AGN. NO.____

MOTION BY SUPERVISORS SHEILA KUEHL AND HILDA L. SOLIS

December 7, 2021

Bringing Renewable Energy to Unincorporated Los Angeles County

The Board of Supervisors has made a strong commitment to addressing the impacts of climate change by supporting the goals of the Paris Climate Agreement to be carbon neutral by 2050, adopting the OurCounty Sustainability Plan that calls for the elimination of fossil fuels in the County by 2050, and by supporting policies and programs to reduce air and climate pollution and preparing communities for the damaging impacts of climate change. Just a few recent examples include the direction to phase out oil drilling in the County, to require that the County purchase zero emission vehicles whenever purchasing a new or replacement vehicle, seeking the closure of the Aliso Canyon gas storage facility and other similar facilities, committing to the Los Angeles Cleantech Incubator's Transportation Electrification Partnership, and supporting efforts to eliminate organic waste from landfills to avoid the generation and emission of methane.

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One of the most significant actions the County has taken over the past few years was the creation of the Clean Power Alliance (CPA), a community-choice electric utility that serves clean electricity to over 3 million people in 32 jurisdictions in Los Angeles and Ventura counties. Its 100% Green rate choice has resulted in CPA having more customers on 100% renewable energy rate plans than any other utility in the United States. Fifteen cities, representing more than 850,000 people have already opted to have 100% Green as their default energy offering within their communities. To date, CPA has committed to purchasing approximately $3 billion in renewable energy from new clean energy and energy storage projects, a decision estimated to add 2,500 clean energy jobs.

Today, over 95% of the residents and businesses in the unincorporated parts of the County are receiving 50% clean energy from CPA's Clean rate product. However, the OurCounty Sustainability Plan includes a recommendation that unincorporated Los Angeles County be transitioned to 100% renewable energy. This one action alone – changing the default energy offering to be 100% renewable – is one of the single most effective actions that the County can take to reduce its greenhouse gas emissions, resulting in an immediate cut of over 6% in greenhouse gas emissions from unincorporated Los Angeles. And, as transportation and buildings are increasingly electrified, these reductions will be compounded because the electricity will come from 100% renewable energy sources.

Changing the default energy tier in unincorporated County would increase the average customer bill by approximately 3.5% which translates to about $5 per month for the typical residential customer, though many households would only experience an increase of $2-$3 per month because of lower energy use. The rates for low-income customers on California Alternate Rates for Energy (CARE) and Family Electric Rate Assistance (FERA), as well as those on the Medical Baseline program, would not change at all as CPA has designed its rates to protect these customers by ensuring that they receive 100% renewable energy at no extra cost. Today over 90% of eligible customers are enrolled in the CARE-FERA rate programs. CPA works with community-based organizations to help promote rate discounts, having awarded over $200,000 in these types of grants since 2019. Additionally, at the height of the COVID-19 pandemic CPA provided $2 million in bill credits to over 77,000 customers in economic need.

Should the proposed default change proceed, customers would receive several notices of the pending rate change and would be provided options to remain at their current or a lower rate or to return to Southern California Edison, whose base product has between 36% and 40% renewable energy. Customers would have this option both before the rate change occurred as well as afterwards. The County could assist with communications to residents and businesses to help ensure that customers are aware of the transition to 100% renewable energy and what their options are.

CPA requires that jurisdictions seeking to make this transition notify them by December 31 of the year before the transition is to occur to give CPA sufficient time to prepare for the transition which would then take place the following October (e.g., notification in December 2021 would result in the transition occurring in October 2022). Given the number of customers in unincorporated County, CPA would likely transition customers in phases over two to three years and would likely start first with residential customers, then commercial customers, and finally with rate-subsidized customers.

It is also important that the County lead by example with its own facilities, just as we have done with our commitment to purchasing zero-emission vehicles. So, as we transition residents and businesses to 100% renewable energy, we should ensure that any County facility operating in any jurisdiction that is served by the Clean Power Alliance also be powered by 100% renewable energy. The cost for this transition should be considered for inclusion in the Fiscal Year 2022-23 budget.

WE, THEREFORE, MOVE that the Board of Supervisors:

1. Direct the Chief Executive Office to communicate the County's commitment to transition to the 100% Green rate product as the default energy product for customers of the Clean Power Alliance in the County's unincorporated areas, beginning October 1,2022; and
2. Direct the Internal Services Department, the Department of Public Works, and all other County departments that have Clean Power Alliance customer accounts to transition those accounts to the 100% Green rate product starting no later than October 1, 2022.

S:SF/Bringing Renewable Energy to Unincorporated Los Angeles County