

# STAFF REPORT

City of Lancaster

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09/23/14
MVB

DATE: September 23, 2014

TO: Mayor Parris and City Council Members

FROM: Jason Caudle, Deputy City Manager

SUBJECT: **Revised Implementation Plan for the Community Choice Aggregation**

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**Recommendation:**

Approve the Revised Implementation Plan for the Community Choice Aggregation and authorize the City Manager or his designee to execute and submit all related documents.

**Fiscal Impact:**

None.

**Background:**

On May 13, 2014 the City Council introduced Ordinance 997, which declared the City of Lancaster's intent to establish Community Choice Aggregation (CCA), and approved the associated Implementation Plan.

On May 16, 2014 staff released a Request for Information and Qualifications (RFI) for power procurement and associated services needed for CCA operation and is currently vetting and reviewing the Respondents. Staff anticipates bringing a recommendation before the Council for approval of a Customer Care/Startup Support Service provider by mid to late October.

On June 9, 2014, in accordance with California Public Utilities Commission (CPUC) Code Section 366.2 (3), staff submitted the approved Implementation Plan to the CPUC for review and certification.

This Revised Implementation Plan reflects updated information regarding the selection process for Energy Supply providers. After an extensive evaluation process, staff has narrowed the list of respondents to a short-list of finalists and has included descriptions of those firms in the Revised Implementation Plan.

It should be noted that this is not the final step in CCA formation; additional agreements, such as the Binding Notice of Intent (BNI), will be brought before the Council for approval.

Upon submission of the BNI to SCE, which occurs in the first quarter of 2015, Lancaster Choice Energy would be committed and authorized to serve energy to all of its consumers within its jurisdiction. The commitment to serve the consumers will be structured by the three phase roll out as detailed in the approved Implementation Plan.

<b>Program Customers</b>	<b>Enrollment Schedule</b>	<b>Eligible Accounts</b>
<b>Phase 1 – Municipal</b>	May 2015	640
<b>Phase 2 – Commercial &amp; Industrial</b>	November 2015	5,500
<b>Phase 3 – Residential</b>	May or Nov 2016	48,865
<b>TOTAL</b>		55,040

It is essential to note that in forming a CCA, the City would not supplant SCE as the electric utility for the City of Lancaster. Rather, SCE would maintain ownership of and responsibility for transmission and distribution lines throughout the service area. SCE would also continue to provide billing and customer service, thus ensuring minimal impact and maximum ease of use for local residents. The CCA would provide electrical energy to the consumer and would be empowered to set its own rates for that energy. SCE would continue to charge users and set rates for transmission and distribution costs.

JC:hs

**Attachment:**

Revised Implementation Plan