

RESOLUTION NO. 25-021

A RESOLUTION OF THE COUNCIL OF THE CITY OF
SANTA BARBARA AMENDING RATE SETTING FORMULA
FOR SANTA BARBARA CLEAN ENERGY

THE COUNCIL OF THE CITY OF SANTA BARBARA RESOLVES AS FOLLOWS:

1. On May 12, 2021, the City Council adopted Resolution No. 21-032 approving the rate setting formula for Santa Barbara Clean Energy (SBCE) and authorizing the City Administrator to determine rates by application of the formula. Resolution No. 21-032 also established the following principles regarding rates:

Rate Consideration	Definition
Revenue Sufficiency	<i>Rates should recover all program expenses, debt service requirements, and reserves</i>
Rate Competitiveness	<i>Rates should allow SBCE to successfully compete in the marketplace to retain and attract customers</i>
Rate Stability	<i>Rate changes should be minimized to reduce customer bill impacts</i>
Customer Understanding	<i>Rates should be simple, transparent, and easily understood by customers</i>
Equity Among Customers	<i>Rate differences among customers should be justified by differences in usage characteristics or cost of service</i>
Efficiency	<i>Rates should generally encourage conservation and efficient use of electricity</i>

2. The City Council increased the rate for SBCE's 100% Green product from the SCE base + \$0.012 to SCE base rate + \$0.016/kWh during the Fiscal Year 23 budget process consistent with the adopted rate principles.

3. The City Council has reviewed and considered a report and recommendation of the Sustainability and Resilience Director and Sustainability and Resilience Committee indicating that an increase to the rate for SBCE's 100% Green product is needed to maintain revenue sufficiency. Therefore, the rate formula for the SBCE 100% Green product is increased to the amount shown on the following schedule:

Energy Product	Rate Formula
SBCE 100% Green	= SCE base rate + \$0.036/kWh
SBCE Green Start	= SCE base rate
SBCE Resilient Net Surplus Compensation Rate	= \$0.0663/kWh for excess solar generation

4. The City Administrator is authorized to determine the rates for SBCE by application of the formula to the various SCE rates across all customer classes and service categories. Because the rates for SBCE service are tied to the rates approved by the Public Utilities Commission for provision by Southern California Edison (SCE) of electricity within the City of Santa Barbara, the City Administrator may from time-to-time set the rates for SBCE at an amount less than the amount stated in the rate formula as the City Administrator determines to be consistent with the principles stated in section 1.

5. The City Administrator may delegate the authority granted by this resolution.

6. The rates established by this resolution are necessary to fund the operating expenses of SBCE and are exempt from the California Environmental Quality Act pursuant to Public Resources Code § 21080(b)(8) and 14 Cal. Code of Regs. § 15273.

7. This resolution shall be effective upon adoption.

RESOLUTION NO. 25-021

STATE OF CALIFORNIA)
)
COUNTY OF SANTA BARBARA) ss.
)
CITY OF SANTA BARBARA)

I HEREBY CERTIFY that the foregoing resolution was adopted by the Council of the City of Santa Barbara at a meeting held on February 25, 2025, by the following roll call vote:

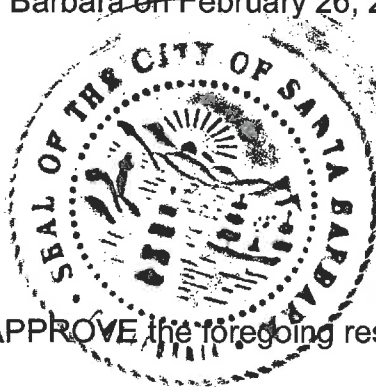
AYES: Councilmembers Eric Friedman, Oscar Gutierrez, Meagan Harmon, Mike Jordan, Wendy Santamaria; Mayor Randy Rowse

NOES: None

ABSENT: None

ABSTENTIONS: Councilmember Kristen W. Sneddon

IN WITNESS WHEREOF, I have hereto set my hand and affixed the official seal of the City of Santa Barbara on February 26, 2025.



A blue ink signature of Sarah P. Gorman, written in a cursive style.

Sarah P. Gorman, MMC
City Clerk Services Manager

I HEREBY APPROVE the foregoing resolution on February 26, 2025.

A blue ink signature of Randy Rowse, written in a cursive style.

Randy Rowse
Mayor