

RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state, or federal government body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, on July 11, 2014, the California Energy Commission (CEC) held a workshop on *Amending the CEC's Enforcement Procedures for the Renewables Portfolio Standard (RPS) for Local Publicly Owned Electric Utilities (POUs)*; and

WHEREAS, the workshop explored whether power generation from a solar net-metering system, or other RPS facility owned or procured by a POU, should qualify as "Portfolio Content Category 1" under the state's RPS compliance rules; and

WHEREAS, the state's RPS rules provides for three compliance "Portfolio Content Categories" with "Portfolio Content Category 1" being the most advantageous for regulated utilities since it provides the highest compliance credit; and

WHEREAS, the DWP's Solar Incentive Program (SIP), which is a solar net-metering program, provides incentives for residential and commercial customers to install solar photovoltaic systems on their facilities; and

WHEREAS, the DWP offers a premium to SIP participants, in addition to standard incentives, in order to claim the electricity generation and the associated renewable energy credits (RECs) to help the Department meet compliance goals; and

WHEREAS, the SIP has enabled the successful installation of over 112 MWs of electricity generation capacity throughout the City; and

WHEREAS, under the state's current RPS compliance rules, the SIP and similar net-metering programs fall within "Portfolio Content Category 3" which provides the lowest compliance credit; and

WHEREAS, the "Portfolio Content Category 3" designation severely diminishes the value of these systems and limits the expansion of effective and thriving solar net-metering programs; and

WHEREAS, the DWP has advised the CEC to consider qualifying the SIP and similar programs as "Portfolio Content Category 1" eligible in order for the City to effectively meet its RPS compliance goals; and

WHEREAS, a "Portfolio Content Category 1" designation for SIP would also promote local solar development and increase local renewable energy that reduces greenhouse gases;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2015-2016 State Legislative Program SUPPORT for legislation or regulatory action that recognizes the City's Solar Incentive Program (SIP), or similar solar net-metering programs, as "Portfolio Content Category 1" eligible under the state's Renewable Portfolio Standard compliance rules, thereby promoting local solar development and improving the environmental health and welfare of the City and region.

PRESENTED BY: 

FELIPE FUENTES

Councilmember, 7th DistrictSECONDED BY: 

OCT 17 2014