

Discussion of Default Renewable Energy Rate

Regular Meeting, Monrovia City Council Presentation by Dylan Feik, City Manager June 6, 2023

Agenda Outline

BackgroundDiscussion of Default Rate

Background

- Study Session October 18, 2022
- Regular Meeting November 1, 2022
 - Adoption of Ordinance 2022-10 to join Clean Powers Alliance
- Regular Meeting November 15, 2022
 - > 2nd Reading of Ordinance
- CPA Board Meeting December 1, 2022
 - CPA Board voted to admit Monrovia as a full member

Background (cont.)

- All relevant documents can be <u>found here</u> on the City's website
- City staff held joint meetings with CPA staff to begin preparing outreach and marketing materials
- In May, CPA reviewed rate structures for the upcoming year
- CPA's Board sets rates annually, effective July 1, to provide rate stability and predictability. Due to market conditions, multiple SCE rate changes, and annual volatility in the PCIA, or "exit fee," comparisons can fluctuate over the course of a year.

2023/24 Rates

- ▶ In May, CPA reviewed rate structures for the upcoming year
- CPA's Board sets rates annually, effective July 1, to provide rate stability and predictability. Due to market conditions, multiple SCE rate changes, and annual volatility in the PCIA, or "exit fee," comparisons can fluctuate over the course of a year.

Energy Product	Typical Residential Bill	Comparison to SCE base
SCE base rate	\$192	
Lean Power	\$188	-2.0%
Clean Power	\$190	-1.0%
100% Green Power	\$197	3.0%

FY 23/24 Residential Bill Comparison*

*Comparisons are based on representative 2018 PCIA vintage Domestic rate schedule and load profile, SCE rates as of March 1, 2023, and CPA FY 2023/2024 rate approach adopted by the CPA Board on May 4, 2023. Rates subject to change. Individual customer comparisons will vary by specific rate schedule and customer usage.



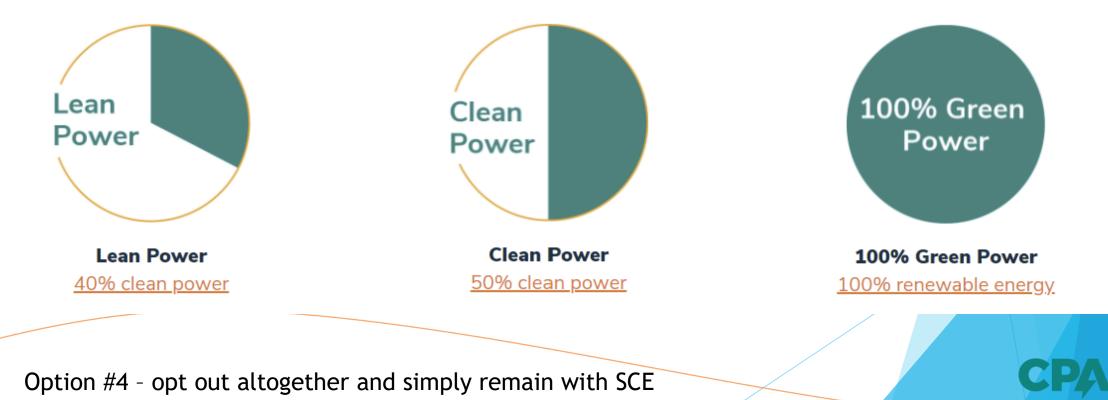
Monrovians now have 4 options for electricity!

Option #1

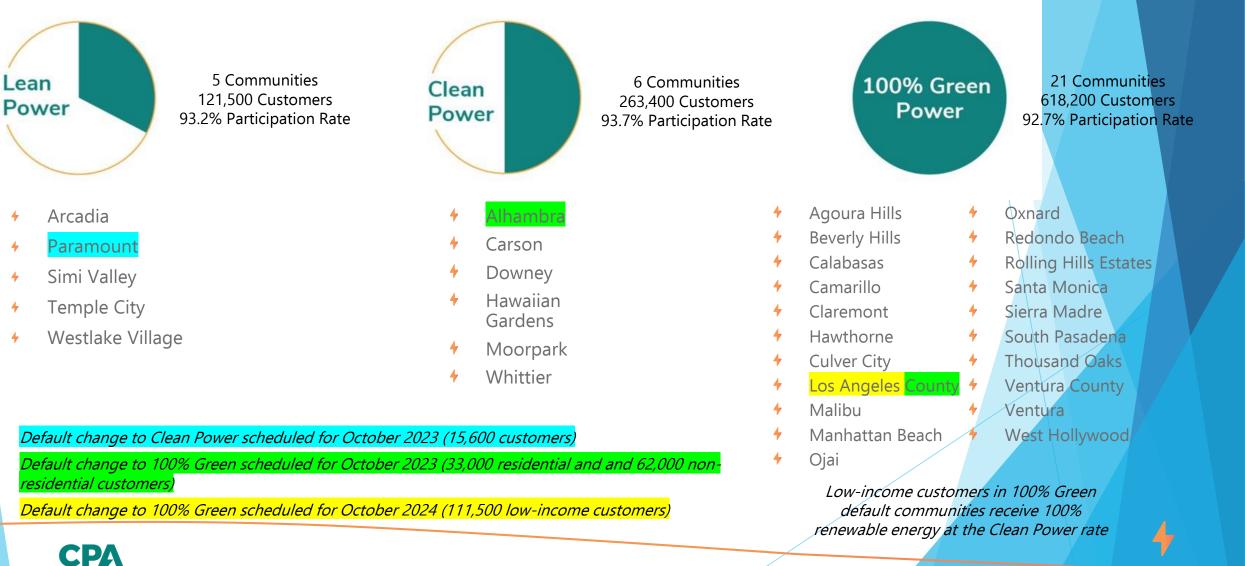
Option #2

Start Making Your Community Better Support the Future of Your Community Option #3

Invest in Your Community and the World



Current Default Energy Products in CPA Territory



Environmental Benefits - The Power of Choice

- Choosing the default choice is a <u>major</u> consideration for the City
- Customers are most likely to remain with the default rate product
- Residents appreciate they can <u>choose or</u> <u>opt out</u> and remain with SCE
- 100% Green Power is the quickest way a customer can go "full renewable"

Rate Option	2024 Forecasted GHG Emissions (CO2e US tons)	GHG Emissions Reduction from SCE Base	
SCE Base	65,900		
Lean Power	64,700	-2%	
Clean Power	48,000	-27%	
100% Green Power	0	-100%	

		Opt Actions		
Default Rate Product	Participation Rate	Stay at Default	Opt Up	Opt Down
100% Green Power	95.3%	94.1%	NA	5.9%
Clean Power	96.7%	97.4%	0.9%	1.8%
Lean Power	96.0%	99.0%	1.0%	NA
Total	95.9%	96.5%	0.6%	2.9%

Seeking Council Direction

- City Council to provide direction on default rate
 - All customers may opt out and choose a different rate
- Staff will return at June 20th City Council meeting for final adoption of default rate
- Staff and CPA will finalize marketing materials and begin conducting outreach thru remainder of 2023 and early 2024

Questions?