



TRIUNFO SANITATION DISTRICT

A PUBLIC AGENCY

Board of Directors

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Providing Outstanding Service Since 1963

April 22, 2019

Board of Directors
Triunfo Sanitation District
Ventura County, California

SELECTION OF ELECTRICAL OPTION WITH SCE AND THE CLEAN POWER ALLIANCE

Summary

Beginning earlier this year, the Clean Power Alliance (Alliance), a group formed to provide alternative sources of clean electrical power, offered options to residential customers within Ventura County. Subsequently, similar options for the purchase of electrical power have become available for the Triunfo Sanitation District (District). The Alliance/SCE have requested that the District select which commercial option it prefers for the purchase of electricity. The selected option would become effective in May 2019. Currently, the District is utilizing a Time-Of-Use (TOU) method through Southern California Edison (SCE) and the District has configured its operational strategy to maximize the cost effectiveness (see attached diagram). The District could elect to continue with this TOU approach through SCE as an option. However, the Alliance is offering three (3) alternative sources of renewable (“Green”) energy to the District that also employ a TOU methodology. The three sources are Lean Power (36% renewable sources), Clean Power (50% renewable), and Green Power (100% renewable). Depending on which option is selected, there are various cost impacts to the District as well as several contingent factors that have yet to be finalized. The table below summarizes the estimated cost per kWh based on provided literature (highlighted numbers represent the lowest cost for that category):

Electrical Option	Winter Season		Summer Season		
	Off-Peak	Mid-Peak	Off-Peak	Mid-Peak	On-Peak
SCE	\$0.151	\$0.175	\$0.162	\$0.205	\$0.225
Alliance - Lean	\$0.147	\$0.170	\$0.156	\$0.206	\$0.282
Alliance - Clean	\$0.152	\$0.172	\$0.157	\$0.211	\$0.291
Alliance - Green	\$0.158	\$0.185	\$0.167	\$0.223	\$0.319

Based on the District's historical billing records for electrical usage, the Summer period tends to have the highest consumption and more so during the peak period of 4 P.M. to 9 P.M. as customers are home and usage increases. Cost impacts based on a sample District meter would be as follows:

Electrical Option	Based on a \$1,000 bill		
	Winter	Summer	% Diff. to \$2,000
SCE	\$1,030	\$1,000	+1.5%
Alliance - Lean	\$1,000	\$1,050	+2.5%
Alliance - Clean	\$1,006	\$1,100	+5.3%
Alliance - Green	\$1,056	\$1,180	+11.8%

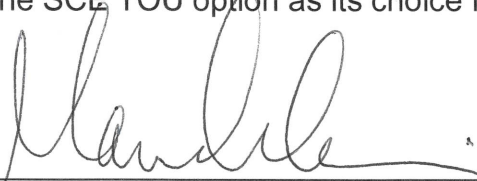
Based on the data provided, staff recommends that given the uncertainty in rate adjustments due to customer loading, pending litigation, an emerging program, and varying cost estimates, your Board select the SCE TOU option currently in place and reconsider the cost/benefit impacts to reevaluate the selection for next year. The program allows for annual entry or exit from a selection with minimal District cost.

Please contact me at 805-658-4621 or email marknorris@vrsd.com if you have any questions or need additional information.

Recommendation

It is recommended the Board select the SCE TOU option as its choice for the next year.

REVIEWED AND APPROVED:



Mark Norris - General Manager

Attachment: Diagram of Business TOU Periods

BUSINESS TIME-OF-USE (TOU) PERIODS

March 2019

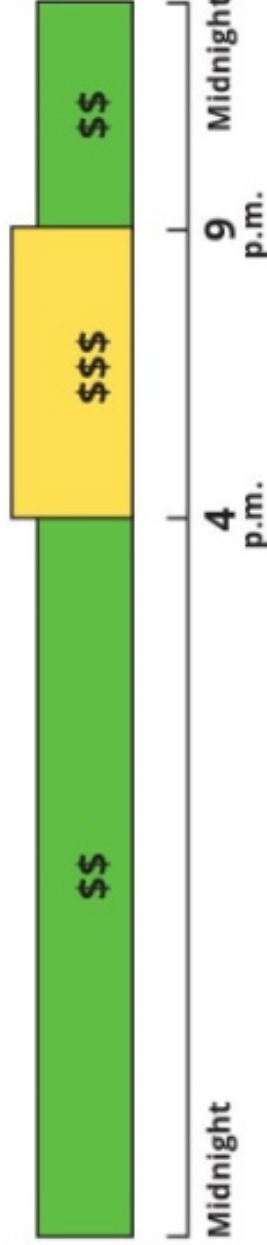
SUMMER

June 1 – September 30 (4 Months)

Weekdays



Weekends and Holidays



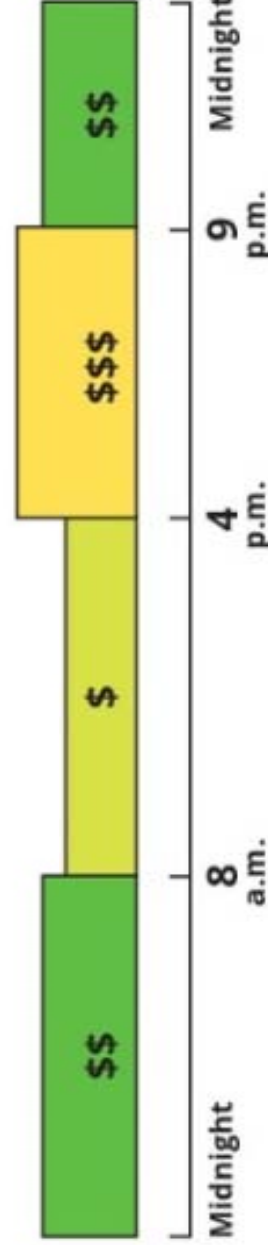
WINTER

October 1 – May 31 (8 Months)

Weekdays



Weekends and Holidays



The Summer Season begins at midnight on June 1 and continues until midnight October 1.

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