



September 7, 2022

Mayor Michael Detoy
City of Hermosa Beach
1315 Valley Drive
Hermosa Beach, CA 90254

Dear Mayor Detoy,

On September 1, 2022, the Clean Power Alliance Board of Directors approved Resolution 22-09-039 inviting the City of Hermosa Beach to become a member of CPA's Joint Powers Authority, with electricity service to customers within the City's jurisdiction to begin in 2024. We are excited to work with you and City staff over the coming year to implement community choice in Hermosa Beach for the benefit of the City's residents and businesses.

To move forward, the City needs to adopt an ordinance by November 30, 2022, to implement Community Choice Aggregation within the City's jurisdiction and approve the CPA Joint Powers Agreement. Our staff has already shared a draft ordinance template with city staff and have reviewed it with your City Attorney. We are available to answer any questions prior to and/or during your Council's deliberation on the ordinance.

Following the City's passage of the ordinance, the CPA Board of Directors will conduct a public hearing during its meeting on December 1, 2022, to consider and approve an Implementation Plan Addendum to add Hermosa Beach to the JPA. This is a routine matter. However, the Addendum must be submitted to the California Public Utilities Commission no later than December 31, 2022 for Hermosa Beach customers to be eligible for CPA service starting in 2024, thus the deadline for the City to wrap up the ordinance process by the end of November.

Assuming you move forward, in 2023 your City Council would appoint a member of your City Council to represent the City on CPA's Board of Directors, along with one or two alternate directors who may be other elected leaders, city staff, or members of the public. Over the course of 2023 and 2024 the CPA team would work with the City to educate the community about the impending change in their default electricity provider and make residents and businesses aware of their new options and the benefits of being a customer of Clean Power Alliance.

Another decision the City Council must make is the choice of a "default rate." Clean Power Alliance currently has three rates which come with different levels of renewable energy content and at different

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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	Whitter

price points. The default rate is the rate Hermosa Beach customers would be automatically enrolled in at the start of CPA service unless they take an affirmative action to choose a different CPA rate or decide to opt-out of CPA and purchase their electricity from Southern California Edison.

The City Council may choose to select the default rate for the City in conjunction with joining CPA, or it may defer this decision to 2023. CPA does not advocate for one particular default rate over another; however, CPA staff has deep experience with the considerations many cities take into account when choosing a default rate and would be happy to share those experiences with you and the rest of the members of your City Council.

Please don't hesitate to reach out to me or Karen Schmidt at kschmidt@cleanpoweralliance.org or 805-798-1629 or if you have any questions or if we can be of assistance as you take the next steps toward joining CPA.

Warmly,

A handwritten signature in black ink, appearing to read 'Ted Bardacke', written in a cursive style.

Ted Bardacke
Chief Executive Officer

cc: Suja Lowenthal

Attachment: CPA Board of Directors Resolution 22-09-039

RESOLUTION NO. 22-09-039

RESOLUTION OF THE BOARD OF DIRECTORS OF CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA AUTHORIZING THE OFFER OF MEMBERSHIP TO THE CITIES OF HERMOSA BEACH, MONROVIA, AND SANTA PAULA TO JOIN CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA (“CPA”) WITH CPA SERVICE TO CUSTOMERS IN THOSE JURISDICTIONS TO BEGIN IN 2024

THE BOARD OF DIRECTORS OF CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA HEREBY RESOLVES AS FOLLOWS:

WHEREAS, the cities of Hermosa Beach, Monrovia, and Santa Paula (individually, “City”; collectively, “Cities”) requested to be considered for membership in CPA so that customers in those jurisdictions can begin receiving service from CPA in 2024;

WHEREAS, each City contributed \$10,000 (“Study Fee”) toward the cost of conducting a feasibility study to assess the potential impacts to existing CPA customers of adding each City to CPA’s service territory;

WHEREAS, in 2019, the CPA Board of Directors (“Board”) identified the following priorities when considering new member agencies for expansion of CPA’s service territory in Los Angeles and Ventura counties: (1) fill geographic holes within CPA’s service territory; (2) seek out load centers where there are synergies with CPA’s environmental and/or programmatic goals; or (3) increase diversity among CPA membership (“New Membership Priorities”);

WHEREAS, each of the Cities meets one or more of the New Membership Priorities;

WHEREAS, benefits to expanding CPA membership to the Cities include (1) extending local control and choice to more customers and communities; (2) expanded use of renewable energy and reduction in greenhouse gas emissions; (3) leveraging outreach and communications across contiguous geographies in CPA territory; and (4) expanding scale economies in CPA’s energy procurement and operations;


WHEREAS, the risks and impacts of offering CPA membership to the Cities are small relative to CPA’s size and can be mitigated;

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

IT IS DETERMINED, AFFIRMED, AND ORDERED that CPA hereby authorizes the offer of CPA membership to each City to join CPA with CPA service to customers to begin in 2024; and,

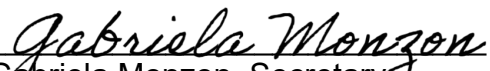
IT IS FURTHER DETERMINED, AFFIRMED, AND ORDERED that the Study Fee shall constitute each City's pro rata share of CPA's organizational and planning expenditures.

ADOPTED AND APPROVED this 1st day of September 2022.



Julian Gold, Chair

ATTEST:



Gabriela Monzon, Secretary