



Legislation Text

File #: 20-1198, **Version:** 2

Chief Administrative Office recommending the Board approve the **Final Passage** (Second Reading) of Ordinance **5129**, authorizing the implementation of a Community Choice Aggregation Program in the unincorporated areas of El Dorado County that are serviced by PG&E. (Cont. 9/22/20, Item 35)

FUNDING: N/A

DISCUSSION / BACKGROUND

On September 22, 2020, the Board approved the Introduction (First Reading) of Ordinance 5129 and Continued it to September 29, 2020 for Final Passage (Second Reading).

On October 30, 2018, the Board received a presentation from the Community & Economic Development Advisory Council (CEDAC) relative to Community Choice Aggregate (CCA) 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).

On September 1, 2020, the Board authorized the Chief Administrative Officer to sign and submit a declaration regarding investigation, pursuit or implementation of Community Choice Aggregation as well as a non-disclosure agreement to Pioneer Energy, which was then be forwarded to PG&E on behalf of El Dorado County.

The Following is a brief explanation of Community Choice Aggregation taken from the Clean Power Exchange Website. Pioneer staff members Don Eckert, Executive Director and Sam Kang, Chief Operating Officer will provide a presentation at the meeting to discuss Community Choice Aggregation.

Community Choice Aggregation, also known as Community Choice Energy (abbreviated CCA and CCE by various parties), is a local, not-for-profit governmental program that buys and may generate electrical power on behalf of its residents, businesses, and governmental entities. The agency administering the Community Choice program may also elect to administer energy efficiency programs and other greenhouse gas emission reducing activities.

There are many reasons why a community might want to pursue Community Choice energy.

Potential benefits include:

- *Enhanced consumer choice*
- *Local control*
- *Designing programs that respond to community needs*
- *Expansion of renewable energy portfolios*
- *Local economic development*
- *Faster progress toward achieving a community's environmental goals.*

*Community Choice programs are **opt-out programs**, meaning that once a local government votes to form a Community Choice agency, the constituents of that local government are automatically enrolled, and may opt out if they wish.*

*Community Choice is only involved in the electrical generation decision-making and has **no involvement with transmission and distribution**. The electrical utility also continues the metering and the billing for customers. The Community Choice agency replaces the line item on the electric bill for "generation."*

When a community, or group of communities, decides it wants to pursue a Community Choice program, a typical first step is to identify funding in order to produce a technical study. The technical study analyzes the electrical load of the community and offers projections about the kinds of power mix and rates that might be possible.

Once the early investigation is complete, the jurisdiction or group of jurisdictions must pass an ordinance stating the intention to form a Community Choice agency.

The County needs to follow a defined process dictated by State law in order to form our own or to join an existing CCA. Working with Pioneer, the County has developed the attached MOU to begin the process. Following approval of the MOU, the timeline will proceed as follows:

August 31 - October 31	Pioneer completes Impact Analysis
September 22, 2020	Adopt MOU and Approve First Reading of Ordinance
September 29, 2020	Approve Second Reading of Ordinance
October 29, 2020	Ordinance goes into effect
November 10, 2020	Adopt resolution of intention to join JPA and approve JPA Agreement
December, 2020	Plan submitted for approval
January, 2022	Pioneer Community Energy implemented in El Dorado County

It should be noted that the City of Placerville is following a similar schedule and plans to implement at the same time. All of this is contingent on the Impact Analysis coming back favorable for all parties and final approval by the Pioneer Board in November.

ALTERNATIVES

The Board could choose not to sign the MOU and approve the ordinance, choosing not to move

forward with joining Pioneer Community Energy at this time.

PRIOR BOARD ACTION

October 30, 2018 (Legistar 18-1631)

July 14, 2020 (Legistar 20-0853)

September 1, 2020 (20-1148)

OTHER DEPARTMENT / AGENCY INVOLVEMENT

County Counsel, Treasurer/Tax-Collector, Planning & Building

FINANCIAL IMPACT

Outside of staff time involved in this effort, there is no cost to the County. The cost of the impact analysis, estimated at \$30,000, is being funded by Pioneer Community Energy.

CLERK OF THE BOARD FOLLOW UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT

Economic Development

CONTACT

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Chief Administrative Officer