

STAFF REPORT

City of Lancaster

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12/10/2024
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Date: December 10, 2024

To: Mayor Parris and City Council Members

From: Jason Caudle, Chief Executive Officer, Lancaster Energy

Subject: Approve Expansion of the Power Choice Solar and Battery Program for Channel Partners

Recommendation:

Approve the expansion of the Power Choice Solar and Battery Program to include local Channel Partners.

G.C. Section 84308: No

Fiscal Impact:

There is no fiscal impact to the General Fund associated with this action.

Background:

On October 25, 2022, the City Council approved a set of agreements for the Lancaster Power Choice Solar and Battery Residential Program. The City, Participate Energy (PE), and Tesla developed the Lancaster Energy Power Choice Program, which provides developers and existing homeowners with a zero-up-front cost option to install solar and batteries for energy cost savings, backup, and participation in grid services.

On October 8, 2024, Council approved Amendment No. 1 to the Program Management Agreement between the City and PE which provides services including marketing and outreach to customers in the Lancaster Energy service territory to promote the program and encourage program participation. The Amendment modified the existing scope of services to add services that strengthen and augment the marketing and outreach services provided by City staff.

While initially available only to residential customers, there is now a proposal to extend the program to all commercial and industrial customers. Given its considerable benefits, staff recommend expanding marketing efforts to include local Channel Partners to ensure that all

Lancaster residents and businesses are informed and able to take advantage of this valuable opportunity through Lancaster Energy, thus enhancing community access to energy savings and resilience.

Since the launch of the Lancaster Energy Power Choice Program, staff have undertaken several marketing activities to increase participation, including a targeted social media campaign across the City's platforms to raise awareness of the Lancaster Energy Power Choice Program, City and Lancaster Energy newsletters, and attending City public events to promote the program and encourage participation by customers.

Expanding the Power Choice program to include Channel Partners provides an opportunity to enhance its impact through expanded marketing efforts, including a dedicated sales force to promote the program more strategically. Staff and PE propose engaging Channel Partners to increase program awareness, offer customers more choices, and boost participation by fostering competition among installers. Through this approach, Lancaster residents and businesses will be able to select from various local and regional installers, each providing consistent solar and battery specifications. With all Channel Partners operating under the same Power Choice program policies and pricing structure, customers can compare offers and select the proposal that best meets their needs.

The existing Lancaster Energy Power Choice program will remain in effect and available to any customer wishing to participate directly with Tesla through the Lancaster Energy or Tesla website. Introducing Channel Partners to the program will increase marketing and outreach efforts while providing additional customer choice for the City's residents.

Attachment: