RESOLUTION NO. 23-06-050

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA TO APPROVE 2023 RATES FOR PHASES 4 & 5 NON-RESIDENTIAL CUSTOMERS

THE BOARD OF DIRECTORS OF THE CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA DOES HEREBY FIND, RESOLVE, AND ORDER AS FOLLOWS:

WHEREAS, the Clean Power Alliance of Southern California (formerly known as Los Angeles Community Choice Energy Authority) ("Clean Power Alliance" or "CPA") was formed on June 27, 2017;

WHEREAS, on May 1, 2019, Phase 4 commenced with the enrollment of all non-residential accounts in CPA territory at that time with the exception of unincorporated Los Angeles County, South Pasadena, and Rolling Hills Estates, necessitating the adoption of Phase 4 non-residential rates;

WHEREAS, on June 6, 2019, the Board authorized rates for the implementation of the Peak Management Pricing demand response program and the Wind Machine Credit for eligible TOU-PA-2 customers that utilize wind machines to prevent crop freezing;

WHEREAS, on June 1, 2020, Phase 5 commenced with the enrollment of all customers in Westlake Village, necessitating the adoption of Phase 5 non-residential rates; and

WHEREAS, on May 4, 2023, the Board approved a FY 2023-2024 rate setting approach that based on representative customer load profiles and customer usage:

- a. Set the CPA target rate product differential between 100% Green Power rate product and Clean Power rate product to 4% and the target price differential between 100% Green Power rate product and Lean Power rate product to 5% as informed by CPA's projected FY 2023-24 cost of service (COS),
- b. Direct staff to develop rates for each of CPA's three rate products for residential and small and medium business customers¹ such that the 100% Green rate product targets a 3% total bill premium compared to Southern California Edison ("SCE") base rates as of March 1, 2023, Clean Power at a 1% total bill discount target compared to SCE base rates as of March 1, 2023, and Lean Power at a 2% total bill discount target compared to SCE base rates as of March 1, 2023, for customers on the 2018 Power

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¹ Small and medium business customers are considered to be on the TOU-GS-1 and TOU-GS-2 rate schedules.

Charge Indifference Adjustment vintage,

- c. Update rates for large commercial, pumping and agriculture, and streetlighting customer² rate classes ("Subset Customers") to reflect CPA's projected FY 2023-24 COS, and,
- d. Set total bill comparisons for customers in the cities of Hermosa Beach, Monrovia, and Santa Paula at the same total bill comparison levels as customers of the current member agencies.

(subsections (a)-(d) are collectively referred to as "Rate Setting Approach")

NOW THEREFORE, BE IT DETERMINED, ORDERED, AND RESOLVED, BY THE BOARD OF DIRECTORS OF THE CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA THAT:

- 1. The Rate Setting Approach for FY 2023-2024 will apply to all rates for Phases 4 and 5 customers.
- 2. The proposed Phases 4 & 5 non-residential rate schedules as presented in Exhibit A are hereby approved effective July 1, 2023.
- 3. The proposed Phases 4 & 5 rate schedules for non-residential CARE customers as presented in Exhibit B are hereby approved effective July 1, 2023.
- 4. The proposed Phases 4 & 5 Wind Machine Credit rates as presented in Exhibit C are hereby approved effective July 1, 2023.
- 5. The proposed Phases 4 & 5 Peak Management Pricing rates as presented in Exhibit D are hereby approved effective July 1, 2023.

APPROVED AND ADOPTED this 1st day of June 2023.

Julian/Golď, Chair

ATTEST:

Gabriela Monzon, Secretary

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² Subset Customers are on TOU-8, TOU-GS-3, TOU-PA-2, TOU-PA-3, and LS-1 rate schedules for all Phases 4 and 5 customers.