



## Legislation Text

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**File #:** 20-1148, **Version:** 1

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Chief Administrative Officer, in conjunction with the Board's Community Choice Aggregation ad hoc committee, recommending the Board:

- 1) Authorize the Chief Administrative Officer to sign form 79-1030, which is a declaration by the Chief Administrative Officer regarding investigation, pursuit, or implementation of Community Choice Aggregation that will then be submitted to PG&E (*Attachment A*);
- 2) Authorize the Chief Administrative Officer to sign form 79-1031, a Community Choice Aggregator Non-Disclosure Agreement (*Attachment B*), which will also be forwarded to PG&E; and
- 3) Pursuant to Board policy, provide conceptual approval to prepare an Ordinance to join the Pioneer Energy Joint Powers Authority, a sample of which is attached (*Attachment C*), and direct staff to return to the Board for the First Reading of the Ordinance on September 22, 2020.

**FUNDING:** N/A

### **DISCUSSION / BACKGROUND**

Community Choice Aggregation (CCA) is an alternative to an investor-owned utility (IOU) energy supply system. A local CCA purchases electricity, and the IOU transmits the electricity for individual customers within a defined jurisdiction. The CCA chooses the power generation source on behalf of the customers. By aggregating purchasing power, a CCA is able to create large contracts with power generators on behalf of the individual customers within their jurisdiction. The goals of CCAs are to lower costs for consumers and/or allow local entities greater control of their energy mix, including offering "greener" generation portfolios than investor-owned utilities. Currently, CCAs are available in California, Massachusetts, Ohio, Illinois, New Jersey, New York, and Rhode Island, with two Joint Powers Authorities existing in the Sacramento region, one of which is Pioneer Energy, operating primarily in Placer County.

On October 30, 2018, the Board received a presentation from the Community & Economic Development Advisory Council (CEDAC) relative to Community Choice Aggregate energy alternatives and directed staff to contact the cities of Placerville and South Lake Tahoe to determine their level of interest in participating in a Joint Powers CCA, explore the feasibility of forming a CCA in El Dorado County, continue advisory discussions with existing CCAs, and explore the possibility of incorporating the CCA into the Strategic Plan (Legistar Item 18-1631).

Subsequently, during the 2019 update of the Strategic Plan, the Board identified Community Choice Aggregation as a priority to improve and maintain the County's competitiveness in attracting and retaining businesses in El Dorado County.

On July 14, 2020, the Board of Supervisors appointed Supervisor Parlin and Supervisor Hidahl to serve on an ad hoc committee for the purposes of exploring joining an existing Joint Powers Authority and pursuing energy acquisition options in collaboration with the City of Placerville (Legistar Item 20-0853).

Staff from the Chief Administrative Office, Treasurer-Tax Collector and Planning & Building, along

with staff from the City of Placerville, participated in a meeting with staff from Pioneer Energy on August 18, 2020, at which time the Pioneer Energy JPA confirmed their interest in allowing El Dorado County and the City of Placerville to join the JPA. To begin this process, El Dorado County is required to submit a declaration regarding investigation, pursuit or implementation of Community Choice Aggregation as well as a non-disclosure agreement to Pioneer Energy, which will then be forwarded to PG&E on behalf of El Dorado County.

## **ALTERNATIVES**

The Board could choose not to approve these recommendations and make the decision to discontinue exploring the feasibility of Community Choice Aggregation.

## **PRIOR BOARD ACTION**

October 30, 2018 (Legistar 18-1631)

July 14, 2020 (Legistar 20-0853)

## **OTHER DEPARTMENT / AGENCY INVOLVEMENT**

Treasurer-Tax Collector, Planning & Building, as well as County Counsel, who has reviewed and approved the Non-Disclosure Agreement.

## **CAO RECOMMENDATION / COMMENTS**

Approve as recommended.

## **FINANCIAL IMPACT**

There is no fiscal impact associated with this recommendation. However, the Board should be aware that if the County continues this process there may be a cost associated with conducting a feasibility and impact analysis of joining the Pioneer Energy JPA, which staff from Pioneer estimated to be approximately \$50,000. At this time it has not been determined how those costs would be shared between the County, the City of Placerville and Pioneer Energy. Staff recommends that at such time these costs be paid, funding from existing Economic Development/Transient Occupancy Tax fund balance which currently totals approximately \$1.8 million be used for this purpose.

## **CLERK OF THE BOARD FOLLOW UP ACTIONS**

N/A

## **STRATEGIC PLAN COMPONENT**

Economic Development - Invest in infrastructure needs to improve and maintain competitiveness through the exploration of Community Choice Aggregation.

## **CONTACT**

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Chief Administrative Officer