

**From:** [Michelle Ellison](#)  
**To:** [City Council](#)  
**Cc:** [City Clerk](#)  
**Subject:** CPA and 100% - Agenda Item 13b  
**Date:** Tuesday, September 27, 2022 2:23:11 PM

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Dear Council,

Congratulations on getting to this point in your pursuit of community choice aggregation for Hermosa Beach! It would be wonderful to have your city join Clean Power Alliance (CPA). My town of Ojai is part of CPA, on which I serve as an alternate director on the board, and we are benefiting from more choices, local control and programs, competitive rates, and renewable energy.

In joining CPA, you will now also have the opportunity to virtually eliminate electricity-related emissions by setting your default at 100% Green Power. The 100% renewable default has proven to be one of the most significant, cost-effective, and immediate ways to reduce a city's carbon footprint.

To date in CPA, 21 of our 32 member agencies (Los Angeles and Ventura Counties, Agoura Hills, Beverly Hills, Calabasas, Camarillo, Claremont, Culver City, Hawthorne, Malibu, Manhattan Beach, Ojai, Oxnard, Redondo Beach, Rolling Hills Estates, Santa Monica, Sierra Madre, South Pasadena, Thousand Oaks, Ventura, and West Hollywood), with a combined population of 2 million people, have enrolled in 100%, making CPA the largest provider of renewable energy in the country! Simply by setting the default at 100%, your 19,000 residents can power their homes and businesses with non-polluting clean energy. It will take much more time, expense and effort to achieve this kind of progress otherwise. The optimal time to set the default at 100% is right from the start, when customers begin service with CPA.

As I am sure you are well aware, climate scientists recently issued an alarming 'code red for humanity' in the latest UN IPCC report, warning us that governments at all levels everywhere must take immediate and unprecedented action to cut emissions. That means how you, as leaders of Hermosa Beach, respond matters and has an impact far beyond your city boundaries. The good news is that there are solutions like the 100% renewable default to help us get where we need to go, and local governments are responding. To date, 34 municipalities throughout California have adopted a 100% renewable default so you would be in great company.

Defaults have immense power to affect outcomes. Behavioral economists Richard Thaler (who won a Nobel prize in 2017) and Cass Sunstein have written extensively about this. By setting the default at 100% renewable, you will get much more participation at that level than if you set it at a lower tier. Only a small percentage of customers will opt down, most will remain at 100%. Likewise, if you set the default at a lower tier, that's mostly what you'll get.

Few will opt up, not because they don't want to, often just because of inertia or the busyness of life. This has proven true for our cities in Clean Power Alliance; over 90% of customers have stayed in at 100%.

CPA's 100% Green Power rate currently costs just 3% more than SCE's base rate, a nominal investment for significantly more renewable content and long-term benefits like green jobs and greater energy independence and resiliency. While there's a slight rate savings in the lower tiers, it's important to factor in the costs associated with more polluting emissions and unmitigated climate change. The perception of saving a dollar or two in the short term is a dangerous illusion. For example, consider the billions of dollars in damages associated with California wildfires alone. Industry studies reveal there is overwhelming public support for renewable energy and people are willing to pay more for it.

Notably, low-income customers in CPA's 100% default communities get to participate at no extra cost. Those most financially vulnerable don't incur a bill premium, an important environmental and economic justice provision.

A key benefit of community choice energy is that customers have more choices. The 100% default isn't forcing anything on anyone, it's simply a suggestion, and customers have the freedom to choose another plan according to their own preferences and priorities. It's easy to opt down or opt out.

The default plans we select today will impact the amount of renewable energy powering us into the future. This is likely one of the biggest impact decisions you will make as leaders of your community. Renewable energy is now readily available and affordable. It would be fantastic to have Hermosa help the way in the transition off fossil fuels to a cleaner, healthier, and more sustainable tomorrow.

I have served on the CPA board for Ojai since the beginning and have been spearheading efforts for the 100% default, so am happy to serve as a resource if you have any questions. Please feel free to reach out.

Kind regards,

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