

REPORT TO CITY COUNCIL

DATE: APRIL 22, 2020

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: GREG RAMIREZ, CITY MANAGER

BY: LOUIS CELAYA, DEPUTY CITY MANAGER

SUBJECT: DISCUSSION OF DEFAULT ENERGY CHANGE – CLEAN POWER ALLIANCE (CPA)

At the March 11, 2020, City Council meeting, representatives from the Clean Power Alliance (CPA) made a presentation regarding the potential consideration for the City of Agoura Hills to change its current renewable energy default tier rate of 36% (Lean) to higher option rates of 50% (Clean) or 100% (Green).

After the conclusion of the presentation, the City Council approved having the item agendaized for discussion and consideration at their March 25, 2020 meeting. As presented to the City Council on March 11, the City currently participates in the default renewable energy rate of 36% (Lean). Under the current program, the residential and business accounts receive an estimated cost saving of 1% - 2% compared to Southern California Edison base rates.

In response to the COVID-19 crisis, the March 25, 2020 meeting was cancelled to allow staff to work on details for future remote live stream meetings. As represented in the March 11, 2020, CPA presentation, the deadline for the City to advise CPA of its desire to change its default energy tier was April 1, 2020. At its request, the City was given an extension until May 1, 2020, by the CPA. As the COVID-19 crisis continues and its future impacts are still being evaluated nationally, statewide, and locally, this may not be a practical time to consider a change in the current energy default tier. The City Council should note that, as presented in the March 11 CPA presentation, the next future default energy tier change consideration deadline will be January 1, 2021.

This item could be reconsidered later in the upcoming 2020-21 Fiscal Year after the COVID-19 crisis has concluded and impacts have been evaluated, to meet the January 1, 2021 notification deadline. It should be noted that several CPA member cities (i.e., Calabasas, Manhattan Beach) have elected not to change their default rate and reconsider in 2021 in light of the COVID-19 crisis.

RECOMMENDATION

City staff is respectfully recommending the City Council postpone the item until after the conclusion of the COVID-19 crisis, where it can later be reconsidered in the upcoming default change decision process for January 2021.