

Orange County Power Authority Policy No. 009
New Customer Communities

PURPOSE

It is the purpose of this New Customer Communities Policy to describe the process for interested cities and counties to become a member agency in the Authority and be provided retail electric service and other energy programs. The addition of new communities increases buying power and reaffirms the viability of community choice energy by providing local control, competitive rates, rate stabilization, renewable energy, and other incentives for cities and counties. It is within the interests of the Authority to explore the provision of retail electric service in new communities to further the Authority goals. The addition of new communities into the Authority will also increase the voice and status of the Authority in legislative and regulatory matters at the California Public Utilities Commission, California Energy Commission, California Air Resource Board, the California State Legislature and elsewhere.

OCPA MEMBERSHIP PROCESS

- Step 1: Governing body submits letter to OCPA from new community jurisdiction, requesting consideration as a member.
- Step 2: Staff evaluates request to determine: (a) if internal resources are available to consider new membership, and (b) if a formal 'inclusion period' is in effect or should be offered to create staff efficiencies.
- Step 3: OCPA staff requests a formal Membership Application and data release from new community governing body.
- Step 4: Membership Application submitted to OCPA. Request submitted to OCPA Board to consider adherence to criteria D, E, F and G below, and to authorize membership of new community, subject to a net positive result in quantitative membership analysis by staff.
- Step 5: Following OCPA Board approval, staff executes agreement with governing body of new jurisdiction. Staff undertakes and completes analysis, with primary focus on quantitative criteria A, B and C below. If needed, re-analysis may be conducted over time to account for varying market conditions.
- Step 6: Results of membership analysis presented to OCPA Board. 1). If quantitative affiliate membership criteria are met, OCPA Board adopts resolution to include municipality in OCPA Joint Powers Authority membership. 2). If quantitative criteria are not met but other compelling criteria are present, Board may consider approval of membership.
- Step 7: New jurisdiction satisfies all requirements of JPA agreement, the Public Utilities Code and any imposed by the OCPA Board of Directors and executes JPA Agreement.
- Step 8: OCPA submits updated Implementation Plan to CPUC.

MEMBERSHIP CRITERIA

- A. Including new community is projected to result in a neutral or positive fiscal impact for OCPA and the existing customer base.
- B. Including new community will enhance strength of local programs, including an increase in distributed generation, and will accelerate greenhouse gas reductions on a larger scale.
- C. Including new community will increase the amount of renewable energy being used in California's energy market.
- D. There will be an increase in opportunities to launch and operate OCPA energy efficiency programs to reduce energy consumption and reliance on fossil fuels.
- E. New opportunities are available to deploy local solar and other distributed renewable generation through the OCPA Net Energy Metering Tariff or Feed in Tariff if adopted.
- F. Greater demand for jobs and economic activity is likely to result from service in new community.
- G. Inclusion of new community is likely to create stronger voice for OCPA at the State and regulatory level.