincorporated area of Ventura County with the intent of achieving greater local involvement over the provision of electric services and promoting competitive and renewable energy;

WHEREAS, on September 24, 2002, the Governor signed into law Assembly Bill No. 117 (Stat. 2002, ch. 838, hereinafter referred to as the Act; see California Public Utilities Code section 366.2), which authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation (CCA);

WHEREAS, the Act expressly authorizes participation in a CCA program through a joint powers agency, and to this end the County of Los Angeles has been participating since 2015 in the evaluation of a CCA program for the County of Los Angeles and the cities and towns within it;

WHEREAS, through Docket No. R.03-10-003, the California Public Utilities Commission has issued various decisions and rulings addressing the implementation of CCA programs, including the recent issuance of a procedure by which the California Public Utilities Commission will review "Implementation Plans," which are required for submittal under the Act as the means of describing the CCA program and assuring compliance with various elements contained in the Act;

WHEREAS, representatives from the County of Los Angeles and participating cities within the County of Los Angeles have developed the Los Angeles Community Choice Energy Authority Joint Powers Agreement (Joint Powers Agreement) (attached hereto as Exhibit A) in order to accomplish the following:

- To form a Joint Powers Authority known as "Los Angeles Community Choice Energy Authority," and
- To specify the terms and conditions by which participants may participate as a group in energy programs, including but not limited to the preliminary implementation of a CCA program;

WHEREAS, representatives from the County of Los Angeles and participating

cities within the County of Los Angeles have developed a business plan (attached hereto as Exhibit B) that describes the formation of the Los Angeles Community Choice Energy (LACCE) Authority and the CCA program to be implemented by and through the LACCE Authority;

WHEREAS, a final Implementation Plan will be submitted for review and adoption by the LACCE Authority's Board of Directors;

WHEREAS, as described in the business plan, a CCA program by and through the LACCE Authority appears to provide a reasonable opportunity to accomplish all of the following:

- To provide greater levels of local involvement in and collaboration on energy decisions,
- To increase significantly the amount of renewable energy available to LACCE Authority energy customers,
- To provide initial price stability, long-term electricity cost savings and other benefits for the community, and
- To reduce greenhouse gases that are emitted by creating electricity for the community;

WHEREAS, the Act requires CCA program participants to individually adopt an ordinance electing to implement a CCA program within its jurisdiction by and through its participation in the LACCE Authority;

WHEREAS, based on the feasibility studies and business plan, it is in the public's interest and welfare to establish a CCA program within the County; and

WHEREAS, the Joint Powers Agreement expressly allows the County to withdraw its membership in the LACCE Authority (and its participation in the CCA program) by providing no less than 180 days' advance written notice to the LACCE Authority;

NOW, THEREFORE, the Board of Supervisors of the County of Ventura does hereby ordain as follows:

Section 1. The recitals set forth above are true and correct and are incorporated as though fully set forth herein.

Section 2. Based upon the findings and declarations set forth in this ordinance, and in order to provide businesses and residents within the unincorporated area of Ventura County with a choice of power providers and with the benefits described in the recitals above, the Board of Supervisors hereby elects to implement a CCA program

within the unincorporated area of Ventura County. With the County's execution of the LACCE Joint Powers Agreement, the County will implement the CCA program by and through the County's participation in the LACCE Authority, a joint powers authority established pursuant to California Government Code section 6500 et seq. and California Public Utilities Code section 366(c)(12).

Section 3. The Board of Supervisors hereby approves and directs the County to proceed with participation in the LACCE Joint Powers Authority.

Section 4. Should any provision, section, paragraph, sentence or word of this ordinance be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences or words of this ordinance as hereby adopted shall remain in full force and effect.

Section 5. All provisions of any of the County's ordinances as heretofore adopted by the County that are in conflict with the provisions of this ordinance are to that extent hereby repealed.

Section 6. This ordinance shall take effect 30 days after its adoption.

PASSED AND ADOPTED this 12th day of December, 2017, by the following vote:

AYES:

NOES:

ABSENT:

Chair, Board of Supervisors

ATTEST: MICHAEL POWERS
Clerk of the Board of Supervisors,
County of Ventura, State of California

By: _____
Deputy Clerk of the Board

ORDINANCE NO. 17-1013

ORDINANCE OF THE CITY COUNCIL OF
THE CITY OF WEST HOLLYWOOD
APPROVING THE JOINT POWERS
AGREEMENT FOR LOS ANGELES
COMMUNITY CHOICE ENERGY AND
AUTHORIZING THE IMPLEMENTATION OF
A COMMUNITY CHOICE AGGREGATION
PROGRAM

THE CITY COUNCIL OF THE CITY OF WEST HOLLYWOOD HEREBY
ORDAINS AS FOLLOWS:

SECTION 1. The City of West Hollywood has been actively investigating options to provide electric services to constituents within its service area with the intent of achieving greater local involvement over the provisions of electric services and promoting competitive and renewable energy.

SECTION 2. On September 24, 2002, the Governor signed into law Assembly Bill 117 (Stat. 2002, ch. 838; see California Public Utilities Code section 366.2; hereinafter referred to as the "Act"), which authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation.

SECTION 3. The Act expressly authorizes participation in a Community Choice Aggregation (CCA) program through a joint powers agency, and to this end the County has been participating since 2015 in the evaluation of a CCA program for the County and the cities and towns within it.

SECTION 4. Through Docket No. R.03-10-003, the California Public Utilities Commission has issued various decisions and rulings addressing the implementation of Community Choice Aggregation programs, including the recent issuance of a procedure by which the California Public Utilities Commission will review "Implementation Plans," which are required for submittal under the Act as the means of describing the Community Choice Aggregation program and assuring compliance with various elements contained in the Act.

SECTION 5. Representatives from the City along with representatives of its partner JPA members have developed the Los Angeles Community Choice Energy Authority Joint Powers Agreement ("Joint Powers Agreement") (attached hereto as Exhibit A) in order to accomplish the following:

- (a) To form a Joint Powers Authority (JPA) known as "Los Angeles Community Choice Energy" and
- (b) To specify the terms and conditions by which participants may

participate as a group in energy programs, including but not limited to the preliminary implementation of a Community Choice Aggregation program.

SECTION 6. Representatives from the City along with its partner JPA members have developed a Business Plan (attached hereto as Exhibit B) that describes the formation of Los Angeles Community Choice Energy and the Community Choice Aggregation program to be implemented by and through the LACCE Authority.

SECTION 7. A final Implementation Plan will be submitted for review and adoption by the Board of Directors of the LACCE Authority as soon after the formation of the Authority as reasonably practicable.

SECTION 8. As described in the Business Plan, Community Choice Aggregation by and through the LACCE Authority appears to provide a reasonable opportunity to accomplish all of the following:

- (a) To provide greater levels of local involvement in and collaboration on energy decisions.
- (b) To increase significantly the amount of renewable energy available to LACCE energy customers,
- (c) To provide initial price stability, long-term electricity cost savings and other benefits for the community, and
- (d) To reduce greenhouse gases that are emitted by creating electricity for the community.

SECTION 9. The Act requires Community Choice Aggregation program participants to individually adopt an ordinance ("CCA Ordinance") electing to implement a Community Choice Aggregation program within its jurisdiction by and through its participation in the LACCE Authority.

SECTION 11. The Joint Powers Agreement expressly allows the City to withdraw its membership in the LACCE Authority (and its participation in the Community Choice Aggregation program) prior to the actual implementation of a Community Choice Aggregation program through Program Agreement.

SECTION 12. Based on the above and in accordance with Public Utilities Code Section 366.2(c)(12), the City Council of the City of West Hollywood hereby elects to implement a community choice aggregation program and join the LACCE Authority. The City Council authorizes the Mayor to execute the Los Angeles Community Choice Energy Authority Joint Powers Agreement attached hereto as Exhibit A. The Mayor, or Mayor's designee, shall submit in writing to the Board of Directors the names of one regular Director and up to two alternate Directors for the Board of Directors to serve on behalf of the City, as may be appointed by a majority vote of the City Council and in accordance with the terms in Exhibit A.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of West Hollywood at a regular meeting held this 2nd day of October, 2017 by the following vote:

AYES:	Councilmember:	D'Amico, Horvath, Meister, Mayor Pro Tempore Duran, and Mayor Heilman.
NOES:	Councilmember:	None.
ABSENT:	Councilmember:	None.
ABSTAIN:	Councilmember:	None.


JOHN HEILMAN, MAYOR

ATTEST:


YVONNE QUARKER, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)
CITY OF WEST HOLLYWOOD)

I, YVONNE QUARKER, City Clerk of the City of West Hollywood, do hereby certify that the foregoing Ordinance No. 17-1013 was duly passed, approved, and adopted by the City Council of the City of West Hollywood at a regular meeting held on the 2nd day of October, 2017, after having its first reading at the regular meeting of said City Council on the 18th day of September, 2017.

I further certify that this ordinance was posted in three public places as provided for in Resolution No. 5, adopted the 29th day of November, 1984.

WITNESS MY HAND AND OFFICIAL SEAL THIS 3rd DAY OF OCTOBER, 2017.


YVONNE QUARKER, CITY CLERK

CCA Implementation Plan
Los Angeles Community Choice Energy

August 14, 2017

TO: Edward Randolph
Energy Division Director, California Public Utilities Commission

FROM: Bill Carnahan
Interim Executive Director, Los Angeles Community Choice Energy

CC: Gary Gero, Matthew Skolnik, Gary Saleba, Anne Falcon, Colin Cameron,
Alison Levy

Mr. Randolph,

Los Angeles Community Choice Energy (LACCE) is a joint powers authority consisting of the County of Los Angeles, the City of Rolling Hills Estates, and the City of South Pasadena. LACCE is was formed to launch a Community Choice Aggregation (CCA) within its three member jurisdictions. LACCE currently plans to begin serving its first customers in January 2018.

To that end, I hereby submit LACCE's CCA Implementation Plan (attached) for CPUC review and certification. If you should have any questions, please feel free to contact me.

Thank you.



Bill Carnahan
Interim Executive Director
Los Angeles Community Choice Energy
500 West Temple Street, Room 493
Los Angeles, CA 90012
Telephone: 626-487-5356
E-mail: Carnahanconsulting@gmail.com

Los Angeles Community Choice Energy (LACCE)

COMMUNITY CHOICE AGGREGATION IMPLEMENTATION PLAN AND STATEMENT OF INTENT

[August 14, 2017]

Table of Contents

1 – Introduction	1
2 – Aggregation Process	4
3 – Organizational Structure	7
4 – Start-Up Plan & Funding	12
5 – Program Phase-In.....	15
6 – Load Forecast & Resource Plan	17
7 – Financial Plan	29
8 – Rate Setting, Program Terms and Conditions	34
9 – Customer Rights and Responsibilities	40
10 – Procurement Process.....	41
11 – Contingency Plan for Program Termination	44
12 – Appendices	47

CHAPTER 1 – Introduction

The Los Angeles Community Choice Energy (“LACCE”) Authority is a public agency located within Los Angeles County, formed for the purpose of implementing a community choice aggregation program (“CCA”, or “Community Choice Energy” – “CCE” – which has been recently used as an alternative identifying term for the CCA service model), which has been named Los Angeles Community Choice Energy (the “Program” or “LACCE”). Member Agencies of the LACCE Authority include two (2) municipalities located within the County of Los Angeles (“County”) as well as the unincorporated areas of the County itself (together, the “Members” or “Member Agencies”), which have elected to allow the LACCE Authority to provide electric generation service within their respective jurisdictions. Currently, the following Members Agencies comprise the LACCE Authority:

- Los Angeles County (unincorporated)
- Rolling Hills Estates
- City of South Pasadena

This Implementation Plan and Statement of Intent (“Implementation Plan”) describes the LACCE Authority’s plans to implement a voluntary CCA program for electric customers within the jurisdictional boundaries of the County that currently take bundled electric service from Southern California Edison (“SCE”). The LACCE Program will provide electricity customers the opportunity to join together to procure electricity from competitive suppliers, with such electricity being delivered over SCE’s transmission and distribution system. The planned start date for the Program is January 15, 2018. All current SCE customers within the LACCE Authority’s service area will receive information describing the LACCE Program and will have multiple opportunities to choose to remain full requirement (“bundled”) customers of SCE, in which case they will not be enrolled. Thus, participation in the LACCE Program is completely voluntary; however, customers, as provided by law, will be automatically enrolled according to the anticipated phase-in schedule later described in Chapter 5 unless they affirmatively elect to opt-out.

Implementation of LACCE will enable customers within the LACCE Authority’s service area to take advantage of the opportunities granted by Assembly Bill 117 (“AB 117”), the Community Choice Aggregation Law. The LACCE Authority’s primary objectives in implementing this Program are to provide cost competitive electric services; reduce electric sector greenhouse gas emissions (“GHGs”) within the County; stimulate renewable energy development; implement distributed energy resources; promote energy efficiency and demand reduction programs; and sustain long-term rate stability for residents and businesses through local control. The prospective benefits to consumers include increased renewable and other low-GHG emitting energy supplies, stable and competitive electric rates, and the opportunity for public participation in determining which technologies are utilized to meet local electricity needs.

To ensure successful operation of the Program, the LACCE Authority is currently soliciting energy suppliers and marketers through a competitive process and will negotiate with one or more qualified suppliers throughout the summer and fall of 2017. Final selection of the LACCE Authority's initial energy supplier(s) will be made by the LACCE Authority following administration of the aforementioned solicitation process and related contract negotiations. Information regarding the anticipated solicitation process for the LACCE Authority's initial energy services provider(s) is contained in Chapter 10.

The California Public Utilities Code provides the relevant legal Authority for the LACCE Authority to become a Community Choice Aggregator and invests the California Public Utilities Commission ("CPUC" or "Commission") with the responsibility for establishing the cost recovery mechanism that must be in place before customers can begin receiving electrical service through the LACCE Program. The CPUC also has responsibility for registering the LACCE Authority as a Community Choice Aggregator and ensuring compliance with basic consumer protection rules. The Public Utilities Code requires that an Implementation Plan be adopted at a duly noticed public hearing and that it be filed with the Commission in order for the Commission to determine the cost recovery mechanism to be paid by customers of the Program in order to prevent shifting of costs to bundled customers of the incumbent utility.

On August 4, 2017, the LACCE Authority, at a duly noticed public hearing, considered and adopted this Implementation Plan, through Resolution 17-002 (a copy of which is included as part of Appendix A). The Commission has established the methodology that will be used to determine the cost recovery mechanism, and SCE has approved tariffs for imposition of the cost recovery mechanism. Finally, each of the LACCE Authority's Members has adopted an ordinance to implement a CCA program through its participation in the LACCE Authority, and each of the Members has adopted a resolution permitting the LACCE Authority to provide service within its jurisdiction¹. With each of these milestones having been accomplished, the LACCE Authority submits this Implementation Plan to the CPUC. Following the CPUC's certification of its receipt of this Implementation Plan and resolution of any outstanding issues, the LACCE Authority will take the final steps needed to register as a CCA prior to initiating the customer notification and enrollment process.

Organization of this Implementation Plan

The content of this Implementation Plan complies with the statutory requirements of AB 117. As required by Public Utilities Code Section 366.2(c)(3), this Implementation Plan details the process and consequences of aggregation and provides the LACCE Authority's statement of intent for implementing a CCA program that includes all of the following:

- Universal access;
- Reliability;
- Equitable treatment of all customer classes; and
- Any requirements established by state law or by the CPUC concerning aggregated service.

¹ Copies of individual ordinances adopted by the LACCE Authority's Members are included within Appendix A.

The remainder of this Implementation Plan is organized as follows:

- Chapter 2: Aggregation Process
- Chapter 3: Organizational Structure
- Chapter 4: Startup Plan & Funding
- Chapter 5: Program Phase-In
- Chapter 6: Load Forecast & Resource Plan
- Chapter 7: Financial Plan
- Chapter 8: Rate setting
- Chapter 9: Customer Rights and Responsibilities
- Chapter 10: Procurement Process
- Chapter 11: Contingency Plan for Program Termination
- Appendix A: the LACCE Authority Resolution No. 17-002(Adopting Implementation Plan)
- Appendix B: the LACCE Authority Joint Powers Agreement

The requirements of AB 117 are cross-referenced to Chapters of this Implementation Plan in the following table.

AB 117 Cross References

AB 117 REQUIREMENT	IMPLEMENTATION PLAN CHAPTER
Statement of Intent	Chapter 1: Introduction
Process and consequences of aggregation	Chapter 2: Aggregation Process
Organizational structure of the program, its operations and funding	Chapter 3: Organizational Structure Chapter 4: Startup Plan & Funding Chapter 7: Financial Plan
Disclosure and due process in setting rates and allocating costs among participants	Chapter 8: Rate setting
Rate setting and other costs to participants	Chapter 8: Rate setting Chapter 9: Customer Rights and Responsibilities
Participant rights and responsibilities	Chapter 9: Customer Rights and Responsibilities
Methods for entering and terminating agreements with other entities	Chapter 10: Procurement Process
Description of third parties that will be supplying electricity under the program, including information about financial, technical and operational capabilities	Chapter 10: Procurement Process
Termination of the program	Chapter 11: Contingency Plan for Program Termination

CHAPTER 2 – Aggregation Process

Introduction

This chapter describes the background leading to the development of this Implementation Plan and describes the process and consequences of aggregation, consistent with the requirements of AB 117.

Beginning in 2015, Los Angeles County began investigating formation of a CCA Program in the County, pursuant to California state law, with the following objectives: 1) provide cost-competitive electric services; 2) reduce greenhouse gas emissions related to the use of electric power within the County; and 3) increase the use of renewable energy resources relative to the incumbent utility. A technical feasibility study for a CCA Program serving the County was completed for the LACCE Authority Partnership in July 28, 2016.

After nearly 2 years of collaborative work by representatives of the Los Angeles County, city governments, independent consultants, local experts and stakeholders, the LACCE Authority was formed in July 2017 for purposes of implementing the LACCE Program. Subsequently, the LACCE Authority approved this Implementation Plan through a duly-noted public hearing, complying with the standards stated in California Public Utilities Code Section 366.2. The LACCE Authority is continuing discussions with additional Cities regarding membership in the JPA. This Implementation Plan will be updated as additional Cities become partners in the LACCE Authority.

The LACCE Program represents a culmination of planning efforts that are responsive to the expressed needs and priorities of the citizenry and business community within the Member Agencies. The LACCE Authority plans to offer choices to eligible customers through creation of innovative programs for voluntary purchases of renewable energy, net energy metering to promote customer-owned renewable generation, energy efficiency, demand responsiveness to promote reductions in peak demand, distributed energy generation, customized pricing options for large energy users, and support of local renewable energy projects through offering of a standardized power purchasing agreement or Feed-In Tariff. Commercial direct access customers are not included as it is assumed that customers taking direct access service from a competitive electricity provider will continue to remain with their current supplier.

Process of Aggregation

Before they are enrolled in the Program, prospective LACCE customers will receive two written notices in the mail from the LACCE Authority that will provide information needed to understand the Program's terms and conditions of service and explain how customers can opt-out of the Program, if desired. All customers that do not follow the opt-out process specified in the customer notices will be automatically enrolled, and service will begin at their next regularly scheduled meter read date no later than thirty days following the date of automatic enrollment, subject to the service phase-in plan described in Chapter 5. The initial enrollment notices will be provided to the first phase of customers in November 2017. Initial enrollment notices will be provided to

subsequent customer phases consistent with statutory requirements and based on schedule(s) determined by the LACCE Authority. These notices will be sent to customers in subsequent phases twice within 60 days of automatic enrollment.

Customers enrolled in the LACCE Program will continue to have their electric meters read and to be billed for electric service by the distribution utility (SCE). The electric bill for Program customers will show separate charges for generation procured by the LACCE Authority as well as other charges related to electricity delivery and other utility charges assessed by SCE.

After service cutover, customers will have approximately 60 days (two billing cycles) to opt-out of the LACCE Program without penalty and return to the distribution utility (SCE). LACCE customers will be advised of these opportunities via the distribution of two additional enrollment notices provided within the first two months of service. Customers that opt-out between the initial cutover date and the close of the post enrollment opt-out period will be responsible for program charges for the time they were served by the LACCE Authority but will not otherwise be subject to any penalty for leaving the program. Customers that have not opted-out within thirty days of the fourth enrollment notice will be deemed to have elected to become a participant in the LACCE Program and to have agreed to the LACCE Program's terms and conditions, including those pertaining to requests for termination of service, as further described in Chapter 8.

Consequences of Aggregation

Rate Impacts

LACCE Customers will pay the generation charges set by the LACCE Authority and no longer pay the costs of SCE generation. Customers enrolled in the Program will be subject to the Program's terms and conditions, including responsibility for payment of all Program charges as described in Chapter 9.

The LACCE Authority's rate setting policies described in Chapter 7 establish a goal of providing rates that are competitive with the projected generation rates offered by the incumbent distribution utility (SCE). The LACCE Authority will establish rates sufficient to recover all costs related to operation of the Program, and actual rates will be adopted by the LACCE Authority's Board.

Initial LACCE Program rates will be established following approval of LACCE's inaugural program budget, reflecting final costs from the LACCE Program's energy supplier(s). The LACCE Authority's rate policies and procedures are detailed in Chapter 7. Information regarding final LACCE Program rates will be disclosed along with other terms and conditions of service in the pre-enrollment and post-enrollment notices sent to potential customers.

Once the LACCE Authority gives definitive notice to SCE that it will commence service, LACCE customers will generally not be responsible for costs associated with SCE's future electricity procurement contracts or power plant investments. Certain pre-existing generation costs and

new generation costs that are deemed to provide system-wide benefits will continue to be charged by SCE to CCA customers through separate rate components, called the Cost Responsibility Surcharge and the New System Generation Charge. These charges are shown in SCE's electric service tariffs, which can be accessed from the utility's website, and the costs are included in charges paid by both SCE bundled customers as well as CCA and Direct Access customers².

Renewable Energy Impacts

A second consequence of the Program will be an increase in the proportion of energy generated and supplied by renewable resources. The resource plan includes procurement of renewable energy sufficient to meet California's prevailing renewable energy procurement mandate for all enrolled customers. LACCE customers will also have the opportunity to participate in a 50 percent or 100 percent renewable supply option. To the extent that customers choose the LACCE Authority's 50 percent or 100 percent renewable energy option, the renewable content of the LACCE Authority's aggregate supply portfolio will further increase. Initially, requisite renewable energy supply will be sourced through one or more power purchase agreements. Over time, however, the LACCE Authority will consider independent development of new local renewable generation resources. The LACCE Authority seeks to establish a resource portfolio that encourages the use and development of cost-effective local renewable and distributed energy resources.

Energy Efficiency Impacts

A third consequence of the Program will be an anticipated increase in energy efficiency program investments and activities. The existing energy efficiency programs administered by the distribution utility are not expected to change as a result of LACCE Program implementation. LACCE customers will continue to pay the public benefits surcharges to the distribution utility, which will fund energy efficiency programs for all customers, regardless of generation supplier.

The energy efficiency investments ultimately planned for the LACCE Program, as described in Chapter 6, will follow the LACCE Authority's successful application for and administration of requisite program funding (from the CPUC) to independently administer energy efficiency programs within its jurisdiction. Such programs will be in addition to the level of investment that would continue in the absence of the LACCE Authority-administered energy efficiency programs. Thus, the LACCE Program has the potential for increased energy savings and a further reduction in emissions due to expanded energy efficiency programs.

² For SCE bundled service customers, the Power Charge Indifference Adjustment element of the Cost Responsibility Surcharge is contained within the tariffed Generation rate. Other elements of the Cost Responsibility Surcharge are set forth in SCE's tariffs as separate rates/charges paid by all customers (with limited exceptions).

CHAPTER 3 – Organizational Structure

This section provides an overview of the organizational structure of the LACCE Authority and its proposed implementation of the CCA program. Specifically, the key agreements, governance, management, and organizational functions of the LACCE Authority are outlined and discussed below.

Organizational Overview

On August 4, 2017, the LACCE Authority formed its Board of Directors to serve as its Governing Board. The Board is responsible for establishing LACCE Program policies and objectives and overseeing the LACCE Authority's operation. Also on August 4, 2017, the Board appointed an Interim Executive Director executive director to manage the operation of the LACCE Authority in accordance with policies adopted by the Board. When the LACCE Authority receives CPUC certification, the executive director will proceed to appoint staff and contractors to manage the LACCE Authority's activities. These activities include support services (administration, finance and IT), marketing and public affairs (community outreach, key account management and customer advocacy), Supply acquisition (energy trading, contract negotiation and system development) and Legal and government affairs.

Governance

The LACCE Program will be governed by the LACCE Authority's Board, which shall include one appointed designee from each of the Members. The LACCE Authority will be a joint powers agency formed under California law created on June 27, 2017. The Members of the LACCE Authority include two (2) municipalities located within the County as well as the unincorporated areas of the County, all of which have elected to allow the LACCE Authority to provide electric generation service within their respective jurisdictions. The LACCE Authority's Board will be comprised of representatives appointed by each of the Members in accordance with the JPA agreement. The LACCE Program will be operated under the direction of an executive director appointed by the Board, with legal and regulatory support provided by a Board appointed General Counsel.

The Board's primary duties are to establish program policies, approve rates and provide policy direction to the Executive Director, who has general responsibility for program operations, consistent with the policies established by the Board. The Board will elect a Chairman and Vice Chairman and will establish an Executive Committee, Finance Committee, and Community Advisory Committee. In the future, the Board may also establish other committees and sub-committees, as needed, to address issues that require greater expertise in particular areas. The LACCE Authority may also form various standing and ad hoc committees, as appropriate, which would have responsibility for evaluating various issues that may affect the LACCE Authority and its customers and would provide analytical support and recommendations to the Board in these regards.

Management

The LACCE Authority Board of Directors has appointed an Interim Executive Director, who has management responsibilities over functional areas of Administration & Finance, Marketing & Public Affairs, Power Resources & Energy Programs, and Government Affairs as well as the LACCE Authority's General Counsel. In performing his obligations to the LACCE Authority, the Executive Director may utilize a combination of internal staff and/or contractors. Certain specialized functions needed for program operations, namely the electric supply and customer account management functions described below, may be performed initially by third-party contractors.

Major functions of the LACCE Authority that will be managed by the Executive Director are summarized below.

Administration

The LACCE Authority's Executive Director is responsible for managing the organization's human resources and administrative functions and will coordinate with the LACCE Board, as necessary, with regard to these functions. The functional area of administration will include oversight of employee hiring and termination, compensation and benefits management, identification and procurement of requisite office space and various other issues.

Finance

The Executive Director is also responsible for managing the financial affairs of the LACCE Authority, including the development of an annual budget, revenue requirement and rates; managing and maintaining cash flow requirements; arranging potential bridge loans as necessary; and other financial tools.

Revenues via rates and other funding sources (such as a rate stabilization fund, when necessary) must, at a minimum, meet the annual budgetary revenue requirement, including recovery of all expenses and any reserves or coverage requirements set forth in bond covenants or other agreements. The LACCE Authority will have the flexibility to consider rate adjustments within certain ranges, administer a standardized set of electric rates, and may offer optional rates to encourage policy goals such as economic development or low income subsidy programs, provided that the overall revenue requirement is achieved.

The LACCE Authority may also offer customized pricing options such as dynamic pricing or contract-based pricing for energy intensive customers to help these customers gain greater control over their energy costs. This would provide such customers – mostly larger energy users within the commercial sector – with greater rate-related flexibility than is currently available.

The LACCE Authority's finance function will be responsible for arranging financing necessary for any capital projects, preparing financial reports, and ensuring sufficient cash flow for successful operation of the LACCE Program. The finance function will play an important role in risk management by monitoring the credit of energy suppliers so that credit risk is properly understood and mitigated. In the event that changes in a supplier's financial condition and/or

credit rating are identified, the LACCE Authority will be able to take appropriate action, as would be provided for in the electric supply agreement(s).

Marketing & Public Affairs

The marketing and public affairs functions include general program marketing and communications as well as direct customer interface ranging from management of key account relationships to call center and billing operations. The LACCE Authority will conduct program marketing to raise consumer awareness of the LACCE Program and to establish the LACCE “brand” in the minds of the public, with the goal of retaining and attracting as many customers as possible into the LACCE Program. Outgoing communications will also promote LACCE’s customer programs. Additionally, LACCE will communicate with key policy-makers at the state and local level, community business and opinion leaders, and the media.

In addition to general program communications and marketing, a significant focus on customer service, particularly representation for key accounts, will enhance the LACCE Authority’s ability to differentiate itself as a highly customer-focused organization that is responsive to the needs of the community. The LACCE Authority will also establish a customer call center designed to field customer inquiries and routine interaction with customer accounts.

The customer service function also encompasses management of customer data. Customer data management services include retail settlements/billing-related activities and management of a customer database. This function processes customer service requests and administers customer enrollments and departures from the LACCE Program, maintaining a current database of enrolled customers. This function coordinates the issuance of monthly bills through the distribution utility’s billing process and tracks customer payments. Activities include the electronic exchange of usage, billing, and payments data with the distribution utility and the LACCE Authority, tracking of customer payments and accounts receivable, issuance of late payment and/or service termination notices (which would return affected customers to bundled service), and administration of customer deposits in accordance with credit policies of the LACCE Authority.

The customer data management services function also manages billing-related communications with customers, customer call centers, and routine customer notices. The LACCE Authority will initially contract with a third party, who has demonstrated the necessary experience and administers an appropriate customer information system to perform the customer account and billing services functions.

Power Resources & Energy Programs

The LACCE Authority must plan for meeting the electricity needs of its customers utilizing resources consistent with its policy goals and objectives as well as applicable legislative and/or regulatory mandates. The LACCE Authority’s long term resource plans (addressing the 10-20 year planning horizon) will comply with California Law and other pertinent requirements of California regulatory bodies. The LACCE Authority may develop and administer complementary energy programs that may be offered to LACCE customers, including green pricing, energy efficiency, net

energy metering and various other programs that may be identified to support the overarching goals and objectives of the LACCE Authority.

The LACCE Authority will develop integrated resource plans that meet program supply objectives and balance cost, risk and environmental considerations. Such integrated resource plans will also conform to applicable requirements imposed by the State of California. Integrated resource planning efforts of the LACCE Authority will make maximum use of demand side energy efficiency, distributed generation and demand response programs as well as traditional supply options, which rely on structured wholesale transactions to meet customer energy requirements. Integrated resource plans will be updated and adopted by the LACCE Authority on an annual basis.

Electric Supply Operations

Electric supply operations encompass the activities necessary for wholesale procurement of electricity to serve end use customers. These highly specialized activities include the following:

- *Electricity Procurement* – assemble a portfolio of electricity resources to supply the electric needs of Program customers.
- *Risk Management* – application of standard industry techniques to reduce exposure to the volatility of energy and credit markets and insulate customer rates from sudden changes in wholesale market prices.
- *Load Forecasting* – develop load forecasts, both long-term for resource planning and short-term for the electricity purchases and sales needed to maintain a balance between hourly resources and loads.
- *Scheduling Coordination* – scheduling and settling electric supply transactions with the CAISO.

The LACCE Authority will initially contract with one or more experienced and financially sound third party energy services providers to perform all of the electric supply operations for the LACCE Program. These requirements include the procurement of energy, capacity and ancillary services, scheduling coordinator services, short-term load forecasting and day-ahead and real-time electricity trading.

Local Energy Programs

A key focus of the LACCE Program will be the development and implementation of local energy programs, including energy efficiency programs, distributed generation programs and other energy programs responsive to community interests. These programs are likely to be phased in during the first several years of operations. The implementation of such programs will follow the identification of requisite funding sources.

The LACCE Authority will eventually administer energy efficiency, demand response and distributed generation programs that can be used as cost-effective alternatives to procurement of supply-resources. The LACCE Authority will attempt to consolidate existing demand side programs into this organization and leverage the structure to expand energy efficiency offerings

to customers throughout its service territory, including the CPUC application process for third party administration of energy efficiency programs and use of funds collected through the existing public benefits surcharges paid by LACCE customers.

Governmental Affairs & General Counsel

The LACCE Program will require ongoing regulatory and legislative representation to manage various regulatory compliance filings related to resource plans, resource adequacy, compliance with California’s Renewables Portfolio Standard (“RPS”), and overall representation on issues that will impact the LACCE Authority, its Members and customers. The LACCE Authority will maintain an active role at the CPUC, the California Energy Commission, the California Independent System Operator, the California legislature and, as necessary, the Federal Energy Regulatory Commission.

Under the direction of its General Counsel, the LACCE Authority may retain outside legal services, as necessary, to administer the LACCE Authority, review contracts, and provide overall legal support related to activities of the LACCE Program.

CHAPTER 4 – Startup Plan & Funding

This Chapter presents the LACCE Authority's plans for the start-up period, including necessary expenses and capital outlays. As described in the previous Chapter, the LACCE Authority may utilize a mix of staff and contractors in its CCA Program implementation.

Startup Activities

The initial program startup activities include the following:

- Hire staff and/or contractors to manage implementation
- Identify qualified suppliers (of requisite energy products and related services) and negotiate supplier contracts
 - ✓ Electric supplier and scheduling coordinator
 - ✓ Data management provider (if separate from energy supply)
- Define and execute communications plan
 - ✓ Customer research/information gathering
 - ✓ Media campaign
 - ✓ Key customer/stakeholder outreach
 - ✓ Informational materials and customer notices
 - ✓ Customer call center
- Post CCA bond and complete requisite registration requirements
- Pay utility service initiation, notification and switching fees
- Perform customer notification, opt-out and transfers
- Conduct load forecasting
- Establish rates
- Legal and regulatory support
- Financial management and reporting

Other costs related to starting up the LACCE Program will be the responsibility of the LACCE Program's contractors (and are assumed to be covered by any fees/charges imposed by such contractors). These may include capital requirements needed for collateral/credit support for electric supply expenses, customer information system costs, electronic data exchange system costs, call center costs, and billing administration/settlements systems costs.

Staffing and Contract Services

Personnel in the form of LACCE staff or contractors will be added incrementally to match workloads involved in forming the new organization, managing contracts, and initiating customer outreach/marketing during the pre-operations period. During the startup period, minimal personnel requirements would include an Executive Director, a General Counsel, and

other personnel needed to support regulatory, procurement, finance, and communications activities.

For budgetary purposes, it is assumed that 5 to 10 full-time equivalents (staff or contracted professional services) supporting the above listed activities would be engaged during the initial start-up period. Following this period, additional staff and/or contractors will be retained, as needed, to support the roll-out of additional value-added services (e.g., efficiency projects) and local generation projects and programs.

Capital Requirements

The Start-up of the CCA Program will require capital for three major functions: (1) staffing and contractor costs; (2) deposits and reserves; and (3) working capital. Based on the LACCE Authority's anticipated start-up activities and phase-in schedule, a total need of nearly \$50 million has been identified to support the aforementioned functions. The finance plan in Chapter 7 provides some additional detail regarding the LACCE Authority's expected capital requirements and general Program finances.

Related to the LACCE Authority's initial capital requirement, this amount is expected to cover staffing and contractor costs during startup and pre-startup activities, including direct costs related to public relations support, technical support, and customer communications. Requisite deposits and operating reserves are also reflected in the initial capital requirement, including the following items: 1) operating reserves to address anticipated cash flow variations (as well as operating reserve deposits that will likely be required by the LACCE Authority's power supplier(s)); 2) requisite deposit with the California Independent System Operator prior to commencing market operations; 3) CCA bond (posted with the CPUC); and 4) SCE service fee deposit.

Operating revenues from sales of electricity will be remitted to the LACCE Authority beginning approximately sixty days after the initial customer enrollments. This lag is due to the distribution utility's standard meter reading cycle of 30 days and a 30-day payment/collections cycle. The LACCE Authority will need working capital to support electricity procurement and costs related to program management, which is included in the LACCE Authority's initial capital requirements.

Financing Plan

The LACCE Authority's initial capital requirement will be provided via a \$10 million loan from Los Angeles County and conventional financing methods (e.g., bank loans and/or lines of credit); subsumed in the initial capital requirement is the LACCE Authority's initial start-up funding (\$10 million), which has been provided by LA County in accordance with the LACCE Authority's JPA Agreement – these amounts are to be repaid by the LACCE Authority no later than June 30, 2018. For all other amounts borrowed, the LACCE Authority will make repayments (including any interest, as applicable). The LACCE Authority will recover the principal and interest costs associated with the start-up funding via retail generation rates charged LACCE customers. It is

anticipated that the start-up costs will be fully recovered through such customer generation rates within the first several years of operations.

CHAPTER 5 – Program Phase-In

The LACCE Authority will roll out its service offering to customers over the course of three or more phases:

Phase 1. LA County Municipal accounts

Phase 2. Municipal, Commercial and Industrial Customers in JPA service area

Phase 3. All Remaining Customers in JPA service area

This approach provides the LACCE Authority with the ability to initiate its program with sufficient economic scale before building to full program integration for an expected customer base of approximately 285,000 accounts, post customer opt-out. The LACCE Authority will offer service to all customers on a phased basis, which is expected to be completed within 12 months of initial service to Phase 1 customers.

Phase 1 of the Program is targeted to begin on or about January 15, 2018, subject to a decision to proceed by the LACCE Authority. During Phase 1, the LACCE Authority anticipates serving approximately 1,700 accounts, comprised of all LA County municipal accounts, totaling nearly 170 GWh of annual energy sales. Specific accounts to be included in Phase 1 will be approximately five (5) percent of the LACCE Authority's total customer load and will be specifically defined after further analysis and consideration by the LACCE Authority.

Phase 2 of the Program will commence following successful operation of the LACCE Program over an approximate six-month term, which corresponds with an expected Phase 2 service commencement date occurring no later than June 2018. It is anticipated that approximately 25,000 additional customers, comprised of commercial and industrial customers, will be included in Phase 2, with annual energy consumption approximating 1,950 GWh, or fifty-five (55) percent of the LACCE Authority's total prospective customer load, inclusive of Phase 1. The LACCE Authority is currently refining the potential composition of Phase 2 accounts in consideration of cost of service and customer load characteristics as well as other operational considerations.

Following the successful completion of Phase 1 and Phase 2 customer enrollments, the LACCE Authority will complete roll out to all remaining customers in Phase 3, which is currently expected to occur no later than December 2018, subject to roll-out success of previous phases. This phase is expected to include residential accounts within LACCE's service territory as well as all agricultural and street lighting accounts. Phase 3 will total approximately 285,000 accounts with annual energy consumption of approximately 3,470 GWh, or one hundred (100) percent of LACCE's current prospective customer load, inclusive of Phases 1 and 2.

To the extent that additional customers require enrollment after the completion of Phase 3, the LACCE Authority will evaluate a subsequent phase of CCA enrollment.

The LACCE Authority may also evaluate other phase-in options based on current market conditions, statutory requirements and regulatory considerations as well as other factors potentially affecting the integration of additional customer accounts.

CHAPTER 6 – Load Forecast & Resource Plan

Introduction

This Chapter describes the planned mix of electric resources that will meet the energy demands of the LACCE Authority customers using a diversified portfolio of electricity supplies. Several overarching policies govern the resource plan and the ensuing resource procurement activities that will be conducted in accordance with the plan. These key policies are as follows:

- The LACCE Authority will seek to increase use of renewable energy resources and distributed energy resources in order to reduce reliance on fossil-fueled electric generation for purposes of reducing electric sector GHG emissions.
- The LACCE Authority will manage a diverse resource portfolio to increase control over energy costs and maintain competitive and stable electric rates.
- The LACCE Authority will apply for the administration of energy efficiency program funding to help customers reduce energy costs through administration of enhanced customer energy efficiency, distributed generation, and other demand reducing programs.
- The LACCE Authority will benefit the area's economy through investment in local infrastructure, energy projects and energy programs.

The LACCE Authority's initial resource mix will include a proportion of renewable energy meeting California's prevailing RPS procurement mandate. As the LACCE Program moves forward, incremental renewable supply additions will be made based on resource availability as well as economic goals of the LACCE Program to achieve increased renewable energy content over time.

The LACCE Authority's aggressive commitment to renewable generation adoption may involve both direct investment in new renewable generating resources, partnerships with experienced public power developers/operators and purchases of renewable energy from third party suppliers.

The plan described in this section would accomplish the following:

- Procure energy through one or more contracts with experienced, financially stable energy suppliers sufficient to offer three distinct generation rate tariffs: 1) 100 percent renewable energy; 2) 50 percent renewable energy; and 3) a LACCE service option that includes a proportion of renewable energy meeting California's prevailing renewable energy procurement mandate.
- Member agencies will choose the default option into which their customers will be enrolled when service begins. After enrollment, customers will be allowed to participate in any of the three available energy supply options.

- Continue increasing renewable energy supplies over time to meet or exceed state mandates, subject to resource availability and economic viability.
- Actively pursue energy efficiency projects and programs using program revenues, in collaboration with the other efficiency program administrators in the region. Additionally, if LACCE is successful in applying for administration of public funding to support locally administered efficiency programs, it will even more robustly work to reduce net electricity purchases within the region.

Encourage distributed renewable generation in the local area through the offering of a net energy metering tariff; a standardized power purchase agreement or “Feed-In Tariff”; and other creative, customer-focused programs targeting increased access to local renewable energy sources.

The LACCE Authority will comply with regulatory rules applicable to California load serving entities. The LACCE Authority will arrange for the scheduling of sufficient electric supplies to meet the demands of its customers. The LACCE Authority will adhere to capacity reserve requirements established by the CPUC and the CAISO designed to address uncertainty in load forecasts and potential supply disruptions caused by generator outages and/or transmission contingencies. These rules also ensure that physical generation capacity is in place to serve LACCE’s customers, even if there were a need for the LACCE Program to cease operations and return customers to SCE. In addition, the LACCE Authority will be responsible for ensuring that its resource mix contains sufficient production from renewable energy resources needed to comply with the statewide RPS (33 percent renewable energy by 2020, increasing to 50 percent by 2030). The resource plan will meet or exceed all of the applicable regulatory requirements related to resource adequacy and the RPS.

Resource Plan Overview

To meet the aforementioned objectives and satisfy the applicable regulatory requirements pertaining to the LACCE Authority’s status as a California load serving entity, the LACCE Authority’s resource plan includes a diverse mix of power purchases, renewable energy, distributed energy, new energy efficiency programs, demand response, and distributed generation. A diversified resource plan minimizes risk and volatility that can occur from over-reliance on a single resource type or fuel source, and thus increases the likelihood of rate stability. The ultimate goal of the LACCE Authority’s resource plan is to reduce electric sector GHG emissions while offering competitive generation rates to participating customers. The planned power supply is initially comprised of power purchases from third party electric suppliers and, in the longer-term, may also include renewable generation assets owned and/or controlled by the LACCE Authority.

Once the LACCE Program demonstrates it can operate successfully, the LACCE Authority may begin evaluating opportunities for investment in renewable generating assets, subject to then-current market conditions, statutory requirements and regulatory considerations. Any renewable

generation owned by the LACCE Authority or controlled under long-term power purchase agreement with a proven public power developer, could provide a portion of the LACCE Authority's electricity requirements on a cost-of-service basis. Depending upon market conditions and, importantly, the applicability of tax incentives for renewable energy development, electricity purchased under a cost-of-service arrangement can be more cost-effective than purchasing renewable energy from third party developers, which will allow the LACCE Program to pass on cost savings to its customers through competitive generation rates. Any investment decisions will be made following thorough environmental reviews and in consultation with qualified financial and legal advisors.

As an alternative to direct investment, the LACCE Authority may consider partnering with an experienced public power developer and could enter into a long-term (20-to-30 year) power purchase agreement that would support the development of new renewable generating capacity. Such an arrangement could be structured to reduce the LACCE Program's operational risk associated with capacity ownership while providing its customers with all renewable energy generated by the facility under contract. This option may be preferable to the LACCE Authority as it works to achieve increasing levels of renewable energy supply to its customers.

The LACCE Authority's resource plan will integrate supply-side resources with programs that will help customers reduce their energy costs through improved energy efficiency and other demand-side measures. As part of its integrated resource plan, the LACCE Authority will actively pursue, promote and ultimately administer a variety of customer energy efficiency programs that can cost-effectively displace supply-side resources.

The LACCE Authority's indicative resource plan for the years 2018 through 2027 is summarized in the following table. Note that the LACCE Authority's projections reflect a portfolio mix of 60% renewable resources and 40% conventional resources for Phase 1. Subject to the availability of funds, a sizable percentage of the conventional resources reflected in the following table will be replaced with GHG-free resources.

Table 1
Los Angeles Community Choice Energy
Proposed Resource Plan (GWh)
2018 to 2027

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
LACCE Demand										
Retail Demand	1,419	3,465	3,472	3,479	3,486	3,493	3,500	3,507	3,514	3,521
Dist. Gen	0	0	0	0	0	0	0	0	0	0
Energy Efficiency	0	0	0	0	0	0	0	0	0	0
Losses and UFE	92	225	226	226	226	227	227	228	228	229
TOTAL DEMAND	1,511	3,690	3,698	3,705	3,712	3,720	3,727	3,735	3,742	3,750
LACCE Supply										
Total Renewable Resources	907	1,845	1,849	1,853	1,856	1,860	1,864	1,868	1,871	1,875
Total Conventional Resources	604	1,845	1,849	1,853	1,856	1,860	1,864	1,868	1,871	1,875
TOTAL SUPPLY	1,511	3,690	3,698	3,705	3,712	3,720	3,727	3,735	3,742	3,750
Energy Open Position	0	0	0	0	0	0	0	0	0	0

Supply Requirements

The starting point for the LACCE Authority's resource plan is a projection of participating customers and associated electric consumption. Projected electric consumption is evaluated on an hourly basis, and matched with resources best suited to serving the aggregate of hourly demands or the program's "load profile". The electric sales forecast and load profile will be affected by the LACCE Authority's plan to introduce the LACCE Program to customers in phases and the degree to which customers choose to remain with SCE during the customer enrollment and opt-out periods. The LACCE Authority's phased roll-out plan and assumptions regarding customer participation rates are discussed below.

Customer Participation Rates

Customers will be automatically enrolled in the LACCE Program unless they opt-out during the customer notification process conducted during the 60-day period prior to enrollment and continuing through the 60-day period following commencement of service. For the first phase, LA County municipal accounts, the LACCE Authority anticipates a 100% participation rate. For subsequent phases, the LACCE Authority anticipates an overall customer participation rate of approximately 90 percent of SCE bundled service customers, based on reported opt-out rates for the Marin Clean Energy, Sonoma Clean Power and Lancaster Choice Energy CCA programs. It is assumed that customers taking direct access service from a competitive electricity provider will continue to remain with their current supplier.

The participation rate is not expected to vary significantly among customer classes, in part due to the fact that the LACCE Authority will offer three distinct rate tariffs that will address the needs of cost-sensitive customers as well as the needs of both residential and business customers that prefer a highly renewable energy product. The assumed participation rates will be refined as the LACCE Authority's public outreach and market research efforts continue to develop.

Customer Forecast

Once customers enroll in each phase, they will be switched over to service by the LACCE Authority on their regularly scheduled meter read date over an approximately thirty-day period. Approximately 58 service accounts per day will be switched over during the first month of service. For Phase 2, the number of accounts switched over to LACCE service will increase to about 820 accounts per day. For Phase 3, the number of accounts switched over to LACCE service will increase again to about 8,400 accounts per day. The number of accounts served by the LACCE Authority at the end of each phase is shown in the table below.

Table 2 Los Angeles Community Choice Energy Enrolled Retail Service Accounts Phase-In Period (End of Month)				
LACCE Customers	Eligible Accounts	Jan-18 Phase 1	Jun-18 Phase 2	Dec-18 Phase 3
Residential	289,205	43	43	252,369
Small Commercial	23,865	746	20,163	20,746
Medium Commercial	4,165	167	3,612	3,612
Large Commercial	305	17	261	267
Industrial	136	10	115	118
Street Lighting & Traffic	1,276	690	1,255	1,276
Agricultural & Pumping	972	64	852	852
Total	319,925	1,738	26,302	279,241

The LACCE Authority assumes that customer growth will generally offset customer attrition (opt-outs) over time, resulting in a relatively stable customer base (0.2% annual growth) over the noted planning horizon. While the successful operating track record of California CCA programs continues to grow, there is a relatively short history with regard to CCA operations in SCE service area, which makes it fairly difficult to anticipate the actual levels of customer participation within the LACCE Program. The LACCE Authority believes that its assumptions regarding the offsetting effects of growth and attrition are reasonable in consideration of the historical customer growth within Los Angeles County and the potential for continuing customer opt-outs following mandatory customer notification periods. The forecast of service accounts (customers) served by LACCE for each of the next ten years is shown in the following table:

Table 3
Los Angeles Community Choice Energy
Retail Service Accounts (End of Year)
2018 to 2027

LACCE Customers	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Residential	252,369	258,820	259,337	259,856	260,376	260,896	261,418	261,941	262,465	262,990
Small Commercial	20,746	21,235	21,278	21,320	21,363	21,406	21,449	21,491	21,534	21,578
Medium Commercial	3,612	3,619	3,627	3,634	3,641	3,649	3,656	3,663	3,670	3,678
Large Commercial	267	269	270	270	271	271	272	272	273	273
Industrial	118	125	125	125	126	126	126	126	127	127
Street Lighting & Traffic	1,276	1,277	1,280	1,282	1,285	1,287	1,290	1,293	1,295	1,298
Agricultural & Pumping	852	860	861	863	865	867	868	870	872	873
Total	279,241	286,205	286,778	287,351	287,926	288,502	289,079	289,657	290,236	290,817

Sales Forecast

The LACCE Authority's forecast of kWh sales reflects the roll-out and customer enrollment schedule shown above. Annual energy requirements are shown below.

Table 4
Los Angeles Community Choice Energy
Annual Energy Requirements (GWh)
2018 to 2027

LACCE Energy Req.	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Retail Energy	1,419	3,465	3,472	3,479	3,486	3,493	3,500	3,507	3,514	3,521
Losses and UFE	92	225	226	226	226	227	227	228	228	229
Total Load Requirement	1,511	3,690	3,698	3,705	3,712	3,720	3,727	3,735	3,742	3,750

Capacity Requirements

The CPUC's resource adequacy standards applicable to the LACCE Program require a demonstration one year in advance that LACCE has secured physical capacity for 90 percent of its projected peak loads for each of the five months May through September, plus a minimum 15 percent reserve margin. On a month-ahead basis, LACCE must demonstrate 100 percent of the peak load plus a minimum 15 percent reserve margin.

A portion of the LACCE Authority's capacity requirements must be procured locally, from the Greater LA area as defined by the CAISO and another portion must be procured from local reliability areas outside the Greater LA Area. The LACCE Authority would be required to demonstrate its local

capacity requirement for each month of the following calendar year. The local capacity requirement is a percentage of the total (SCE service area) local capacity requirements adopted by the CPUC based on the LACCE Authority's forecasted peak load. The LACCE Authority must demonstrate compliance or request a waiver from the CPUC requirement as provided for in cases where local capacity is not available.

The LACCE Authority is also required to demonstrate that a specified portion of its capacity meets certain operational flexibility requirements under the CPUC and CAISO's flexible resource adequacy framework. The estimated forward resource adequacy requirements for 2018 through 2020 are shown in the following tables³:

Table 5
Los Angeles Community Choice Energy
Forward Capacity and Reserve Requirements (MW)
2018 to 2020

Month	2018	2019	2020
January	33	676	678
February	35	535	509
March	35	645	646
April	38	717	719
May	37	610	611
June	39	750	752
July	831	837	838
August	868	875	876
September	973	982	984
October	892	893	895
November	543	544	545
December	696	698	699

The LACCE Authority's plan ensures that sufficient reserves will be procured to meet its peak load at all times. The LACCE Authority's projected annual capacity requirements are shown in the following table:

³ The figures shown are estimates. The LACCE Authority's resource adequacy requirements will be subject to modification due to application of certain coincidence adjustments and resource allocations relating to utility demand response and energy efficiency programs, as well as generation capacity allocated through the Cost Allocation Mechanism. These adjustments are addressed through the CPUC's resource adequacy compliance process.

Table 6
Los Angeles Community Choice Energy
Capacity Requirements (MW)
2018 to 2027

Demand (MW)	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Retail Demand	973	982	984	984	986	987	989	991	993	995
Losses and UFE	0	0	0	0	0	0	0	0	0	0
Total Net Peak Demand	973	982	984	984	986	987	989	991	993	995
Reserve Requirement (%)	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Capacity Reserve Requirement	146	147	148	148	148	148	148	149	149	149
Capacity Requirement Including Reserve	1,119	1,129	1,131	1,131	1,133	1,136	1,138	1,140	1,142	1,145

Local capacity requirements are a function of the SCE area resource adequacy requirements and the LACCE Authority's projected peak demand. The LACCE Authority will need to work with the CPUC's Energy Division and staff at the California Energy Commission to obtain the data necessary to calculate its monthly local capacity requirement. A preliminary estimate of the LACCE Authority's annual local capacity requirement for the ten-year planning period ranges from approximately 399 MW to 409 MW as shown in the following table:

Table 7
Los Angeles Community Choice Energy
Local Capacity Requirements (MW)
2018 to 2027

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
LACE Peak	973	982	984	984	986	987	989	991	993	995
Local Capacity Req. (% of Peak)	41%	41%	41%	41%	41%	41%	41%	41%	41%	41%
LA Basin Share of Local Capacity	76%	76%	76%	76%	76%	76%	76%	76%	76%	76%
Other SCE Areas (Big Creek/Ventura) Share of Local Capacity	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%
LACCE Local Capacity Req., LA Basin	305	308	308	308	309	309	310	311	311	312
LACCE Local Capacity Req., Other SCE	94	95	95	95	95	95	96	96	96	96
LACCE Local Capacity Req., Total	399	402	403	403	404	405	406	406	407	408

The CPUC assigns local capacity requirements during the year prior to the compliance period; thereafter, the CPUC provides local capacity requirement true-ups for the second half of each compliance year.

The LACCE Authority will coordinate with SCE and appropriate state agencies to manage the transition of responsibility for resource adequacy from SCE to the LACCE Authority during CCA program phase-in. For system resource adequacy requirements, the LACCE Authority will make month-ahead showings for each month that the LACCE Authority plans to serve load, and load migration issues would be addressed through the CPUC’s approved procedures. The LACCE Authority will work with the California Energy Commission and CPUC prior to commencing service to customers to ensure it meets its local and system resource adequacy obligations through its agreement(s) with its chosen electric supplier(s).

Renewables Portfolio Standards Energy Requirements

Basic RPS Requirements

As a CCA, the LACCE Authority will be required by law and ensuing CPUC regulations to procure a certain minimum percentage of its retail electricity sales from qualified renewable energy resources. For purposes of determining the LACCE Authority’s renewable energy requirements, the same standards for RPS compliance that are applicable to the distribution utilities are assumed to apply to the LACCE Authority.

California’s RPS program is currently undergoing reform. On October 7, 2015, Governor Brown signed Senate Bill 350 (“SB 350”; De Leon and Leno), the Clean Energy and Pollution Reduction Act of 2015, which increased California’s RPS procurement target from 33 percent by 2020 to 50 percent by 2030 amongst other clean-energy initiatives. Many details related to SB 350 implementation will be developed over time with oversight by designated regulatory agencies. However, it is reasonable to assume that interim annual renewable energy procurement targets will be imposed on CCAs and other retail electricity sellers to facilitate progress towards the 50 percent procurement mandate – for planning purposes, the LACCE Authority has assumed straight-line annual increases (1.7 percent per year) to the RPS procurement target beginning in 2021, as the state advances on the 50 percent RPS. The LACCE Authority will also adopt an integrated resource plan in compliance with SB 350 – the LACCE Authority understands that various details related to this planning requirement have yet to be developed, and the LACCE Authority intends to monitor and participate, as appropriate, in pertinent proceedings to promote the preparation and submittal of a responsive planning document. Furthermore, the LACCE Authority will ensure that all long-term renewable energy contracting requirements, as imposed by SB 350, will be satisfied through appropriate transactions with qualified suppliers and will also reflect this intent in ongoing resource planning and procurement efforts.

The LACCE Authority’s Renewables Portfolio Standards Requirement

The LACCE Authority’s annual RPS procurement requirements, as specified under California’s RPS program, are shown in the table below. When reviewing this table, it is important to note that the LACCE Authority projects increases in energy efficiency savings as well as increases in locally situated

distributed generation capacity, resulting in only a slight upward trend in projected retail electricity sales.

Table 8										
Los Angeles Community Choice Energy										
RPS Requirements (GWh)										
2018 to 2027										
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Retail Sales	1,419	3,465	3,472	3,479	3,486	3,493	3,500	3,507	3,514	3,521
Baseline	355	1,005	1,146	1,209	1,272	1,336	1,400	1,461	1,523	1,584
% of Current Year Retail Sales*	25%	29%	33%	35%	37%	38%	40%	42%	43%	45%

*Note: Specific details related to SB 350 implementation have yet to be identified. For purposes of this table, the LACCE Authority assumed a straight-line increase from California's 33 percent RPS procurement mandate in 2020 to California's new, 50 percent RPS procurement mandate in 2030. The LACCE Authority may choose to accelerate this schedule in the future.

Purchased Power

Power purchased from power marketers, public agencies, generators, and/or utilities will be a significant source of supply during the first several years of LACCE Program operation. The LACCE Authority will initially contract to obtain all of its electricity from one or more third party electric providers under one or more power supply agreements, and the supplier(s) will be responsible for procuring the specified resource mix, including the LACCE Authority's desired quantities of renewable energy, to provide a stable and cost-effective resource portfolio for the Program.

Renewable Resources

the LACCE Authority will initially secure necessary renewable power supply from its third party electric supplier(s). The LACCE Authority may supplement the renewable energy provided under the initial power supply contract(s) with direct purchases of renewable energy from renewable energy facilities or from renewable generation developed and owned by the LACCE Authority. At this point in time, it is not possible to predict what projects might be proposed in response to future renewable energy solicitations administered by the LACCE Authority, unsolicited proposals or discussions with other agencies. Renewable projects that are located virtually anywhere in the Western Interconnection can be considered as long as the electricity is deliverable to the CAISO control area, as required to meet the Commission's RPS rules and any additional guidelines ultimately adopted by the LACCE Authority. The costs of transmission access and the risk of transmission congestion costs would need to be considered in the bid evaluation process if the delivery point is outside of the LACCE Authority's load zone, as defined by the CAISO.

Energy Efficiency

The LACCE Authority's energy efficiency goals will reflect a strong commitment to increasing energy efficiency within the County, expanding beyond the savings achieved by SCE's programs. To promote the achievement of this goal, the LACCE Authority plans to complete the CPUC application process

for third party administration of energy efficiency programs and use of funds collected through the existing public benefits surcharges paid by LACCE customers. To the extent that the LACCE Authority is successful in this application process, receiving funding to administer additional energy efficiency programs within the region, it will seek to maximize end-use customer energy efficiency by facilitating customer participation in existing utility programs as well as by forming new programs that will displace the LACCE Authority's need for traditional electric procurement activities. Additional details related to the LACCE Authority's energy efficiency plan will be developed once LACCE Program phase-in is underway.

Demand Response

Demand response programs provide incentives to customers to reduce demand upon request by the load serving entity (i.e., the LACCE Authority), reducing the amount of generation capacity that must be maintained as infrequently used reserves. Demand response programs can be cost effective alternatives to procured capacity that would otherwise be needed to comply with California's resource adequacy requirements. The programs also provide rate benefits to customers who have the flexibility to reduce or shift consumption for relatively short periods of time when generation capacity is most scarce. Like energy efficiency, demand response can be a win/win proposition, providing economic benefits to the electric supplier as well as customer service benefits.

In its ruling on local resource adequacy, the CPUC found that dispatchable demand response resources as well as distributed generation resources should be counted for local capacity requirements. This resource plan anticipates that the LACCE Authority's demand response programs would partially offset its local capacity requirements beginning in 2020.

SCE offers several demand response programs to its customers, and the LACCE Authority intends to recruit those customers that have shown a willingness to participate in utility programs into similar programs offered by the LACCE Authority. The LACCE Authority may also adopt a demand response program that enables it to request customer demand reductions during times when capacity is in short supply or spot market energy costs are exceptionally high.

Appropriate limits on customer curtailments, both in terms of the length of individual curtailments and the total number of curtailment hours that can be called should be included in the LACCE Authority's demand response program design. It will also be important to establish a reasonable measurement protocol for customer performance of its curtailment obligations and deploy technology to automate customer notifications and responses. Performance measurement should include establishing a customer specific baseline of usage prior to the curtailment request from which demand reductions can be measured. The LACCE Authority may utilize experienced third party contractors to design, implement and administer its demand response programs.

Distributed Generation

Consistent with the LACCE Authority's policies and the state's Energy Action Plan, clean distributed generation is a component of the integrated resource plan. The LACCE Authority will work to promote deployment of photovoltaic (PV) systems within the LACCE Authority's service territory,

with the goal of optimizing the use of the available incentives that are funded through current utility distribution rates and public benefits surcharges. The LACCE Authority also plans to implement a net energy metering program and a feed-in-tariff to promote local investment in distributed generation.

There are clear environmental benefits and strong customer interest in distributed PV systems. To support such systems, the LACCE Authority may provide direct financial incentives from revenues funded by customer rates to further support use of solar power and/or other renewable resources within the local area. With regard to the LACCE Authority's prospective net energy metering program, it is anticipated that the LACCE Authority would eventually adopt a program that would allow participating customers to sell excess energy produced by customer-sited renewable generating sources to the LACCE Authority. Such a program would be generally consistent with principles identified in Assembly Bill 920 ("AB 920"), which directed the CPUC to establish and implement a compensation methodology for surplus renewable generation produced by net energy metered facilities located within the service territories of California's large investor owned utilities, including SCE. However, the LACCE Authority may choose to offer enhanced compensation structures, relative to those implemented as a result of AB 920, as part of the direct incentives that may be established to promote distributed generation development within LA County. To the extent that incentives offered by the LACCE Authority improve project economics for its customers, it is reasonable to assume that the penetration of distributed generation within the County would increase.

CHAPTER 7 – Financial Plan

This Chapter examines the monthly cash flows expected during the startup and customer phase-in period of the LACCE Program and identifies the anticipated financing requirements. It includes estimates of program startup costs, including necessary expenses and capital outlays. It also describes the requirements for working capital and long-term financing for the potential investment in renewable generation, consistent with the resource plan contained in Chapter 6.

Description of Cash Flow Analysis

The LACCE Authority's cash flow analysis estimates the level of capital that will be required during the startup and phase-in period. The analysis focuses on the LACCE Program's monthly costs and revenues and specifically accounts for the phased enrollment of LACCE Program customers described in Chapter 5.

Cost of CCA Program Operations

The first category of the cash flow analysis is the Cost of CCA Program Operations. To estimate the overall costs associated with CCA Program Operations, the following components were taken into consideration:

- Electricity Procurement;
 - ✓ Ancillary Service Requirements;
 - ✓ Grid Management and other CAISO Charges;
 - ✓ Scheduling Coordination;
- Exit Fees;
- Staffing and Professional Services;
- Data Management Costs;
- Administrative Overhead;
- Billing Costs;
- CCA Bond and Security Deposit;
- Pre-Startup Cost; and
- Debt Service.

Revenues from CCA Program Operations

The cash flow analysis also provides estimates for revenues generated from CCA operations or from electricity sales to customers. In determining the level of revenues, the analysis assumes the customer phase-in schedule described herein, and assumes that the LACCE Authority charges a standard, default electricity tariff similar to the generation rates of SCE for each customer class, an optional 50% renewable energy tariff, and an optional 100% renewable energy tariff, both at a

premium reflective of incremental renewable power costs. More detail on LACCE Program rates can be found in Chapter 8.

Cash Flow Analysis Results

The results of the cash flow analysis provide an estimate of the level of capital required for the LACCE Authority to move through the CCA startup and phase-in periods. This estimated level of capital is determined by examining the monthly cumulative net cash flows (revenues from CCA operations minus cost of CCA operations) based on assumptions for payment of costs or other cash requirements (e.g., deposits) by the LACCE Authority, along with estimates for when customer payments will be received. This identifies, on a monthly basis, what level of cash flow is available in terms of a surplus or deficit.

The cash flow analysis identifies funding requirements in recognition of the potential lag between revenues received and payments made during the phase-in period. The estimated financing requirements for the startup and phase-in period, including working capital needs associated with all three phases of customer enrollments, was determined to be \$50 million. Working capital requirements peak soon after enrollment of the Phase 3 customers.

CCA Program Implementation Pro Forma

In addition to developing a cash flow analysis which estimates the level of working capital required to move the LACCE Authority through full CCA phase-in, a summary pro forma analysis that evaluates the financial performance of the CCA program during the phase-in period is shown below. The difference between the cash flow analysis and the CCA pro forma analysis is that the pro forma analysis does not include a lag associated with payment streams. In essence, costs and revenues are reflected in the month in which service is provided. All other items, such as costs associated with CCA Program operations and rates charged to customers remain the same. Cash provided by financing activities are not shown in the pro forma analysis, although payments for debt service are included as a cost item.

The results of the pro forma analysis are shown in the following tables. In particular, the summary of CCA program startup and phase-in addresses projected LACCE Program operations for the period beginning January 2018 through December 2027⁴. The LACCE Authority has also included a summary of Program reserves, which are expected to accrue over this same period of time.

⁴ Costs projected for staffing & professional services and other administrative & general relate to energy procurement, administration of energy efficiency and other local programs, generation development, customer service, marketing, accounting, finance, legal and regulatory activities necessary for program operation.

Table 9
Los Angeles Community Choice Energy
Summary of CCA Program Start-Up and Phase-In
2018 to 2027

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Revenue from Operations (\$)											
Electric Sales Rev	\$92,221,765	\$241,139,907	\$250,468,101	\$255,504,930	\$261,959,532	\$248,317,287	\$252,171,999	\$255,098,549	\$258,137,112	\$261,649,544	\$2,376,668,726
Less Uncollected Accounts	\$313,493	\$780,022	\$794,019	\$808,982	\$823,767	\$840,351	\$856,868	\$873,511	\$890,743	\$908,919	\$7,890,675
Total Revenues	\$91,908,272	\$240,359,885	\$249,674,082	\$254,695,948	\$261,135,765	\$247,476,936	\$251,315,132	\$254,225,037	\$257,246,369	\$260,740,624	\$2,368,778,051
Cost of Operations (\$)											
Cost of Energy	\$58,998,601	\$141,702,746	\$144,477,974	\$147,395,157	\$150,275,362	\$153,514,114	\$156,737,900	\$159,985,849	\$163,349,876	\$166,901,511	\$1,443,339,091
PCIA	\$25,429,976	\$64,949,044	\$89,025,139	\$87,930,395	\$86,876,842	\$66,506,721	\$64,870,294	\$63,881,825	\$62,873,862	\$61,719,692	\$674,063,791
Operating & Administrative											
Billing & Data Management	\$600,172	\$4,357,019	\$4,365,733	\$4,374,465	\$4,383,214	\$4,391,980	\$4,400,764	\$4,409,566	\$4,418,385	\$4,427,222	\$40,128,519
SCE Fees	\$784,730	\$1,429,214	\$1,432,072	\$1,434,936	\$1,437,805	\$1,440,681	\$1,443,562	\$1,446,449	\$1,449,341	\$1,452,240	\$13,751,029
Tech. Services	\$580,000	\$1,150,000	\$1,150,000	\$1,150,000	\$1,150,000	\$1,150,000	\$1,150,000	\$1,150,000	\$1,150,000	\$1,150,000	\$10,930,000
Staffing	\$1,135,000	\$2,825,400	\$2,881,908	\$2,939,546	\$2,998,337	\$3,058,304	\$3,119,470	\$3,181,859	\$3,245,496	\$3,310,406	\$28,695,727
G&A Exp.	\$600,000	\$356,000	\$312,120	\$318,362	\$324,730	\$331,224	\$337,849	\$344,606	\$351,498	\$358,528	\$3,634,916
Debt Service	\$0	\$4,183,967	\$4,183,967	\$4,183,967	\$4,183,967	\$4,183,967	\$4,183,967	\$4,183,967	\$4,183,967	\$4,183,967	\$37,655,699
Total O&A Costs	\$3,699,902	\$14,301,599	\$14,325,800	\$14,401,276	\$14,478,052	\$14,556,155	\$14,635,611	\$14,716,446	\$14,798,687	\$14,882,362	\$134,795,890
Operating Reserves	\$3,761,910	\$10,920,304	\$11,116,264	\$11,325,750	\$11,532,739	\$11,764,919	\$11,996,146	\$12,229,161	\$12,470,399	\$12,724,871	\$109,842,464
New Programs Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost & Reserves	\$91,890,390	\$231,873,694	\$258,945,177	\$261,052,578	\$263,162,995	\$246,341,910	\$248,239,951	\$250,813,281	\$253,492,825	\$256,228,436	\$2,362,041,236
CCA Program Surplus/(Deficit)	\$17,882	\$8,486,191	(\$9,271,095)	(\$6,356,629)	(\$2,027,230)	\$1,135,026	\$3,075,181	\$3,411,757	\$3,753,545	\$4,512,188	\$6,736,816

Table 10
Los Angeles Community Choice Energy
Reserves Summary
2018 to 2027

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Reserve Additions											
Operating Reserve Contr.	\$3,779,793	\$19,406,495	\$1,845,170	\$4,969,121	\$9,505,509	\$12,899,945	\$15,071,327	\$15,640,918	\$16,223,944	\$17,237,059	\$116,579,279
Cash from Financing	\$50,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000,000
Total Additions	\$53,779,793	\$19,406,495	\$1,845,170	\$4,969,121	\$9,505,509	\$12,899,945	\$15,071,327	\$15,640,918	\$16,223,944	\$17,237,059	\$166,579,279
Reserves Outlays											
Start-Up Funding Payments	\$10,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000,000
Working Capital Repayment	\$0	\$4,183,967	\$4,183,967	\$4,183,967	\$4,183,967	\$4,183,967	\$4,183,967	\$4,183,967	\$4,183,967	\$4,183,967	\$37,655,699
New Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserve Outlays	\$10,000,000	\$4,183,967	\$4,183,967	\$4,183,967	\$4,183,967	\$4,183,967	\$4,183,967	\$4,183,967	\$4,183,967	\$4,183,967	\$47,655,699
Rate Stabilization Reserve Balance	\$43,779,793	\$59,002,321	\$56,663,524	\$57,448,679	\$62,770,221	\$71,486,199	\$82,373,559	\$93,830,510	\$105,870,488	\$118,923,581	

The surpluses achieved during the phase-in period serve to build the LACCE Authority's net financial position and credit profile and to provide operating reserves for the LACCE Authority in the event that operating costs (such as power purchase costs) exceed collected revenues for short periods of time. In addition, financial surpluses could be used to increase renewable and GHG-free resources within the LACCE Authority's resource mix.

The LACCE Authority Financings

It is anticipated that one or more financings, inclusive of prospective direct term loans between the LACCE Authority and its Member Agencies, will be necessary to support LACCE Program implementation. Subsequent capital requirements will be self-funded from the LACCE Authority's accrued financial reserves. The anticipated financing approach is described below.

CCA Program Start-up and Working Capital

As previously discussed, the anticipated start-up and working capital requirements for the LACCE Program are \$50 million. This amount is dependent upon the electric load served by the LACCE Authority, actual energy prices, payment terms established with the third-party supplier, and program rates. This figure would be refined during the startup period as these variables become known. Once the LACCE Program is up and running, these costs would be recovered from customers through retail rates.

LA County will provide \$10 million in initial funding for start-up and phase 1 costs. LACCE currently projects repaying this interest free loan within the first year of operations, subject to change based on final power prices. It is assumed that the remaining financing will be primarily secured via a short-term loan or letter of credit, which would allow the LACCE Authority to draw cash as required. It is assumed that the remaining financing will be primarily secured via a short-term loan or letter of credit, which would allow the LACCE Authority to draw cash as required. Requisite financing would need to be arranged no later than the fourth quarter of 2017.

Renewable Resource Project Financing

The LACCE Authority may consider project financings for renewable resources, likely local wind, solar, biomass and/or geothermal as well as energy efficiency projects. These financings would only occur after a sustained period of successful LACCE Program operation and after appropriate project opportunities are identified and subjected to appropriate environmental review. The LACCE Authority's ability to directly finance projects will likely require a track record of five to ten years of successful program operations demonstrating strong underlying credit to support the financing; direct financing undertaken by the LACCE Authority would not be expected to occur sooner than 2023.

In the event that such financing occurs, funds would include any short-term financing for the renewable resource project development costs, and would likely extend over a 20- to 30-year term. The security for such bonds would be the revenue from sales to the retail customers of LACCE.

CHAPTER 8 – Rate Setting, Program Terms and Conditions

Introduction

This Chapter describes the initial policies proposed for the LACCE Authority in setting its rates for electric aggregation services. These include policies regarding rate design, rate objectives, and provision for due process in setting Program rates. Program rates are ultimately approved by the LACCE Authority's Board. The LACCE Authority would retain Authority to modify program policies from time to time at its discretion.

Rate Policies

The LACCE Authority will establish rates sufficient to recover all costs related to operation of the LACCE Program, including any reserves that may be required as a condition of financing and other discretionary reserve funds that may be approved by the LACCE Authority. As a general policy, rates will be uniform for all similarly situated customers enrolled in the LACCE Program throughout the service area of the LACCE Authority.

The primary objectives of the rate setting plan are to set rates that achieve the following:

- Rate competitive tariff option including a proportionate quantity of renewable energy meeting California's prevailing renewable energy procurement mandate;
- 50 percent renewable energy supply option
- 100 percent renewable energy supply option
- Allow individual member agencies to choose the default energy supply option into which their customers will be enrolled
- Allow customers to participate in any of the three energy supply options after enrollment
- Rate stability;
- Equity among customers in each tariff;
- Customer understanding; and
- Revenue sufficiency.

Each of these objectives is described below.

Rate Competitiveness

The LACCE Authority's primary goal is to offer its customers competitive rates for electric services relative to the incumbent utility SCE. As planned, the value provided by the LACCE Program will also include options for a higher proportion of renewable energy and reduced GHG emissions relative to the incumbent utility, enhanced energy efficiency and customer programs, community focus, local investment and control. The LACCE Authority currently plans to offer customers rates matching SCE's during Phase 1, and to target lower rates in subsequent phases, subject to final power price bids.

As previously discussed, the LACCE Program will increase renewable energy supply to program customers, relative to the incumbent utility, by offering three distinct rate tariffs. The initial renewable energy content provided under the LACCE Authority's base Tariff will meet California's prevailing renewable energy procurement mandate, and the LACCE Authority will endeavor to increase this percentage on a going forward basis, subject to operational and economic constraints. The LACCE Authority will also offer its customers a 50% and 100% renewable energy Tariff, which will supply participating customers with either 50 percent or 100 percent renewable energy at rates that reflect the LACCE Authority's cost for procuring related energy supplies.

Participating qualified low- or fixed-income households, such as those currently enrolled in the California Alternate Rates for Energy (CARE) program, will be automatically enrolled in the standard Tariff and will continue to receive related discounts on monthly electricity bills through SCE.

Rate Stability

The LACCE Authority will offer stable rates by hedging its supply costs over multiple time horizons and by including renewable energy supplies that exhibit stable costs. Rate stability considerations may prevent LACCE Program rates from directly tracking similar rates offered by the distribution utility, SCE, and may result in differences from the general rate-related targets initially established for the LACCE Program. The LACCE Authority will attempt to maintain general rate parity with SCE to ensure that LACCE Program rates are not drastically different from the competitive alternative.

Equity among Customer Classes

The LACCE Authority's initial rates will be set at a discount to the rates offered by SCE, subject to final power price bids. The level of the discount will depend upon the default product chosen by the Member Agency. Rate differences among customer classes will reflect the rates charged by the local distribution utility as well as differences in the costs of providing service to each class. Rate benefits may also vary among customers within the major customer class categories, depending upon the specific rate designs adopted by the LACCE Authority.

Customer Understanding

The goal of customer understanding involves rate designs that are relatively straightforward so that customers can readily understand how their bills are calculated. This not only minimizes customer confusion and dissatisfaction but will also result in fewer billing inquiries to the LACCE Program's customer service call center. Customer understanding also requires rate structures to reflect rational rate design principles (i.e., there should not be differences in rates that are not justified by costs or by other policies such as providing incentives for conservation).

Revenue Sufficiency

LACCE Program rates must collect sufficient revenue from participating customers to fully fund the LACCE Authority's annual budget. Rates will be set to collect the adopted budget based on a forecast of electric sales for the budget year. Rates will be adjusted as necessary to maintain the ability to fully recover all of costs of the LACCE Program, subject to the disclosure and due process

policies described later in this chapter. To ensure rate stability, funds available in the LACCE Authority's rate stabilization fund may be used from time to time to augment operating revenues.

Rate Design

The LACCE Authority will generally match the rate structures from the utilities' standard rates to avoid the possibility that customers would see significantly different bill impacts as a result of changes in rate structures that would take effect following enrollment in the LACCE Program.

Custom Pricing Options

The LACCE Authority may work to develop specially-tailored rate and electric service products that meet the specific load characteristics or power market risk profiles of larger commercial and industrial customers. This will allow such customers to have access to a wider range of products than is currently available under the incumbent utility and potentially reduce the cost of power for these customers. The LACCE Authority may provide large energy users with custom pricing options to help these customers gain greater control over their energy costs. Some examples of potential custom pricing options are rates that are based on an observable market index (e.g., CAISO prices) or fixed priced contracts of various terms.

Net Energy Metering

As planned, customers with on-site generation eligible for net metering from SCE will be offered a net energy metering rate from the LACCE Authority. Net energy metering allows for customers with certain qualified solar or wind distributed generation to be billed on the basis of their net energy consumption. The SCE net metering tariff (NEM) requires the CCA to offer a net energy metering tariff in order for the customer to continue to be eligible for service on Schedule NEM. The objective is that the LACCE Authority's net energy metering tariff will apply to the generation component of the bill, and the SCE net energy metering tariff will apply to the utility's portion of the bill. The LACCE Authority plans to pay customers for excess power produced from net energy metered generation systems in accordance with the rate designs adopted by the LACCE Authority.

Disclosure and Due Process in Setting Rates and Allocating Costs among Participants

Initial program rates will be adopted by the LACCE Authority following the establishment of the first year's operating budget prior to initiating the customer notification process. Subsequently, the LACCE Authority will prepare an annual budget and corresponding customer rates. Any proposed rate adjustment will be made to the Board of Directors and ample time will be given to affected customers to provide comment on the proposed rate changes.

After proposing a rate adjustment, the LACCE Authority will furnish affected customers with a notice of its intent to adjust rates, either by mailing such notices postage prepaid to affected customers, by including such notices as an insert to the regular bill for charges transmitted to affected customers, or by including a related message directly on the customer's monthly electricity bill (on the page addressing the LACCE Authority charges). The notice will provide a summary of the proposed rate adjustment and will include a link to the LACCE Program website where information will be posted regarding the amount of the proposed adjustment, a brief statement of the reasons for the adjustment, and the mailing address of the LACCE Authority to

which any customer inquiries relative to the proposed adjustment, including a request by the customer to receive notice of the date, time, and place of any hearing on the proposed adjustment, may be directed.

CHAPTER 9 – Customer Rights and Responsibilities

This chapter discusses customer rights, including the right to opt-out of the LACCE Program and the right to privacy of customer usage information, as well as obligations customers undertake upon agreement to enroll in the CCA Program. All customers that do not opt out within 30 days of the fourth enrollment notice will have agreed to become full status program participants and must adhere to the obligations set forth below, as may be modified and expanded by the LACCE Board from time to time.

By adopting this Implementation Plan, the LACCE Authority will have approved the customer rights and responsibilities policies contained herein to be effective at Program initiation. The LACCE Authority retains Authority to modify program policies from time to time at its discretion.

Customer Notices

At the initiation of the customer enrollment process, a total of four notices will be provided to customers describing the Program, informing them of their opt-out rights to remain with utility bundled generation service, and containing a simple mechanism for exercising their opt-out rights. The first notice will be mailed to customers approximately sixty days prior to the date of automatic enrollment. A second notice will be sent approximately thirty days later. The LACCE Authority will likely use its own mailing service for requisite enrollment notices rather than including the notices in SCE's monthly bills. This is intended to increase the likelihood that customers will read the enrollment notices, which may otherwise be ignored if included as a bill insert. Customers may opt out by notifying the LACCE Authority using the LACCE Program's designated telephone-based or internet opt-out processing service. Should customers choose to initiate an opt-out request by contacting SCE, they would be transferred to the LACCE Program's call center to complete the opt-out request. Consistent with CPUC regulations, notices returned as undelivered mail would be treated as a failure to opt out, and the customer would be automatically enrolled.

Following automatic enrollment, at least two notices will be mailed to customers within the first two billing cycles (approximately sixty days) after LACCE service commences. Opt-out requests made on or before the sixtieth day following start of LACCE Program service will result in customer transfer to bundled utility service with no penalty. Such customers will be obligated to pay charges associated with the electric services provided by the LACCE Authority during the time the customer took service from the LACCE Program, but will otherwise not be subject to any penalty or transfer fee from the LACCE Authority.

Customers who establish new electric service accounts within the Program's service area will be automatically enrolled in the LACCE Program and will have sixty days from the start of service to opt out if they so desire. Such customers will be provided with two enrollment notices within this sixty-day post enrollment period. Such customers will also receive a notice detailing the LACCE Authority's privacy policy regarding customer usage information. The LACCE Authority will have

the Authority to implement entry fees for customers that initially opt out of the Program, but later decide to participate. Entry fees, if deemed necessary, would aid in resource planning by providing additional control over the LACCE Program's customer base.

Termination Fee

Customers that are automatically enrolled in the LACCE Program can elect to transfer back to the incumbent utility without penalty within the first two months of service. After this free opt-out period, customers will be allowed to terminate their participation but may be subject to payment of a Termination Fee, which the LACCE Authority reserves the right to impose, if deemed necessary. Customers that relocate within the LACCE Authority's service territory would have LACCE service continued at their new address. If a customer relocating to an address within the LACCE Authority's service territory elected to cancel CCA service, the Termination Fee could be applied. Program customers that move out of the LACCE Authority's service territory would not be subject to the Termination Fee. If deemed applicable by the LACCE Authority, SCE would collect the Termination Fee from returning customers as part of the LACCE Authority's final bill to the customer.

For illustrative purposes, the LACCE Authority Termination Fee could vary by customer class as set forth in the table below, subject to a final determination by the LACCE Authority.

Table 11 Los Angeles Community Choice Energy Illustrative Schedule of Fees for Service Termination*	
Customer Class	Fee
Residential	\$5
Non-Residential	\$25

*Note that the LACCE Authority has yet to adopt a Schedule of Fees for Service Termination. The fees reflected in this table are representative of similar charges adopted by California's operating CCA programs.

If adopted, the Termination Fee would be clearly disclosed in the four enrollment notices sent to customers during the sixty-day period before automatic enrollment and following commencement of service. The fee could also be changed prospectively by the LACCE Authority subject to applicable customer noticing requirements.

Customers electing to terminate service after the initial notification period would be transferred to SCE on their next regularly scheduled meter read date if the termination notice is received a minimum of fifteen days prior to that date. Such customers would also be liable for the nominal reentry fees imposed by SCE and would be required to remain on bundled utility service for a period of one year, as described in the utility CCA tariffs.

Customer Confidentiality

The LACCE Authority will establish policies covering confidentiality of customer data that are fully compliant with the required privacy protection rules for CCA customer energy usage information, as detailed within Decision 12-08-045. The LACCE Authority will maintain the confidentiality of individual customers' names, service addresses, billing addresses, telephone numbers, account

numbers, and electricity consumption, except where reasonably necessary to conduct business of the LACCE Authority or to provide services to customers, including but not limited to where such disclosure is necessary to (a) comply with the law or regulations; (b) enable the LACCE Authority to provide service to its customers; (c) collect unpaid bills; (d) obtain and provide credit reporting information; or (e) resolve customer disputes or inquiries. The LACCE Authority will not disclose customer information for telemarketing, e-mail, or direct mail solicitation. Aggregate data may be released at the LACCE Authority's discretion.

Responsibility for Payment

Customers will be obligated to pay LACCE Program charges for service provided through the date of transfer including any applicable Termination Fees. Pursuant to current CPUC regulations, LACCE will not be able to direct that electricity service be shut off for failure to pay the LACCE Authority bills. However, SCE has the right to shut off electricity to customers for failure to pay electricity bills, and SCE Electric Rule 23 mandates that partial payments are to be allocated pro rata between SCE and the CCA. In most circumstances, customers would be returned to utility service for failure to pay bills in full and customer deposits (if any) would be withheld in the case of unpaid bills. SCE would attempt to collect any outstanding balance from customers in accordance with Rule 23 and the related CCA Service Agreement. The proposed process is for two late payment notices to be provided to the customer within 30 days of the original bill due date. If payment is not received within 45 days from the original due date, service would be transferred to the utility on the next regular meter read date, unless alternative payment arrangements have been made. Consistent with the CCA tariffs, Rule 23, service cannot be discontinued to a residential customer for a disputed amount if that customer has filed a complaint with the CPUC, and that customer has paid the disputed amount into an escrow account.

Customer Deposits

Under certain circumstances, LACCE customers may be required to post a deposit equal to the estimated charges for two months of CCA service prior to obtaining service from the LACCE Program. A deposit would be required for an applicant who previously had been a customer of SCE or LACCE and whose electric service has been discontinued by SCE or the LACCE Authority during the last twelve months of that prior service arrangement as a result of bill nonpayment. Such customers may be required to reestablish credit by depositing the prescribed amount. Additionally, a customer who fails to pay bills before they become past due as defined in SCE Electric Rule 11 (Discontinuance and Restoration of Service), and who further fails to pay such bills within five days after presentation of a discontinuance of service notice for nonpayment of bills, may be required to pay said bills and reestablish credit by depositing the prescribed amount. This rule will apply regardless of whether or not service has been discontinued for such nonpayment⁵. Failure to post deposit as required would cause the account service transfer request to be rejected, and the account would remain with SCE.

⁵ A customer whose service is discontinued by the LACCE Authority is returned to SCE generation service.

CHAPTER 10 --- Procurement Process

Introduction

This Chapter describes the LACCE Authority's initial procurement policies and the key third party service agreements by which the LACCE Authority will obtain operational services for the LACCE Program. By adopting this Implementation Plan, the LACCE Authority will have approved the general procurement policies contained herein to be effective at Program initiation. The LACCE Authority retains Authority to modify Program policies from time to time at its discretion.

Procurement Methods

The LACCE Authority will enter into agreements for a variety of services needed to support program development, operation and management. It is anticipated that the LACCE Authority will generally utilize Competitive Procurement methods for services but may also utilize Direct Procurement or Sole Source Procurement, depending on the nature of the services to be procured. Direct Procurement is the purchase of goods or services without competition when multiple sources of supply are available. Sole Source Procurement is generally to be performed only in the case of emergency or when a competitive process would be an idle act.

The LACCE Authority will utilize a competitive solicitation process to enter into agreements with entities providing electrical services for the program. Agreements with entities that provide professional legal or consulting services, and agreements pertaining to unique or time sensitive opportunities, may be entered into on a direct procurement or sole source basis at the LACCE Authority's discretion. Authority for terminating agreements will generally mirror the Authority for entering into such agreements.

Key Contracts

Electric Supply Contract

The LACCE Authority will initiate service using supply contracts with one or more qualified providers to supply sufficient electric energy resources to meet LACCE customer demand as well as applicable resource adequacy requirements, ancillary and other necessary services. The LACCE Authority may complete additional solicitations to supplement its energy supply and/or to replace contract volumes provided under the original contract. The LACCE Authority would begin such procurement sufficiently in advance of contract expiration so that the transition from the initial supply contract occurs smoothly, avoiding dependence on market conditions existing at any single point in time.

The LACCE Authority will solicit the services of a certified Scheduling Coordinator to schedule loads and resources to meet LACCE customer demand. The LACCE Authority may designate the primary supplier to be responsible for day-to-day energy supply operations of the LACCE Program and for managing the predominant supply risks for the term of the contract. The primary supplier may also

contribute to meeting the Program's renewable energy supply goals. However, additional suppliers may be identified to supplement requisite renewable energy supplier of the LACCE program. Finally, the primary supplier may be responsible for ensuring the LACCE Authority's compliance with all applicable resource adequacy and regulatory requirements imposed by the CPUC or FERC.

As this point in time, the LACCE Authority has commenced the requisite competitive solicitation process to identify its initial energy supplier(s). The LACCE Authority anticipates executing the electric supply contract for Phase 1 loads in fall 2017. The contract for Phase 2 and Phase 3 loads will be executed shortly thereafter.

Data Management Contract

A data manager will provide the retail customer services of billing and other customer account services (electronic data interchange or EDI with SCE, billing, remittance processing, and account management). Recognizing that some qualified wholesale energy suppliers do not typically conduct retail customer services whereas others (i.e., direct access providers) do, the data management contract may be separate from the electric supply contract. It is anticipated that a single contractor will be selected to perform all of the data management functions⁶.

The data manager is responsible for the following services:

- Data exchange with SCE;
- Technical testing;
- Customer information system;
- Customer call center;
- Billing administration/retail settlements;
- Settlement quality meter data reporting; and
- Reporting and audits of utility billing.

Utilizing a third party for account services eliminates a significant expense associated with implementing a customer information system. Such systems can impose significant information technology costs and take significant time to deploy. Separation of the data management contract from the energy supply contract gives the LACCE Authority greater flexibility to change energy suppliers, if desired, without facing an expensive data migration issue.

As this point in time, the LACCE Authority has commenced the requisite competitive solicitation process to identify its data management services provider. It is anticipated that the LACCE Authority will execute a contract for data management services in September.

⁶ The contractor providing data management may also be the same entity as the contractor supplying electricity for the program.

Electric Supply Procurement Process

In the third quarter of 2017, the LACCE Authority plans to solicit proposals for shaped energy, renewable energy, carbon free energy, and resource adequacy capacity, from a highly-qualified pool of suppliers. The LACCE Authority will also solicit proposal for scheduling coordinator services from a separate bidder. Contract negotiations will commence immediately following proposal evaluation. Following the identification of short-listed energy services and scheduling coordinator provider candidates, the LACCE Authority will update the Commission regarding its selection process. It is anticipated that selection of the final suppliers will be made by the LACCE Authority in the Fall of 2017.

CHAPTER 11 – Contingency Plan for Program Termination

Introduction

This Chapter describes the process to be followed in the case of LACCE Program termination. By adopting the original Implementation Plan, the LACCE Authority will have approved the general termination process contained herein to be effective at Program initiation. In the unexpected event that the LACCE Authority would terminate the LACCE Program and return its customers to SCE service, the proposed process is designed to minimize the impacts on its customers and on SCE. The proposed termination plan follows the requirements set forth in SCE's tariff Rule 23 governing service to CCAs. The LACCE Authority retains Authority to modify program policies from time to time at its discretion.

Termination by the LACCE Authority

The LACCE Authority will offer services for the long term with no planned Program termination date. In the unanticipated event that the LACCE Authority decides to terminate the Program, each of its Member Agencies would be required to adopt a termination ordinance or resolution and provide adequate notice to the LACCE Authority consistent with the terms set forth in the JPA Agreement. Following such notice, the LACCE Authority's Board would vote on Program termination subject to voting provisions as described in the JPA Agreement. In the event that the LACCE Authority affirmatively votes to proceed with JPA termination, the LACCE Authority would disband under the provisions identified in its JPA Agreement.

After any applicable restrictions on such termination have been satisfied, notice would be provided to customers six months in advance that they will be transferred back to SCE. A second notice would be provided during the final sixty-days in advance of the transfer. The notice would describe the applicable distribution utility bundled service requirements for returning customers then in effect, such as any transitional or bundled portfolio service rules.

At least one year advance notice would be provided to SCE and the CPUC before transferring customers, and the LACCE Authority would coordinate the customer transfer process to minimize impacts on customers and ensure no disruption in service. Once the customer notice period is complete, customers would be transferred *en masse* on the date of their regularly scheduled meter read date.

The LACCE Authority will post a bond or maintain funds held in reserve to pay for potential transaction fees charged to the Program for switching customers back to distribution utility service. Reserves would be maintained against the fees imposed for processing customer transfers (CCASRs). The Public Utilities Code requires demonstration of insurance or posting of a bond sufficient to cover reentry fees imposed on customers that are involuntarily returned to distribution utility service under certain circumstances. The cost of re-entry fees is the responsibility of the energy services provider or the community choice aggregator, except in the case of a customer returned for default or because its contract has expired. The LACCE Authority

will post financial security in the appropriate amount as part of its registration materials and will maintain the financial security in the required amount, as necessary.

Termination by Members

The JPA Agreement defines the terms and conditions under which Members may terminate their participation in the program.

CHAPTER 12 – Appendices

Appendix A: LACCE Authority Resolution No. 17-002 to Adopt the Implementation Plan

Appendix B: LACCE Authority Joint Powers Agreement

Appendix A

RESOLUTION NO. 17-002

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOS ANGELES COMMUNITY CHOICE ENERGY AUTHORITY ADOPTING THE IMPLEMENTATION PLAN REQUIRED BY PUBLIC UTILITIES CODE SECTION 366.2(c)(3).

THE BOARD OF DIRECTORS OF THE LOS ANGELES COMMUNITY CHOICE ENERGY AUTHORITY DOES HEREBY FIND, RESOLVE, AND ORDER AS FOLLOWS:

Section 1. Recitals:

(a) The Los Angeles Community Choice Energy ("LACCE") Authority is a joint powers authority established on June 27, 2017 for the purpose of studying, promoting, developing, conducting, operating and managing energy and energy-related climate change programs including but not limited to implementing a community choice aggregation program under Public Utilities Code Section 366.2.0

(b) The members of the LACCE Authority include the Cities of South Pasadena and Rolling Hills Estates, and the County of Los Angeles

(c) Public Utilities Code Section 366.2 requires that before commencing a community choice aggregation program, the LACCE Authority first must prepare and adopt an Implementation Plan to be filed with the California Public Utilities Commission.

(d) The LACCE Implementation Plan and Statement of Intent was presented to the Board of Directors at a duly noticed public hearing for its consideration and adoption.

Section 2. Adoption.

After conducting a duly noticed public hearing as required by Public Utilities Code Section 366.2(c)(3), the Board of Directors hereby adopts the LACCE Implementation Plan and Statement of Intent. **ADOPTED AND APPROVED this 4th day of August, 2017**



Acting Chair, Los Angeles Community
Choice Energy Authority

Attest:


Secretary, Los Angeles Community
Choice Energy Authority

ORDINANCE NO. 718

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ROLLING HILLS ESTATES APPROVING THE JOINT POWERS AGREEMENT FOR LOS ANGELES COMMUNITY CHOICE ENERGY AND AUTHORIZING THE IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION PROGRAM

The City Council of the City of Rolling Hills Estates ordains as follows:

SECTION 1. Findings. The City Council finds as follows:

A. The City of Rolling Hills Estates has been actively investigating options to provide electric services to constituents within its service area with the intent of achieving greater local involvement over the provisions of electric services and promoting competitive and renewable energy.

B. On September 24, 2002, the Governor signed into law Assembly Bill 117 (Stat. 2002, ch. 838; see California Public Utilities Code section 366.2; hereinafter referred to as the "Act"), which authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation.

C. The Act expressly authorizes participation in a Community Choice Aggregation (CCA) program through a joint powers agency, and to this end the County has been participating since 2015 in the evaluation of a CCA program for the County and the cities and towns within it.

D. Through Docket No. R.03-10-003, the California Public Utilities Commission has issued various decisions and rulings addressing the implementation of Community Choice Aggregation programs, including the recent issuance of a procedure by which the California Public Utilities Commission will review "Implementation Plans," which are required for submittal under the Act as the means of describing the Community Choice Aggregation program and assuring compliance with various elements contained in the Act.

E. Representatives from the City, along with representatives of its JPA partners, have developed the Los Angeles Community Choice Energy Authority Joint Powers Agreement ("Joint Powers Agreement") attached as Exhibit A) in order to accomplish the following:

1. To form a Joint Powers Authority (JPA) known as the "Los Angeles Community Choice Energy Authority" ("LACCE Authority") and
2. To specify the terms and conditions by which participants may participate as a group in energy programs, including but not limited to the preliminary implementation of a Community Choice Aggregation program.

F. Representatives from the City along with its partner JPA members have developed a Business Plan (attached as Exhibit B) that describes the formation of Los Angeles Community Choice Energy and the Community Choice Aggregation program to be implemented by and through the LACCE Authority.

G. A final Implementation Plan will be submitted for review and adoption by the Board of Directors of the LACCE Authority as soon after the formation of the LACCE Authority as reasonably practicable.

H. As described in the Business Plan, Community Choice Aggregation by and through the LACCE Authority appears to provide a reasonable opportunity to accomplish all of the following:

1. To provide greater levels of local involvement in and collaboration on energy decisions.
2. To increase significantly the amount of renewable energy available to LACCE energy customers,
3. To provide initial price stability, long-term electricity cost savings and other benefits for the community, and

4. To reduce greenhouse gases that are emitted by creating electricity for the community.

I. The Act requires Community Choice Aggregation program participants to individually adopt an ordinance ("CCA Ordinance") electing to implement a Community Choice Aggregation program within its jurisdiction by and through its participation in the LACCE Authority.

J. The Joint Powers Agreement expressly allows the City to withdraw its membership in the LACCE Authority (and its participation in the Community Choice Aggregation program) prior to the actual implementation of a Community Choice Aggregation program through Program Agreement.

SECTION 2. Approval and Implementation of JPA. The City Council hereby approves the City's participation as a member of the LACCE Authority and authorizes the Mayor to execute the Joint Powers Agreement, and further authorizes the Mayor and staff to execute such other documents as may be necessary to join as a member of the LACCE Authority and to implement a Community Choice Aggregation program within its jurisdiction by and through its participation in the LACCE Authority.

SECTION 3. Severability. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision will not affect the validity of the remainder of this ordinance. The City Council hereby declares that it would have adopted this ordinance, and each any every section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof is declared invalid or unconstitutional.

SECTION 4. The City Clerk is directed to certify to the adoption of this ordinance and cause it to be published in the manner required by law.

ADOPTED this 27th day of June, 2017.



FRANK V. ZERUNYAN, MAYOR

ATTEST:



DOUGLAS R. PRICHARD, CITY CLERK


I, DOUGLAS R. PRICHARD, City Clerk of the City of Rolling Hills Estates, do hereby certify that the foregoing Ordinance No. 718 was introduced and placed upon its first reading at a regular meeting of the City Council on the 13th day of June, 2017, and was duly adopted and passed at a regular meeting of the City Council on the 27th day of June, 2017, by the following vote:

AYES: HUFF, SCHMITZ, ZERUNYAN, ZUCKERMAN

NOES: NONE

ABSENT: MITCHELL

ABSTAIN: NONE



DOUGLAS R. PRICHARD, CITY CLERK

ORDINANCE NO. 2316**AN ORDINANCE OF THE CITY COUNCIL
OF THE CITY OF SOUTH PASADENA, CALIFORNIA,
APPROVING THE JOINT POWERS AGREEMENT FOR
LOS ANGELES COMMUNITY CHOICE ENERGY AND
AUTHORIZING THE IMPLEMENTATION OF A
COMMUNITY CHOICE AGGREGATION PROGRAM**

WHEREAS, the City of South Pasadena (City) has been actively investigating options to provide electric services to constituents within its service area with the intent of achieving greater local involvement over the provisions of electric services and promoting competitive and renewable energy; and

WHEREAS, on September 24, 2002, the Governor signed into law Assembly Bill 117 (Stat. 2002, ch. 838; see California Public Utilities Code Section 366.2; hereinafter referred to as the Act), which authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation (CCA); and

WHEREAS, the Act expressly authorizes participation in a CCA Program through a joint powers agency, and to this end the County of Los Angeles (County) has been participating since 2015 in the evaluation of a CCA Program for the County and the cities and towns within it; and

WHEREAS, through Docket No. R.03-10-003, the California Public Utilities Commission has issued various decisions and rulings addressing the implementation of Community Choice Aggregation programs, including the recent issuance of a procedure by which the California Public Utilities Commission will review "Implementation Plans," which are required for submittal under the Act as the means of describing the Community Choice Aggregation program and assuring compliance with various elements contained in the Act; and

WHEREAS, representatives from the City along with representatives of its JPA partners have developed the Los Angeles Community Choice Energy Authority Joint Powers Agreement (Joint Powers Agreement) (attached hereto as Exhibit A) in order to accomplish the following:

(a) To form a Joint Powers Authority (JPA) known as "Los Angeles Community Choice Energy" (LACCE); and

(b) To specify the terms and conditions by which participants may participate as a group in energy programs, including but not limited to the preliminary implementation of a Community Choice Aggregation program.

WHEREAS, representatives from the City along with its partner JPA members have developed a Business Plan (attached hereto as Exhibit B) that describes the formation of LACCE and the Community Choice Aggregation Program to be implemented by and through the LACCE Authority; and

WHEREAS, a final Implementation Plan will be submitted for review and adoption by the Board of Directors of the LACCE Authority as soon after the formation of the Authority as reasonably practicable; and

WHEREAS, as described in the Business Plan, CCA by and through the LACCE Authority appears to provide a reasonable opportunity to accomplish all of the following:

- (a) To provide greater levels of local involvement in and collaboration on energy decisions;
- (b) To increase significantly the amount of renewable energy available to LACCE energy customers;
- (c) To provide initial price stability, long-term electricity cost savings and other benefits for the community; and
- (d) To reduce greenhouse gases that are emitted by creating electricity for the community.

WHEREAS, the Act requires CCA Program participants to individually adopt an ordinance (CCA Ordinance) electing to implement a CCA program within its jurisdiction by and through its participation in the LACCE Authority; and

WHEREAS, the Joint Powers Agreement expressly allows the City to withdraw its membership in the LACCE Authority (and its participation in the CCA Program) prior to the actual implementation of a CCA Program through the Program Agreement.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. This ordinance shall take effect thirty (30) days after its final passage, and within fifteen (15) days after its passage, the City Clerk of the City of South Pasadena shall certify to the passage and adoption of this ordinance and to its approval by the Mayor and City Council and shall cause the same to be published in a newspaper in the manner required by law.

PASSED, APPROVED, AND ADOPTED ON this 19th day of July, 2017,



Michael A. Cacciotti, Mayor

ATTEST:

APPROVED AS TO FORM:



Evelyn G. Zneimer, City Clerk

(seal)

Date: 7/19/2017



Teresa L. Highsmith, City Attorney

I HEREBY CERTIFY the foregoing ordinance was duly adopted by the City Council of the City of South Pasadena, California, at a regular meeting held on the 19th day of July, 2017, by the following vote:

AYES: Joe, Khubesrian, Mahmud, Schneider, and Mayor Cacciotti

NOES: None

ABSENT: None

ABSTAINED: None



Evelyn G. Zneimer, City Clerk

(seal)

ANALYSIS

This ordinance establishes and authorizes the implementation of a Community Choice Aggregation Program within the jurisdictional boundaries of the County of Los Angeles and the creation of a joint powers authority to carry out the purposes of the program.

MARY C. WICKHAM
County Counsel

By 
Behnaz Tashakorian
Senior Deputy County Counsel
Contracts Division

BT:pt

Requested: 12/8/16
Revised: 2/21/17

ORDINANCE NO. 2017-0021

An ordinance of the County of Los Angeles authorizing the Implementation of a Community Choice Aggregation Program.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Findings and Declarations.

The Board of Supervisors finds and declares as follows:

A. The County of Los Angeles has been actively investigating options to provide electric services to constituents within its jurisdictional boundaries with the intent of achieving greater local involvement over the provisions of electric services and promoting competitive and renewable energy;

B. On September 24, 2002, the Governor signed into law Assembly Bill 117 (Chapter 838, Statutes of 2002; see California Public Utilities Code section 366.2; hereinafter referred to as the "Act"), which authorizes any California city or county whose governing body so elects to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation ("CCA");

C. The Act expressly authorizes establishment of, and participation in, a CCA program independently or through a joint powers agency, and to this end the County has been participating since 2015 in the evaluation of a CCA program for the County and the cities, towns and special districts within its jurisdiction;

D. Through Docket No. R.03-10-003, the California Public Utilities Commission has issued various decisions and rulings addressing the implementation of

CCA programs, including the recent issuance of a procedure by which the California Public Utilities Commission will review "Implementation Plans," which are required for submittal under the Act as the means of describing the CCA program and assuring compliance with various elements contained in the Act;

E. An initial feasibility study conducted by the County Office of Sustainability, in the Internal Services Department, in cooperation with the County Chief Executive Office, in 2015, concluded that a CCA program is a feasible alternative for local governments to control their clean power economies;

F. A County of Los Angeles Community Choice Energy Business Plan ("Business Plan"), developed as part of a CCA preliminary technical analysis and feasibility study conducted through the County Internal Services Department in 2016 and attached hereto as Exhibit A, concluded that the formation of a CCA in Los Angeles County is financially viable and would yield considerable benefits for County residents and businesses, including but not limited to lower rates for electricity with roughly twice the amount of renewable resources utilized thus significantly reducing regional greenhouse gas emissions arising from electricity use;

G. The Business Plan also recognized that implementation of a CCA on a regional basis through a joint powers authority by and between the County, cities, and/or other public agencies within the County would significantly increase the environmental and economic benefits to residents and businesses;

H. The Act requires CCA program participants to adopt an ordinance electing to implement a CCA program within the jurisdiction of the local government agency; and

I. Based on the feasibility studies and Business Plan, it is in the public's interest and welfare to establish a CCA program within Los Angeles County.

SECTION 2. Based upon the findings and declarations set forth in this ordinance, and in order to provide businesses and residents within the jurisdictional boundaries of the County with a choice of power providers and with the benefits described in Section 1 above, the Board of Supervisors hereby elects to implement a CCA program within the County's jurisdiction boundaries. Upon negotiation and approval of a Joint Powers Agreement, the County will implement the CCA program by and through the County's participation in the Los Angeles Community Choice Energy Authority ("Authority"), a joint powers authority to be established pursuant to California Government Code section 6500 et seq. and California Public Utilities Code section 366(c)(12). The Authority will:

A. Govern and operate the CCA program on behalf of its member jurisdictions, which adopt both a resolution approving the execution of the Joint Powers Agreement and the CCA ordinance required by California Public Utilities Code section 366.2(c)(12);

B. Enter into agreements with electric power suppliers and other service providers and, based upon those agreements, will provide electrical power to residents and businesses at rates that are competitive with those of the incumbent utility; and

C. Provide service to customers within unincorporated Los Angeles County and those cities that choose to participate in the Authority, once the California Public Utilities Commission approves an implementation plan submitted by the Authority.

SECTION 3. If any section, subsection, sentence, clause, phrase or portion of this ordinance is held for any reason to be invalid or unconstitutional by the decision of any court of competent jurisdiction, or regulatory agency responsible for reviewing CCA programs, such decision shall not affect the validity of the remaining portions of this ordinance. The Board of Supervisors hereby declares that it would have adopted the ordinance and each section, subsection, sentence, clause, phrase or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases or portions be declared invalid or unconstitutional.

SECTION 4. The ordinance shall take effect thirty days after the date of its passage.

[JPALACOMMCHENPTCC]

SECTION 5. This ordinance shall be published in The Daily Commerce a newspaper printed and published in the County of Los Angeles.



Mark Ridley-Thomas
Chairman

ATTEST:

Lori Glasgow
Lori Glasgow
Executive Officer -
Clerk of the Board of Supervisors
County of Los Angeles

I hereby certify that at its meeting of May 2, 2017 the foregoing ordinance was adopted by the Board of Supervisors of said County of Los Angeles by the following vote, to wit:

Ayes

Supervisors Hilda Solis
Mark Ridley-Thomas
Sheila Kuehl
Janice Hahn
Kathryn Barger

Noes

Supervisors None

Effective Date: June 1, 2017

Operative Date:

Lori Glasgow
Lori Glasgow
Executive Officer -
Clerk of the Board of Supervisors
County of Los Angeles

I hereby certify that pursuant to Section 25133 of the Government Code, delivery of this document has been made.

LORI GLASGOW
Executive Officer
Clerk of the Board of Supervisors

By [Signature]
Deputy



APPROVED AS TO FORM:
MARY C. WICKHAM
County Counsel

By [Signature]
Lester J. Tolnai
Chief Deputy County Counsel

Appendix B

LOS ANGELES COMMUNITY CHOICE ENERGY AUTHORITY

JOINT POWERS AGREEMENT

This Joint Powers Agreement (the "Agreement"), effective as of June 27, 2017, is made and entered into pursuant to the provisions of Title 1, Division 7, Chapter 5, Article 1 (Section 6500 et seq.) of the California Government Code relating to the joint exercise of powers among the public agencies set forth in Exhibit A.

RECITALS

1. The Parties are public agencies sharing various powers under California laws, including but not limited to the power to purchase, supply, and aggregate electricity for themselves and their inhabitants.
2. In 2006, the State Legislature adopted AB 32, the Global Warming Solutions Act, which mandates a reduction in greenhouse gas emissions in 2020 to 1990 levels. The California Air Resources Board is promulgating regulations to implement AB 32 which will require local government to develop programs to reduce greenhouse emissions.
3. The purposes for the Initial Participants (as such term is defined in Section 2.3 below) entering into this Agreement include addressing climate change by reducing energy related greenhouse gas emissions and securing energy supply and price stability; energy efficiencies and local economic benefits, such as jobs creation, community energy programs; and local power development. It is the intent of this Agreement to promote the development and use of a wide range of renewable energy sources and energy efficiency programs, including but not limited to solar and wind energy production.
4. The Parties desire to establish a separate public agency, known as the Los Angeles Community Choice Energy Authority ("Authority"), under the provisions of the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 et seq.) ("Act") in order to collectively study, promote, develop, conduct, operate, and manage energy programs.
5. The Initial Participants have each adopted an ordinance electing to implement through the Authority a Community Choice Aggregation program pursuant to California Public Utilities Code Section 366.2 ("CCA Program"). The first priority of the Authority will be the consideration of those actions necessary to implement the CCA Program.
6. By establishing the Authority, the Parties seek to:
 - (a) Develop an electric supply portfolio with overall lower greenhouse gas intensity and lower greenhouse gas (GHG) emissions than Southern California Edison ("SCE"), and one that supports the achievement of the parties' greenhouse gas reduction goals and the comparable goals of all participating jurisdictions;
 - (b) Establish an energy portfolio that encourages the use and development of cost-effective local renewable and distributed energy resources and that discourages the use unbundled renewable energy credits;
 - (c) Promote an energy portfolio that incorporates energy efficiency and demand response programs and pursues ambitious energy consumption reduction goals;

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

- (d) Provide electricity rates that are lower or at worst competitive with those offered by SCE for similar products;
- (e) Offer differentiated energy options (e.g. 33% or 50% qualified renewable) for default service, and a 100% renewable content option in which customers may "opt-up" and voluntarily participate;
- (f) Achieve quantifiable economic benefits to the region;
- (g) Recognize the value of current workers in existing jobs that support the energy infrastructure of Los Angeles County and Southern California (e.g. union and prevailing wage jobs, local workforce development, apprenticeship programs, and local hire). The Authority, as a leader in the shift to clean energy, commits to ensuring it will take steps to minimize any adverse impacts to these workers to ensure a "just transition" to the new clean energy economy;
- (h) Support a stable, skilled workforce through such mechanisms as project labor agreements, collective bargaining agreements, or community benefit agreements, or other workforce programs that are designed to avoid work stoppages, ensure quality, and benefit local residents by delivering cost-effective clean energy programs and projects (e.g. new energy programs and increased local energy investments);
- (i) Promote supplier and workforce diversity, including returning veterans and those from disadvantaged and under-represented communities, to better reflect the diversity of the region;
- (j) Promote personal and community ownership of renewable resources, spurring equitable economic development and increased resilience, especially in low income communities;
- (k) Provide and manage its energy portfolio and products in a manner that provides cost savings to customers and promotes public health in areas impacted by energy production;
- (l) Ensure that low-income households and communities are provided with affordable and flexible energy options, including the provision of energy discounted rates to eligible low-income households;
- (m) Recognize and address the importance of healthy communities, including those disproportionately affected by air pollution and climate change;
- (n) Use program revenues to provide energy-related programs and services; and
- (o) Create an administering Authority that is financially sustainable, responsive to regional priorities, well-managed, and a leader in fair and equitable treatment of employees.

1. DEFINITIONS

- 1.1 "AB 117" means Assembly Bill 117 (Stat. 2002, Ch. 838, codified at Public Utilities Code Section 366.2), which created Community Choice Aggregation.

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

- 1.2 "Act" means the Joint Exercise of Powers Act of the State of California (Chapter 5, Division 7, Title 1 of the Government Code commencing with Section 6500).
- 1.3 "Agreement" means this Joint Powers Agreement.
- 1.4 "Authority" means Los Angeles Community Choice Energy Authority.
- 1.5 "Authority Document(s)" means document(s) duly adopted by the Board by resolution or motion implementing the powers, functions and activities of the Authority, including but not limited to the Operating Policies and Procedures, the annual budget, and plans and policies.
- 1.6 "Board" means the Board of Directors of the Authority.
- 1.7 "Community Choice Aggregation" or "CCA" means an electric service option available to cities, counties, and other public agencies pursuant to Public Utilities Code Section 366.2.
- 1.8 "CCA Program" means the Authority's program relating to CCA that is principally described in Section 2.4 (Purpose) of this Agreement.
- 1.9 "Days" shall mean calendar days unless otherwise specified by this Agreement.
- 1.10 "Director" means a member of the Board representing a Party, including up to two alternate Directors appointed in accordance with Sections 4.1 (Board of Directors) and 4.2 (Appointment and Removal of Directors) of this Agreement.
- 1.11 "Effective Date" means the date on which the Agreement shall become effective and the Authority shall exist as a separate public agency, as further described in Section 2.1 (Effective Date and Term) of this Agreement.
- 1.12 "Initial Costs" means all costs incurred by the Authority relating to the establishment and initial operation of the Authority, such as the hiring of the executive, technical, and any administrative staff, any required accounting, administrative, technical and legal services in support of the Authority's initial formation activities or in support of the negotiation, preparation and approval of power purchase agreements. The Board shall determine the termination date for the Initial Costs.
- 1.13 "Initial Participants" means, for purpose of this Agreement, the County of Los Angeles, and the cities of Calabasas, Rolling Hills Estates, and any other Parties joining in accordance with Section 2.3 (Initial Participants) of this Agreement.
- 1.14 "Operating Policies and Procedures" means the rules, regulations, policies, bylaws and procedures governing the operation of the Authority.
- 1.15 "Parties" means, collectively, the signatories to this Agreement that have satisfied the conditions in Section 2.3 (Initial Participants) or Section 2.5 (Addition

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

of Parties) of this Agreement, such that they are considered members of the Authority.

- 1.16 "Party" means, singularly, a signatory to this Agreement that has satisfied the conditions in Section 2.3 (Initial Participants) or Section 2.5 (Addition of Parties) of this Agreement, such that it is considered a member of the Authority.
- 1.17 "Public Agency" as defined in the Act includes, but is not limited to, the federal government or any federal department or agency, this state, another state or any state department or agency, a county, a county board of education, county superintendent of schools, city, public corporation, public district, regional transportation commission of this state or another state, a federally recognized Indian tribe, or any joint powers authority formed pursuant to the Act.

2. FORMATION OF LOS ANGELES COMMUNITY CHOICE ENERGY AUTHORITY

- 2.1 **Effective Date and Term.** This Agreement shall become effective and the Authority shall exist as a separate public agency on the date this Agreement is executed by the County of Los Angeles and at least one other public agency after the adoption of the ordinances required by Public Utilities Code Section 366.2(c)(12). The Authority shall provide notice to the Parties of the Effective Date. The Authority shall continue to exist, and this Agreement shall be effective, until the Agreement is terminated in accordance with Section 8.3 (Mutual Termination) of this Agreement, subject to the rights of the Parties to withdraw from the Authority.
- 2.2 **Formation of the Authority.** Under the Act, the Parties hereby create a separate joint exercise of power agency which is named Los Angeles Community Choice Energy Authority. Pursuant to Sections 6506 and 6507 of the Act, the Authority is a public agency separate from the Parties. The debts, liabilities or obligations of the Authority shall not be debts, liabilities or obligations of the individual Parties unless the governing body of a Party agrees in writing to assume any of the debts, liabilities or obligations of the Authority. The jurisdiction of the Authority shall be all territory within the geographic boundaries of the Parties; however the Authority may, as authorized under applicable law, undertake any action outside such geographic boundaries as is necessary and incidental to the accomplishment of its purpose.
- 2.3 **Initial Participants.** In addition to Parties executing this Agreement on or prior to the Effective Date, any incorporated municipality, county, or other eligible public agency may become a Party and recognized as an Initial Participant provided during the first 180 days after the Effective Date it executes this Agreement and delivers an executed copy of this Agreement and a copy of the adopted ordinance required by Public Utilities Code Section 366.2(c)(12) to the Authority. All Initial Participants to this Agreement shall be required to commence electric service as soon as practicable, as determined by the Board.
- 2.4 **Purpose.** The purpose and objectives of this Agreement are to establish the Authority, to provide for its governance and administration, and to define the rights and obligations of the Parties. This Agreement authorizes the Authority to

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

provide a means by which the Parties can more effectively develop and implement sustainable energy initiatives that reduce energy demand, increase energy efficiency, and advance the use of clean, efficient, and renewable resources in the region for the benefit of the Parties and their constituents, including, but not limited to, establishing and operating a Community Choice Aggregation program.

2.5 **Addition of Parties.** After 180 days from the Effective Date any incorporated municipality, county, or other public agency may become a Party to this Agreement if all of the following conditions are met:

2.5.1 The adoption of a resolution of the Board admitting the public agency to the Authority;

2.5.2 The adoption by an affirmative vote of the Board satisfying the requirements described in Section 4.10 (Board Voting) of this Agreement, of a resolution authorizing membership into the Authority and establishing its pro rata share of organizational, planning and other pre-existing expenditures, and describing additional conditions, if any, associated with membership;

2.5.3 The adoption by the public agency of an ordinance required by Public Utilities Code Section 366.2(c)(12) and approval and execution of this Agreement and other necessary program agreements by the public agency;

2.5.4 Payment of the membership payment, if any; and

2.5.5 Satisfaction of any reasonable conditions established by the Board.

Pursuant to this Section 2.5 (Addition of Parties), all parties shall be required to commence electric service as soon as is practicable, as determined by the Board, as a condition to becoming a Party to this Agreement.

2.6 **Continuing Participation.** The Parties acknowledge that membership in the Authority may change by the addition, withdrawal and/or termination of Parties. The Parties agree to participate with such other Parties as may later be added, as described in Section 2.5 (Addition of Parties) of this Agreement. The Parties also agree that the withdrawal or termination of a Party shall not affect this Agreement or the remaining Parties' continuing obligations under this Agreement.

3. POWERS

3.1 **General Powers.** The Authority shall have the powers common to the Parties and which are necessary or convenient to the accomplishment of the purposes of this Agreement, subject to the restrictions set forth in Section 3.4 (Limitation on Powers) of this Agreement. As provided in the Act, the Authority shall be a public agency separate and apart from the Parties.

3.2 **Specific Powers.** The Authority shall have all powers common to the Parties and such additional powers accorded to it by law. The Authority is authorized, in

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

its own name, to exercise all powers and do all acts necessary and proper to carry out the provisions of this Agreement and fulfill its purposes, including, but not limited to, each of the following:

- 3.2.1 make and enter into contracts;
- 3.2.2 employ agents and employees, including but not limited to an Executive Director;
- 3.2.3 acquire, contract, manage, maintain, and operate any buildings, works or improvements;
- 3.2.4 acquire property by eminent domain, or otherwise, except as limited under Section 6508 of the Act, and to hold or dispose of any property;
- 3.2.5 lease any property;
- 3.2.6 sue and be sued in its own name;
- 3.2.7 incur debts, liabilities, and obligations, including but not limited to loans from private lending sources pursuant to its temporary borrowing powers authorized by law pursuant to Government Code Section 53850 et seq. and authority under the Act;
- 3.2.8 issue revenue bonds and other forms of indebtedness;
- 3.2.9 apply for, accept, and receive all licenses, permits, grants, loans or other aids from any federal, state or local public agency;
- 3.2.10 form independent corporations or entities, if necessary to carry out energy supply and energy conservation programs at the lowest possible cost or to take advantage of legislative or regulatory changes;
- 3.2.11 submit documentation and notices, register, and comply with orders, tariffs and agreements for the establishment and implementation of the CCA Program and other energy programs;
- 3.2.12 adopt rules, regulations, policies, bylaws and procedures governing the operation of the Authority ("Operating Policies and Procedures"); and
- 3.2.13 make and enter into service agreements relating to the provision of services necessary to plan, implement, operate and administer the CCA Program and other energy programs, including the acquisition of electric power supply and the provision of retail and regulatory support services.

- 3.3 **Additional Powers to be Exercised.** In addition to those powers common to each of the Parties, the Authority shall have those powers that may be conferred upon it as a matter of law and by subsequently enacted legislation.

- 3.4 **Limitation on Powers.** As required by Section 6509 of the Act, the powers of the Authority are subject to the restrictions upon the manner of exercising power possessed by the County of Los Angeles.
- 3.5 **Obligations of the Authority.** The debts, liabilities, and obligations of the Authority shall not be the debts, liabilities, and obligations of the Parties unless the governing body of a Party agrees in writing to assume any of the debts, liabilities, and obligations of the Authority. In addition, pursuant to the Act, no Director shall be personally liable on the bonds or subject to any personal liability or accountability by reason of the issuance of bonds.
- 3.6 **Compliance with the Political Reform Act and Government Code Section 1090.** The Authority and its officers and employees shall comply with the Political Reform Act (Government Code Section 81000 et seq.) and Government Code Section 1090 et seq. The Board shall adopt a Conflict of Interest Code pursuant to Government Code Section 87300. The Board may adopt additional conflict of interest regulations in the Operating Policies and Procedures.

4. GOVERNANCE

- 4.1 **Board of Directors.** The governing body of the Authority shall be a Board of Directors ("Board") consisting of one director for each Party appointed in accordance with Section 4.2 (Appointment and Removal of Directors) of this Agreement. The Board, in consultation with the Executive Director, may determine at any time to consider options to reduce the size of the Board if it determines that the efficient functioning and operation of the Board would be improved by having a smaller number of Directors. Any such change to the size of the Board would require amendment of this Joint Powers Agreement in accordance with Section 4.11 (Special Voting).
- 4.2 **Appointment and Removal of Directors.** The Directors shall be appointed and may be removed as follows:
- 4.2.1 The governing body of each Party shall appoint and designate in writing one regular Director who shall be authorized to act for and on behalf of the Party on matters within the powers of the Authority. The governing body of each Party shall appoint and designate in writing up to two alternate Directors who may vote on matters when the regular Director is absent from a Board meeting. The person appointed and designated as the regular Director shall be an elected or appointed member of the governing body of the Party. The persons appointed and designated as the alternate Directors may be an elected or appointed member of the governing body of the Party, an appointed member of an advisory body of the Party, a staff member of the Party or a member of the public who meets the criteria below. All Directors and alternates shall be subject to the Board's adopted Conflict of Interest Code.
- (a) Any alternate Director that is a member of the public must have demonstrated knowledge in energy-related matters through

significant experience in either: 1) an electric utility or company, agency, or nonprofit providing services to a utility, 2) a regulatory agency or local government body overseeing an electric utility or a company, agency, or nonprofit providing services to such an agency, 3) an academic or nonprofit organization engaged in research and/or advocacy related to the electric sector.

- 4.2.2 The Operating Policies and Procedures, to be developed and approved by the Board in accordance with Section 3.2.12 (Specific Powers), shall specify the reasons for and process associated with the removal of an individual Director for cause. Notwithstanding the foregoing, no Party shall be deprived of its right to seat a Director on the Board and any such Party for which its Director and/or alternate Directors have been removed may appoint a replacement.
- 4.3 **Terms of Office.** Each regular and alternate Director shall serve at the pleasure of the governing body of the Party that the Director represents, and may be removed as Director by such governing body at any time. If at any time a vacancy occurs on the Board, the affected Party shall appoint to fill the position of the previous Director within 90 days of the date that such position becomes vacant.
- 4.4 **Purpose of Board.** The general purpose of the Board is to:
- 4.4.1 Provide structure for administrative and fiscal oversight;
 - 4.4.2 Retain an Executive Director to oversee day-to-day operations;
 - 4.4.3 Retain legal counsel;
 - 4.4.4 Identify and pursue funding sources;
 - 4.4.5 Set policy;
 - 4.4.6 Maximize the utilization of available resources; and
 - 4.4.7 Oversee all Committee activities.
- 4.5 **Specific Responsibilities of the Board.** The specific responsibilities of the Board shall be as follows:
- 4.5.1 Identify Party needs and requirements;
 - 4.5.2 Formulate and adopt the budget prior to the commencement of the fiscal year;
 - 4.5.3 Develop and implement a financing and/or funding plan for ongoing Authority operations;
 - 4.5.4 Retain necessary and sufficient staff and adopt personnel and compensation policies, rules and regulations;
-

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

- 4.5.5 Adopt rules for procuring supplies, equipment, and services;
- 4.5.6 Adopt rules for the disposal of surplus property;
- 4.5.7 Establish standing and ad hoc committees as necessary to ensure that the interests and concerns of each Party are represented and to ensure operational, technical, and financial issues are thoroughly researched and analyzed;
- 4.5.8 The setting of retail rates for power sold by the Authority and the setting of charges for any other category of retail service provided by the Authority;
- 4.5.9 Termination of the CCA Program;
- 4.5.10 Address any concerns of consumers and customers;
- 4.5.11 Conduct and oversee Authority audits at intervals not to exceed three years;
- 4.5.12 Arrange for an annual independent fiscal audit;
- 4.5.13 Adopt such bylaws, rules and regulations as are necessary or desirable for the purposes hereof; provided that nothing in the bylaws, rules and regulations shall be inconsistent with this Agreement;
- 4.5.14 Exercise the Specific Powers identified in Sections 3.2 and 4.6 except as the Board may elect to delegate to the Executive Director; and
- 4.5.15 Discharge other duties as appropriate or required by statute.
- 4.6 **Startup Responsibilities.** The Authority shall have the duty to do the following within one year of the Effective Date of the Agreement:
 - 4.6.1 To adopt an implementation plan prepared by the County of Los Angeles, pursuant to Public Utilities Code Section 366.2(c)(3), for electrical load aggregation;
 - 4.6.2 To prepare a statement of intent, pursuant to Public Utilities Code Section 366.2(c)(4), for electrical load aggregation;
 - 4.6.3 To encourage other qualified public agencies to participate in the Authority;
 - 4.6.4 To obtain financing and/or funding as is necessary or desirable;
 - 4.6.5 To evaluate the need for, acquire, and maintain insurance.
- 4.7 **Meetings and Special Meetings of the Board.** The Board shall hold at least one regular meeting per year but the Board may provide for the holding of regular meetings at more frequent intervals. The date, hour and place of each regular

meeting shall be fixed by resolution or ordinance of the Board. Regular meetings may be adjourned to another meeting time. Special meetings of the Board may be called in accordance with the provisions of Government Code Section 54956. Directors may participate in meetings telephonically, with full voting rights, only to the extent permitted by law.

4.8 **Brown Act Applicable.** All meetings of the Board shall be conducted in accordance with the provisions of the Ralph M. Brown Act (Government Code Section 54950, et seq.).

4.9 **Quorum; Approvals.** A majority of the Directors shall constitute a quorum, except that less than a quorum may adjourn from time to time in accordance with law. The affirmative votes of a majority of the Directors who are present at the subject meeting shall be required to take any action by the Board.

4.10 **Board Voting.**

4.10.1 **Percentage Vote.** Each Director shall have one vote. Action of the Board on all matters shall require an affirmative vote of a majority of all Directors who are present at the subject meeting, except when a supermajority vote is expressly required by this Agreement. When a supermajority vote is required under Section 4.11 (Special Voting), action of the Board shall require an affirmative vote of the specified supermajority of all Directors who are present at the subject meeting. All votes taken pursuant to this Section 4.10.1 shall be referred to as a percentage vote. Notwithstanding the foregoing, in the event of a tie in a percentage vote, the Board can break the tie and act upon an affirmative voting shares vote as described in section 4.10.2 (Voting Shares Vote).

4.10.2 **Voting Shares Vote.** In addition to and immediately after an affirmative percentage vote three or more Directors may request that a vote of the voting shares shall be held. In such event, the corresponding voting shares, as described in section 4.10.3, of all Directors voting in order to take an action shall exceed 50%, or such other higher voting shares percentage expressly required by this Agreement or the Operating Policies and Procedures of all Directors who are present at the subject meeting. All votes taken pursuant to this Section 4.10.2 shall be referred to as a voting shares vote. In the event that any one Director has a voting share that equals or exceeds that which is necessary to disapprove the matter being voted on by the Board, at least one other Director shall be required to vote in the negative in order to disapprove such matter. When a voting shares vote is held, action by the Board requires both an affirmative percentage vote and an affirmative voting shares vote.

4.10.3 **Voting Shares Formula.** When a voting shares vote is requested by three or more Directors, voting shares of the Directors shall be determined by the following formula:

(Annual Energy Use/Total Annual Energy) multiplied by 100, where (a) "Annual Energy Use" means (i) with respect to the first two years

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

following the Effective Date, the annual electricity usage, expressed in kilowatt hours ("kWh"), within the Party's respective jurisdiction and (ii) with respect to the period after the second anniversary of the Effective Date, the annual electricity usage, expressed in kWh, of accounts within a Party's respective jurisdiction that are served by the Authority and (b) "Total Annual Energy" means the sum of all Parties' Annual Energy Use.

4.11 Special Voting.

4.11.1 Except as provided below, matters that require Special Voting as described in this Section shall require 72 hours prior notice to any Brown Act meeting or special meeting. Two-thirds vote (or such greater vote as required by state law) of the appointed Directors shall be required to take any action on the following:

- (a) Change the designation of Treasurer or Auditor of the Authority;
- (b) Issue bonds or other forms of debt;
- (c) Exercise the power of eminent domain, subject to prior approval by the passage of an authorizing ordinance or other legally sufficient action by the affected Party; and
- (d) Amend this Agreement or adopt or amend the bylaws of the Authority. At least 30 days advance notice shall be provided for such actions. The Authority shall also provide prompt written notice to all Parties of the action taken and enclose the adopted or modified documents.

5. INTERNAL ORGANIZATION

5.1 **Chair and Vice Chair.** For each fiscal year, the Board shall elect a Chair and Vice Chair from among the Directors. The term of office of the Chair and Vice Chair shall continue for one year, but there shall be no limit on the number of terms held by either the Chair or Vice Chair. The Chair shall be the presiding officer of all Board meetings, and the Vice Chair shall serve in the absence of the Chair. The Chair shall sign all contracts on behalf of the Authority, and shall perform such other duties as may be imposed by the Board. In the absence of the Chair, the Vice-Chair shall sign contracts and perform all of the Chair's duties. The office of the Chair or Vice Chair shall be declared vacant and a new selection shall be made if: (a) the person serving dies, resigns, or the Party that the person represents removes the person as its representative on the Board, or (b) the Party that he or she represents withdraws from the Authority pursuant to the provisions of this Agreement. Upon a vacancy, the position shall be filled at the next regular meeting of the Board held after such vacancy occurs or as soon as practicable thereafter. Succeeding officers shall perform the duties normal to said offices.

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

- 5.2 **Secretary.** The Board shall appoint a Secretary, who need not be a member of the Board, who shall be responsible for keeping the minutes of all meetings of the Board and all other office records of the Authority.
- 5.3 **Treasurer.** The Board shall appoint a qualified person to act as the Treasurer, who need not be a member of the Board. Unless otherwise exempted from such requirement, the Authority shall cause an independent audit to be made by a certified public accountant, or public accountant, in compliance with Section 6506 of the Act. The Treasurer shall act as the depository of the Authority and have custody of all the money of the Authority, from whatever source, and as such, shall have all of the duties and responsibilities specified in Section 6505.5 of the Act. The Board may require the Treasurer to file with the Authority an official bond in an amount to be fixed by the Board, and if so requested the Authority shall pay the cost of premiums associated with the bond. The Treasurer shall report directly to the Board and shall comply with the requirements of treasurers of incorporated municipalities. The Board may transfer the responsibilities of Treasurer to any person or entity as the law may provide at the time.
- 5.4 **Auditor.** The Board shall appoint a qualified person to act as the Auditor, who shall not be a member of the Board. The Board may require the Auditor to file with the Authority an official bond in an amount to be fixed by the Board, and if so requested the Authority shall pay the cost of premiums associated with the bond.
- 5.5 **Executive Director.** The Board shall appoint an Executive Director for the Authority, who shall be responsible for the day-to-day operation and management of the Authority and the CCA Program. The Executive Director may exercise all powers of the Authority, except those powers specifically reserved to the Board including but not limited to those set forth in Section 4.5 (Specific Responsibilities of the Board) of this Agreement or the Operating Policies and Procedures, or those powers which by law must be exercised by the Board. The Executive Director may enter into and execute any Energy Contract, in accordance with criteria and policies established by the Board.
- 5.6 **Bonding of Persons Having Access to Property.** Pursuant to the Act, the Board shall designate the public officer or officers or person or persons who have charge of, handle, or have access to any property of the Authority exceeding a value as established by the Board, and shall require such public officer or officers or person or persons to file an official bond in an amount to be fixed by the Board.
- 5.7 **Other Employees/Agents.** The Board shall have the power by resolution to hire employees or appoint or retain such other agents, including officers, loan-out employees, or independent contractors, as may be necessary or desirable to carry-out the purpose of this Agreement.
- 5.8 **Privileges and Immunities from Liability.** All of the privileges and immunities from liability, exemption from laws, ordinances and rules, all pension, relief, disability, workers' compensation and other benefits which apply to the activities of officers, agents or employees of a public agency when performing their respective functions shall apply to the officers, agents or employees of the

Authority to the same degree and extent while engaged in the performance of any of the functions and other duties of such officers, agents or employees under this Agreement. None of the officers, agents or employees directly employed by the Board shall be deemed, by reason of their employment by the Authority to be employed by the Parties or by reason of their employment by the Authority, to be subject to any of the requirements of the Parties.

- 5.9 **Commissions, Boards and Committees.** The Board may establish any advisory commissions, boards and committees as the Board deems appropriate to assist the Board in carrying out its functions and implementing the CCA Program, other energy programs and the provisions of this Agreement. The Board may establish rules, regulations, policies, bylaws or procedures to govern any such commissions, boards, or committees and shall determine whether members shall be compensated or entitled to reimbursement for expenses.

5.9.1 The Board shall establish the following Advisory Committees:

- (a) **Executive Committee.** The Board shall establish an executive committee consisting of a smaller number of Directors. The Board may delegate to the Executive Committee's such authority as the Board might otherwise exercise, except that the Board may not delegate authority regarding certain essential functions, including but not limited to, approving the fiscal year budget or hiring or firing the Executive Director, and other functions as provided in the Operating Policies and Procedures. The Board may not delegate to the Executive Committee or any other committee its authority under Section 3.2.12 to adopt and amend the Operating Policies and Procedures.
- (b) **Finance Committee.** The Board shall establish a finance committee consisting of a smaller number of Directors. The primary purpose of the Finance Committee is to review and recommend to the Board:
 - (1) A funding plan;
 - (2) A fiscal year budget;
 - (3) Financial policies and procedures to ensure equitable contributions by Parties;
 - (4) Such other responsibilities as provided in the Operating Policies and Procedures, including but not limited to policies, rules and regulations governing investment of surplus funds, and selection and designation of financial institutions for deposit of Authority funds.
- (c) **Community Advisory Committee.** The Board shall establish a community advisory committee comprised of members of the public representing key stakeholder communities. The primary

purpose of the Community Advisory Committee shall be to provide a venue for ongoing citizen support and engagement in the operations of the Authority.

- (d) **Meetings of the Advisory Committees.** All meetings of the Advisory Committees shall be held in accordance with the Ralph M. Brown Act. For the purposes of convening meetings and conducting business, unless otherwise provided in the bylaws, a majority of the members of the Advisory Committee shall constitute a quorum for the transaction of business, except that less than a quorum or the secretary of each Advisory Committee may adjourn meetings from time-to-time. As soon as practicable, but no later than the time of posting, the Secretary of the Advisory Committee shall provide notice and the agenda to each Party, Director and Alternate Directors.
- (e) **Officers of Advisory Committees.** Unless otherwise determined by the Board, each Advisory Committee shall choose its officers, comprised of a Chairperson, a Vice-Chairperson and a Secretary.

6. IMPLEMENTATION ACTION AND AUTHORITY DOCUMENTS

6.1 Preliminary Implementation of the CCA Program.

- 6.1.1 **Enabling Ordinance.** In addition to the execution of this Agreement, each Party shall adopt an ordinance in accordance with Public Utilities Code Section 366.2(c)(12) for the purpose of specifying that the Party intends to implement a CCA Program by and through its participation in the Authority.
- 6.1.2 **Implementation Plan.** The Authority shall cause to be prepared and secure Board approval of an Implementation Plan meeting the requirements of Public Utilities Code Section 366.2 and any applicable Public Utilities Commission regulations as soon after the Effective Date as reasonably practicable. .
- 6.1.3 **Termination of CCA Program.** Nothing contained in this Section 6 or this Agreement shall be construed to limit the discretion of the Authority to terminate the implementation or operation of the CCA Program at any time in accordance with any applicable requirements of state law.

- 6.2 **Authority Documents.** The Parties acknowledge and agree that the affairs of the Authority will be implemented through various documents duly adopted by the Board through Board resolution or minute action, including but not necessarily limited to the Operating Policies and Procedures, the annual budget, and specified plans and policies defined as the Authority Documents by this Agreement. The Parties agree to abide by and comply with the terms and conditions of all such Authority Documents that may be adopted by the Board, subject to the Parties' right to withdraw from the Authority as described in Section 8 (Withdrawal and Termination) of this Agreement.

7. FINANCIAL PROVISIONS

7.1 **Fiscal Year.** The Authority's fiscal year shall be 12 months commencing July 1 and ending June 30. The fiscal year may be changed by Board resolution.

7.2 **Depository.**

7.2.1 All funds of the Authority shall be held in separate accounts in the name of the Authority and not commingled with funds of any Party or any other person or entity.

7.2.2 All funds of the Authority shall be strictly and separately accounted for, and regular reports shall be rendered of all receipts and disbursements, at least quarterly during the fiscal year. The books and records of the Authority shall be open to inspection and duplication by the Parties at all reasonable times. The Board shall contract with a certified public accountant or public accountant to make an annual audit of the accounts and records of the Authority, which shall be conducted in accordance with the requirements of Section 6506 of the Act.

7.2.3 All expenditures shall be made in accordance with the approved budget and upon the approval of any officer so authorized by the Board in accordance with its Operating Policies and Procedures. The Treasurer shall draw checks or warrants or make payments by other means for claims or disbursements not within an applicable budget only upon the prior approval of the Board.

7.3 **Budget and Recovery Costs.**

7.3.1 **Budget.** The initial budget shall be approved by the Board. The Board may revise the budget from time to time as may be reasonably necessary to address contingencies and unexpected expenses. All subsequent budgets of the Authority shall be prepared and approved by the Board in accordance with the Operating Policies and Procedures.

7.3.2 **Funding of Initial Costs.** Subject to the approval of the Board of Supervisors, the County of Los Angeles has agreed to provide up to \$10 million for funding Initial Costs in establishing the Authority and implementing the CCA Program. In the event that the CCA Program becomes operational, the County of Los Angeles shall be reimbursed for the Initial Costs. The County and the Authority will execute an agreement specifying the terms and conditions of the Initial Costs provided by the County, including but not limited to: (a) Repayment of this amount, which shall be first priority in relation to all other indebtedness of the Authority; and (b) authorization for the County Auditor-Controller to conduct an audit of the Authority's books and records (including personnel records, as necessary) and/or investigation, following reasonable advance notice from the County, to ensure compliance with the terms and conditions of the agreement. The Authority may establish a reasonable time period over which such costs are recovered. In the event that the CCA Program

does not become operational, the County shall not be entitled to any reimbursement of the Initial Costs they have paid from the Authority or any other Party.

7.3.3 **Program Costs.** The Parties desire that, to the extent reasonably practicable, all costs incurred by the Authority that are directly or indirectly attributable to the provision of electric services under the CCA Program, including the establishment and maintenance of various reserve and performance funds, shall be recovered through charges to CCA customers receiving such electric services.

7.3.4 **General Costs.** Costs that are not directly or indirectly attributable to the provision of electric services under the CCA Program, as determined by the Board, shall be defined as general costs. General costs shall be shared among the Parties on such bases as the Board shall determine pursuant to the Authority documents.

7.4 **Contributions.** Parties are not required under this Agreement to make any financial contributions. Consumers may subscribe as customers of the Authority pursuant to the Act and outside of this Agreement and through their on-bill selections.

7.4.1 A Party may, in the appropriate circumstance, and when agreed-to:

- (a) Make contributions from its treasury for the purposes set forth in this Agreement;
- (b) Make payments of public funds to defray the cost of the purposes of the Agreement and Authority;
- (c) Make advances of public funds for such purposes, such advances to be repaid as provided by written agreement; or
- (d) Use its personnel, equipment or property in lieu of other contributions or advances.
- (e) No Party shall be required to adopt any tax, assessment, fee or charge under any circumstances.

7.5 **Accounts and Reports.** The Treasurer shall establish and maintain such funds and accounts as may be required by good accounting practice or by any provision of any trust agreement entered into with respect to the proceeds of any bonds issued by the Authority. The books and records of the Authority in the hands of the Treasurer shall be open to inspection and duplication at all reasonable times by duly appointed representatives of the Parties. The Treasurer, within 180 days after the close of each fiscal year, shall give a complete written report of all financial activities for such fiscal year to the Parties.

7.6 **Funds.** The Treasurer shall receive, have custody of and/or disburse Authority funds in accordance with the laws applicable to public agencies and generally

accepted accounting practices, and shall make the disbursements required by this Agreement in order to carry out any of the purposes of this Agreement.

8. WITHDRAWAL AND TERMINATION

8.1 Withdrawal

8.1.1 Withdrawal by Parties. Any Party may withdraw its membership in the Authority, effective as of the beginning of the Authority's fiscal year, by giving no less than 180 days advance written notice of its election to do so, which notice shall be given to the Authority and each Party. Withdrawal of a Party shall require an affirmative vote of the Party's governing board.

8.1.2 Amendment. Notwithstanding Section 8.1.1 (Withdrawal by Parties) of this Agreement, a Party may withdraw its membership in the Authority upon approval and execution of an amendment to this Agreement provided that the requirements of this Section 8.1.2 are strictly followed. A Party shall be deemed to have withdrawn its membership in the Authority effective 180 days after the Board approves an amendment to this Agreement if the Director representing such Party has provided notice to the other Directors immediately preceding the Board's vote of the Party's intention to withdraw its membership in the Authority should the amendment be approved by the Board.

8.1.3 Continuing Liability; Further Assurances. A Party that withdraws its membership in the Authority may be subject to certain continuing liabilities, as described in Section 8.4 (Continuing Liability; Refund) of this Agreement, including, but not limited to, Power Purchase Agreements. The withdrawing Party and the Authority shall execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary, as determined by the Board, to effectuate the orderly withdrawal of such Party from membership in the Authority. The Operating Policies and Procedures shall prescribe the rights if any of a withdrawn Party to continue to participate in those Board discussions and decisions affecting customers of the CCA Program that reside or do business within the jurisdiction of the Party.

8.2 Involuntary Termination. This Agreement may be terminated with respect to a Party for material non-compliance with provisions of this Agreement or the Authority Documents upon an affirmative vote of the Board in which the minimum percentage vote and percentage voting shares, as described in Section 4.10 (Board Voting) of this Agreement, shall be no less than 67% excluding the vote and voting shares of the Party subject to possible termination. Prior to any vote to terminate this Agreement with respect to a Party, written notice of the proposed termination and the reason(s) for such termination shall be delivered to the Party whose termination is proposed at least 30 days prior to the regular Board meeting at which such matter shall first be discussed as an agenda item. The written notice of proposed termination shall specify the particular provisions of this Agreement or the Authority Documents that the Party has allegedly violated.

The Party subject to possible termination shall have the opportunity at the next regular Board meeting to respond to any reasons and allegations that may be cited as a basis for termination prior to a vote regarding termination. A Party that has had its membership in the Authority terminated may be subject to certain continuing liabilities, as described in Section 8.4 (Continuing Liability; Refund) of this Agreement. In the event that the Authority decides to not implement the CCA Program, the minimum percentage vote of 67% shall be conducted in accordance with Section 4.10 (Board Voting) of this Agreement.

8.3 **Mutual Termination.** This Agreement may be terminated by mutual agreement of all the Parties; provided, however, the foregoing shall not be construed as limiting the rights of a Party to withdraw its membership in the Authority, and thus terminate this Agreement with respect to such withdrawing Party, as described in Section 8.1 (Withdrawal) of this Agreement.

8.4 **Continuing Liability; Refund.** Upon a withdrawal or involuntary termination of a Party, the Party shall remain responsible for any claims, demands, damages, or liabilities arising from the Party's membership in the Authority through the date of its withdrawal or involuntary termination, it being agreed that the Party shall not be responsible for any claims, demands, damages, or liabilities arising after the date of the Party's withdrawal or involuntary termination. In addition, such Party also shall be responsible for any costs or obligations associated with the Party's participation in any program in accordance with the provisions of any agreements relating to such program provided such costs or obligations were incurred prior to the withdrawal of the Party. The Authority may withhold funds otherwise owing to the Party or may require the Party to deposit sufficient funds with the Authority, as reasonably determined by the Authority, to cover the Party's liability for the costs described above. Any amount of the Party's funds held on deposit with the Authority above that which is required to pay any liabilities or obligations shall be returned to the Party.

8.5 **Disposition of Authority Assets.** Upon termination of this Agreement and dissolution of the Authority by all Parties, and after payment of all obligations of the Authority, the Board:

8.5.1 May sell or liquidate Authority property; and

8.5.2 Shall distribute assets to Parties in proportion to the contributions made by the existing Parties.

Any assets provided by a Party to the Authority shall remain the asset of that Party and shall not be subject to distribution under this section.

9. MISCELLANEOUS PROVISIONS

9.1 **Dispute Resolution.** The Parties and the Authority shall make reasonable efforts to settle all disputes arising out of or in connection with this Agreement. Before exercising any remedy provided by law, a Party or the Parties and the Authority shall engage in nonbinding mediation or arbitration in the manner agreed upon by the Party or Parties and the Authority. The Parties agree that

each Party may specifically enforce this section 9.1 (Dispute Resolution). In the event that nonbinding mediation or arbitration is not initiated or does not result in the settlement of a dispute within 60 days after the demand for mediation or arbitration is made, any Party and the Authority may pursue any remedies provided by law.

9.2 **Liability of Directors, Officers, and Employees.** The Directors, officers, and employees of the Authority shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to this Agreement. No current or former Director, officer, or employee will be responsible for any act or omission by another Director, officer, or employee. The Authority shall defend, indemnify and hold harmless the individual current and former Directors, officers, and employees for any acts or omissions in the scope of their employment or duties in the manner provided by Government Code Section 995 et seq. Nothing in this section shall be construed to limit the defenses available under the law, to the Parties, the Authority, or its Directors, officers, or employees.

9.3 **Indemnification of Parties.** The Authority shall acquire such insurance coverage as is necessary to protect the interests of the Authority, the Parties and the public. The Authority shall defend, indemnify and hold harmless the Parties and each of their respective governing board members, officers, agents and employees, from any and all claims, losses, damages, costs, injuries and liabilities of every kind arising directly or indirectly from the conduct, activities, operations, acts and omissions of the Authority under this Agreement.

9.4 **Notices.** Any notice required or permitted to be made hereunder shall be in writing and shall be delivered in the manner prescribed herein at the principal place of business of each Party. The Parties may give notice by (1) personal delivery; (2) e-mail; (3) U.S. Mail, first class postage prepaid, or a faster delivery method; or (4) by any other reasonable method deemed appropriate by the Board.

Upon providing written notice to all Parties, any Party may change the designated address or e-mail for receiving notice.

All written notices or correspondence sent in the described manner will be deemed given to a party on whichever date occurs earliest: (1) the date of personal delivery; (2) the third business day following deposit in the U.S. mail, when sent by "first class" mail; or (3) the date of transmission, when sent by e-mail or facsimile.

9.5 **Successors.** This Agreement shall be binding upon and shall inure to the benefit of the successors of each Party.

9.6 **Assignment.** Except as otherwise expressly provided in this Agreement, the rights and duties of the Parties may not be assigned or delegated without the advance written consent of all of the other Parties, and any attempt to assign or delegate such rights or duties in contravention of this Section 9.6 shall be null and void. This Agreement shall inure to the benefit of, and be binding upon, the

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

successors and assigns of the Parties. This Section 9.6 does not prohibit a Party from entering into an independent agreement with another agency, person, or entity regarding the financing of that Party's contributions to the Authority, or the disposition of the proceeds which that Party receives under this Agreement, so long as such independent agreement does not affect, or purport to affect, the rights and duties of the Authority or the Parties under this Agreement.

- 9.7 **Severability.** If any one or more of the terms, provisions, promises, covenants, or conditions of this Agreement were adjudged invalid or void by a court of competent jurisdiction, each and all of the remaining terms, provisions, promises, covenants, and conditions of this Agreement shall not be affected thereby and shall remain in full force and effect to the maximum extent permitted by law.
- 9.8 **Governing Law.** This Agreement is made and to be performed in the State of California, and as such California substantive and procedural law shall apply.
- 9.9 **Headings.** The section headings herein are for convenience only and are not to be construed as modifying or governing the language of this Agreement.
- 9.10 **Counterparts.** This Agreement may be executed in any number of counterparts, and upon execution by all Parties, each executed counterpart shall have the same force and effect as an original instrument and as if all Parties had signed the same instrument. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signatures thereon, and may be attached to another counterpart of this Agreement identical in form hereto but having attached to it one or more signature pages.
- 9.11 **No Third Party Beneficiaries.** This Agreement and the obligations hereunder are not intended to benefit any party other than the Authority and its Parties, except as expressly provided otherwise herein. No entity that is not a signatory to this Agreement shall have any rights or causes of action against any party to this Agreement as a result of that party's performance or non-performance under this Agreement, except as expressly provided otherwise herein.
- 9.12 **Filing of Notice of Agreement.** Within 30 days after the Effective Date, or amendment thereto, the Secretary shall cause to be filed with the Secretary of State the notice of Agreement required by the Act.

IN WITNESS WHEREOF, each Party has caused this Agreement to be executed and attested by its proper officers thereunto duly authorized, its official seals to be hereto affixed, as follows:

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

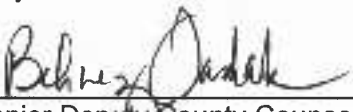
LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

COUNTY OF LOS ANGELES

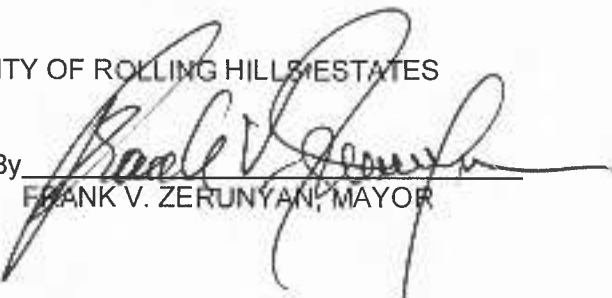
By 
Sachi A. Hamai
Chief Executive Officer

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

By 
Senior Deputy County Counsel

CITY OF ROLLING HILL ESTATES

By 
FRANK V. ZERUNYAN, MAYOR

ATTEST:

By 
DOUGLAS R. PRICHARD, CITY CLERK

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

COUNTY OF LOS ANGELES

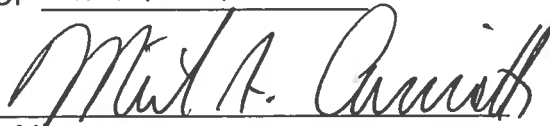
By _____
Sachi A. Hamai
Chief Executive Officer

APPROVED AS TO FORM:

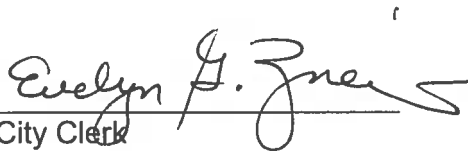
MARY C. WICKHAM
County Counsel

By _____
Senior Deputy County Counsel

CITY OF South Pasadena

By 
Mayor

ATTEST:

By 
City Clerk