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OAKLAND

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## Executive Summary

Communities across California are seeking ways to address the impacts of climate change and boost their local economies. Many are exploring Community Choice energy as a vehicle for achieving these objectives.

Community Choice is a means by which city and county governments can aggregate or cluster electricity customers to provide electricity and related energy services. As a result, the local community can shape the program to prioritize desired benefits. For example, a Community Choice program determines the source of its electricity, so it can focus on a higher level of local renewable energy sources if that reflects what the community values.

A Community Choice program can be a true energy service provider, integrating energy supply with demand reduction in a manner that meets community goals related to climate action, employment creation, price stability and local control.

Accordingly, electricity customers will have an alternative provider option to the incumbent investor-owned utility.

An example development scenario and *proforma* financial analysis included in this study shows that an East Bay Community Choice energy program encompassing Alameda County could lead to the following results within a decade:

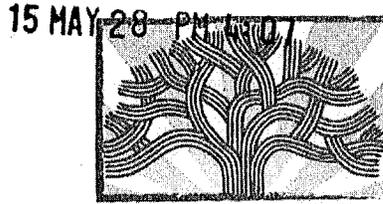
- Generate about \$865 million in net revenue over 10 years, money that stays in the local economy and could be re-invested in accordance with the policies established by a representative Board of Directors.
- Create more than 24,000 job-years over 10 years, amounting to an average yearly employment of 2,400 full-time jobs.
- Reduce energy demand equal to a medium-sized power plant (1,790 GWh per year, or about 204 MW of combined baseload and peak capacity reductions).
- Offer renewable energy content starting at 33%, rising to 65% by 2025.

## East Bay Community Choice Energy

- Provide about 10,000 GWh in local renewables over 10 years, with an emphasis on local solar and wind development (equivalent to a capacity of about 1,150 MW in solar PV development by 2025).
- Cut 6.3 million tons of GHG emissions by 2025, equal to taking almost 475,000 cars off the road during that period (surpassing the reductions targeted by the state's Renewable Portfolio Standard).

This study examines the potential benefits of creating an East Bay Community Choice energy program in terms of local renewables development, new community investments, job creation, greenhouse gas reductions, and lower energy bills. It explores what such a program does and describes the process of creating it. In addition, the study outlines the estimated costs and potential revenues of an East Bay program. The study also addresses the potential risks of establishing a Community Choice program and how those risks can be mitigated.

# Clean Energy & Jobs Oakland



Oakland  
Climate  
Action  
Coalition

## Our 2020 Energy Vision for Oakland

By 2020 we see Oakland beginning to establish an equitable, sustainable economy that provides green jobs and ownership opportunities to local residents. Smart energy use and the development of local renewable energy resources are resulting in increased community health and resilience and in the reduction of greenhouse gas emissions.

We see a Community Choice energy program as a key vehicle for local energy resource development, economic growth, and clean energy jobs. By putting the procurement of electricity under public control, it allows our community to use in-city renewable energy development to generate local wealth and use that wealth to benefit our community. We see all sectors of our community as stakeholders in that process. As a result, Oakland residents—and low-income communities, in particular—are better prepared for the impacts of climate change.

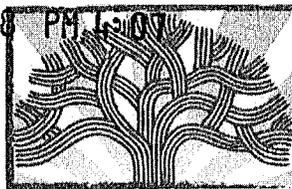
## Our Principles for a Community Choice Energy Program

1. **Social Justice and Equity:** An effective Community Choice energy program is rooted in social justice and equity.
2. **Green Jobs and Livelihoods:** An effective Community Choice energy program creates local jobs, new businesses, and new ownership opportunities. It helps businesses improve the environment and restore our communities.
3. **Workforce Development:** An effective Community Choice energy program includes a commitment to workforce development programs that create good prevailing wage jobs for local residents, especially for those most vulnerable to poverty and pollution.
4. **Sustainability:** An effective Community Choice energy program respects the limits of nature and its fragile balance, while creating the environmental conditions needed to support future generations.
5. **Healthy Communities:** An effective Community Choice energy program provides the electricity to support locally resilient, healthy foods systems; affordable, reliable, and accessible public transportation; clean air; clean water; and safe, efficient, affordable housing.
6. **Energy Democracy:** An effective Community Choice energy program depends on shared leadership and decision-making authority that involves all stakeholder communities.
7. **Climate Adaptation:** An effective Community Choice energy program strengthens vulnerable communities to prepare for disaster, adapt to the effects of climate change, and build community resilience.
8. **Social Safety Net:** An effective Community Choice energy program makes special provisions for those people unable to afford energy services at normal rates.
9. **Precautionary Principle:** An effective Community Choice energy program accepts that a project, policy, or decision should not be pursued if it could have an adverse impact on human or environmental health.



For more information on the Clean Energy & Jobs Oakland campaign, see  
<http://www.localcleanenergy.org/policy-platform/campaign2012>.

# Clean Energy & Jobs Oakland



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## Organizations Supporting the Campaign

East Bay Alliance for a Sustainable Economy (EBASE)  
International Longshore and Warehouse Union (ILWU) Local 6  
Sun Light & Power  
Sheet Metal Workers' Local 104  
Ella Baker Center for Human Rights  
Asian Pacific Environmental Network (APEN)  
Sungevity  
Communities for a Better Environment (CBE)  
League of Conservation Voters of the East Bay (LCVEB)  
Causa Justa:: Just Cause  
West Oakland Environmental Indicators Project (WOEIP)  
Local Clean Energy Alliance  
Sierra Club, SF Bay Chapter  
Bay Localize  
Wellstone Democratic Renewal Club  
PUEBLO-People United for a Better Life in Oakland  
Regional Asthma Management and Prevention Initiative (RAMP)  
First Unitarian Church of Oakland, Earth Justice Associates  
Planting Justice  
Green Party, Alameda County  
Kehilla Community Synagogue  
Verengo Solar Plus  
East Bay Young Democrats  
Red Dipper, LLC  
Everybody Solar  
Sustainable Economies Law Center  
Energy Solidarity Cooperative  
Bay Area Green Tours  
Renewables 100 Policy Institute  
DCgrid.us



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## **East Bay Clean Power Alliance Proposed Goals for an Alameda County Community Choice Program**

We need bold action to address escalating climate destabilization and increasing economic hardship and inequality in our communities.

An Alameda County Community Choice Energy program that prioritizes and invests in the development of local renewable energy resources can be a powerful tool to reduce greenhouse gas emissions, speed up the switch to 100% renewable sources of energy, and address equitable economic development. Investing in local clean energy development builds wealth in our communities and helps create family-sustaining jobs. County-managed development projects can increase union participation in the renewable energy sector and offer opportunities to disadvantaged job seekers in Alameda County.

We seek to establish a Community Choice program that serves the residents and businesses of Alameda County in the following ways (not in priority order):

1. Provides competitively priced electricity to customers, at more stable and lower rates than Pacific Gas & Electric (PG&E).
2. Prioritizes the development of local renewable resources, including reduced energy consumption and renewable electrical generation, with goals of at least 18% reduction in electricity demand through conservation and energy efficiency, and at least 50% of renewable energy being locally generated, all within 10 years of the start of the program.<sup>3</sup>
3. Achieves Alameda County's Climate Action Plan Greenhouse Gas reduction goals and comparable goals of all participating jurisdictions, while also exceeding the California renewable portfolio standard (RPS) and the renewable portfolio of PG&E.
4. Generates family-sustaining, high-quality, clean energy jobs through local renewable resource development that prioritizes union jobs, spurs local workforce development, overcomes barriers to employment in historically disadvantaged communities, and includes local small businesses, diverse business enterprises,<sup>4</sup> and cooperative enterprises.
5. Promotes local and community ownership and control of renewable resources, spurring equitable economic development and increased resilience, especially in low

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<sup>3</sup> Targets taken from scenario in, *East Bay Community Choice Energy: From Concept to Implementation*.

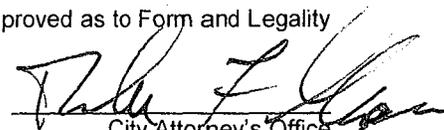
<sup>4</sup> Includes minority-owned, women-owned, and disabled veteran-owned businesses, and other such enterprises

income communities and communities of color, which are most impacted by climate change.

6. Improves community health and safety by reducing pollution from fossil fuel power generation and by electrifying vehicle transportation.

7. Includes community stakeholders in the decision-making process of the Community Choice program and ensures inclusive representation.

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City Attorney's Office

## OAKLAND CITY COUNCIL

### RESOLUTION NO. \_\_\_\_\_ C.M.S.

INTRODUCED BY COUNCILMEMBERS DAN KALB and DESLEY BROOKS, and  
VICE MAYOR REBECCA KAPLAN

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#### RESOLUTION IN SUPPORT OF ALAMEDA COUNTY COMMUNITY CHOICE ENERGY IN ORDER TO BENEFIT OAKLAND COMMUNITIES, WORKERS AND ENVIRONMENT

**WHEREAS**, in 2005 the Oakland City Council, in Resolution #79325 notifying the California Public Utility Commission (CPUC) of Oakland's intent to become a Community Choice aggregator, cited the "...numerous potential benefits for cities that aggregate including, but not limited to: (1) More stable and reliable power supplies, (2) Opportunity for general fund revenue, (3) Greater use of renewable energy resources compared to those planned by PG&E, and (4) Ratepayer access to a democratically elected governing body..."<sup>1</sup> and

**WHEREAS**, there are two Community Choice energy programs operating in Northern California, and dozens of other jurisdictions throughout California considering the establishment of Community Choice energy programs; and

**WHEREAS**, the Alameda County Board of Supervisors has voted unanimously to begin the process of studying a Community Choice energy program for the purpose of establishing such a program that could serve the residents throughout Alameda County, including Oakland; and

**WHEREAS**, the high desire and demand for clean, renewable energy is creating opportunities for work in the development of new renewable power generation through the building of local and in-state renewable energy in which the Oakland City Council and organized labor is united in providing as much of this work to unionized workers as possible; and

**WHEREAS**, a Community Choice energy program can accelerate the transition to renewable energy resources and reduce greenhouse gas emissions in the electricity sector, helping to achieve the goals of Oakland's Energy and Climate Action Plan (ECAP); and

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<sup>1</sup> Oakland City Council Resolution #79325, May 12, 2005

**WHEREAS**, a Community Choice energy program that prioritizes the development of local renewable resources will likely create wealth within the community, boost Oakland's economy, and foster local business development; and

**WHEREAS**, a Community Choice energy program that prioritizes the development of local renewable resources can create family-sustaining clean energy jobs prioritizing training through union-sponsored apprenticeship programs, hiring of local residents, and expanding the number of union jobs in the electricity sector thereby helping to address Oakland's high unemployment rate, provide for stable and reasonable electricity rates, including rates competitive with PG&E, and incentivize energy efficiency at the local level; and

**WHEREAS**, a Community Choice energy program can democratize energy by giving the community control and effective ownership of the energy supply and providing residents and businesses with access to a local, public energy agency; and

**WHEREAS**, a Community Choice energy program can target different categories of electricity customers to incentivize demand reduction and renewable energy installations and include programs to promote ownership of renewable energy assets for low and moderate income residents and communities of color, as well as those who do not own buildings and are often shut out of participation in the clean energy economy; now, therefore, be it

**RESOLVED:** That the Oakland City Council supports a robust study of Community Choice Energy in Alameda County and the eventual development of an Alameda County Community Choice energy program based, in large part, on the goals established by the East Bay Clean Power Alliance<sup>2</sup> (see attached), along with a priority goal to create fair-wage, clean energy unionized jobs (with benefits) as part of the growing green economy in the East Bay ; and be it

**FURTHER RESOLVED:** That Oakland City Council urges that Oakland be well-represented on the Alameda County Community Choice Steering Committee to advocate for a program that provides substantial and equitable economic benefits to Oakland's residents, ratepayers, workers, businesses, and communities; and be it

**FURTHER RESOLVED:** That the City Administrator is directed to forward a copy of this enacted Resolution to each member of the Alameda County Board of Supervisors and the appropriate staff within the County administration working on the Alameda County Community Choice energy program and to the lobbyist for the City of Oakland to advocate for the implementation of this program in a manner that prioritizes

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<sup>2</sup> The East Bay Clean Power Alliance advocates for Community Choice energy programs in the East Bay that serve to spur equitable economic development and unionized, family-sustaining clean energy jobs, reduce greenhouse gas emissions, stabilize or lower the cost of electricity, improve community health and social equity, and provide other community benefits. We see the development of local renewable energy resources (including reduced consumption) as key to securing these benefits. We also see engagement of the East Bay community, broadly and equitably, as central to achieving such goals, both in establishing the Community Choice program and in the governance structure of the program once it is set up.

the development of local clean energy projects and the use of power purchase agreements from unionized generating companies/agencies, and includes a community benefits agreement that prioritizes local hire and local construction, disadvantaged workers and disadvantaged businesses, as well as clean air and climate benefits for Oakland residents and communities

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GUILLÉN, KALB, KAPLAN, REID AND  
PRESIDENT GIBSON MCELHANEY

NOES -

ABSENT -

ABSTENTION -

ATTEST: \_\_\_\_\_  
LATONDA SIMMONS  
City Clerk and Clerk of the Council of the  
City of Oakland, California