Los Angeles Community Choice Energy (LACCE)?
LACCE is the name for a Community Choice Aggregation (CCA) program in Los Angeles County. California law allows local governments to control the source and the price of the electricity consumed by their residents and businesses using a CCA program.

How does LACCE work?
LACCE will negotiate contracts for power supply and offer renewable electricity at competitive rates. Southern California Edison (SCE) delivers it through its existing utility lines. SCE continues to bill the customer, maintain power lines and handle new service requests and emergencies.

How will LACCE be run?
LACCE will be run by an Executive Director and a small staff. It will be overseen by elected officials from cities and the county who will serve on a Board of Directors of the LACCE Authority, a nonprofit agency established to operate the program. The Board will be advised by a public Community Advisory Committee.

Will LACCE just create another layer of bureaucracy?
No. LACCE will be entirely self-funded by revenues it receives from the sale of electricity to customers. None of its expenses are paid by taxes, and its revenues cannot be diverted to pay for non-LACCE uses.

Have other communities done this before?
Yes, more than 70 cities and counties in California are already doing this. There are currently seven operational CCAs in California: Apple Valley Choice Energy, CleanPowerSF, Lancaster Choice Energy, MCE Clean Energy, Peninsula Clean Energy, Silicon Valley Clean Energy and Sonoma Clean Power. More
and more communities in California continue to investigate Community Choice Aggregation. In addition, Illinois, Ohio, Massachusetts, New Jersey, Rhode Island, and New York also have community power programs. Furthermore, the State of California estimates that by the mid-2020s, more than 80% of Investor Owned Utility (IOU) customers will receive their power from non-IOU providers like CCAs.

**Have the 70 cities and counties in California that have already formed CCAs experienced rate increases?**

No. Almost every city has reduced its residents’ utility bills. Some CCAs in California offer rates approximately equal to those offered by their existing utility. However, in these cases the CCAs power is significantly greener than the power offered by the existing utility.

**How can CCAs offer lower rates than the existing utilities?**

There are many factors that contribute to CCA’s ability to offer cheaper rates than existing utilities. CCAs have less overhead and can acquire low-cost government debt financing. Also, because CCAs are nonprofit governmental entities, they do not need to make profits for shareholders.

**Who can participate?**

LACCE is available to all residents and businesses in L.A. County cities serviced by SCE. The only cities that cannot participate are cities with their own municipal utility (like LADWP in Los Angeles or Glendale Water & Power in Glendale).

**How does a city join LACCE?**

Cities join LACCE by having their city councils approve the LACCE Joint Powers Agreement and the CCA enabling ordinance. Once a city chooses to participate, all its residents and businesses will automatically be enrolled for LACCE service, starting in 2018. Importantly, customers can opt out of LACCE service and return to SCE at any time.
There are many cities in LA County. Won’t they have different goals in terms of how much renewable energy to purchase and the importance of maintaining lower rates?

Yes. That is why each city can make its own choice on the level of renewable energy it wants to purchase for its residents (e.g., 33%, 50%, or 100%).

Is there a liability or legal risk to a city or its residents for joining?

No. The city and its residents are protected because LACCE is a separate legal entity as defined in California law. Its liabilities and obligations are its own, not those of the individual cities that are its members.

Won’t L.A. County just make all the decisions for the cities that join?

No. Decisions will be made by the LACCE Board of Directors. L.A. County will have one seat on the Board, as will each participating city. So L.A. County will not be able to make decisions on behalf of cities.

Does it cost for customers opt out of LACCE?

Customers can opt out of LACCE at no cost during the first 60 days of the program. After that, a small processing fee (around $1.50) may be charged.

How much does it cost a city to join?

There are no membership fees or other costs for cities to participate. Cities may choose to spend money on public information materials and may dedicate some staff time supporting their representative on the Board of Directors of the LACCE Authority.

Does LACCE replace SCE?

No. LACCE only replaces SCE’s electric procurement services with its LACCE’s own electric generation services. LACCE will generate cleaner electricity, and pay SCE to carry and deliver it to your home or business through their wires. SCE is still responsible for electric delivery, billing and powerline maintenance, including handling power outages and other emergencies.
How does SCE feel about LACCE?
SCE is officially neutral on the formation of LACCE and is committed to ensuring a smooth transition for all LACCE customers.

Will I get two electric bills?
Customers will see no change with their billing and will continue to receive one monthly bill from SCE. The only difference will be a few line items that note that the customer’s electricity was generated by LACCE. And, their bill may be lower.

Will SCE programs still be available to LACCE customers?
Yes, almost all SCE programs are still available to LACCE customers. Furthermore, LACCE will offer other, separate programs for its customers in addition to the existing programs offered by SCE.

When does LACCE begin serving customers?
LACCE will begin serving customers through a three-phase enrollment period. The initial group of customers begin enrollment in January, 2018. The second and third phases will take place later in 2018.
1. **What is LACCE?**

Los Angeles Community Choice Energy (LACCE) is the name for a regional Community Choice Aggregation program in Los Angeles County.

Community Choice Aggregation (CCA), authorized in California under AB 117 (2002) and SB 790 (2011), allows local governments, including counties and cities, to purchase electricity in the wholesale power market and sell it to their residents and businesses at competitive rates as an alternative to electricity provided by an investor owned utility (IOU).

2. **About the LACCE Feasibility Study**

The County of Los Angeles, at the direction of the Board of Supervisors, initiated a technical feasibility study to determine if the County can meet the electricity load requirements for 82 eligible cities and County unincorporated areas with rates that are competitive with the local IOU, Southern California Edison. This feasibility study culminated in a Business Plan. This Business Plan concluded that the formation of a CCA in Los Angeles County is financially feasible and would yield considerable benefits for all participating County residents and businesses.

3. **LACCE Benefits**

Perhaps the greatest benefit of CCA to local governments is the economic vitality it can bring to the community, and the region as a whole. Benefits to the local community include:

- Local control over energy mix - meet or exceed Renewable Portfolio Standard (RPS)
- Create quality jobs and local, renewable generation assets
- Meet or exceed Climate Action Plan goals
- Invest in local energy programs - integrated demand side management
- Provide rate stability - lower costs for homeowners and businesses
- Consumer choice - competition for lower rates and options for cleaner energy

4. **Process of Formation and Funding**

From December 2016 - March 2017, the County worked with relevant stakeholders and interested cities to negotiate a Joint Powers Agreement (JPA) to govern the LACCE program.

On Tuesday, April 18, 2017, the Los Angeles County Board of Supervisors unanimously approved a motion to begin the implementation of LACCE, including the JPA and the $10 Million in funding needed to begin pre-operation and start up activities.

5. **Options for Cities**

**Initial Participants**

Cities that execute the LACCE JPA within 180 days of LACCE’s formation will become Initial Participants of the program. Initial Participants will benefit from the $10 Million loan from Los Angeles County and will not have to commit any funds of their own.

Furthermore, Initial Participants will have the opportunity to make important, foundational decisions at the inception of LACCE. These include the establishment of committees to ensure sound governance and the hiring of an Executive Director to oversee LACCE operations.

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Membership after Formation
If cities do not wish to be Initial Participants, they will have the option to become a member of LACCE after its formation. In this scenario, a city’s membership will be subject to approval of the LACCE Board of Directors, and any conditions that the Board of Directors finds reasonable, potentially including a monetary contribution.

Implementation Schedule

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<thead>
<tr>
<th>LACCE IMPLEMENTATION SCHEDULE</th>
<th>2017-2018</th>
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<tr>
<td></td>
<td>May</td>
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<tr>
<td>First City adopts JPA</td>
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<tr>
<td>First LACCE Board Meeting</td>
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<tr>
<td>Executive Director Search</td>
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<tr>
<td>Phase 1 begins</td>
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6. Next Steps for Cities
Cities that would like to participate in the LACCE program should reach out to the County of Los Angeles for more information. The County will provide information on upcoming meetings and a more detailed timeline of LACCE formation and launch.

The County can also schedule individual briefings for city councilmembers and/or city staff.

For more information, please contact:

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County of Los Angeles
Phone 213-974-1160
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## Community Choice Energy in California

### Sonoma Clean Power
- Santa Rosa
- Sonoma County
- Mendocino County
- Town of Windsor
- Sebastopol
- Petaluma
- Cloverdale
- Cotati
- Town of Sonoma
- Rohnert Park
- Fort Bragg

### Silicon Valley Clean Energy
- Cupertino
- Los Gatos
- Mountain View
- Santa Clara County
- Los Altos Hills
- Los Altos
- Campbell
- Gilroy
- Morgan Hill
- Sunnyvale
- Monte Sereno
- Saratoga

### Peninsula Clean Energy
- San Mateo County
- City of San Mateo
- Atherton
- Belmont
- Brisbane
- Burlingame
- Colma
- Daly City
- Foster City
- East Palo Alto
- Hillsborough
- Menlo Park
- Half Moon Bay
- Millbrae
- Pacifica
- Portola Valley
- Redwood City
- San Bruno
- San Carlos
- Woodside
- South San Francisco

### Marin Clean Energy
- Mill Valley
- Walnut Creek
- County of Marin
- Richmond
- Benicia
- San Rafael
- El Cerrito
- Town of Ross
- Larkspur
- Sausalito
- Town of San Anselmo
- County of Napa
- San Pablo
- Town of Tiburon
- Novato
- Belvedere
- Town of Corte Madera
- Town of Fairfax

### Clean Power San Francisco
- San Francisco

### Lancaster Choice Energy
- Lancaster
- Pico Rivera
- San Jacinto

### Apple Valley Choice Energy
- Apple Valley