BACKGROUND:
Community Choice Aggregation (CCA) allows cities, counties and other authorized entities to purchase and/or generate electricity for residents and businesses located within the boundaries of their jurisdiction. The goal of CCA’s are to provide cleaner and greener electricity at competitive and potentially cheaper rates, while giving consumers local choices and promoting the development of renewable power sources and local job growth. The City Council of the City of Solana Beach has been supportive of the research and development of a viable regional Community Choice Aggregation (CCA) program for the last several years.

The City Council first placed CCA’s in the Council Workplan in Fiscal Year 2012/2013 as an “Unprioritized Environmental Sustainability Issue”. The following year, Council elevated the item into a “Priority Issue” and directed Staff to more closely monitor the progress of the San Diego Energy District, a local group studying the viability of the formation of a CCA in San Diego County. After some analysis it was determined that the City of Solana Beach did not have the population sufficient to support a local CCA on its own, the item was placed back on the “Unprioritized Environmental Sustainability Issue” list to continue monitoring a regional effort.

In addition, on May 14, 2014, the City Council voted unanimously to support sending a letter of opposition to Assembly Bill 2145, which would have placed severe obstacles to the formation of local CCA’s in California.

This item is before the Council to consider adopting a Resolution of Support to continue studying the feasibility of the formation of a regional CCA.

CITY COUNCIL ACTION:

AGENDA ITEM A.4.
DISCUSSION:
The City was approached by representatives of the San Diego Energy District to consider adopting the Resolution of Support (Attachment 1) to formally demonstrate the continued support of the City of Solana Beach in the formation of a regional CCA. Lane Sharman, a member of the Clean and Green Team and one of the founders of the San Diego Energy District, has been working for the past several years to develop a viable CCA in San Diego County. Mr. Sharman is working on gathering support from local jurisdictions to demonstrate the demand for a regional CCA. By adopting this Resolution of Support, the City of Solana Beach will be the first jurisdiction to formally commit to working on a viable regional CCA. It should be noted that the Resolution of Support does not commit City funds or resources to the development of the CCA. While many other jurisdictions have shown interest in a CCA, this will be the next formal step in the development process.

CCA's have been identified in recent Climate Action Plans (CAPs) adopted by various local jurisdictions as a significant potential mitigation program for Greenhouse Gas Emission (GHG) reductions. The City of San Diego identified the development of a CCA as one of the most significant programs for GHG reductions in their recently adopted CAP. While the City of Solana Beach does not have the population to sustain a viable CCA on its own, the possibility of joining a larger city or cities is something that may make future participation in a CCA more feasible.

CEQA COMPLIANCE STATEMENT:
Not a project as defined by CEQA

FISCAL IMPACT:
There is no fiscal impact associated with this item. The Resolution of Support does not commit any City funds or resources to the development of a CCA.

WORKPLAN:
Environmental Sustainability – "Unprioritized Environmental Sustainability Issues"

OPTIONS:
- Approve Staff recommendation.
- Approve Staff recommendation with modifications.
- Do not approve Staff Recommendation and provide direction.

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DEPARTMENT RECOMMENDATION:
Staff recommends the City Council:

1. Adopt Resolution No. 2015-011 to support the study of the feasibility of a regional CCA.

CITY MANAGER RECOMMENDATION:
Approve Department Recommendation

David Ott, Interim City Manager

Attachments:
1. Resolution No. 2015-011
RESOLUTION NO. 2015-011

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, TO SUPPORT THE STUDY OF THE FEASIBILITY OF COMMUNITY CHOICE AGGREGATION

WHEREAS, Community Choice Aggregation, or CCA, is a program available within the service areas of investor-owned utilities, such as San Diego Gas & Electric (SDG&E), which allows cities and counties to purchase and/or generate electricity for their residents and businesses; and

WHEREAS, the City of Solana Beach has demonstrated its commitment to an environmentally sustainable future through its policy goals and actions, including energy reduction, clean energy and sustainability programs, and the development of a local Climate Action Plan; and

WHEREAS, the City Council of Solana Beach, the Clean and Green Team and the San Diego Energy District Foundation have identified CCA as a potential strategy to meet local clean energy goals and projected greenhouse gas reduction targets; and

WHEREAS, CCA is a mechanism by which local governments assume responsibility for providing electrical power for residential and commercial customers in their jurisdiction in partnership with SDG&E; and

WHEREAS, CCA, if determined to be technically and financially feasible, could provide substantial environmental and economic benefits to residents and businesses in Solana Beach; and

WHEREAS, CCA also provides the opportunity to fund and implement a wide variety of energy-related programs of potential benefit to the region; and

WHEREAS, in addition to technical and financial feasibility, it is important to determine whether there is adequate public support for CCA; and

WHEREAS, determining technical feasibility and public support requires the analysis of energy load data from SDG&E and a focused public education and outreach effort.

NOW THEREFORE BE IT RESOLVED by the City Council of Solana Beach that:

1. That the foregoing recitations are true and correct.

2. The City of Solana Beach indicates its commitment to participate in the pre-development, business planning and feasibility phase of CCA for City of Solana Beach without obligation of the expenditure of City funds or resources unless authorized by the City Council.
3. The City Manager is authorized to execute the appropriate documents to allow the City and/or its technical consultants to request energy usage load data from SDG&E so that it may be analyzed as part of a CCA technical feasibility study.

4. The City may choose to participate on an inter-jurisdictional CCA Steering Committee (if one is formed) and authorizes Staff to participate in the preparation of the CCA studies and explore funding opportunities for early planning and development costs.

5. Adoption of this resolution in no way binds or otherwise obligates the City of Solana Beach to participate in Community Choice Aggregation, unless it so chooses by passage of a City ordinance.

PASSED AND ADOPTED this 14th day of January, 2015, at a regularly scheduled meeting of the City Council of the City of Solana Beach, California by the following:

AYES: Councilmembers –
NOES: Councilmembers –
ABSENT: Councilmembers –
ABSTAIN: Councilmembers –

LESA HEEBNER, Mayor

APPROVED AS TO FORM: ATTEST:

JOHANNA N. CANLAS, City Attorney ANGELA IVEY, City Clerk