



Local Programs for a Clean Energy Future Action Plan



2023-2025



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Local Programs for a Clean Energy Future

Background

The Clean Power Alliance Board of Directors approved the Local Programs for a Clean Energy Future Plan (Plan) in June of 2020. This Plan charts a strategic vision for customer programs, including products, services, and financial incentives, undertaken by CPA to invest in its communities and to support its customers in co-managing their relationship with the energy system. These programs can bring local benefits such as customer cost savings, economic and workforce development, improved air quality and public health, and more resilient communities.

The Plan identified seven programs that fall into three categories: Resilience and Grid Management, Electrification, and Local Procurement. These three categories are also referred to as CPA's "Program Pillars". All of these programs have been launched and are in various stages of implementation.

Resilience and Grid Management

- 1. Clean Back Up for Essential Facilities:** Installation of clean energy generation and storage at essential community facilities. This program is called Power Ready.
- 2. Demand Response:** Partnering with customers to utilize demand response, reliability, and/or resiliency. This program is called Power Response.
- 3. Peak Management Pricing:** Incentives for commercial and public agency customers to reduce their energy consumption during periods of grid stress, elevated wholesale energy prices, and high greenhouse gas (GHG) emissions.

Electrification

- 4. Public Electric Vehicle (EV) Charging:** Incentives for publicly accessible electric vehicle chargers. CPA currently offers EV charging incentives in partnership with California Energy Commission through the California Electric Vehicle Infrastructure Project (CALeVIP).
- 5. Building Electrification Codes:** Technical assistance and incentives for cities and counties to develop local building codes to encourage the electrification and decarbonization of the building sector.

Local Procurement

- 6. Community Solar:** Development of small-scale local generation projects in disadvantaged communities (DAC) that provide bill discounts of 20% to neighboring residents.
- 7. 100% Green Discount:** Bill discount of 20% to low-income customers for renewable energy generated in disadvantaged communities. This program is called Power Share.

In addition to the these seven programs, CPA also launched a **Workforce Development Program** that has provided a Microgrid Maintenance training program through the Los Angeles Cleantech Incubator, and funding for two upcoming Western Electrical Cybersecurity Apprenticeship Trainings for Smart Buildings & Smart Cities through the Los Angeles Electrical Training Institute and the Ventura County Joint Apprenticeship Training Committee, both managed by the International Brotherhood of Electrical Workers (IBEW).

Mid-Cycle Plan Refresh

As the Plan laid out a 5-year vision for customer programs, this current mid-point mark has served as an opportunity to perform a mid-term review. In addition to being at the mid-point of the Plan timeline, there have also been changes to the policy and technology landscape that offer an opportunity to evaluate and grow our priority programs.

This review does not change the existing Plan, built through over a year of research, development, and outreach, but rather builds upon the Plan through the creation of a separate “Action Plan” that expands and refines the approaches for the next several years under the existing Program Pillars. Additionally, given the evolving nature of the market this Action Plan expands the Plan to include “Cross Cutting Programs” that address a combination of Program Pillars to deliver benefits to our customers and communities.

During the mid-cycle review, CPA considered the performance of its existing programs and past pilots to inform areas to continue, expand, or add. This process also included evaluation of external funding opportunities. CPA is tracking regional, state, and federal funding opportunities that align with its Program Pillars. As discussed in the individual sections of the Action Plan, CPA will pursue, either independently or with local partners, external funding opportunities that align with these program priorities and will serve to accelerate or expand the reach of its programs.

Stakeholder Engagement

To create the Action Plan, CPA solicited feedback from internal stakeholders, City Managers and Sustainability Staff, Community Based Organizations (CBOs), the Community Advisory Committee, and its Board of Directors. It also incorporated customer input through customer surveys, load profile analysis, and input from the Strategic Accounts team within CPA. Finally, the Action Plan was informed by benchmarking and evaluating best practices from other CCAs, program administrators, and organizations across California and the nation.

Program Prioritization

During the mid-cycle refresh process many programmatic ideas and solutions were identified and considered. Of these ideas, CPA staff selected seven concepts that they felt best continued to advance the priorities established in the original Plan. These were selected based on a qualitative assessment to prioritize the top ideas and ultimately develop the recommendations in the Action Plan below. The criteria used are as follows:

- Program impacts measured in kWh, kW, GHG, or customer cost savings and the anticipated total cost to administer.

- Goal alignment with the CPA mission and Local Programs for a Clean Energy Future plan.
- Whether the offer expands access and engagement throughout our customer base, particularly underserved communities.
- Differentiated value, i.e. whether it brings unique value versus what others are offering in the region.

Customer Centric Design

CPA’s service territory has a unique diversity of customers, communities, and climate zones which are important to consider when designing programs and outreach approaches. Part of CPA’s evaluation in developing this Action Plan included consideration for the customer composition within its service territory to ensure it focuses resources to provide the most value to CPA customers. Additionally, CPA evaluated where there were gaps in state or regional program offerings or where existing programs did not fully address the barriers to adoption by CPA customers.

CPA serves approximately 1 million residential and business customer accounts across 32 communities in Los Angeles and Ventura counties, with three more cities starting service in 2024. The majority, 88%, of CPA customers are residential, with 20% of those residential customers receiving California Alternative

Rates for Energy (CARE) and/or Family Electric Rate Assistance (FERA). CPA focused specifically on equity and ensuring traditionally hard-to-reach and low-income customers are a target audience for CPA programs. As a result, many programs discussed in the Action Plan are designed to specifically target residential customers and those on CARE or FERA. Additionally, focusing on local governments was seen as an opportunity to amplify local leadership and to serve the broader community.





Local Programs for a Clean Energy Future

ACTION PLANS

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Resilience and Grid Management

In addition to continuing and improving upon existing offerings, such as Power Response and the first cohort of projects under Power Ready, CPA plans to expand its resilience and grid management efforts. These new program approaches take into account best practices and respond to changes and trends in the energy market.

1. Expand Power Ready Program

OBJECTIVE

Provide clean energy resiliency to municipal and community sites that serve a critical need in order to preserve those critical functions during an outage and by offering an alternative to diesel generators, reducing emissions and improving local air quality.

APPROACH

Develop an additional cohort of participants to broaden the reach of the program. CPA will also seek external funding to expand the number of Power Ready sites and increase the community resiliency benefits the program can provide. There is an increased focus on funding resiliency projects from both federal and state funding sources that align with CPA's Power Ready program approach. CPA will track and apply for this funding to support expansion of the program to include other existing community-serving locations such as schools, libraries, community centers, youth and/or senior centers, cultural centers, workforce development and training facilities, and foodbanks. CPA will work with participants to engage their communities during the projects to maximize the resiliency benefits.

TARGET AUDIENCE

This program is currently available to member agencies but will be expanded to other public agency and/or community gathering locations that could serve as resiliency centers.

TIMELINE

Recruitment for the next cohort to expand the Power Ready program is targeted and budgeted for in the 2023-2024 fiscal year.



2. Rate-Based Approach to Incentivize Customers to Reduce Usage During Energy Savings Events

OBJECTIVE

Leverage customer load shifting as an emergency grid resource during periods where energy costs are high or there is strain on the grid due to high demand. Customers who are able to significantly shift load and provide this resource will benefit from incentives or lower prices the rest of the year.

APPROACH

Evaluate the current Peak Management Pricing rate and program structure, including why there is low enrollment, and propose a redesigned approach to increase customer participation. The redesigned rate or alternative approach will provide price signals to large commercial and public sector customers to drive shifts in their behavior. This could include incentives, increased or decreased rates during certain periods, real-time or dynamic pricing signals, and feedback to deliver the desired results. This will consider how a CPA rate or approach would be distinct from any rates available to customers through SCE.

TIMELINE

Evaluation of new and alternative approaches will begin in 2024 with a goal to launch any new product prior to summer 2025.

TARGET AUDIENCE

This program would be available to commercial and public sector customers.

Electrification

CPA will continue to administer its Reach Code Program for Building and Transportation Electrification and the CALeVIP Southern California and South Central Coast Incentive Projects in partnership with the California Energy Commission. The CALeVIP offering is in the process of ramping down, with final project completions due in early 2025. CPA will also continue to partner with local workforce training and development agencies to build a workforce to support these types of activities. Given the growing importance and opportunities around electrification, CPA will expand its offering to address key barriers to adoptions amongst its customers.

3. Customer Energy Advisor

OBJECTIVE

Provide a concierge service to our customers to enable them to advance energy efficiency and electrification projects with less confusion and effort, maximizing their ability to leverage regional, state, and federal funding opportunities.

TARGET AUDIENCE

This service would be available for residential and small business customers.

APPROACH

Electrifying and increasing the efficiency of existing buildings can be challenging to navigate for customers. The Customer Energy Advisor would serve as a neutral third party to assist customers in identifying the right types of measures to pursue, referring qualified contractors, reviewing bids, and connecting the customer with financing and incentives offered through numerous local and statewide programs. CPA may also include additional customer incentives to offset the costs of electrification measures or infrastructure, such as electrical panel upgrades.

TIMELINE

This program has been budgeted in the 2023-2024 fiscal year budget. Staff anticipate designing and administering a Request for Proposal (RFP) for implementation services in early 2024. Additional customer incentives have not yet been budgeted.



4. EV Charging Infrastructure Technical Assistance and Incentives for Hard-to-Reach Customers

OBJECTIVE

Increase availability of EV charging infrastructure to traditionally hard-to-reach customer segments by alleviating key barriers such as technical knowledge, expertise, and funding. Increasing the availability of EV charging in multifamily dwellings and within disadvantaged communities will enable broader adoption of electric vehicles.

TARGET AUDIENCE

This program will target multifamily properties across CPA's service territory as well as small and medium businesses within disadvantaged communities.

APPROACH

This program would provide technical assistance to multifamily building owners, and to owners of small and medium business in disadvantaged communities. The technical assistance would evaluate the feasibility of on-site EV charging and provide recommendations on the preferred configurations to minimize electric infrastructure upgrades. This would include connecting customers with installers, available funding, and financing to enable the project. The program will also consider offering incentives or direct installation of chargers for these customers to help offset the cost of EV infrastructure. CPA will pursue Low Carbon Fuel Standard (LCFS) credits to fund incentives for this customer segment to complement the technical assistance services. Additionally, there would be a focus on enrolling these participants in Power Response or other time-of-use optimization approaches.

TIMELINE

This program has been budgeted in the 2023-2024 fiscal year budget. CPA plans to leverage LCFS credits as an additional funding source to support incentives. Staff anticipate designing and administering a RFP for implementation services in early 2024.

Local Procurement

Enabling behind-the-meter and front-of-the-meter local energy projects is critical to advancing our clean energy goals. CPA will continue to offer the California Public Utilities Commission (CPUC) funded Disadvantage Communities Green Tariff (DAC-GT) and Community Solar Community Solar Green Tariff (CSGT) offering. These programs provide residential customers with 100% clean energy and an additional 20% bill discount for eligible residents. CPA will continue to advocate for community solar program expansion at the CPUC to increase the number of customers it serves. CPA will continue to expand its programs in this category, with a focus on expanding behind-the-meter offerings that empower customers to adopt solar and storage technologies.

5. Incentives to Support Solar + Storage Adoption

OBJECTIVE

Provide a simple pathway to encourage new and existing solar customers to pair their systems with battery storage. This will provide customers with bill savings under new net energy metering (NEM) tariffs and provide the region with increased grid resources.

APPROACH

CPA will evaluate the best approach to increase behind-the-meter solar and storage, or stand-alone storage that can be utilized as a grid management and emergency response assets. This program is designed to work in conjunction with the new NEM tariff to advance storage paired solar systems by providing an upfront incentive for the purchase and installation of battery storage (phase 1). Additionally, CPA will evaluate how to increase adoption of battery storage with low income and medical baseline customers (phase 2). Phase 2 may include direct installation opportunities that could leverage private capital or partnerships to improve the value proposition. Additionally, CPA will evaluate financing opportunities for customers to offset the cost of the battery and to incentivize customers to enroll in demand response (DR) programs and/or allow management of a portion of their battery as a grid resource.

TIMELINE

Staff anticipate designing and launching in two phases, the first of which will be available by early 2024 and the second stage which will include an RFP in early 2024. Phase 1 of this program has been budgeted in the 2023-2024 fiscal year budget.

TARGET AUDIENCE

This program will focus primarily on residential customers but will also explore how to best serve residential customers in multifamily buildings and commercial customers in the future.



6. Pursue Partnership to Deliver Virtual Power Plant

OBJECTIVE

Leverage behind-the-meter resources for demand reduction during grid emergencies and/or to allow for ongoing grid management in support of CPA's power procurement efforts. By tapping into the market to identify, procure, and manage these potential resources, CPA can create a virtual power plant that would be leveraged during grid strain which would concurrently support customers to adopt clean energy technologies and strengthen their ability to manage and control their energy usage.

TARGET AUDIENCE

This offer will target aggregators of behind-the-meter resources sited at CPA customer locations.

APPROACH

CPA will evaluate the best approach to procuring distributed energy resources through a Request for Offer (RFO) process that can be deployed to manage peak usage and high-priced hours and can improve reliability and deliver cost savings. There are numerous manufacturers, installers, and service providers that have existing, or the ability to quickly build, networks of customer resources that can be deployed to meet these needs. This would operate in parallel to the Power Response program but could offer access to resources beyond what that program is built to deliver.

This program pathway also aligns with numerous potential funding sources, such as emergency reliability statewide funding that could accelerate or amplify CPA's efforts.

TIMELINE

CPA has budgeted support from a technical consultant to provide recommendations on its approach in the 2023-2024 budget, with a goal to launch a solicitation in 2024.



Cross Cutting Programs

New as part of this Action Plan, Cross Cutting Programs would focus on areas that cross over between multiple Program Pillars. These efforts, by design, allow for focus in resilience and grid management, building and transportation electrification, and local procurement and strive to encourage adoption of projects and technologies that accomplish multiple goals.

7. Local Government Sustainability Assistance Program

OBJECTIVE

Accelerate adoption of member agencies' sustainability and climate goals through technical assistance and financial support. CPA will streamline this support by procuring technical resources and incentivizing equipment to advance key areas that align with its Program Pillars. This program will also provide support for local governments to pursue other regional, state, and federal funding to complement CPA funds and maximize the opportunities.

APPROACH

The program combines two optional participation pathways. First, a menu of scalable options, such as municipal fleet electrification, building electrification, and EV charging at city or county sites, which would be available to each member agency. Second, a grant opportunity for unique projects related to resilience and grid management, electrification, and/or local procurement. CPA will also support member agencies in understanding and obtaining funding from other local, state, and federal funding opportunities. A program of this type was contemplated in the current Plan but was not initially selected due to financial and administrative constraints.

TARGET AUDIENCE

This program will be available to CPA member agencies for implementation in their facilities and operations.

TIMELINE

This program is under development with a target launch in early 2024 and has been budgeted in the 2023-2024 fiscal year budget.