



CITY OF CARSON UPDATE

APRIL 13, 2017

South Bay Clean Power Mission Statement

The South Bay Clean Power program goals & objectives:

- Fastest path to 100% renewable power - goal of 10 years
- No use of Category 3 unbundled Renewable Energy Certificates (RECs)
- Distributed Energy Resources with County-wide buildout to maximize DER potential
- Local investment, local power generation, local jobs, local career opportunities
- Partnership with labor - project labor agreements, community benefit agreements, sustainable workforce agreements, job training, apprenticeship
- Focus on environmental justice in frontline communities where needs are the greatest



**SOUTH BAY
CLEAN POWER**

South Bay Clean Power Resolutions Passed

To Participate in a CCA Feasibility Study

- Hermosa Beach - September 9, 2014
- Manhattan Beach - October 21, 2014
- Santa Monica - January 13, 2015
- Redondo Beach - January 20, 2015
- Torrance - January 28, 2015
- Carson - February 3, 2015
- Beverly Hills - April 21, 2015
- Palos Verdes Estates - April 28, 2015
- Lomita - June 10, 2015
- West Hollywood, August 3, 2015
- Malibu, September 16, 2015
- Rolling Hills Estates, September 22, 2015
- Culver City, September 28, 2015

SBCP Cities Electric Loads

| CITIES | POPULATION | TOTAL ELECTRIC (MWh) |
|------------------------|------------------------|----------------------|
| Hermosa Beach | 20,000 | 80,000 |
| Manhattan Beach | 35,000 | 200,000 |
| Redondo Beach | 67,000 | 300,000 |
| Torrance | 146,000 | 1,580,000 |
| Santa Monica | 90,000 | 920,000 |
| Beverly Hills | 35,000 | 660,000 |
| Carson | 92,000 | 1,290,000 |
| Culver City | 39,000 | 440,000 |
| Malibu | 13,000 | 210,000 |
| West Hollywood | 35,000 | 320,000 |
| Lomita | 20,000 | 60,000 |
| Palos Verdes Estates | 14,000 | 60,000 |
| Rancho Palos Verdes | 42,000 | 190,000 |
| Rolling Hills Estates | 8,000 | 60,000 |
| 14 TOTAL CITIES | ~660,000 PEOPLE | ~6,400 GWh |

South Bay Clean Power CCA Development Status



1. **November 2016** – SBCP Draft JPA document submitted to cities for review and discussion
2. **December 15, 2016** – SBCP workshop on JPA draft and CCA formation timeline.
3. **February 14, 2017** – City Council of **Santa Monica** passes resolutions to continue exploring SBCP option and directs staff to review and report back on JPA and Business Plan drafts
4. **February 15, 2017** – SBCP draft Business Plan submitted to cities
5. **February 21, 2017** - City Council of **West Hollywood** passes resolutions to continue exploring SBCP option and directs staff to review and report back on JPA and Business Plan drafts
6. **March 21, 2017** – **Redondo Beach** City Council votes 2-1-1 to continue exploring SBCP option and directs staff to review and report back on JPA and Business Plan drafts.
7. **April 4, 2017** – **Torrance** City Council votes 6-1 to continue exploring SBCP option and directs staff to review and report back on JPA and Business Plan drafts.

Cities Options With South Bay Clean Power



1. Form a JPA with other interested South Bay and West Side Cities and use it to run a CCA with each participating city represented with a seat on the JPA Board of Directors
2. Issue a Request for Services that includes all CCA funding and development costs with no cost to any city
3. Determine and approve all goals and objectives of program
4. Specifically pursue an advanced CCA model that promotes maximizing Distributed Energy Resources and the necessary build out & jobs to do so
5. Hire an experienced Executive Director/CEO to run the CCA's power authority and hire staff
6. Employ best practices from Public Power and regional power authorities
7. Collaborate with the County's LACCE CCA to share economies of scale.

Top 10 Reasons to Join South Bay Clean Power's CCA



1. True local control and focus
2. Powerful and potent combination of cities sharing common goals
3. SBCP's significant combined electric power load
4. SBCP's regional approach solves County's 82-city JPA Board problem
5. Commitment to revenue from CCA going back into local program
6. SBCP's Distributed Energy Resources model embraced by state regulators and SCE
7. Existing strong & diverse coalition of stakeholders, political supporters & endorsers
8. No County board seats on our JPA necessary to share economies of scale with County
9. Start up funding and development services all available to SBCP at no cost
10. 3 years of of Working Group experience and networking of CCA connections statewide and County-wide.

Next Steps for Cities Interested in South Bay Clean Power Option

1. Pass a resolution declaring your intent to continue exploring your CCA options with South Bay Clean Power as well as L.A. County's CCA initiative.
2. Direct City staff to review, analyze and report back to City Council on draft SBCP JPA document and compare to LA County JPA document.
3. Direct City staff to review, analyze and report back to City Council on the draft SBCP Business Plan with recommendations regarding Torrance participation in SBCP JPA and becoming a member of South Bay Clean Power CCA.



SIERRA CLUB ANGELES CHAPTER

April 11, 2017

Dear South Bay and Westside Cities,

The Angeles Chapter of the Sierra Club enthusiastically endorses South Bay and Westside Cities' participation in South Bay Clean Power (SBCP). As you know, the Sierra Club is the largest and most influential grassroots environmental organization, with more than 2 million members and supporters and a long history of work on and advocacy for key energy-related issues, including climate change, environmental and economic justice.

Our endorsement of SBCP is consistent with the Sierra Club's national "Ready for 100" campaign, launched more than year ago to achieve 100% clean, renewable energy in our electricity grid by 2030. This ambitious goal is best achieved through prioritizing job-creating distributed generation, energy conservation, and energy storage programs. We believe that SBCP is not only the best opportunity for cities on the Westside and South Bay to achieve their environmental and sustainability goals, but also to increase good paying local jobs while at the same time improving their financial health by reducing energy costs.

SBCP has met these standards by establishing the following six key goals and objectives in its draft business plan:

1. The fastest path to 100% renewable power – with a goal of reaching that 10 years after our CCA launches;
2. No use of Category 3 unbundled Renewable Energy Certificates (RECs) to achieve our 100% renewables goal;
3. A Distributed Energy Resources model (DER, which refers to distributed renewable power generation, storage, energy efficiency, demand response and electric vehicle infrastructure) with a Los Angeles County-wide buildout of infrastructure to maximize our DER potential;
4. A focus on local economic investment, local power generation, local jobs, local career opportunities;
5. A partnership with labor – including project labor agreements, community benefit agreements, sustainable workforce agreements, job training, and apprenticeship program;
6. A program focus and emphasis on environmental justice in frontline communities where economic, workforce, and health needs are the greatest.

The Sierra Club believes that Community Choice programs should prioritize environmental, economic, and social justice goals by remaining true to the original intent of the California's Community Choice Aggregation (CCA) bill, SB790. "Community


Choice” should be achieved by exercising effective local government and public oversight throughout the design, launch and operation of the program, and integrate local renewable and distributed energy resources into program planning, procurement and operations from the outset.

SBCP will maintain true local control by enabling cities on the Westside and South Bay to exercise local control, with manageable governing boards, over their energy choices, program design, program elements, electric rates and financial reserves, while simultaneously enjoying the economy of scale that a large-scale joint-approach allows for managerial and operational services as well as power purchases. There is also strong citizen input.

For these reasons, the Angeles Chapter of the Sierra Club strongly supports participation in SBCP. As cities and counties across California are exploring formation of CCAs to supply their future energy needs, SBCP has stood out as a model in terms of public outreach and education, program design, structure and governance.

Please feel free to contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "David Haake". The signature is fluid and cursive, with the first name "David" and last name "Haake" clearly distinguishable.

David Haake, MD
Chair, Clean Break
Angeles Chapter of the Sierra Club

IBEW Local Union Number Eleven

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO

MARVIN KROPKE • BUSINESS MANAGER / FINANCIAL SECRETARY

7 March, 2017

Via Facsimile ONLY, (213) 974-1010

Honorable Los Angeles County Board of Supervisor, Fifth District
Kathryn Barger
Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Re: Community Choice Aggregation and Good, Green Jobs that Pay Family-Sustaining Wages

Dear Supervisor Barger:

On behalf of the over 12,000 members of the International Brotherhood of Electrical Workers, Local 11 I would like to express my support of the South Bay Clean Power ("SBCP") Business Plan for Community Choice Aggregation ("CCA").

While IBEW Local 11 will support all cities and counties that share our vision of good, green jobs that pay family-sustaining jobs, we are proud to support SBCP's goals and objectives for a CCA. These include the following:

1. A Distributed Energy Resources ("DER") model, which refers to distributed renewable power generation, storage, energy efficiency, demand response and electric vehicle infrastructure with a Los Angeles County-wide build-out of infrastructure to maximize DER potential;
2. A focus on local economic investment, local power generation, local jobs that pay family-sustaining wages, local opportunities that provide pathways to middle-class careers;
3. A partnership with labor – including project labor agreements, community benefit agreements, sustainable workforce agreements, job training, local hiring, and apprenticeship program;
4. The fastest path to 100% renewable power – with a goal of reaching that 10 years after the CCA launches and
5. No use of Category 3 unbundled Renewable Energy Certificates (RECs) to achieve 100% renewables goal and

6. A program focus and emphasis on environmental justice in frontline communities where economic, workforce, and health needs are the greatest.

I have read, reviewed and analyzed the SBCP Business Plan and confirm that its primary focus is achieving these common goals and objectives. It does so in transparent manner while optimizing risk management and cost containment.

First, the SBCP Business plan has a clear commitment to DER which commences day one with the release of a comprehensive Request For Proposals ("RFP"). The SBCP Business plan clearly explains why a DER-centric CCA is essential to achieving the local jobs and economic investment. Finally, it shows sequential steps which evidence not only the desire for good green jobs, but more importantly, the road map to achieving same.

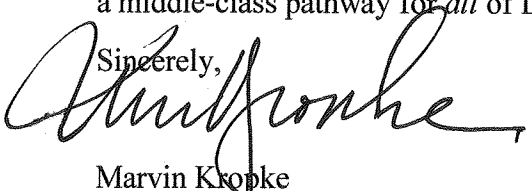
Without this level of commitment to DER as a top priority, neither SBCP, nor any CCA could achieve our stated, mutual goals and objectives. Moreover, this commitment is essential to grid stability, community resiliency and security.

Experience from other CCAs has proven that without an explicitly-stated commitment to DER, and a plain, straightforward plan for executing on that commitment; no region-wide build-out and, consequently, no green job creation can occur.

With the SBCP Business Plan's approach I am excited about the emphasis and potential for the kind of good, local, green jobs that pay family-sustaining wages and provide long-term, middle-class careers. These are the kind of jobs our Net Zero Plus Electrical Training Institute trains apprentices to do, and these are the kind of jobs that will employ thousands of our skilled union members in the coming two decades.

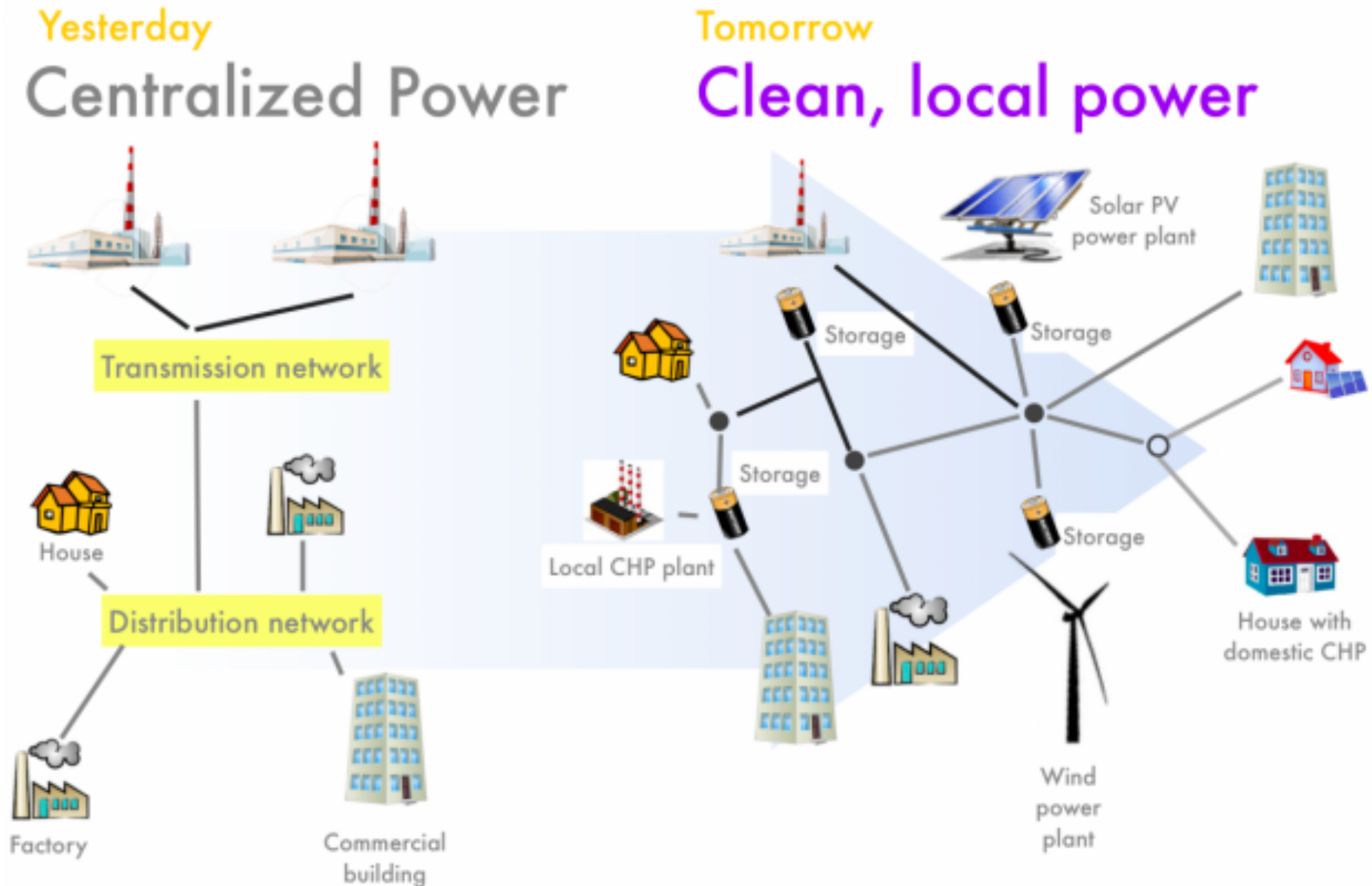
I look forward to working with you and Los Angeles Community Choice Energy to develop these types of mechanisms that facilitate DER and consequently, create jobs that provide a middle-class pathway for *all* of Los Angeles County's residents.

Sincerely,



Marvin Kropke
Business Manager, IBEW, Local Union 11

Energy Industry is Evolving & Decentralizing



What are Distributed Energy Resources?

- “*Distributed Energy Resources*” (DER) = the diversity of resources “behind the meter” i.e. in homes, businesses, schools and commercial operations.
- Numerous off-the-shelf technologies including:
 - Solar Photovoltaic,
 - Energy Efficiency,
 - Demand Response,
 - Energy Storage,
 - Combined Heat & Power,
 - Electric Vehicle Managed Charging, etc.
- Physical assets supported by communications, monitoring & control technologies, with varying levels of grid and utility integration
- Deployments can be single-premise or multiple buildings (microgrids)

Why Pursue a Distributed Energy Resource Model?

- Driven by the CPUC, the CEC, CAISO, & SCE mandates & direction
- The most direct route to jobs and a DER buildout
- The necessary pathway to 100% renewables - allows us to integrate renewables
- Best improves the reliability of our local grid
- Makes resilient microgrids possible for each of our cities
- Brings funding, pilot projects, grants and public-private partnerships to our CCA and our local communities
- Serves as the viable model for the rest of the LA County program and eligible cities.

Lessons Learned from California's Municipal Utilities

- *Municipal utilities form JPAs to provide services and procurement*
 - Southern California Public Power Authority
 - Northern California Power Agency
- *Economy of scale means:*
 - Better services at lower cost
 - Lower cost power
 - Strong bond rating



Municipal Utility Members of Regional JPAs



Municipal Utility Members of Regional JPAs



Anaheim



Azusa



Banning



Burbank



Cerritos



Colton



Pasadena



Riverside



Vernon



Anaheim



Azusa



Banning