

**PUBLIC UTILITIES COMMISSION**

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



February 28, 2019

James Purtee  
City Manager  
38300 Sierra Hwy  
Palmdale, CA 93550

**RE: Letter Certifying City of Palmdale's Community Choice Aggregator Implementation Plan and Statement of Intent**

Dear Mr. Purtee:

The California Public Utilities Commission's Energy Division has reviewed the City of Palmdale's Implementation Plan and Statement of Intent, which was submitted to us on December 17, 2018, to begin service in the City of Palmdale effective May 2020.

Pursuant to Public Utilities Code Section 366.2 (c)(7), within 90 days after the Community Choice Aggregator (CCA) establishing load aggregation files an Implementation Plan, the Commission is required to certify that it has received the Implementation Plan, including any additional information necessary to determine a cost-recovery mechanism.

Public Utilities Code Section 366.2 (c)(3) requires a CCA Implementation Plan to contain all of the following:

- A) An organizational structure of the program, its operations, and its funding.
- B) Rate setting and other costs to participants.
- C) Provisions for disclosure and due process in setting rates and allocating costs among participants.
- D) The methods for entering and terminating agreements with other entities.
- E) The rights and responsibilities of program participants, including, but not limited to, consumer protection procedures, credit issues, and shutoff procedures.
- F) Details regarding the termination of the program.
- G) A description of the third parties that will be supplying electricity under the program, including, but not limited to, information about financial, technical and operational capabilities.

Pursuant to Public Utilities Code Section 366.2 (c)(4), a CCA is also to prepare and provide for all of the following:

- A) A statement of intent; and
- B) Provision(s) that provide for:
  - 1) Universal access;
  - 2) Reliability;
  - 3) Equitable treatment of all classes of customers; and
  - 4) Compliance with any legal requirements concerning aggregated service.

The Commission hereby certifies that the Implementation Plan and Statement of Intent submitted by the City of Palmdale contain the information required by Public Utilities Code Section 366.2 (c). Should there be any modification to the Implementation Plan, including but not limited to the start date, anticipated load and phase-in schedule, the City of Palmdale shall submit an updated Implementation Plan to the Commission in the same manner it submitted the original plan, including the appropriate service lists.

Pursuant to P.U. Code Section 366.2 (c)(7), the Commission is required to provide the City of Palmdale with "its findings regarding any cost recovery that must be paid by customers of the community choice aggregator to prevent a shifting of costs as provided for in P.U. Code Section 366.2 subdivisions (d), (e) and (f)." The costs referenced in P.U. Code Section 366.2 subdivisions (d), (e) and (f) are recovered via separate charges for: (1) Power Charge Indifference Adjustment (per kWh); (2) DWR Bond Charge (per kWh); and (3) Competition Transition Charge (CTC) (per kWh). By this letter, the Commission informs the City of Palmdale that these costs are identified on each of Southern California Edison's customer-class-specific tariff sheets, in the "Special Conditions" section, sub-section "Billing," in the section labeled "Direct Access (DA) and Community Choice Aggregation (CCA) customers" and in the column labeled "Community Choice Aggregation Cost Responsibility Surcharge (CCA CRS)."

Sincerely,



FOR

Edward Randolph  
Director, Energy Division  
California Public Utilities Commission

cc:

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