

RESOLUTION NO. 20-01-001

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE CLEAN POWER ALLIANCE OF SOUTHERN
CALIFORNIA TO APPROVE CPA'S APPROACH TO THE
DEFAULT OF RESIDENTIAL CUSTOMERS TO TIME OF
USE RATES**

**THE BOARD OF DIRECTORS OF THE CLEAN POWER ALLIANCE OF SOUTHERN
CALIFORNIA DOES HEREBY FIND, RESOLVE, AND ORDER AS FOLLOWS:**

WHEREAS, the Clean Power Alliance of Southern California (formerly known as Los Angeles Community Choice Energy Authority) ("Clean Power Alliance" or "CPA") was formed on June 27, 2017;

WHEREAS, California law and the specific directives of the California Public Utilities Commission require investor owned utilities, including Southern California Edison (SCE), to default eligible residential customers to time-of-use (TOU) rates starting in October 2020;

WHEREAS, SCE intends to begin defaulting residential customer to TOU rates beginning in October 2020;

WHEREAS, SCE's non-residential customers are currently on TOU rates along with approximately 10% to 20% of SCE's residential customers;

WHEREAS, California is now attempting to transition most remaining residential IOU customers to TOU rates in order to provide these residential customers with price signals to reduce electricity consumption during periods of peak demand;

WHEREAS, CPA has discretion to set its own customer rates, including discretion on whether to default its residential customers to TOU generation rates, and has discretion to determine how or when those TOU generation rates apply or become effective;

WHEREAS, CPA finds that transitioning CPA's residential customer rates to TOU complements CPA's goals to promote the reduction of greenhouse gas emissions while seeking to provide competitive rates to its customers;

WHEREAS, a TOU generation rate structure may include varying peak periods per day, on weekdays or weekends, or by season (e.g., winter or summer);

WHEREAS, CPA finds that having default TOU generation time periods that are the same as SCE can avoid customer confusion over differing TOU periods between the SCE and CPA portions of the customer bill;

WHEREAS, CPA finds that transitioning CPA's residential customers to TOU at the same time as SCE's transition of its bundled customers would enable certain efficiencies, including CPA's coordination with SCE in customer outreach and education concerning the transition to TOU and could improve CPA's customer experience;

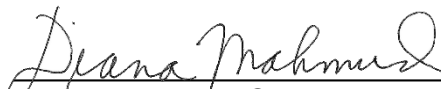
WHEREAS, CPA finds that a bill protection mechanism would be beneficial following a large rate design change, like the transition to TOU, as it can allow residential customers time to acclimate to the change and that a 12-month period is reasonable given its common usage across the country; and,

WHEREAS, CPA anticipates addressing actual TOU rates and rate design closer to the residential TOU transition period.

NOW THEREFORE, BE IT DETERMINED, ORDERED, AND RESOLVED, BY THE BOARD OF DIRECTORS OF THE CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA THAT:

1. Eligible CPA residential customers will be defaulted to CPA's TOU generation rates and the transition will take place concurrently with SCE's transition of CPA's customers to TOU distribution rates.
2. Eligible CPA residential customers will be defaulted to CPA's TOU generation rate structure with the same time of use periods, including peak periods, as SCE's TOU delivery periods.
3. CPA will provide bill protection mechanisms to CPA's residential customers for the first twelve (12) months following the transition to the TOU generation rates.
4. CPA will offer residential customers the ability to opt-out of CPA's default TOU generation rates and remain on flat rates.
5. CPA staff is encouraged to work with Southern California Edison (SCE) to obtain quarterly reports for customers to apprise them of any changes in their billing.

APPROVED AND ADOPTED this 9th day of January 2020.


Diana Mahmud, Chair

ATTEST:


Christian Cruz, Interim Board Secretary