



CITY OF POMONA COUNCIL REPORT

January 6, 2025

To: Honorable Mayor and Members of the City Council

From: Anita D. Scott, City Manager

Submitted By: Chris Diggs, Water Resources Director

**SUBJECT: PROVIDE THE 2023 CALIFORNIA POWER SOURCE DISCLOSURE
ATTESTATION FOR POMONA CHOICE ENERGY**

RECOMMENDATION:

It is recommended that the City Council provide the attestation specified under California's Power Source Disclosure Program for Pomona Choice Energy.

EXECUTIVE SUMMARY:

Pomona Choice Energy is required to submit this staff report and related meeting minutes to the California Energy Commission (Commission) per Power Source Disclosure Program regulations to demonstrate compliance for the previous year. In the case of Pomona Choice Energy, such attestations will be based on the California Choice Energy Authority's (CalChoice) technical review and will address the 2023 Annual Reports and Power Content Labels prepared for the Pomona Choice Energy community choice aggregation (CCA) program.

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 \$250 or more that would require disclosure and/or recusal from discussing or acting on this agenda item. Campaign contributions of \$250 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:

On September 18, 2023, September 19, 2022, and September 20, 2021, City Council approved the Power Source Disclosure attestation for Pomona Choice Energy.

DISCUSSION:

California Public Utilities Code requires all retail sellers of electric energy, including Pomona Choice Energy, to disclose “accurate, reliable, and simple-to-understand information on sources of energy” that are delivered to its customers via an annual Power Content Label (Label). The Label (Attachment No. 1) is analogous to a nutrition label, conveying information regarding the various power sources/products that are procured on behalf of its customers. Each retail power provider, including Pomona Choice Energy, will have a unique Label based on internally adopted procurement policies, statutory procurement mandates, and related power purchases that were completed during the reporting year.

The Label format is highly prescriptive, offering little flexibility to retail sellers when presenting such information to customers – the Commission administers these requirements under California’s Power Source Disclosure Program (Attachment No. 2 and Attachment No. 3). Information presented in the Label includes the proportionate share of total power supply related to specific fuel sources/resource categories, including both renewable and conventional generating technologies.

An emission factor, as calculated using the Commission’s prescribed methodology, is also provided in the Label. If Pomona Choice Energy procures power from the market at large (meaning a sources of power that cannot be traced back to a specific generator), the Label must identify such purchases as “unspecified sources of power,” which is common.

In accordance with statewide mandates and internally adopted planning targets, Pomona Choice Energy procured a substantial portion of its power supply from generating resources utilizing various renewable fuel sources in 2023. Renewable fuel sources may include biomass and waste, hydroelectricity, solar, geothermal, and wind. For Pomona Choice customers, 45.5 percent of total energy supply was sourced from renewable sources. “Pomona Choice 100” customers are supplied energy from 100 percent renewable energy sources.

Recent changes in power source disclosure regulations have changed the way some renewable energy purchases must be reported within the Label. More specifically, “unbundled” renewable energy certificates (meaning, renewable energy attributes that are sold/purchased separately from associated electric power) must now be displayed outside the area in which “bundled” renewable energy purchases (meaning, renewable energy attributes that are sold/purchased with associated electric power) are reported.

This adaptation to the Label format may result in some customer confusion, as determining the total quantity of renewable energy purchased on behalf of each customer now requires the summation of two values: “Eligible Renewable,” plus “Percentage of Retail Sales Covered by Retired Unbundled RECs.” Pomona Choice Energy is prepared to answer customer related questions, should they arise.

To fulfill its Power Source Disclosure Program reporting obligations for 2023, Pomona Choice Energy as a public agency, must provide the Commission with the City Council's attestation regarding the accuracy of information included in its annual Power Source Disclosure Report (submitted to the Commission earlier in 2023, according to the applicable reporting deadline) and Label, consistent with the following element.

A retail supplier that is a public agency providing electric services is not required to comply with the provisions of subdivision (a)(1) if the board of directors of the public agency submits to the Energy Commission an attestation of the veracity of each annual report and power content label for the previous year.

The above excerpt from applicable regulations, subdivision (a)(1) refers to a third-party audit, which is not necessary for public agencies, including the City.

While developing Pomona Choice Energy's Label, the City's energy partner, CalChoice, performed a detailed review of all power purchases completed in 2023 calendar year. The review found no inaccuracies or inconsistencies in Pomona Choice Energy's annual Power Source Disclosure reports and Label.

To fulfill its attestation requirements for 2023, Council is being asked to provide an attestation covering both the Label and associated Annual Reports, as specified in the excerpt above – both elements of the Power Source Disclosure Program reflect information that was consistently and accurately presented for the Pomona Choice Energy Community Choice Aggregation Program. Consistent with applicable regulations, all customers currently enrolled in the Pomona Choice Energy programs will receive the Label via U.S. mail.

Prepared by:

Julie Carver
Environmental Compliance Supervisor

ATTACHMENTS:

- Attachment No. 1 – 2023 Power Content Label Pomona Choice Energy
- Attachment No. 2 – Pomona Choice 2023 Power Source Disclosure Annual Report
- Attachment No. 3 – Pomona Choice 100 2023 Power Source Disclosure Annual Report