

ENERGY, CLIMATE CHANGE, AND ENVIRONMENTAL JUSTICE COMMITTEE
REPORT relative to authorizing the Solar Rooftops Program (SRP) revised Guidelines and
Lease Agreements and approving the pilot Shared Solar Program (SSP).

Recommendations for Council action:

1. CONCUR with the Board of Water and Power Commissioners' (Board) action of September 25, 2018, Resolution No. 019-041, authorizing the SRP - Guidelines and Lease Agreement as follows:
 - a. Revise the Guidelines and Lease Agreement for the SRP to include installations on two-story houses, remove requirement that houses have composite shingles, allow for various solar system sizes from one kilowatt to ten kilowatts, and add energy storage systems to photovoltaic solar systems to increase eligibility and participation in the SRP.
 - b. Delegate authority to the General Manager (GM), Los Angeles Department of Water and Power (LADWP), to make further modifications to the Guidelines as needed to offer various lease payments, not to exceed \$100 per month for future participants while remaining within the existing authorized budget to expand home eligibility requirements and increase operational efficiencies within the SRP.
 - c. Request the LADWP to report back in six months with a status update on the SRP as a result of the revised Guidelines, including enrollments.
2. CONCUR with the Board of Water and Power Commissioners' (Board) action of September 25, 2018, Resolution No. 019-040 approving the SSP as follows:
 - a. Approve the proposed SSP Guidelines and Rate Contract; and, Authorize the GM, LADWP, to enter into Ten Year Rate Contracts to implement the SSP for a total amount not to exceed \$79 million in total spending over a twenty year period by the LADWP, commencing no sooner than January 1, 2019.
 - b. Authorize the GM, LADWP, to make non-substantive technical modifications to the Guidelines, as necessary to correct errors, improve clarity and facilitate the SSP.
 - c. Authorize the GM, LADWP, to make further modifications to the Guidelines, after reporting such modifications to the Board, as adopted in the amended Resolution:
 - i. Expand subscriber eligibility to potentially include all customers receiving electric service under LADWP Schedule R-1 Residential Service, or any replacement thereof, and accordingly adjust the methodology to credit subscriber's bills to encourage conservation.
 - ii. Modify the maximum subscription amount per subscriber not to exceed \$5,000 over the term of the contract.

- iii. Modify the various sizes of SSP blocks of energy offered.
 - d. Evaluate the use of financial hedges to help deliver a cost neutral program in the event that Tier 1 electric rates exceed forecasted levels prior to the start of the second year of the SSP, as requested by the Board.
 - e. Request the LADWP to report back in one year with a program status update.
3. FIND that the energy and environmental attributes acquired from the SRP and the SSP projects be credited toward the compliance targets of LADWP's Renewable Portfolio Standard Policy and Enforcement Program.
 4. AUTHORIZE and DIRECT the Chief Accounting Employee, LADWP, upon proper certification to draw demands on the Power Revenue Fund, in payment of the obligations arising under any individual rate contract related to the SRP and SSP.

Fiscal Impact Statement: The CAO reports that there is no General Fund impact. The total cost of the SSR is currently approved at \$13 million over three years and the SSP is proposed to cost up to \$79 million over 20 years. Funding for the SSR and SSP will be funded by the LADWP Power Revenue Fund. The recommendations comply with City Financial Policies in that sufficient special fund revenues are sufficient and available for this purpose.

Community Impact Statement: None submitted.

TIME LIMIT FILE - MAY 13, 2019

(LAST DAY FOR COUNCIL ACTION - MAY 10, 2019)

SUMMARY

At its regular meeting held on March 19, 2019, the Energy, Climate Change, and Environmental Justice Committee considered Board and CAO reports and Resolutions relative to authorizing improvements to the SRP Guidelines and Lease Agreement to increase participation in the SRP; and approving the pilot SSP by allowing the LADWP to enter into ten-year rate contracts.

After providing an opportunity for public comment, the Committee moved to concur with the Board's September 25, 2018 actions and approve the Board and CAO's recommendations contained in the report, as detailed above. This matter is now transmitted to the Council for its consideration.

Respectfully Submitted,

ENERGY, CLIMATE CHANGE, AND ENVIRONMENTAL JUSTICE COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
MARTINEZ:	YES
KORETZ:	YES
KREKORIAN:	YES
CEDILLO	YES
O'FARRELL	YES

LC 03/19/19

-NOT OFFICIAL UNTIL COUNCIL ACTS-