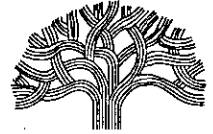


CITY OF OAKLAND
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NANCY J. NADEL
Councilmember
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December 9, 2008

TO: City Councilmembers
FROM: Nancy J. Nadel, Council District 3
RE: Proposed Workshop on Community Choice Aggregation

Dear Council President and Council members:

With the cities of Berkeley and Emeryville, Oakland began investigating Community Choice Aggregation in 2004, as a mechanism for reducing carbon emissions and having a larger control over energy supply, while also offering consumers electricity at rates competitive with PG&E's.

The work by our consultants to date on feasibility and costs is detailed and challenging. I am proposing an educational workshop so that decision makers from Oakland and Berkeley (Emeryville is not going forward with CCA at this time) may be able to better wrestle with the complexities of the subject before making final decisions. This will also be an opportunity to exchange ideas directly with other cities. This meeting would be educational for the policy makers, an opportunity for policymakers from the two cities to communicate and an opportunity to hear public concerns. No actions could be taken at this meeting.

It is my goal to invite experts that will inform us regarding:

- What is Community Choice Aggregation and what is its regulatory context
- How CCA operations compare to those of private utilities
- A summary of the Business Plan prepared for the proposed East Bay Power Authority and how that might have to change if Emeryville is not a member
- Short term versus long term conditions of electricity markets
- The status and trajectory of San Joaquin and Marin CCAs
- A summary of opportunities versus risks

This workshop should be scheduled early in 2009, so that we may determine, as soon as possible, whether to pursue Community Choice Aggregation, and if so, which steps to take next.

Respectfully submitted,

Nancy J. Nadel

Nancy J. Nadel
City Councilmember, District 3