



COUNTY OF SAN DIEGO

BOARD OF SUPERVISORS

1600 PACIFIC HIGHWAY, ROOM 335, SAN DIEGO, CALIFORNIA 92101-2470

AGENDA ITEM

COUNTY OF SAN DIEGO
2019 FEB 15 PM 12:12
CLERK OF THE BOARD
OF SUPERVISORS

DATE: February 26, 2019

05

TO: Board of Supervisors

SUBJECT

**BRINGING CHOICE AND COMPETITION TO THE ENERGY MARKET
(DISTRICTS: ALL)**

OVERVIEW

Community choice energy (CCE), which is also called community choice aggregation (CCA), is a type of energy supply program that allows cities and counties to meet the energy needs of local residents and businesses by aggregating the buying power of individual customers within a defined area to secure alternative energy supplies. The pooling of purchasing power to buy or generate electricity gives ratepayers the choice of where to purchase their power. Choice and competition is the bedrock of CCE. Today, there are 19 CCEs operating throughout the state serving more than 8 million customers.

In San Diego County, the City of Solana Beach has operated the Solana Energy Alliance since 2018. The City of San Diego recently took the next step towards a CCE by laying the groundwork for a future Joint Powers Authority, and the cities of Del Mar, Encinitas, Oceanside, Carlsbad, Chula Vista, La Mesa and Santee are all either actively exploring the feasibility of CCE or moving forward with CCE.

Today's action directs the Chief Administrative Officer to develop a Community Choice Energy program and return to the Board by October 2019 with next steps for implementation, and report back to the Board on progress every two months. Today's action also authorizes the Chief Administrative Officer to engage in discussions with the City of San Diego and other cities in the region on the potential development of a mutually beneficial CCE Joint Powers Authority.

RECOMMENDATION(S)

CHAIRWOMAN DIANNE JACOB AND SUPERVISOR NATHAN FLETCHER

**SUBJECT: BRINGING CHOICE AND COMPETITION TO THE ENERGY MARKET
(DISTRICTS: ALL)**

1. Direct the Chief Administrative Officer to develop a Community Choice Energy program and return to the Board by October 2019 with all options and next steps for implementation, and report back to the Board on progress every two months.
2. Authorize the Chief Administrative Officer to engage in discussions with the City of San Diego and other cities in the region on the potential development of a mutually beneficial CCE Joint Powers Authority.
3. Transfer appropriations of \$125,000 from the Department of Planning and Development Services, Services & Supplies to the Department of General Services, Services & Supplies, to conduct CCA/CCE Feasibility Analysis and Implementation Options.

FISCAL IMPACT

The total cost for consultants and staff time to complete today's recommended actions is estimated to be \$300,000. Previously the Board of Supervisors directed staff as part of approving the Climate Action Plan to conduct a thorough Comparative Analysis of the implementation of the Renewable Energy E-2.1 measure; which included aggressively pursuing CCA as mentioned in the Plan; and to not only include the cost analysis of the projects, but the cost to the consumer and ratepayers in the Comparative Analysis. The Fiscal Year 2018-19 Operational Plan includes funds for this request. As part of today's actions, funding anticipated to be used for that analysis, \$125,000, will be repurposed for conducting a CCA/CCE Feasibility Analysis and implementation options. The remaining requirement for \$175,000 to complete today's recommended actions will be referred to budget.

BACKGROUND

Community choice energy (CCE), which is also called community choice aggregation (CCA), is a type of energy supply program that allows cities and counties to meet the energy needs of local residents and businesses by aggregating the buying power of individual customers within a defined area to secure alternative energy supplies. The pooling of purchasing power to buy or generate electricity gives ratepayers the choice of where to purchase their power. Choice and competition is the bedrock of CCE.


CCE became an option for cities and counties after the State Legislature passed AB 117, which allowed jurisdictions to combine the buying power of their residents to purchase electricity on their behalf. This change also allowed for the shifting of control away from Investor Owned Utilities (IOUs) and into the hands of consumers. Marin Clean Energy (MCE), established in 2010, was the first CCA program to take advantage of the new law and begin serving customers. Today, MCE serves more than 100,000 customers, proving that clean and low-cost energy is doable and can be replicated across the state. Today, there are 19 CCEs operating throughout the state serving more than 8 million customers.

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Respectfully submitted,



DIANNE JACOB
Chairwoman, Second District



NATHAN FLETCHER
Supervisor, Fourth District

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AGENDA ITEM INFORMATION SHEET

REQUIRES FOUR VOTES: Yes No

WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED

Yes No

PREVIOUS RELEVANT BOARD ACTIONS:

N/A

BOARD POLICIES APPLICABLE:

N/A

BOARD POLICY STATEMENTS:

N/A

MANDATORY COMPLIANCE:

N/A

**ORACLE AWARD NUMBER(S) AND CONTRACT AND/OR REQUISITION
NUMBER(S):**

N/A

ORIGINATING DEPARTMENT: Districts 2 and 4, Board of Supervisors

OTHER CONCURRENCE(S): N/A

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