

WHEREAS, the Los Angeles Department of Water and Power (LADWP) Renewable Portfolio Standard Policy and Enforcement Program (RPS Policy) represents the continued commitment by LADWP to renewable energy resources, including compliance targets for LADWP to supply at least 60 percent of its retail sales from eligible renewable energy resources by December 31, 2030, and 100 percent from eligible renewable energy resources and zero-carbon resources by December 31, 2045 in accordance with Senate Bill 100 - 100 Percent Clean Energy Act of 2018; and

WHEREAS, increased use of photovoltaics to generate electricity will reduce greenhouse gas emissions as a byproduct of electricity generation from burning of fossils fuels; and

WHEREAS, a variety of local stakeholder and advocacy groups have expressed strong interest in local renewable energy developments in areas of low solar penetration and for customers in multifamily dwelling units; and

WHEREAS, the City of Los Angeles Sustainable City Plan 2019 – Los Angeles' Green New Deal established renewable energy and environmental justice goals, including a Pilot Virtual Net Energy Metering (VNEM) Pilot Program for LADWP's electrically metered residential ratepayers residing in multifamily dwelling units to benefit from solar; and

WHEREAS, on February 10, 2020, Mayor Eric Garcetti's Executive Directive No. 25 accelerated the development of programs to increase access to clean energy for multifamily buildings, low-income residents, and affordable housing; and

WHEREAS, tenants of multi-family residences have not had the opportunity to participate in the Solar Incentive Program and Solar Rooftops Program; and

WHEREAS, the VNEM Pilot Program provides the additional benefit of increasing the reliability of the existing electrical distribution systems by integrating local solar; and

WHEREAS, the VNEM Pilot Program encourages economic development in the LADWP service territory and may increase the opportunities for grants associated with multifamily solar development to be leveraged for the benefit of the City of Los Angeles (City); and

WHEREAS, staff proposes changes to the VNEM Pilot Program Guidelines to allow for certain cost reimbursements associated with the Comprehensive Affordable Multifamily Retrofits Program (CAMR); reduce the minimum project size to 10 kilowatts (kW) for CAMR projects; and remove the previous limit on maximum number of pilot projects while maintaining the 5 megawatts total capacity; and

WHEREAS, the Renewable Energy Resource Reference Rate Agreement allows certain customers to purchase Renewable Energy Credits from LADWP and make Clean Energy Adder (CEA) contributions to support clean energy initiatives offered by LADWP.

NOW, THEREFORE, BE IT RESOLVED that the Board of Water and Power Commissioners (Board) hereby adopts this Resolution recommending to the Los Angeles City Council (City Council) that an ordinance be adopted to amend Section 10.5.2 of Article 1 of Chapter 1 of Division 10 of the Los Angeles Administrative Code to permit CAMR projects that receive incentives to enter into agreements authorized by that Section.

BE IT FURTHER RESOLVED that, upon adoption of the proposed ordinance by City Council, the Board hereby approves the updated VNEM Pilot Program Guidelines and VNEM Power Purchase Agreement, copies of which are on file with the Secretary of the Board.

BE IT FURTHER RESOLVED that the Board hereby delegates to the General Manager, or such person as the General Manager shall designate in writing, the authority to enter into contracts for the purchase of renewable energy and related interconnection agreements for the Feed-in Tariff Program, including those for the VNEM Pilot Program.

BE IT FURTHER RESOLVED that LADWP staff report back to the Board on the progress of the VNEM Pilot Program twelve months after first commercial operation and twenty-four months after first commercial operation.

BE IT FURTHER RESOLVED that prior to any future VNEM expansion, LADWP will evaluate the performance and impacts of the proposed VNEM Pilot Program on ratepayers and the City, and make a recommendation to the Board regarding said potential future VNEM expansion.

BE IT FURTHER RESOLVED that CEA funds earmarked for VNEM projects in disadvantaged communities shall be used to provide incentives to newly installed VNEM projects that do not receive CAMR incentives, as set forth in the VNEM guidelines.

BE IT FURTHER RESOLVED that the Board hereby delegates to the General Manager, or such person as the General Manager shall designate in writing, the authority to adjust the CEA incentive rate and/or maximum incentive payout by up to 25 percent in either direction.

BE IT FURTHER RESOLVED that LADWP staff is authorized to make non-substantive technical modifications to the VNEM Pilot Program Guidelines as necessary to correct errors, improve clarity, and facilitate administration of the program.

BE IT FURTHER RESOLVED that the Chief Accounting Employee of the LADWP, upon proper certification, is authorized and directed to draw demands on the Power Revenue Fund, in payment of the obligations arising under any individual VNEM Power Purchase Agreement, under the VNEM Pilot Program Guidelines, and in accordance with this resolution.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of the resolution adopted by the Board of Water and Power Commissioners of the City of Los Angeles at its meeting held Aug 12, 2025

  
Secretary

APPROVED AS TO FORM AND LEGALITY  
HYDEE FELDSTEIN SOTO, CITY ATTORNEY

  
JUN 26 2025  
WILLIAM H. KYSELE, JR.  
DEPUTY CITY ATTORNEY