



Legislation Text

File #: 22-1892, **Version:** 1

Chief Administrative Office recommending the Board adopt and authorize the Chair to sign Resolution **162-2022** approving Amendment 5 to the Amended and Restated Joint Powers Agreement for Pioneer Community Energy expanding Pioneer Community Energy Joint Power Authority membership to include the City of Grass Valley and Nevada City as Voting Members and authorize the CEO to execute same.

DISCUSSION / BACKGROUND

On November 10, 2020, the Board adopted Resolution 175-2020 becoming members in Pioneer Community Energy (Pioneer) (Legistar 20-1485) which is a Joint Powers Authority between the Counties of Placer and El Dorado, the Town of Loomis, and the Cities of Auburn, Colfax, Lincoln, Placerville and Rocklin. Community Choice Aggregation Programs (CCA) are authorized under Assembly Bill 117 (2002) which provide local control over the electricity supply with a primary goal of providing stable and competitive electricity rates to the residents and businesses within its member jurisdictions.

Pioneer purchases the electricity supply and PG&E transmits and delivers the power through PG&E's infrastructure (poles and wires). PG&E continues to own, operate and maintain its distribution infrastructure. PG&E also continues to provide meter reading and billing services for Pioneer's customers.

On September 15, 2022, the Pioneer Community Energy Board received a presentation on the impact assessment study related to the proposed expansion. The results of that assessment determined the proposed expansion to be beneficial to both the existing customers in the current Pioneer service area, as well as potential customers in Grass Valley and Nevada City. It should be noted that Nevada County, which includes the cities of Grass Valley and Nevada City, is still considering whether they will join Pioneer and anticipate a decision will be made in 2023.

According to Pioneer Community Energy Staff, this expansion strengthens Pioneer, and the member agencies share in Pioneer's improved position through the following:

- **Stable and Competitive Rates** - A stronger balance sheet supports maintaining Pioneer's competitive rates while allowing Pioneer to absorb power supply price shocks to maintain rate stability.
- **Legislative & Regulatory Influence** - A larger service territory also increases the pool of elected officials and strengthens Pioneer's influence with the California Public Utilities Commission and state legislators. Pioneer's member agencies have better representation through Pioneer than they do through PG&E with a priority placed on issues important to our region.
- **Local Jobs and Power Supply Resources** - By strengthening Pioneer, it allows the pursuit of local power supply projects, including biomass, that creates good wage jobs in the local economy, mitigates wildfire risk, and diversifies Pioneer's power supply portfolio to keep power supply costs

stable.

The adoption of the Resolution does not constitute a project and is therefore exempt from the requirements of CEQA in accordance with Section 15378(b)(4) and (5).

ALTERNATIVES

Should the Board not approve the resolution, the matter of the JPA expansion would return to the Pioneer Board for consideration of next steps. This would be the case if even one JPA member rejected the resolution

PRIOR BOARD ACTION

October 30, 2018 (Legistar 18-1631)

July 14, 2020 (Legistar 20-0853)

September 1, 2020 (Legistar 20-1148)

September 29, 2020 (Legistar 20-1198)

November 10, 2020 (Legistar 20-1485)

OTHER DEPARTMENT / AGENCY INVOLVEMENT

County Counsel

FINANCIAL IMPACT

There is no direct fiscal impact to El Dorado County.

CLERK OF THE BOARD FOLLOW UP ACTIONS

Obtain the Chair's signature on the Resolution and forward a copy to the Chief Administrative Office.

STRATEGIC PLAN COMPONENT

Infrastructure

CONTACT

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Chief Administrative Officer