

RESOLUTION NO. 26-03-105

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA
TO APPROVE THE TOU-SMART PILOT**

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, in June 2024, the CPA Board approved the TOU-SMART rate (formerly referred to as the TOU-D-PRIME-SOP rate) as an option for residential customers who are on the TOU-D-PRIME rate. TOU-SMART has lower super off-peak (SOP) rates during the daytime hours of 8:00 AM to 4:00 PM, which reflects the lower costs and emissions generated during the day, when solar energy is abundant on the California grid and in CPA's energy portfolio.

WHEREAS, the Board received a presentation in September 2025 and provided feedback on CPA staff's proposal for a TOU-SMART pilot ("Pilot") to automatically enroll approximately 2,600 current non-NEM TOU-D-PRIME customers on the TOU-SMART rate in order to test the impact of the lower daytime electricity rates on customer behavior and CPA energy costs.

WHEREAS, the Board requested additional information about the Pilot design, the data collection and analysis, and to what extent the pilot results would be publishable.

WHEREAS, based on the Board's feedback, CPA engaged university researchers to advise on the Pilot design, to support data analysis throughout the Pilot, and to document Pilot results;

WHEREAS, the Board finds that the proposed Pilot will likely result in statistically significant data regarding customer load shifting, including data related to pricing, participants and participation;


WHEREAS, the Board finds that the proposed Pilot will help CPA better understand how price signals, customer education, and messaging can influence beneficial load shifting behavior among residential customers with high levels of electrification and/or EVs with the limited duration with customer protections;

WHEREAS, the Board finds it reasonable and prudent to move forward with the proposed Pilot and to default the recommended set of CPA customers onto the TOU-SMART rate in the coming fiscal year as described in Attachment 1 ("Pilot Description").

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

1. The Pilot Description, attached hereto as Attachment 1, is hereby approved.
2. CPA staff is authorized to automatically enroll customers onto the TOU-SMART rate for the proposed Pilot as described in Attachment 1.

APPROVED AND ADOPTED this 5th day of March 2026.



Deborah Klein Lopez, Chair

ATTEST:



Gabriela Monzon, Board Secretary

Attachment 1

TOU-SMART Pilot

Purpose

Clean Power Alliance will launch a TOU-SMART pilot (“Pilot”) for the purpose of better understanding how price signals and customer education can influence customer load shifting behavior to reduce electricity costs.

Pilot Description

CPA will select approximately 4,200 customers to be enrolled on the TOU-SMART for the duration of the Pilot, subject to terms and conditions of service which are summarized in preliminary form below.

1. **Pricing.** Pilot participants will be automatically enrolled on CPA’s TOU-SMART rate, which has lower super off-peak (SOP) generation rates during the daytime hours of 8:00 AM to 4:00 PM. The CPA Board sets TOU-SMART rates and may change the rates from time to time at duly-noticed public meetings. Enrollment on the TOU-SMART rate does not impact customer’s Southern California Edison (SCE) delivery rates or any other fees or charges paid to SCE.
2. **Participant eligibility.** Customers selected for the pilot must be on the TOU-D-PRIME rate. The following customers will be excluded from the Pilot: (a) Customers who have been served by CPA for less than 12 months or (b) who are on Net Energy Metering (NEM) or Solar Billing Plan (SBP). Within the eligible customer pool, participants will be selected randomly to ensure a broadly representative sampling of customers across CPA’s service territory, demographic groups, climate zones, housing types, and other variables.
3. **Customer notification.** Customers will receive two notices by mail approximately 60 days and 30 days prior to launch of the Pilot notifying them of their selection for the pilot and their options.
4. **Duration.** The Pilot will run for two years from the start of service of the Pilot.
5. **Customer disenrollment.** Customers selected for the pilot may disenroll from the pilot at any time via the CPA website or by contacting CPA Customer Service by phone or email.
6. **Bill protection.** Pilot participants who experience higher bills on TOU-SMART than they would have on TOU-D-PRIME will receive a bill credit for the difference at the end of each 12-month period of the Pilot, or sooner if they disenroll from the pilot, switch rates, move out, or close their account. Customers who have consistently experienced significantly higher bills (threshold to be determined in the terms and

conditions of service) as a result of the Pilot will be automatically disenrolled from the Pilot at the end of year 1. Customers who are disenrolled may voluntarily re-enroll by contacting CPA Customer Service.

7. **Customer communications.** Pilot participants will receive regular communications via their preferred method of contact (email or mail) from CPA about the benefits of participation in the pilot and ways to reduce their electricity costs. Customers will receive two distinct messaging treatments: financial vs. environmental focus. Participants will be able to opt out of receiving these communications at any time.
8. **Pilot duration.** The pilot will run for two years from the launch date, currently expected to be October 2026 through September 2028. CPA may elect to end the pilot in less than two years, at which time bill protection credits will be issued to any eligible pilot participants.
9. **Confidentiality.** CPA, its partners and research collaborators will maintain the confidentiality of all individual customer data in accordance with CPA's Privacy Policy and all applicable state laws.
10. **Terms and Conditions:** In addition to the description specified herein, CPA's general terms and conditions will continue to apply to customers enrolled in the Pilot. The general and any Pilot terms and conditions are intended to be understood as being complimentary to the other, allowing both to operate in concert. If any part of Pilot's terms and conditions, if any, is inconsistent with the general terms and conditions, the Pilot's terms and conditions will prevail.