



Consideration of Huntington Beach's Participation in the Orange County Power Authority (OCPA)

City Council Meeting

February 21, 2023

Timeline

- **Dec. 2020** - City approved documents to join OCPA
- **Feb. 2021** - City approved Founding Member participation in OCPA
- **Dec. 2021** - County of Orange (unincorporated areas) was added as 5th member agency
- **Apr. 2022** - OCPA launches municipal and commercial service to Huntington Beach, Buena Park, Fullerton, and Irvine
- **Oct. 2022** - OCPA launches residential service to Huntington Beach, Buena Park, Fullerton, and Irvine

Timeline

- **Dec. 2022** - Huntington Beach City Council requested to change the default rate to Basic Choice for new and municipal customers. City Council also requested a return to a study session with the cost options and path to withdraw membership from OCPA
- **Jan. 2023** - Huntington Beach City Council approved changing the default rate for new Huntington Beach OCPA customer and all municipal accounts to the OCPA Basic Choice rate.
- **Feb. 2023** – Update City Council on the discussion had regarding the process and impacts of the City withdrawing from OCPA.

OCPA Member Agency Actions

- OCPA JPA includes four founding member agencies: Cities of Huntington Beach, Buena Park, Fullerton, and Irvine with the County of Orange joining after the original JPA formation.
- The County of Orange
 - In August 2022, Orange County initiated a review of OCPA's operations and the effectiveness of their internal controls, policies, procedures, and of any costs incurred by OCPA on behalf of Orange County.
 - In December 2022, the OC Board of Supervisors sent notice to withdraw from OCPA.
- The City of Irvine
 - The City of Irvine held at least three City Council meetings between December and February to consider withdrawing from OCPA. The discussion has been continued to a future meeting date.

Huntington Beach Update

- The City Manager's Office has engaged with OCPA to obtain information on the cost and process of withdrawing membership.
- OCPA members have the right to withdraw by providing a notice no less than 180 days. The official withdrawal date will become effective at the beginning of OCPA's fiscal year - after the notice period.
- By withdrawing, the City will be subject to continuing OCPA liabilities including:
 - Costs arising from the resale of capacity, electricity, or any power load attributed to the City.
 - Any costs incurred by the Authority which is a result directly related to the withdrawing party, which may include both short term costs and potential future cost impacts
- Staff is continuing to meet with OCPA to identify the power purchases attributable to Huntington Beach.



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