



CITY of CALABASAS
CITY COUNCIL AGENDA REPORT

DATE: MAY 15, 2017

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: ANTHONY M. COROALLES, CITY MANAGER
JOHN R. BINGHAM, ADMINISTRATIVE SERVICES MANAGER

SUBJECT: DISCUSSION AND PRESENTATION REGARDING THE COMMUNITY CHOICE ENERGY PROGRAM AND CONSIDERATION OF INTRODUCTION OF ORDINANCE NO. 2017-350, APPROVING THE JOINT POWERS AGREEMENT WITH THE COUNTY OF LOS ANGELES ESTABLISHING THE LOS ANGELES COMMUNITY CHOICE AGGREGATION ENERGY AUTHORITY AND AUTHORIZING THE IMPLEMENTATION OF THE COMMUNITY CHOICE AGGREGATION PROGRAM

MEETING DATE: MAY 24, 2017

SUMMARY RECOMMENDATION:

That the Council consider the introduction of Ordinance No. 2017-350 approving the Joint Powers Agreement for the Los Angeles Community Choice Energy program and Authorizing the Implementation of the Community Choice Aggregation Program.

BACKGROUND:

Gary Gero, Chief Sustainability Officer, County of Los Angeles, will present an overview of the Los Angeles County Community Choice Energy Program (LACCE) and will available to answer questions.

Community Choice Aggregation (CCA) allows local governments to purchase and sell electricity in their jurisdictions as an alternative to traditional investor owned utility (IOU) power procurement. CCA allows cities to aggregate the buying power of individual customers within a defined jurisdiction in order to secure alternative energy supply contracts on a community-wide basis, but allowing consumers not wishing to participate to opt out.

The Council will recall that it's September 14, 2016, meeting, the County made a similar presentation and on November 23, 2015 the City Manager wrote a letter to the County requesting the City's inclusion in the Los Angeles County Community Choice Aggregation Feasibility Study.

DISCUSSION/ANALYSIS:

The LACCE potentially provides lower rates and greater energy choices for residents and businesses, promotes electrical rate price stability, addresses climate change by reducing energy-related greenhouse gas emissions, creates jobs, and encourages development of local green energy projects.

LACCE is a method for governments to buy and/or generate electricity for residents and businesses and provides a partnership between the City and existing utility providers like Southern California Edison, giving local governments the option to purchase up to 100% renewable electricity such as solar, wind, bioenergy, geothermal, and hydroelectric at competitive rates. Calabasas could purchase from cleaner sources while using existing utilities to deliver electrical energy to residents. With the LACCE program, residents can choose to buy power through the LACCE or "opt out" and continue with Southern California Edison. In either case, Edison will continue to handle transmission and process the billing. Greater specific detail regarding the LACCE is provided in the attached Feasibility Study, LACCE Presentation for City Councils and Managers and the Board Report on LACCE Implementation. Additional information can be reviewed at the following: <https://www.lacounty.gov/lacce-documents>

FISCAL IMPACT/SOURCE OF FUNDING:

The LACCE has the potential to provide significant cost savings to residents, businesses and the City of Calabasas by providing lower utility rates.

REQUESTED ACTION:

That the Council consider the introduction of Ordinance No. 2017-350 approving the Joint Powers Agreement for the Los Angeles Community Choice Energy

program and Authorizing the Implementation of the Community Choice Aggregation Program.

ATTACHMENTS:

- 1) Proposed Ordinance No. 2017-350
- 2) Joint Powers Agreement
- 3) Presentation Power Point documents by Gary Gero
- 3) Feasibility Study