



Administrative Report

H.7., File # 22-4146

Meeting Date: 5/10/2022

To: MAYOR AND CITY COUNCIL
From: MICHAEL W. WEBB, CITY ATTORNEY

TITLE

APPROVE A MARKETING AGREEMENT WITH OHMCONNECT REGARDING OUR PARTNERSHIP TO BUILD A "VIRTUAL POWER PLANT".

EXECUTIVE SUMMARY

None.

BACKGROUND

On March 10, 2022, Lorraine Paskett, the AES Vice President of External Affairs in California, made a presentation before the Los Angeles Regional Water Quality Control Board. During that presentation, Ms. Paskett stated that "AES is committed to retiring RBGS in 22 months at the end of 2023". While this is indeed good news that AES is voluntarily committing to retiring the Power Plant there is a caveat. It is possible that State agencies could extend the life of the plant over AES' wishes.

It is possible to meet any perceived need by the State for energy, after AES retires its plant, by partnering with OhmConnect to build a virtual power plant. On April 12, 2022, the City Council gave direction to work with OhmConnect towards creating an entirely voluntary program for our residents and residents of nearby cities that help meet that need at peak time periods. Approving this Marketing Agreement is the first step. Once approved and signed, OhmConnect will immediately activate a designated Website and roll out a marketing plan in cooperation with the City over the next few weeks and months.

COORDINATION

The City Attorney coordinated with the City Manager on this item.

FISCAL IMPACT

A marginal decrease in the amount of User Utility Tax that the City collects as residents use less energy.

ATTACHMENTS

- Marketing Agreement with OhmConnect