ORDINANCE NO. 2016-04

AN ORDINANCE OF THE ALBANY CITY COUNCIL AUTHORIZING THE IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION PROGRAM

WHEREAS, the Albany Council has demonstrated its commitment to environmental sustainability through its Climate Action Plan and Strategic Vision, including energy reduction, clean energy programs, and the expansion of local renewable power supply; and

WHEREAS, Community Choice Aggregation is a mechanism by which local governments assume responsibility for providing electrical power for residential and commercial customers in their jurisdiction in partnership with local commercial energy purveyors and owners of transmission facilities, which in the case of Alameda County is Pacific Gas & Electric Co.; and

WHEREAS, Community Choice Aggregation has the potential to reduce greenhouse gas emissions related to the use of power in Alameda County; provide electric power and other forms of energy to customers at a competitive cost; carry out programs to reduce energy consumption; stimulate and sustain the local economy by developing local jobs in renewable energy; and promote long-term electric rate stability and energy security and reliability for residents through local control of electric generation resources; and

WHEREAS, the Climate Action Plan, adopted in 2010, identifies Community Choice Aggregation as a key strategy to meet local clean energy goals and projected greenhouse gas reduction targets; and

WHEREAS, in June 2014, the Alameda County Board of Supervisors directed the Community Development Agency (CDA) to determine if a Community Choice Aggregation (CCA) program is feasible for Alameda County; and
WHEREAS, in 2015 CDA staff engaged MRW & Associates of Oakland to prepare a Technical / Feasibility Study (Technical Study for Community Choice Aggregation Program in Alameda County, Draft (MRW & Associates, July 2016); and

WHEREAS, taken comprehensively, the Technical Study suggests that an Alameda County CCA would be feasible, could operate economically, could provide ratepayers reductions on their electric bills, and could both increase renewable energy and reduce greenhouse gas emissions if the right balance is achieved by a JPA.

NOW, THEREFORE, THE ALBANY CITY COUNCIL ORDAINS AS FOLLOWS:

SECTION 1

A. The County of Alameda ("County") and cities within it have been actively investigating options to provide electricity supply services to constituents within the County with the intent of achieving greater local involvement over the provision of electricity supply services, competitive electric rates, the development of local renewable energy projects, reduced greenhouse gas emissions, and the wider implementation of energy conservation and efficiency projects and programs.

B. Assembly Bill 117, codified as Public Utilities Code Section 366.2 (the "Act"), authorizes any California city or county whose governing body so elects, to combine the electricity load of its residents and businesses in a community wide electricity aggregation program known as Community Choice Aggregation ("CCA").

C. The Act allows a CCA program to be carried out under a joint powers agreement entered into by entities that each have capacity to implement a CCA program individually. The joint power agreement structure reduces the risks of implementing a CCA program by immunizing the financial assets of participants. To this end, since 2014, the County has been evaluating a potential CCA program for the County and the cities within Alameda County.

D. The County Board of Supervisors voted unanimously in June of 2014 to allocate funding to explore the creation of a CCA Program and directed County staff to undertake the steps necessary to evaluate its feasibility. To assist in the evaluation of the CCA program within Alameda County, the County established a Steering Committee, in 2015, that has met monthly, advising the Board of Supervisors on the possibility of creating a CCA Program.
E. The Technical Feasibility Study completed in June of 2016 shows that implementing a Community Choice Aggregation program would likely provide multiple benefits to the citizens of Alameda County, including the following:
   a. Providing customers a choice of power providers;
   b. Increasing local control over energy rates and other energy-related matters;
   c. Providing electric rates that are competitive with those provided by the incumbent utility;
   d. Reducing greenhouse gas emissions arising from electricity use;
   e. Increasing local and regional renewable generation capacity;
   f. Increasing energy conservation and efficiency projects and programs;
   g. Increasing regional energy self-sufficiency; and
   h. Encouraging local economic and employment benefits through energy conservation and efficiency projects.

F. Representatives from the County and Alameda County cities have developed the East Bay Community Energy Authority Joint Powers Agreement (“Joint Powers Agreement”). The Joint Powers Agreement creates the East Bay Community Energy Authority (“Authority”), which will govern and operate the CCA program. The County and the Alameda County cities that elect to participate in the CCA Program shall do so by approving the execution of the Joint Powers Agreement and adopting an ordinance electing to implement a CCA Program, as required by Public Utilities Code Section 366.2(c)(12).

G. The Authority will enter into agreements with electric power suppliers and other service providers and, based upon those agreements, the Authority plans to provide electrical power to residents and businesses at rates that are competitive with those of the incumbent utility. Upon the California Public Utilities Commission approving the implementation plan prepared by the Authority, the Authority can provide service to customers within its member jurisdictions. Under Public Utilities Code Section 366.2, customers have the right to opt-out of a CCA program and continue to receive service from the incumbent utility. Customers who wish to continue to receive service from the incumbent utility will be able to do so at any time.

SECTION 2

Based upon all of the above, the City Council of the City of Albany elects to implement a Community Choice Aggregation program within the City’s jurisdiction by and through the City’s participation in the East Bay Community Energy Authority.
SECTION 3: PUBLICATION AND EFFECTIVE DATE.

This ordinance shall be posted at three public places within the City of Albany and shall become effective thirty days after the date of its posting.

PASSED AND ADOPTED by the City Council of the City of Albany at its meeting on the 21st day of November, 2016, by the following vote:

AYES: C.M. McQuaid, Nason, Pilch, Mayor Maass

NOES: C.M. Barnes

ABSENT: none

ABSTAIN: none

PETER MAASS, MAYOR
ORDINANCE NO. 2016-04

PASSED AND APPROVED BY THE COUNCIL OF THE CITY OF ALBANY,

the 21st day of November, 2016 by the following votes:

AYES: Council Members McQuaid, Nason, Pilch, Mayor Maass

NOES: Council Member Barnes

ABSTAINED: none

ABSENT: none

WITNESS MY HAND AND THE SEAL OF THE CITY OF ALBANY, this

29th Day November, 2016.

Eileen Harrington
Eileen Harrington
DEPUTY CITY CLERK