

Christina L. Shea, Mayor

City of Irvine, One Civic Center Plaza, P.O. Box 19575, Irvine, California 92623-9575

cityofirvine.org

949-724-6233

January 9, 2020

Re: Invitation to Discuss Community Choice Energy

Dear Mayors and City Councilmembers:

On December 10, 2019, the Irvine City Council voted unanimously to consider formation of a Community Choice Energy (CCE) program in partnership with other Orange County cities. I am inviting your agency to join the City of Irvine in this landmark action as we review options to develop a Joint Power Authority and launch a CCE program in Orange County.

We see Community Choice Energy as an opportunity to bring competition, local control, and freedom of choice to the electricity market. We understand there is potential to increase clean energy in this region, take control of electricity rates, and design programs that fit the needs of our communities. Irvine staff will provide an update to our City Council on February 11, 2020, and we would like to know which cities in Orange County are interested in partnering with Irvine to explore implementation of a CCE program.

As some background, CCE programs, also known as Community Choice Aggregation (CCA), serve as an alternative to the traditional Investor Owned Utility power procurement process, allowing local governments to purchase electricity and sell it to consumers at competitive rates. CCE programs are not considered municipal utilities and will operate in partnership with the utility. Southern California Edison will continue to provide transmission and distribution, power line maintenance, and customer billing services.

Irvine commissioned a feasibility study of CCE program implementation to better understand the issues surrounding development and risks of operating a CCE program in Irvine. The Study found that with mitigated risks, a CCE program in Irvine is financially feasible, and that partnership with other Orange County cities is possible.

If you would like to participate in CCE exploratory discussions, please contact Sona Coffee, Environmental Programs Administrator at 949-724-1562 or <u>scoffee@cityofirvine.org</u> by February 3, 2020.

Our staff will be in touch with interested cities to coordinate next steps as we move forward.

Sincerely,

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Christina L. Shea Mayor

cc: John Russo, City Manager, City of Irvine Mark Steuer, Director of Public Works and Transportation, City of Irvine Sona Coffee, Environmental Programs Administrator, City of Irvine City Manager, Orange County Cities