



City Council Agenda Item

City Council Meeting Date: December 6, 2022

TO: Dean Albro, City Manager

FROM: Charles J. Berry, Utility Director
c_berry@ci.lompoc.ca.us

SUBJECT: Recognize the Electric Division and Supporting Staff for Earning the Smart Energy Provider (SEP)[®] Designation

Recommendation:

Staff recommends the City Council recognize the Electric Division and supporting staff for earning the Smart Energy Provider SEP[®] Designation. (See attached certificate.)

Background:

The City of Lompoc Electric Division (Lompoc Electric) has earned the Smart Energy Provider SEP[®] designation, a national designation given by the American Public Power Association (APPA). APPA is a service organization for the nation's more than 2,000 community owned electric utilities that combined, serve more than 49 million Americans.

The City was recognized on November 15, 2022, at the APPA Customer Connections Conference for demonstrating a commitment to, and achievement in, smart energy program planning, energy efficiency and distributed energy resources, environmental and sustainability programs, and communication and customer experience. This is the first year that Lompoc Electric was recognized by the SEP program. The SEP designation lasts for two years, starting on December 1, 2022.

Out of the nation's more than 2,000 community owned electric utilities, only 97 public power utilities across the country currently hold the designation. Designation for SEP is a pass or fail system and is awarded to the utility if their application received a total score of 70 points or higher out of 100. Lompoc Electric achieved a score of 70 on its SEP application. Utilities that wish to maintain their SEP status must reapply every two years.

Discussion:

APPA has offered the SEP designation program for three years. APPA is the voice of not-for-profit, community-owned utilities that power 49 million people in 2,000 towns and

cities nationwide. APPA advocates and advises on electricity policy, technology, trends, training, and operations.

The SEP designation recognizes community-owned, not-for-profit public power utilities that exhibit leading practices in four key disciplines: smart energy program structure; energy efficiency and distributed energy programs; environmental and sustainability initiatives; and customer experience. Criteria include offering a variety of energy efficiency and demand-side energy efficiency programs, communicating with customers about smart energy policies, and working to reduce emissions and other adverse impacts to the environment through programs and partnerships with other community stakeholders.

Every municipal electric utility that wants to be considered for the award must submit an extensive application packet that shows the utility exhibits leading practices in each of the four key disciplines. Each application is thoroughly reviewed by an expert panel of public power representatives from diverse backgrounds and regions across the country with substantial industry expertise in the smart energy program disciplines. Applicants, such as Lompoc Electric, earn points for their practices and accomplishments in the four disciplines and must meet criteria for practices in each discipline in order to achieve the designation status.

Lompoc Electric participates in the SEP program because it provides criteria with specific benchmarks that can be used to create a structured framework for improving and/or sustaining alignment of the utility with the latest industry trends and best practices. Additionally, Lompoc Electric participates in the program to ensure that it is continually focused on demonstrating a commitment to and proficiency in energy efficiency, distributed generation, and environmental initiatives that support the goal of providing safe, reliable, low-cost, and sustainable electric services.

Fiscal Impact:

The SEP designation represents Lompoc Electric's dedication to offering programs that ensures power in Lompoc is competitively priced, supports energy efficiency and conservation in the community all while being a responsible steward of the environment. It costs \$500 to participate in the SEP program, which is paid for with the Electric fund approved budget. No additional appropriations are requested.

Conclusion:

Staff requests that the City Council recognize the Electric Division and supporting staff for receiving the Smart Energy Provider (SEP)[®] designation and operating a power distribution system committed to maintaining proficiency in energy efficiency, distributed generation, renewable energy, and environmental initiatives.

Respectfully submitted,

Charles J. Berry, Utility Director

APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:

Dean Albro, City Manager

Attachment: Award Certificate