



Draft Board Resolution

To accelerate local energy storage adoption within disadvantaged communities by 2030, for the Los Angeles Board of Water and Power Commissioners

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Summary

This Draft Resolution is intended for adoption by the Los Angeles Board of Water and Power Commissioners (“Board”) at a future Board meeting. In this document, the Board first outlines the landscape of relevant energy policy that Los Angeles Department of Water and Power (LADWP) is currently navigating, then justifies support for broader adoption of energy storage. Finally, the Board prescribes concrete actions that the LADWP should take to implement both recommendations from the [Policy Brief](#), which advocates for (1) implementing Virtual Net Energy Metering Plus, a pilot that would bring local energy storage to low-income renters, and (2) targeting deployment of 150 MW of local energy storage within disadvantaged community tracts by 2030.

Draft Resolution Text

RESOLUTION NO. _____

WHEREAS, on March 24, 2021 the City of Los Angeles released the Los Angeles 100% Renewable Energy Study (LA100), a collaboration between the Los Angeles Department of Water and Power (LADWP) and the National Renewable Energy Laboratory that demonstrated that the City could feasibly run on 100% carbon-free energy by 2035 or 2045; and,

WHEREAS, on September 1, 2021 the Los Angeles City Council passed a motion for the City's power grid to run on 100% carbon-free energy by 2035 in light of the LA100 findings; and,

WHEREAS, LADWP is still developing its 2022 Strategic Long-Term Resource Plan (SLTRP), to fully plan this 2035 energy transition; and,

WHEREAS, on June 22, 2021 the Los Angeles Board of Water and Power Commissioners ("Board") approved LA100 Equity Strategies, an initiative following LA100 which aims to co-create a plan by 2023 alongside low-income ratepayers and community advocates to achieve procedural and distributive energy justice during this 2035 energy transition; and,

WHEREAS, LA100 determined that local energy storage is a crucial component of achieving the clean energy transition, and projected that local energy storage should reach 510 MW along the "Early & No Biofuels" pathway under Moderate Load Electrification by 2030, with 173 MW of that capacity specifically deployed in disadvantaged community tracts as defined by CalEnviroScreen; and,

WHEREAS, the Board recognizes that local energy storage can bring benefits such as customer affordability, transmission and distribution upgrade deferrals, energy resilience, and grid reliability, in a manner complementary to other distributed energy resources (DERs) such as energy efficiency, weatherization, demand response, and distributed renewable energy; and,

WHEREAS, in January 2021 LADWP approved the Virtual Net Energy Metering (VNEM) Pilot Program, which is its first solar incentive program to explicitly benefit renters in multifamily buildings, as well as the Feed-In Tariff Plus (FiT+) Pilot Program, which is its first customer-facing program to incentivize energy storage adoption, targeting commercial customers; and,

WHEREAS, LADWP does not currently offer any programs that incentivize energy storage adoption by residential customers, especially low-income customers; and,

WHEREAS, the Board acknowledges that LADWP energy storage programs allow participants to take advantage of existing and new state and federal energy storage incentives, such as California's Self-Generating Incentive Program (SGIP) and climate resilience funding from the 2021 Infrastructure Investment and Jobs Act.

NOW, THEREFORE, BE IT RESOLVED that the Board requests that, within 90 days, the General Manager incorporate a 150 MW target for customer-sited energy storage specifically in disadvantaged communities tracts as defined by CalEnviroScreen into the planning and design of the 2022 SLTRP, or, if the General Manager determines this target is not desirable or achievable, that the General Manager report back why the target is not desirable or achievable, along with alternative options for providing disadvantaged communities with the equivalent affordability and resilience benefits of energy storage by 2030.

BE IT FURTHER RESOLVED that the Board requests that, within 180 days, the General Manager draft Program Guidelines which define the terms and conditions of program participation in Virtual Net Energy Metering Plus, a new pilot program that expands on VNEM by allowing participants to install energy storage and sell energy during peak demand hours in a manner similar to FiT+.

BE IT FURTHER RESOLVED that the Board requests that, in 2023, within 90 days of the conclusion of the LA100 Equity Strategies study, the General Manager present recommendations to the Board regarding policies that would motivate energy storage adoption in disadvantaged communities. This report should consider the challenges, opportunities, and strategies for implementation of the following: rate design; tariffs and incentives; utility and third-party financing; outreach and education; novel interconnection designs; alternative ownership models, such as community solar and storage; ; community energy independence, including microgrids; local workforce development; procedural justice; and synergy with other equity initiatives, such as energy efficiency and solar adoption. The General Manager should include in this report feedback and suggestions received regarding energy storage adoption and this policy ecosystem, as provided by advocates and residents of low-income communities participating in LA100 Equity Strategies.