

Report to City Council

TO: Mayor and City Council

FROM: Melissa Walker, Public Works Director/City Engineer

AGENDA DATE: June 17, 2025

TITLE: ADOPTION OF A RESOLUTION TO APPROVE AND

CONFIRM THE 2025 MORENO VALLEY ELECTRIC UTILITY RULES (REPORT OF: PUBLIC WORKS) (ALL

DISTRICTS)

TITLE SUMMARY: Adoption of Resolution 2025-___, A Resolution Of The City

Council Of The City of Moreno Valley California To Approve And Confirm The 2025 Moreno Valley Electric Utility Service

Rules Update

DISTRICT: All Districts

Recommendation(s)

That the City Council:

- 1. Approve Resolution 2025-___, a Resolution of the City Council of the City of Moreno Valley, California, to approve and confirm the update to the Electric Service Rules, Fees, and Charges for the Moreno Valley Electric Utility to become effective June 17, 2025; and
- 2. Authorize the Public Works Director/City Engineer the authority to make minor updates to the Electric Service Rules, Fees, and Charges for the Moreno Valley Electric Utility, subject to the approval of the City Attorney.

SUMMARY

The following report recommends approval of Resolution 2025-__ to approve and confirm the update to the Electric Service Rules, Fees, and Charges for the Moreno Valley Electric Utility. Updates include an additional path for compliance for commercial solar

applications. The proposed update poses no impact to the General Fund.

DISCUSSION

Under the current Rule 21 interconnection standards, commercial customers seeking to install solar generation may encounter limitations, which are driven by limits on Moreno Valley Electric Utility's (MVU) system, such as the export constraints MVU faces at its interconnection points with Southern California Edison (SCE) and the California Independent System Operator (CAISO) grid.

To balance customer access to distributed generation with MVU's operational constraints, the proposed revision to the Electric Service Rules, Fees, and Charges allows commercial customers to proceed with solar installations of larger sizes through a new compliance pathway. The proposed rule update will allow commercial applicants the option to deed either an easement or deed a lot of land at the project site to allow MVU to install a Battery Energy Storage System (BESS) at the site. The installation of BESS by MVU will allow MVU to ensure it maintains compliance with its agreements with SCE and CAISO.

This approach ensures that while customers can install solar generation up to their annual usage, MVU retains the ability to manage system-level impacts by deploying BESS at strategic locations. These storage systems will mitigate excess energy exports, ensuring MVU remains compliant with its interconnection agreements and prevent potential curtailment issues or reliability risks associated with high levels of distributed generation.

In addition to operational benefits, this framework enhances MVU's long-term grid resilience by enabling more internal generation resources to be located within the City's boundaries. Localized generation and storage capacity will contribute to greater energy independence, reliability during system contingencies, and a more sustainable energy future for the City of Moreno Valley.

ALTERNATIVES

- 1. Approve and authorize the recommended action as presented in this staff report. This alternative will provide additional paths for compliance for commercial solar applications to MVU customers. Staff recommends this alternative.
- 2. Do not approve the authorization of the recommended actions as presented in this staff report. This will maintain the existing electric rules, which may be restrictive for certain commercial solar applications. Staff does not recommend this alternative.

FISCAL IMPACT

There is no impact to the General Fund.

NOTIFICATION

Posting of the agenda.

PREPARATION OF STAFF REPORT

Prepared By: Kamran Aladross, P.E. Electric Utility Assistant Manager Department Head Approval: Melissa Walker, P.E. Public Works Director/City Engineer

Concurred By: Jason Niccoli, P.E. Electric Utility Division Manager

CITY COUNCIL GOALS

Positive Environment: Create a positive environment for the development of Moreno Valley's future.

Public Facilities and Capital Projects: Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development
- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

Objective 1.6: Establish Moreno Valley as the worldwide model in logistics development.

Objective 4.5: Explore green/renewable innovations and technologies for new developments such as the World Logistics Center.

Report Approval Details

Document Title:	STAFFREPORT_PW_MVU_UTILITY RULES.docx
Attachments:	- Resolution_June_17_2025_Rules.docx - MVU_RulesFeesCharges_June_17_2025.pdf
Final Approval Date:	Jun 10, 2025

This report and all of its attachments were approved and signed as outlined below:

Melissa Walker

Sean Kelleher

Natalia Lopez

Dena Heald

Launa Jimenez

Brian Mohan

Patty Rodriguez