

MOTION BY SUPERVISOR LINDSEY P. HORVATH

September 30, 2025

Delegating Authority to Execute Lease Agreements for the Clean Power Alliance

Power Ready Program

The Clean Power Alliance (CPA) is the default electricity provider for unincorporated Los Angeles County, and serves more than three million residents and businesses in communities across Los Angeles and Ventura Counties. CPA was formed as a joint powers authority (JPA) by Los Angeles County, and the County serves as the Vice Chair of the CPA Board of Directors (Board). For the past two years, CPA has been recognized as the top provider of renewable energy by the US Department of Energy due to its accomplishments in procuring and offering customers affordable clean electricity.

In 2020, the CPA Board voted to create the *Power Ready* program, a community benefit initiative where CPA member agencies could receive direct assistance to make critical facilities more energy resilient by installing solar-plus-storage systems as a clean energy backup at no-cost. The CPA Board released an RFP for member agencies to propose projects. CPA and their consultants evaluated over 100 sites across 27 member agencies and, ultimately, selected eleven projects total, including three Los Angeles County libraries: Claremont Helen Renwick Library (SD5), Hacienda Heights Library

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(SD1), and Paramount Library (SD4) (collectively, Libraries or individually, Library). Once completed, the Libraries will have access to clean electricity and backup power, which can be used in emergencies and ensure the Libraries can remain operational and accessible to the community.

Separately in 2023, CPA released the Power Ready Request for Offer (RFO) seeking proposals from clean energy developers to build, finance, and operate behind-the-meter battery energy storage systems and solar photovoltaic systems at eleven sites, which include the County Libraries. The two-step RFO sought initial offers from proposers and four firms submitted proposals. All four met technical criteria and were invited to participate in the second round, which involved reviewing site-specific information on the selected projects to receive final pricing proposals. In February 2024, the CPA Board awarded the contract to Coast Energy DevCo, LLC (Coast Energy), a long-term owner/operator of distributed solar projects across California and the United States.

Since February 2024, CPA, Coast Energy, and County teams (made up of the Internal Services Department (ISD), LA County Library, County Counsel, and most recently, CEO-Real Estate Division, have been working to negotiate terms of these projects. CPA will pay for Coast Energy to repair roofs at each Library location, lease roof space for twenty years, directly install solar panels and backup battery energy systems, and make that power available to the County at times of need. CPA has negotiated the power purchase agreement contract with Coast Energy, which will build and operate all eleven sites, including the Libraries, while the County must negotiate a Site Lease Agreement (Lease) for the roof space for each individual Library. Pursuant to

each Lease, Coast Energy will be responsible for the repair and maintenance of all the equipment for the solar and battery storage project to be installed at each Library, in addition to being responsible for the cost to repair and maintain the structural improvements to be completed for each Library roof, prior to installing their equipment. At the end of the term of the agreement, the equipment will be removed and decommissioned, unless the member agencies elect to retain it. ISD has estimated that the total value to the County, between the roof repairs and energy and resiliency services is approximately \$1.5 million over the life of the project.

The three (3) proposed Leases are statutorily exempt from the California Environmental Quality Act (CEQA) as specified in Public Resources Code section 21080.35 as CEQA does not apply to the installation of a solar energy system on the roof of an existing building. Alternatively, the three proposed Leases are categorically exempt as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, and Section 15301 of the State CEQA Guidelines (Existing Facilities) and Section 15308 (Actions by Regulatory Agencies for Protection of the Environment.) and Section 15329 (Cogeneration Projects at Existing Facilities).

The economics of these projects rely on the solar and battery storage investment tax credit. Based on new Treasury Department guidance released on September 2, 2025, projects must meet new “Physical Work Tests” with significant on-site construction work completed by July of 2026 to receive the 30% tax credit. Changes to the tax code created new urgency to execute these contracts, complete roof repairs, and begin construction of the solar and storage measures, which the CPA Board hopes to finalize at its October 2025 Board meeting. Due to these changes in federal policy threatening

the viability of this project, at a time where rising energy costs and more frequent heat events make these projects more important than ever, the County must act urgently to bring these community benefit projects to life.

I, THEREFORE, MOVE that the Board of Supervisors:

1. Find that the three (3) proposed Leases are categorically exempt as set forth in this Motion.
2. Authorize the Chief Executive Officer, or their designee, to negotiate and execute by October 9, 2025, three (3) separate Site Lease Agreements up to 20-years each, and, if necessary, any amendment or related documents, upon approval as to form by County Counsel, for the use of the Claremont Helen Renwick Library, Hacienda Heights Library, and Paramount Library, respectively, with Coast Energy Dev Co, LCC, or an approved County-designee, to install and operate solar photovoltaic and battery energy storage systems as part of the Clean Power Alliance's *Power Ready* program with the economic benefits described above. The proposed fee for each Lease is \$10/month or \$120/year.
3. Authorize the CEO, or their designee, with delegated authority to execute up to 20-year site lease contracts at County facilities with private clean energy developers competitively selected by the Clean Power Alliance (CPA) to implement CPA community benefit programs with similar benefits described above and, if necessary, any amendment or related documents, upon approval as to form by County Counsel.
4. Delegate authority to the Director of the Internal Services Department, or their designee, to (i) represent the County to work with the CPA selected vendor and

CPA for the solar photovoltaic (PV) and battery projects, (ii) sign any ancillary agreement(s) and other documents relating to the installation, operations, and maintenance of the PV and battery systems, and (iii) serve as project lead to oversee the installation, operation, and maintenance of the PV and battery systems at the County facilities for the term of any site lease agreement.

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