

INTRODUCED BY COUNCILMEMBER KALB AND MAYOR SCHAAF

City Attorney

City Attorney

OAKLAND CITY COUNCIL
ORDINANCE NO. 13409 C.M.S.

**ORDINANCE AUTHORIZING THE IMPLEMENTATION OF A
 COMMUNITY CHOICE ENERGY PROGRAM WITHIN THE
 CORPORATE BOUNDARIES OF THE CITY OF OAKLAND TO BECOME
 EFFECTIVE THIRTY DAYS FOLLOWING THE FINAL PASSAGE OF
 THE ORDINANCE**

WHEREAS, 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; and

WHEREAS, 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 energy program known as Community Choice Energy (“CCE”); and

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

WHEREAS, The County Board of Supervisors voted unanimously in June of 2014 to allocate funding to explore the creation of a CCE Program and directed County staff to undertake the steps necessary to evaluate its feasibility. To assist in the evaluation of the CCE 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 CCE Program; and

WHEREAS, The Technical Feasibility Study completed in June of 2016 shows that implementing a Community Choice Energy program would likely provide multiple benefits to the citizens of Alameda County, including the following: 1. Providing customers a choice of power providers; 2. Increasing local control over energy rates and other energy-related matters; 3. Providing electric rates that are competitive with those provided by the incumbent utility; 4. Reducing greenhouse gas emissions arising from electricity use; 5. Increasing local and regional renewable generation capacity; Page 164 of 190 388 6. Increasing energy conservation and efficiency projects and programs; 7. Increasing regional energy self-sufficiency; and 8. Encouraging local economic and employment benefits through energy conservation and efficiency projects; and

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

WHEREAS, 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 CCE 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;

NOW, THEREFORE, THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

Section 1. Based upon all of the above, City Council elects to implement a Community Choice Energy program within the City’s jurisdiction by and through the City’s participation in the East Bay Community Energy Authority.

DEC 13 2016

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES- *BROOKS, CAMPBELL WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID*
NOES- *0* *AND PRESIDENT GIBSON MCELHANEY- 8*
ABSENT- *0*
ABSTENTION- *0*

ATTEST: *LaTonda Simmons for*
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California

DATE OF ATTESTATION: *12/16/2016*

Introduction Date
NOV 29 2016