

RESOLUTION NO. 25-12-097

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA
TO APPROVE FISCAL YEAR 2025-26 RATES FOR PHASE
7 SUBSET CUSTOMERS UNDER RATE SCHEDULES
TOU-8, TOU-GS-3, AND TOU-PA**

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 October 1, 2025, Phase 7 commenced with the enrollment of all customers in La Cañada Flintridge, Lynwood, and Port Hueneme, necessitating the adoption of rates for Phase 7 customers;

WHEREAS, on December 5, 2024, the Board approved Resolution 24-12-078 adopting a FY 2025-2026 rate setting approach for Phase 7 customers after carefully considering the staff report and its accompanying exhibits at a publicly-noticed meeting, to provide these new customers with predictable and competitive rates prior to and during launch of service in October 2025:

- a. Set residential and small/medium business¹ rates such that total bill comparisons are at a 1% discount to SCE for Lean Power, a 0% discount (parity) for Clean Power, and a 5% premium for 100% Green Power, which is designed to cover the customers' cost of service and contribute to CPA's financial goals.
- b. Set subset rates² for the new communities such that total bill comparisons for each subset rate schedule do not exceed the July 1, 2024 levels, which is designed to cover the subset customers' cost of service and contribute to CPA's financial goals.

(subsections (a)-(b) are collectively referred to as "Phase 7 Rate Setting Approach");

WHEREAS, Resolution 24-12-078 authorizes the Chief Executive Officer to update Phase 7 rates, as needed whenever SCE and/or PCIA rates change, to maintain the Rate Setting Approach throughout FY 2025-2026;

¹ Small and medium business customers are on TOU-GS-1, TOU-GS-2, TOU-EV, TC, and WTR rate schedules in Phase 7 service areas.

² Subset Customers are on TOU-8, TOU-GS-3, TOU-PA, LS, and AL rate schedules in Phase 7 service areas.

WHEREAS, in October 2025, CPA received information in the Energy Resource Recovery Account proceeding at the California Public Utilities Commission indicating that CPA can expect a significant variation in the Power Charge Indifference Adjustment (“PCIA”) rate changes on January 1, 2026 across different PCIA vintages;

WHEREAS, at this December 4, 2025 meeting, the Board considered the staff report at its publicly-noticed meeting, including a consideration of CPA’s reserves, CPA’s competitiveness across customer classes mitigating opt out risk, consistency within CPA’s cost of service approach, and the potential impact of changes to the Power Charge Indifference Adjustment and its impact on CPA’s Subset Customers. Based on these considerations, the Board agreed that updating the Phase 7 Rate Setting Approach to Subset Customers, except for those customers under streetlighting rates (also referred to as LS and AL), is prudent and reasonable; and

WHEREAS, the Board further determined at the December 4, 2025 meeting that the Subset Customer rates should be updated as of January 1, 2026, in order that CPA’s Subset Customers rates remain consistent with CPA’s Cost of Service approach, and that the most reasonable approach would be to adjust the non-streetlighting Subset Customer rates to be consistent with the Phase 7 Rate Setting Approach for residential and small/medium businesses.

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

1. Effective on January 1, 2026, the subset rates under TOU-8, TOU-GS-3, and TOU-PA rate schedules, except for streetlighting rates (LS and AL), shall be adjusted to align with the Phase 7 Rate Setting Approach for residential and small/medium business such that total bill comparisons are at a 1% discount to SCE for Lean Power, a 0% discount (parity) for Clean Power, and a 5% premium for 100% Green Power, which is designed to cover the customers’ cost of service and contribute to CPA’s financial goals.
2. Staff are directed to develop rates for Phase 7 Subset Customers rates consistent with ordering paragraph 1.
3. The Chief Executive Officer is authorized to update the Phase 7 subset rates, as needed throughout FY 2025-2026 whenever SCE and/or PCIA rates change, to maintain the total bill comparisons specified in ordering paragraph 1.

APPROVED AND ADOPTED this 4th day of December 2025.



Deborah Klein Lopez, Chair

ATTEST:



Gabriela Monzon, Secretary