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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

1 **WHEREAS**, in 2015 CDA staff engaged MRW & Associates of Oakland to prepare a
2 Technical / Feasibility Study (Technical Study for Community Choice Aggregation Program in
3 Alameda County, Draft (MRW & Associates, July 2016); and
4

5 **WHEREAS**, taken comprehensively, the Technical Study suggests that an Alameda County
6 CCA would be feasible, could operate economically, could provide ratepayers reductions on their
7 electric bills, and could both increase renewable energy and reduce greenhouse gas emissions if the
8 right balance is achieved by a JPA.
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11 **NOW, THEREFORE, THE ALBANY CITY COUNCIL ORDAINS AS**
12 **FOLLOWS:**
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14 **SECTION 1**

- 15 A. The County of Alameda (“County”) and cities within it have been actively investigating
16 options to provide electricity supply services to constituents within the County with the
17 intent of achieving greater local involvement over the provision of electricity supply
18 services, competitive electric rates, the development of local renewable energy projects,
19 reduced greenhouse gas emissions, and the wider implementation of energy
20 conservation and efficiency projects and programs.
- 21 B. Assembly Bill 117, codified as Public Utilities Code Section 366.2 (the “Act”),
22 authorizes any California city or county whose governing body so elects, to combine the
23 electricity load of its residents and businesses in a community wide electricity
24 aggregation program known as Community Choice Aggregation (“CCA”).
- 25 C. The Act allows a CCA program to be carried out under a joint powers agreement entered
26 into by entities that each have capacity to implement a CCA program individually. The
27 joint power agreement structure reduces the risks of implementing a CCA program by
28 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.

1 E. The Technical Feasibility Study completed in June of 2016 shows that implementing a
2 Community Choice Aggregation program would likely provide multiple benefits to the
citizens of Alameda County, including the following:

- 3 a. Providing customers a choice of power providers;
- 4 b. Increasing local control over energy rates and other energy-related matters;
- 5 c. Providing electric rates that are competitive with those provided by the
incumbent utility;
- 6 d. Reducing greenhouse gas emissions arising from electricity use;
- 7 e. Increasing local and regional renewable generation capacity;
- 8 f. Increasing energy conservation and efficiency projects and programs;
- 9 g. Increasing regional energy self-sufficiency; and
- h. Encouraging local economic and employment benefits through energy
conservation and efficiency projects.

10
11 F. Representatives from the County and Alameda County cities have developed the East
Bay Community Energy Authority Joint Powers Agreement (“Joint Powers
12 Agreement”). The Joint Powers Agreement creates the East Bay Community Energy
Authority (“Authority”), which will govern and operate the CCA program. The County
13 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
14 electing to implement a CCA Program, as required by Public Utilities Code Section
366.2(c)(12).

15
16 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
17 power to residents and businesses at rates that are competitive with those of the
incumbent utility. Upon the California Public Utilities Commission approving the
18 implementation plan prepared by the Authority, the Authority can provide service to
customers within its member jurisdictions. Under Public Utilities Code Section 366.2,
19 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
20 incumbent utility will be able to do so at any time.

21
22 **SECTION 2**

23 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
24 City’s participation in the East Bay Community Energy Authority.

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1 **SECTION 3: PUBLICATION AND EFFECTIVE DATE.**

2 This ordinance shall be posted at three public places within the City of Albany and shall
3 become effective thirty days after the date of its posting.
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6 **PASSED AND ADOPTED** by the City Council of the City of Albany at its meeting on
7 the 21st day of November, 2016, by the following vote:

8 AYES: *C.M. McQuaid, Nason, Pilch & Mayor Maass*

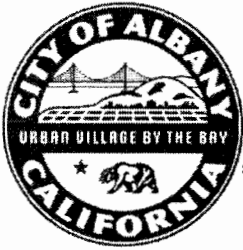
9 NOES: *C.M. Barnes*

10 ABSENT: *none*

11 ABSTAIN: *none*

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15 PETER MAASS, MAYOR
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City of Albany

1000 San Pablo Avenue • Albany, California 94706
(510) 528-5710 • www.albanyca.org

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