

OAKLEY



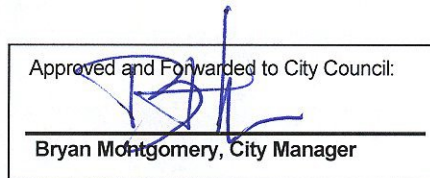
CALIFORNIA

Agenda Date: 02/09/2016

Agenda Item: 4.2

STAFF REPORT

Date: February 9, 2016
To: Bryan Montgomery, City Manager
From: Joshua McMurray, Planning Manager



SUBJECT: Ordinance Authorizing the City to Join Marin Clean Energy

Background and Summary

On December 8, 2015 the City Council received a presentation from Marin Clean Energy (MCE) as part of a Staff initiated item to discuss Community Choice Energy or CCE (Staff report and attachments from the December 8th meeting are attached). MCE was the first CCE to begin operating in California. MCE is a public, not-for-profit electricity provider operating under the Community Choice Energy model formed in 2008. It gives all residential, commercial, and municipal electric customers the choice of having 50% to 100% of their electricity supplied by renewable sources. MCE is governed by a 17-member Board of Directors representing each of the member communities it serves. MCE focuses on maximizing the use of renewable energy sources in addition to providing competitive energy rates. The City Council authorized the City Manager to submit a non-binding Letter of Intent to MCE which in turn MCE responded back with a letter dated December 18, 2015. That letter is attached to this report for reference and outlines the information needed in order to submit a formal "Membership Application" to MCE. As stated in MCE's letter, the City has an opportunity to take advantage of the current no-cost inclusion period where applications need to be submitted to MCE no later than March 31, 2016. If the City Council chooses to waive the first reading and introduce the attached Ordinance, the City would be able to take advantage of this opportunity.

CCE is intended to provide customers options in the electric utility marketplace. These options available to residents might grow over time as the County or other entities get involved in the CCE discussion. The City has an opportunity to provide both residents and businesses a choice as to who produces/procures energy that they use.

Analysis

As stated in the previous Staff Report, CCE is a hybrid approach between investor-owned utilities, like PG&E, and municipal utilities, like Palo Alto's, that was authorized by AB 117 in 2002. CCE enables local governments and some special districts to procure and/or develop power on behalf of their public facilities, residents and businesses. The existing utility (like PG&E) continues to be responsible for transmitting and distributing electricity through the grid, maintaining infrastructure, billing customers, and customer services.