

LANCASTER CHOICE ENERGY



Lancaster Choice Energy, Lancaster Power Authority & California Choice Energy Authority

Budget Summary

	Actuals FY 2016	Year End Estimates FY 2017	Adopted Budget FY 2018
Dollars by Division			
Lancaster Power Authority	3,813,020	2,272,230	2,068,820
Lancaster Choice Energy	21,184,205	36,158,420	\$35,252,170
California Choice Energy Authority	-	10,666	2,077,455
Lancaster Choice Energy	\$ 24,997,225	\$ 38,441,316	\$ 39,398,445
Dollars by Category			
Personnel	1,332,201	1,247,610	827,670
Operations & Maintenance	23,638,696	37,289,706	38,570,775
Capital Outlay	26,328	-	-
Total Dollars by Category	\$ 24,997,225	\$ 38,537,316	\$ 39,398,445
Dollars by Funding Source			
Miscellaneous State Grants	-	1,469,780	-
Lancaster Power Authority	3,813,020	2,272,230	2,068,820
Lancaster Choice Energy	21,184,205	34,688,640	35,252,170
California Choice Energy Authority	-	106,666	2,077,455
Total Dollars by Funding Source	\$ 24,997,225	\$ 38,537,316	\$ 39,398,445

Description

LANCASTER CHOICE ENERGY (Division no. 4370)

Lancaster Choice Energy (LCE) is a City of Lancaster municipal service formed to enable customers within its service area to take advantage of the opportunities granted by Assembly Bill 117 (AB 117), the Community Choice Aggregation law. As a Community Choice Aggregator, Lancaster Choice Energy provides local control of power procurement, rate setting, and generation choices for City residents.

Lancaster Choice Energy purchases electricity and provides it to Lancaster electric customers, focusing on affordable rates and increased renewable energy content. The Lancaster City Council sets the rates for electric generation, providing local consumers with greater local control over their energy bills. Southern California Edison (SCE) continues to provide transmission and distribution services, including maintenance of power lines, customer service, and billing. LCE customers receive a single monthly bill from SCE that contains charges from SCE and LCE.

LANCASTER POWER AUTHORITY (Division no. 4370)

The Lancaster Power Authority (LPA) was formed on March 8, 2011. The LPA affords the City the opportunity to pursue and develop solar energy opportunities for the community, partners, and affiliated agencies. Such

opportunities include the generation, sale and transmission of solar energy in an effort to accomplish the City's goal of becoming a worldwide leader in renewable energy.

CALIFORNIA CHOICE ENERGY AUTHORITY (Division no. 4370)

California Choice Energy Authority (CCEA) is a joint powers authority (JPA) designed to help cities in Southern California Edison territory participate in community choice aggregation (CCA) without having to sacrifice control or any of the benefits associated with a traditional JPA. The CCEA is governed by the Lancaster City Council with each City joining as an associate member of the JPA.

Accomplishments

LANCASTER CHOICE ENERGY

- Two years of successful operation, now serving over 50,000 domestic and commercial customers
- Began receiving energy from a 10 MW local solar project providing local jobs to the community
- Awarded grant funding to support energy efficiency and electric vehicle charging station infrastructure to support the City's Net Zero and Climate Action goals
- Introduced California Choice Energy Authority to assist other municipalities in forming and operating CCAs
- The MOAH battery storage project provided annual savings of \$5,000.

LANCASTER POWER AUTHORITY

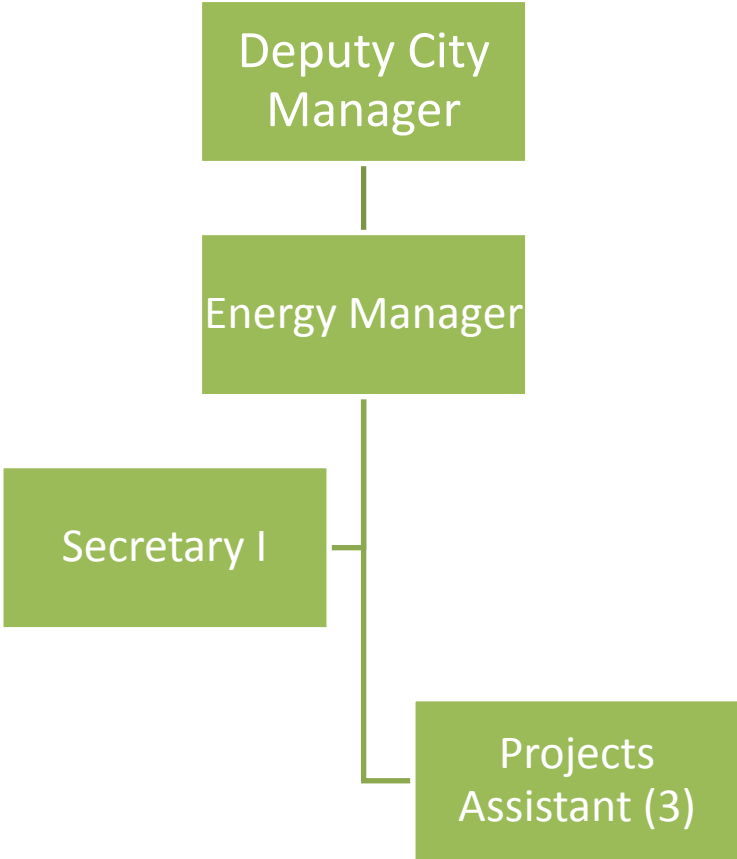
- Increase number of megawatts of electricity installed in Lancaster
- Pursue and execute partnership agreements for the design, development and construction of renewable energy plants in the Antelope Valley
- Provide environmental and regulatory reviews of renewable energy projects
- Provide economic analyses of potential projects and public finance alternatives for renewable energy projects
- Negotiate Power Purchase Agreements and facilitate Interconnection Agreements
- Market and sell power throughout California to municipal utilities and government entities

Budget Goals / Performance Objectives

- Increase participation in Smart Choice
- Develop Integrated Resource Plan
- Provide electric vehicle charging station infrastructure at various locations throughout the City
- Explore Energy Efficiency Programs and funding available through the Public Utilities Commission
- Develop programs to meet LCE's energy storage mandate
- Increase local Resource Adequacy in power portfolio

Org Detail- Lancaster Choice Energy

Division no. 4370



Budget Detail- Lancaster Choice Energy

Division no. 4370

Div.	Obj.	Description	Actuals FY 2016	Year End Estimates FY 2017	Adopted Budget FY 2018
Personnel					
4370	101	SALARIES-PERMANENT	680,495	684,580	531,760
4370	121	FRINGE BENEFITS	31,427	36,970	22,055
4370	122	PERS	169,267	169,850	128,155
4370	124	HEALTH INSURANCE	91,686	90,630	66,515
4370	125	WORKER'S COMP	30,981	30,880	23,245
4370	129	DEFERRED COMP	65,537	63,320	51,940
4370	104	SALARIES-OVERTIME	46	45	-
4370	112	SALARIES-TEMPORARY	11,681	18,445	4,000
Personnel Costs Subtotal			\$1,081,120	\$ 1,094,720	\$ 827,670
Operations & Maintenance					
4370	200	REGISTRATION	25	620	1,100
4370	201	TRAVEL EXPENSE	37,649	21,735	56,400
4370	202	LOCAL & REGIONAL EVENTS	1,694	1,985	1,000
4370	203	MILEAGE	337	115	100
4370	205	CITY PROMOTION & ADVERTISING	247,789	86,705	95,500
4370	206	PUBLICATIONS & DUES	550	26,500	26,500
4370	207	VEHICLE OPERATIONS	81	80	250
4370	212	POSTAGE-SPECIAL MAILING	56,575	24,500	24,500
4370	213	REQUIRED CUSTOMER MAILINGS	-	45,325	47,600
4370	217	VEHICLE - FUEL	127	255	1,200
4370	251	SPECIAL ACTIVITY SUPPLIES	1,463	2,500	2,500
4370	253	REPROGRAPHICS	840	-	-
4370	254	PHOTOCOPY MACHINE COSTS	-	-	-
4370	259	OFFICE SUPPLIES	3,205	1,435	2,500
4370	291	FURN & OFFICE EQUIP (NON CAP)	6,108	1,000	-
4370	301	PROFESSIONAL SERVICES	1,820,373	2,037,650	765,635
4370	303	LEGAL SERVICES	281,573	447,100	690,000
4370	304	AUDIT SERVICES	15,959	600	600
4370	308	CONTRACT SERVICES	400	-	-
4370	319	LCE PROGRAMS	-	4,155	50,000
4370	651	TELEPHONE	2,258	2,155	4,000
4370	653	POWER PROCUREMENT	16,595,067	28,075,645	30,640,515
4370	658	NEM TRUE-UP PAYOUTS	4,684	63,860	65,000
4370	770	CA ENERGY COMM-EPIC/AEC PRJ	-	1,469,780	-
4370	779	GENERAL FUND OVERHEAD	1,000,000	1,250,000	1,500,000
4370	951	CITY ADMIN LOAN REPAYMENT	-	1,500,000	449,600
Operations & Maintenance Subtotal			\$ 20,076,757	\$ 35,063,700	\$ 34,424,500

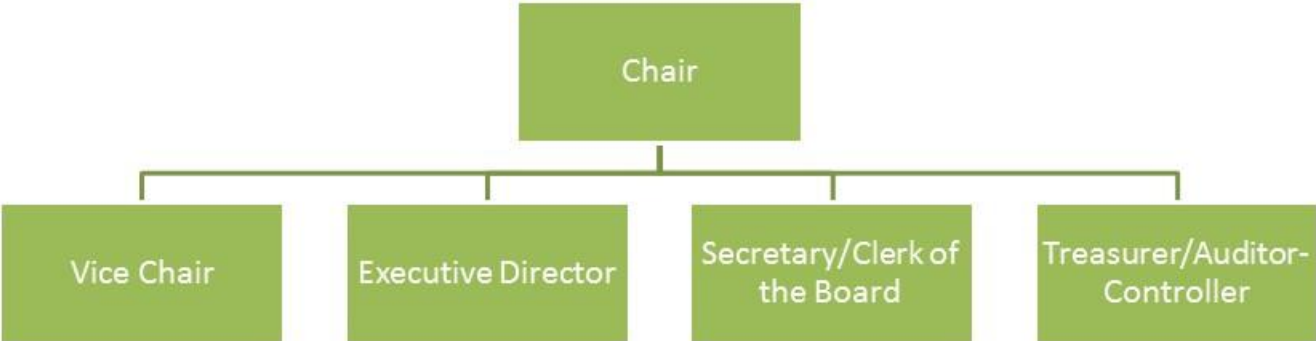
Budget Detail- Lancaster Choice Energy

Division no. 4370

Div.	Obj.	Description	Actuals FY 2016	Year End Estimates FY 2017	Adopted Budget FY 2018
Capital Outlay					
4370	751	FURNITURE & OFFICE EQUIPMENT	3,571	-	-
4370	753	EQUIPMENT & MACHINERY	22,757	-	-
Capital Outlay Subtotal			\$ 26,328	\$ -	\$ -
GRAND TOTAL			\$ 21,184,205	\$ 36,158,420	\$ 35,252,170
Funding Sources					
	349	MISCELLANEOUS STATE GRANTS	-	1,469,780	-
	490	LANCASTER CHOICE ENERGY	21,184,205	34,688,640	35,252,170
GRAND TOTAL			\$ 21,184,205	\$ 36,158,420	\$ 35,252,170

Org Detail- California Choice Energy Authority

Division no. 4370



Budget Detail- California Choice Energy Authority

Division no. 4370

Div.	Obj.	Description	Actuals FY 2016	Year End Estimates FY 2017	Adopted Budget FY 2018
Operations & Maintenance					
4370	001	Service Agreements-San Jacinto	-	26,666	545,395
4370	002	Service Agreements-Pico Rivera	-	80,000	455,575
4370	003	Service Agreements-Lancaster	-	-	1,076,485
Operations & Maintenance Subtotal			\$ -	\$ 106,666	\$ 2,077,455
GRAND TOTAL			\$ -	\$ 106,666	\$ 2,077,455
Funding Sources					
491	CALIFORNIA CHOICE ENERGY AUTHORITY		-	106,666	2,077,455
GRAND TOTAL			\$ -	\$ 106,666	\$ 2,077,455

Budget Detail- Lancaster Power Authority

Division no. 4370

Div.	Obj.	Description	Actuals FY 2016	Year End Estimates FY 2017	Adopted Budget FY 2018
Personnel					
4370	101	SALARIES-PERMANENT	157,864	97,630	-
4370	121	FRINGE BENEFITS	6,997	4,530	-
4370	122	PERS	39,387	24,190	-
4370	124	HEALTH INSURANCE	21,670	9,820	-
4370	125	WORKER'S COMP	6,366	4,320	-
4370	129	DEFERRED COMP	17,771	11,190	-
4370	104	SALARIES-OVERTIME	1,005	1,210	-
4370	112	SALARIES-TEMPORARY	21	-	-
Personnel Costs Subtotal			\$251,081	\$ 152,890	\$ -
Operations & Maintenance					
4370	200	REGISTRATION	100	-	-
4370	201	TRAVEL EXPENSE	99	-	-
4370	202	LOCAL & REGIONAL EVENTS	-	-	-
4370	205	CITY PROMOTION & ADVERTISING	-	-	-
4370	212	POSTAGE-SPECIAL MAILING	-	-	-
4370	251	SPECIAL ACTIVITY SUPPLIES	-	-	-
4370	259	OFFICE SUPPLIES	-	-	-
4370	260	INSURANCE EXPENSE	-	-	-
4370	301	PROFESSIONAL SERVICES	2,150	450	1,000
4370	303	LEGAL SERVICES	-	-	-
4370	308	CONTRACT SERVICES	400	-	-
4370	652	ELECTRICITY	939,471	-	-
4370	779	GENERAL FUND OVERHEAD ALLOCATION	600,000	50,000	50,000
4370	908	DEBT SERVICE	2,019,719	2,068,890	2,017,820
Operations & Maintenance Subtotal			\$ 3,561,939	\$ 2,119,340	\$ 2,068,820
GRAND TOTAL			\$ 3,813,020	\$ 2,272,230	\$ 2,068,820
Funding Sources					
486	LANCASTER POWER AUTHORITY		3,813,020	2,272,230	2,068,820
GRAND TOTAL			\$ 3,813,020	\$ 2,272,230	\$ 2,068,820