



CITY OF POMONA

COUNCIL REPORT

August 4, 2025

To: Honorable Mayor and Members of the City Council

From: Anita D. Scott, City Manager

Submitted By: Chris Diggs, Water Resources Director

SUBJECT: APPROVE POMONA CHOICE ENERGY PEAK DEMAND RESPONSE INCENTIVE PROGRAM

RECOMMENDATION:

It is recommended that the City Council take the following actions:

- 1) Approve Pomona Choice Energy Peak Demand Response Incentive Program; and
- 2) Authorize the City Manager, or designee, the authority to negotiate and execute all contracts and policies, if applicable, on behalf of the City, with City Attorney approval.

EXECUTIVE SUMMARY:

Approval of the Pomona Choice Energy Peak Demand Response Incentive Program (Attachment No. 1) will assist residential customers in lowering their electricity bills, by offering reduced energy rates in the summer months. In return, customers are asked to shift or reduce their energy use on called peak energy days when demand on the grid is forecasted to be high.

SB1439/GOVERNMENT CODE §84308 APPLICABILITY:

☐ When this box is checked, it indicates the agenda item is subject to the Levine Act SB1439 requirements. Councilmembers are reminded to check their campaign contributions and determine whether they have received a campaign contribution of \$500 or more that would require disclosure and/or recusal from discussing or acting on this agenda item. Campaign contributions of \$500 or more made 1) by any person or entity who is identified in the agenda report as the applicant or proposer; or 2) on behalf of the applicant or participant, including a parent, subsidiary or otherwise related business entity; or 3) by any person who has a financial interest in the agenda item requires a councilmember to comply with SB1439.

FISCAL IMPACT:

None.

PREVIOUS RELATED ACTION:

None.

DISCUSSION:

To comply with the California Public Utilities Commission's (CPUC) Demand Response DR requirement, city staff developed the Pomona Choice Energy Residential Peak Demand Response Incentive Program (Program). This program was developed to allow customers who participate in the recently launched Pomona Power Choice CARE, an income-qualified program that enables eligible residents to receive solar and battery storage systems with no upfront costs or credit checks, at approximately half the cost of similar products. The CARE program is administered in alignment with the CPUC's Self-Generation Incentive Program (SGIP) and includes assistance with enrollment, technical support, and funding access for related upgrades. As a condition of SGIP participation, the CPUC requires customers also to enroll in an approved DR program for a minimum of five years.

To comply with the CPUC'S DR requirement, city staff developed the Program, which supports grid reliability and encourages residents to reduce electricity usage during peak periods by offering:

- Lower baseline energy rates during non-event periods;
- Incentivized rate signals during peak demand periods (typically 4:00 p.m. to 9:00 p.m.) when a DR event is called; and,
- Load Reduction Adder Charges for electricity drawn from the grid during event periods, to encourage conservation or battery discharge.

Pomona Choice Energy may call up to 15 DR events per calendar year. These efforts align with CPUC's statewide objectives to manage grid stress, prevent outages, and reduce reliance on fossil-fuel peaker plants.

At this juncture staff recommends City Council approve the Program and grant to the City Manager, the authority to negotiate and execute all contracts and policies, where applicable.

Prepared by:

Julie Carver

Environmental Compliance Supervisor

ATTACHMENT:

Attachment No. 1 – Draft Pomona FlexWise Terms and Conditions