



[DATE]

Suja Lowenthal
City Manager
City of Hermosa Beach
1315 Valley Drive
Hermosa Beach, CA 90254

Dear Ms. Lowenthal:

Clean Power Alliance (CPA) understands that the Hermosa Beach City Council is considering taking the required actions necessary for the City to join Clean Power Alliance before December 31st, 2022 so that customers in your city could begin enrollment in CPA in 2024. We welcome your interest and look forward to working with you.

Should the City Council decide to move forward, the process to join will involve several steps as outlined below.

1. **Data gathering** (begin immediately): Hermosa Beach will need to submit a Form 14-769, Community Choice Aggregator Non-Disclosure Agreement, and Form 14-770, Community Choice Aggregation Service Declaration, to Southern California Edison (SCE) authorizing SCE to supply energy usage data for your community for the most recent period available. CPA will assist you with this request to SCE.
2. **Applicant Impact Study** (completed by the end of August): CPA will conduct an analysis of the impact to existing CPA customers should Hermosa Beach join. The study will be at a fixed fee cost of \$10,000, payable by the City of Hermosa Beach. The study will determine what, if any, conditions may apply to Hermosa Beach's membership and will include the following elements:
 - a. Impact on CPA peak load and total generation
 - b. Financial analysis including net benefits compared to additional procurement, administrative, financing, implementation costs, and any other financial impacts.
 - c. Impacts to renewable energy and greenhouse gas content of CPA's overall portfolio.
 - d. Sensitivity analysis of various market scenarios.
 - e. Summary of expected impacts and recommended mitigation measures, if needed.

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cleanpoweralliance.org

County of Los Angeles	Carson	Moorpark	Simi Valley
County of Ventura	Claremont	Ojai	South Pasadena
Agoura Hills	Culver City	Oxnard	Temple City
Alhambra	Downey	Paramount	Thousand Oaks
Arcadia	Hawaiian Gardens	Redondo Beach	Ventura
Beverly Hills	Hawthorne	Rolling Hills Estates	West Hollywood
Calabasas	Malibu	Santa Monica	Westlake Village
Camarillo	Manhattan Beach	Sierra Madre	Whittier

3. **CPA Board considers Applicant Study** (considered at the September 1, 2022 CPA Board meeting): The CPA Board will decide if Hermosa Beach should be invited to join the JPA and, if so, any special conditions that would apply.
4. **Hermosa Beach adopts Ordinance to join CPA and adopts JPA Agreement** (completed by end of November): Hermosa Beach adopts implementing ordinance and JPA agreement. Please note that the ordinance adoption requires two readings and that both votes must take place by the end of November.
5. **Updated Implementation Plan and JPA amendment** (considered at the December 1, 2022 CPA Board meeting): CPA Board votes to amend its JPA to include Hermosa Beach and to file an amended Implementation Plan with the CPUC to cover the addition of Hermosa Beach beginning in 2024. CPA may do the Implementation Plan Amendment in-house or engage a consultant to prepare this filing. Depending on the results of the feasibility study and any subsequent conditions attached by the CPA Board to Hermosa Beach's invitation to join CPA, Hermosa Beach and any other cities joining CPA in 2022 may be asked to share in the costs of preparing the Implementation Plan Amendment.

Please note that the process outlined above only applies to Hermosa Beach joining CPA during 2022. The process may look different in 2023 and a new impact analysis would be required at that time. If you agree with the terms outlined in this letter, please sign and return the attached Authorization to Proceed and CPA staff will begin conducting the impact study.

We look forward to working together through the process. If you have any additional questions please contact Karen Schmidt, Senior Advisor, Strategy, at (805) 798-1629 or at kschmidt@cleanpoweralliance.org.

Sincerely,

Ted Bardacke
Chief Executive Officer

Enc: Authorization to Proceed Form

DRAFT

Authorization to Proceed

The City of Hermosa Beach hereby authorizes Clean Power Alliance of Southern California to conduct an Applicant Impact Study which will cover the items listed in the above [DATE] letter from CPA Chief Executive Officer Ted Bardacke. The cost of the Applicant Impact Study will be a fixed fee of \$10,000, payable within 30 days of invoicing.

Suja Lowenthal
City Manager
City of Hermosa Beach

Date