



Selection of Default Renewable Energy Rate

Study Session, Monrovia City Council

Presentation by Dylan Feik, City Manager

July 18, 2023

Agenda Outline

- ▶ Background
- ▶ Discussion of Default Rate
- ▶ Public Input and Feedback

Background

- ▶ 5 Public Meetings to Date
 - ▶ October 4th, 2022
 - ▶ November 1st, 2022
 - ▶ November 15th, 2022
 - ▶ June 6th, 2023
 - ▶ July 18th, 2023
- ▶ City Council requested a Study Session to discuss this further and requested:
 - ▶ Invite Clean Power Alliance to answer questions related to the rollout of the service
 - ▶ Staff to conduct public outreach and return to the City Council

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.

FY 23/24 Residential Bill Comparison*

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%

**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.*



Monroviaans now have 4 options for electricity!

Option #1

Start Making Your Community Better



Lean Power
40% clean power

Option #2

Support the Future of Your Community



Clean Power
50% clean power

Option #3

Invest in Your Community and the World



100% Green Power
100% renewable energy

Option #4 - opt out altogether and simply remain with SCE

Environmental Benefits - The Power of Choice

- ▶ Choosing the default choice is a major consideration for the City
- ▶ Customers are most likely to remain with the default rate product
- ▶ Residents appreciate that they can choose or opt-out 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%

Default Rate Product	Participation Rate	Opt Actions		
		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%


Public Input - Clean Power Alliance Survey

- ▶ Staff released a short survey on June 30, 2023
 - ▶ A brief overview of the City's partnership with Clean Power Alliance
 - ▶ Included a link to the City's Clean Power Alliance webpage
 - ▶ Interactive 5-question multiple choice survey to provide context before asking Monrovia residents to make a selection:

“So now that you know more about Clean Power Alliance, which renewable energy service would you select for your home or business in Monrovia?”

Public Input - Clean Power Alliance Survey

- ▶ The survey was shared on the following:
 - ▶ City Manager's Weekly Update
 - ▶ Social Media via 'Stories'
 - ▶ Home page banner on City Website



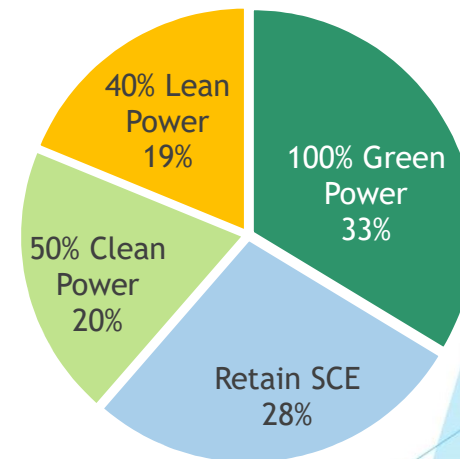
So now that you know more about Clean Power Alliance, which renewable energy service would you select for your home or business in Monrovia? *

- Lean Power (40%) - \$2 savings per \$100 of electricity charges
- Clean Power (50%) - \$1 savings per \$100 of electricity charges
- Green Power (100%) - \$3 more per \$100 of electricity charges
- None, I would opt-out and retain all services thru SCE.

“So now that you know more about Clean Power Alliance, which renewable energy service would you select for your home or business in Monrovia?”

- ▶ 202 responses
 - ▶ 68 people would select 100% Green Power
 - ▶ 56 people would retain services through SCE
 - ▶ 40 people would select 50% Clean Power
 - ▶ 38 people would select 40% Lean Power

Survey Response



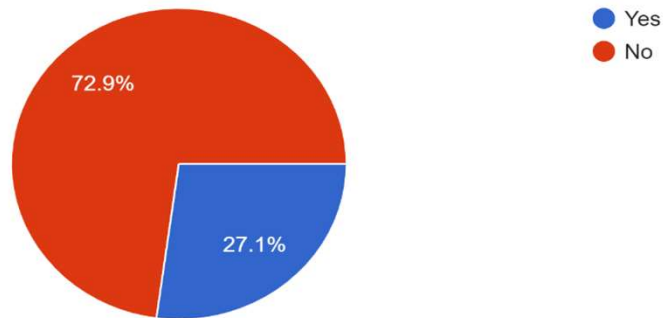
■ 100% Green Power ■ Retain SCE
■ 50% Clean Power ■ 40% Lean Power



The survey gave us more information to think about...

Before this survey, did you know about the City's partnership with Clean Power Alliance?


199 responses



Following Council's direction and action on a default rate, the City will partner with CPA to begin targeted marketing and outreach to all electricity customers in Monrovia



Important Considerations...

- ▶ Original goal: provide more options for Monrovia 
- ▶ Perhaps Council considers...
 - ▶ If the goal is to lower costs for Monrovia, then...
 - ▶ 40% Lean Power will result in 3% savings on current utility bill
 - ▶ If the goal is to go 100% renewable, then...
 - ▶ Go 100% Green
 - ▶ Estimated 94% of the community will remain with this default rate
 - ▶ Cost increase is 3% more than current utility bill
- ▶ The City of Monrovia is also a utility customer and staff would recommend Council consider the City join at the 100% Green level to lead by example
 - ▶ Estimated cost increase: \$60k (facilities, water plant, 1,400 streetlights and all city accounts)

Timeline

- ▶ City Council to provide direction on default rate
 - ▶ All customers now have 4 choices
 - ▶ Each customer may select different rate on a monthly basis
- ▶ Staff will return at the August 1st City Council meeting for the final adoption of the City's default renewable energy rate
 - ▶ Default renewable energy rate must be selected before the end of August 2023
- ▶ Staff and CPA will finalize marketing materials and begin conducting outreach through the remainder of 2023 and early 2024
- ▶ Staff will also prepare an item for appointment of a Council member to serve on the CPA Board

Questions?

