

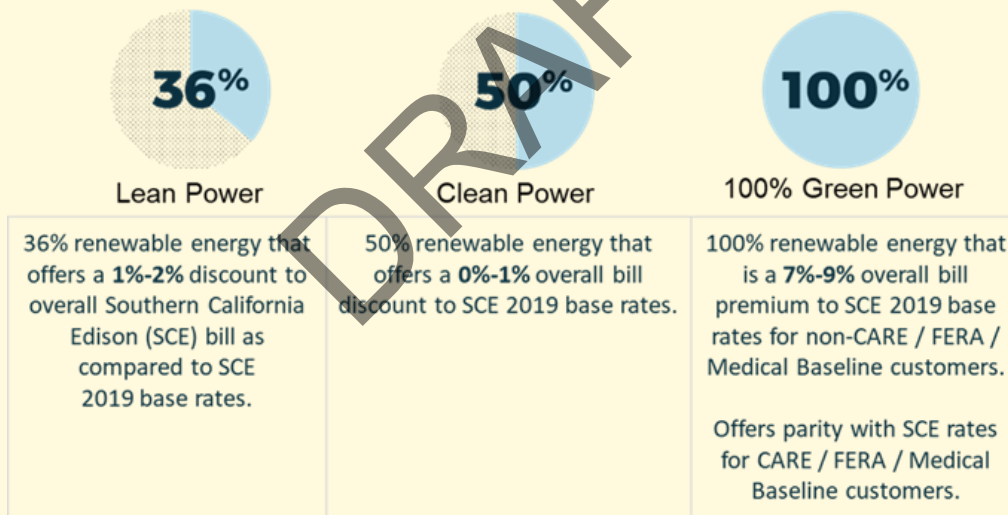
# April 2019 Rate Changes

DRAFT

April 16, 2019

## 2019 Rate Setting Messaging

- This rate setting process is unprecedented and unlikely to be repeated in 2020
- Regardless of changes in SCE rates and PCIA, we will consistently communicate that CPA rates fall within the following ranges



## ENROLLMENT PHASED

- **Phase 1** - Service began in January 2018 for municipal customers in unincorporated Los Angeles County
- **Phase 2** - Service began in June 2018 for commercial customers in unincorporated Los Angeles County, and for municipal and commercial customers in Rolling Hills Estates and South Pasadena
- **Phase 3** - Service began in February 2019 for all residential customers within Clean Power Alliance service territory
- **Phase 4** - In May 2019, service will be expanded to all remaining non-residential customers within Clean Power Alliance service territory

## April Rate Changes

- As of April 4<sup>th</sup>, SCE is implementing the ERRA Trigger in order to recover part of its costs related to its \$825 million 2018 undercollection
  - The trigger will result in a one-year increase to the PCIA paid by CPA's Phase 3 & 4 customers. Bundled SCE customers will see an increase to their generation rate
- It is necessary for CPA to adjust its rates to maintain the Board approved rate comparison ranges even with the increased PCIA
- CPA rates presented to the CPA Board on April 4 will be effective immediately.
- For the majority of CPA customers (Phases 3 & 4), CPA's generation rates are decreasing to account for the larger PCIA

# Balancing Account and Delivery Rate Changes

- SCE's April 4<sup>th</sup> rates also incorporate other changes
  - Balancing Account Updates – included in SCE's rate changes are adjustments to rates to collect or refund revenue from a variety of balancing accounts
  - CPA is also adjusting for these rate changes where they affect generation rates to stay within the Board-approved rate ranges
- The average net effect of April's rate changes will be a rate increase of under 1% for most customers
  - Although the PCIA and SCE generation rates are increasing significantly, SCE's delivery rates are decreasing by a similar amount
  - An additional rate change in June will result in a total in total bill increase of approximately 5%

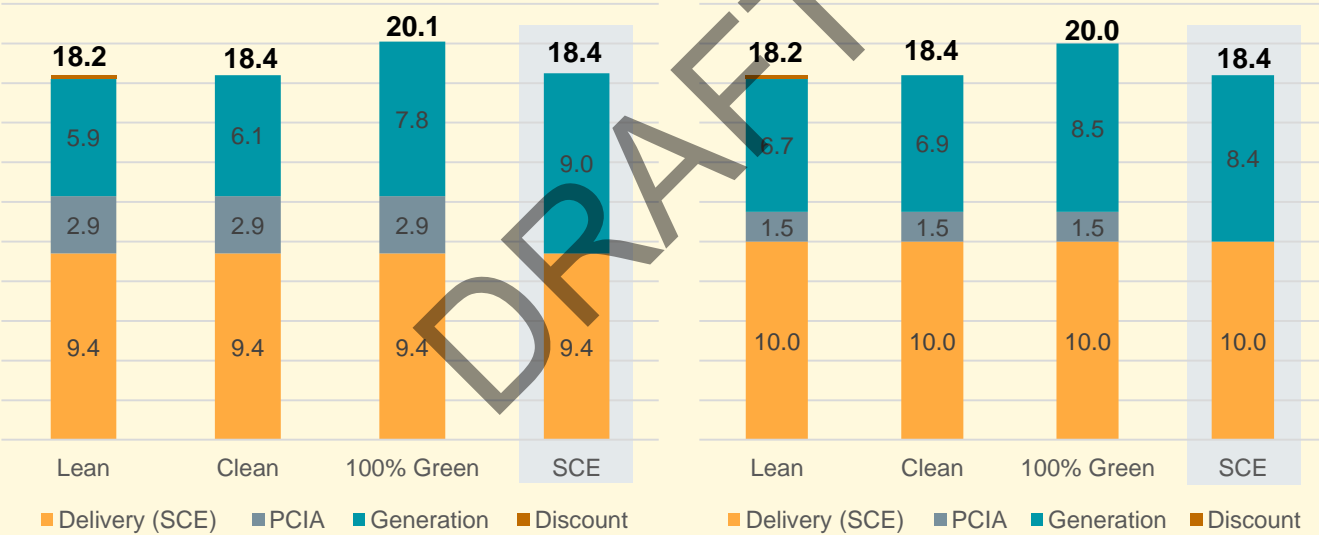
# Today's Rate Adjustment

Today's Proposed Rates

Rates Approved March 7<sup>th</sup>

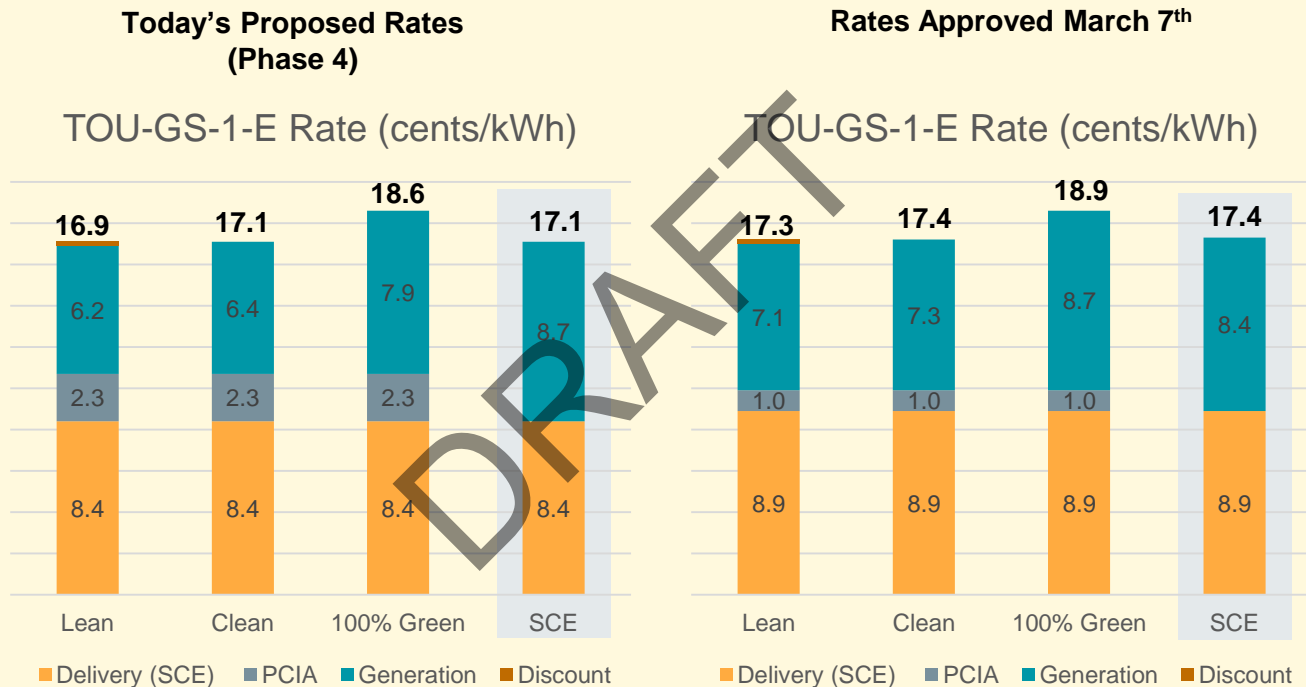
DOMESTIC Rate (cents/kWh)

DOMESTIC Rates (cents/kWh)



DOMESTIC is the most common residential rate.

## Today's Rate Adjustment



TOU-GS-1-E is the most common commercial rate.

# What happens next?

One additional rate change is expected in the next few months

- **May or June Board Meeting (TBD)**
  - Rate change will encompass new ERRA rates and PCIA updates separate from the trigger, including brown power true-up (approved by CPUC on 2/21)
  - Due to implementation of the new ERRA rates, rates are expected to go up for both SCE and CPA customers by about 5%
- Staff will propose rate updates to the Board in conjunction with these changes in order to maintain the Board approved rate comparison ranges
- This rate setting process is unprecedented and unlikely to be repeated in 2020 – numerous rate changes largely a result of SCE's power market losses and TOU structural changes overlapping with CPA's mass enrollment period



Clean Power Alliance  
City of Carson – Customer Status Report  
As of March 26, 2019

**Phase 3 (Residential) Customer Profile**

Total Eligible Accounts: 25,185  
Total CARE: 6,824 (26%)  
Total FERA: 141 (0.55%)



**Default Rate Option**

Clean Power  
50% renewable energy  
that is 0-1% more  
affordable than SCE  
standard rates.

**Customer Engagement Summary**

Carson	Opt Up to 100% Renewable	Opt Mid to 50% Renewable	Opt Down to 36% Renewable	Opt Out
# of Customers	12	2	69	213
% of Customers	0.05%	0.1%	0.23%	0.85%

**CPA Service Territory Summary**

Service Territory	Opt Up to 100% Renewable	Opt Mid to 50% Renewable	Opt Down to 36% Renewable	Opt Out
100% Green Power Jurisdictions	N/A	0.67%	2.27%	5.77%
Clean Power Jurisdictions	0.09%	N/A	0.54%	1.81%
Lean Power Jurisdictions	0.14%	0.10%	N/A	3.88%
All CPA Jurisdictions	0.08%	0.22%	0.96%	3.32%
<b>Opt Outs in 23 Los Angeles County Jurisdictions</b>				
Total Eligible Accounts	Opt Out #		Opt Out %	
647,087	13,572		2.01%	

**Top Stated Reasons for Customer Opt Outs**

1. Dislike being automatically enrolled
2. Rate or cost concerns

**<https://cleanpoweralliance.org/>**

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