Memorandum
Office of Jenine Windeshausen
Treasurer-Tax Collector

TO: The Board of Supervisors        DATE: July 12, 2016
FROM: Jenine Windeshausen, Treasurer-Tax Collector
SUBJECT: Adopt an Ordinance Authorizing the Implementation of a Community Choice Aggregation Program and Budget Revision for Due Diligence, Start-up and Implementation

ACTION REQUESTED
1) Adopt an ordinance authorizing the implementation of a CCE program in Placer County and development of a draft joint powers authority agreement.
2) Approve a budget revision for the mPOWER Program enterprise fund in the amount of $1,391,526.00 based on the financing plan approved at the June 21, 2016 Board meeting.

BACKGROUND
On January 26, June 7, and June 21, of 2016, your Board received information on the due diligence, risk assessment, planning and start-up and implementation of a Community Choice Aggregation (CCA) program or more commonly known as a Community Choice Energy (CCE) program.

Specifically on June 21, 2016, your Board heard a presentation on the Phase I – Assessment, Due Diligence and Planning, including a review of a proposed financing plan and an introduction of the attached ordinance authorizing the implementation of a community choice aggregation program.

At the June 21, 2016 Board meeting your Board approved the financing plan and authorized the mPOWER program to be reimbursed Phase I and II costs for CCE program contingent upon implementation of a CCE program. Attached is a budget revision based on that authorization which approves increasing the mPOWER program enterprise fund expenditures and revenues, by $1,391,526.00 based on reimbursement, from the CCE.

FISCAL IMPACT
There is no direct impact to the General Fund. It is expected that the CCE program will fully reimburse the mPOWER fund at start-up from proceeds from debt purchased by the Treasury in an amount not to exceed $1,391,526.00.

RECOMMENDATION
It is recommended that your Board adopt the attached ordinance and approve the attached budget revision for the mPOWER enterprise fund in the amount of $1,391,526.00.
Before the Board of Supervisors
County of Placer, State of California

In the matter of:
AN ORDINANCE AUTHORIZING THE IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION PROGRAM

Ordinance No.: ____________
Introduced: ____________

The following Ordinance was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held ____________, by the following vote on roll call:

Ayes:
Noes:
Absent:

Signed and approved by me after its passage.

Chair, Board of Supervisors

Attest:

Clerk of said Board

THE BOARD OF SUPERVISORS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. FINDINGS. The Board of Supervisors of the County of Placer has investigated options to provide electric services to ratepayers within the County including the
incorporated and unincorporated areas, with the intent of achieving: greater local control and involvement over the provision of electric services, competitive electric rates, the development of clean, local, and renewable energy projects, reduced greenhouse gas emissions, and the wider implementation of energy conservation and efficiency projects and programs; and hereby finds and declares as follows:

WHEREAS, the County of Placer has evaluated financial feasibility, assessed risk, and provided due diligence for a community choice aggregation ("CCA") program in Placer County under the provisions of the Public Utilities Code section 366.2. The financial feasibility, assessed risk, and due diligence indicates that implementing a community choice aggregation program would provide multiple benefits including:

- Providing ratepayer choice of electrical service providers; and
- Increasing local control and involvement in and collaboration on electric rates and other energy-related matters; and
- Providing more stable and competitive long-term electric rates; and
- Optimizing local energy resources for local use; and
- Increasing local renewable generation capacity; and
- Increasing and optimizing energy efficiency and conservation projects and programs, including the mPOWER program and becoming a Program Administrator for the local public goods charged collected in Placer County; and
- Increasing local energy independence; and
- Increasing local economic benefit derived from the optimization of local energy resources, energy conservation and efficiency projects, and local investment; and
- Reducing greenhouse gas emissions from electricity consumption in Placer County; and

WHEREAS, the County of Placer proposes to draft and enter into a Joint Powers Agreement creating a Community Choice Aggregation energy authority ("Authority"). Under a Joint Powers Agreements, cities and towns within Placer County may participate in the CCA program by adopting the resolution and ordinance required by Public Utilities Code section 366.2; and

WHEREAS, the Authority will enter into Agreements with electric power suppliers and other service providers, and based upon those Agreements, the Authority will be able to provide power to residents and business at rates that are competitive. Upon approval by the California Public Utilities Commission of the implementation plan created by the Authority, the Authority will provide service to ratepayers within the unincorporated area of Placer County and within the jurisdiction of those cities who have chosen to participate in the CCA program; and

WHEREAS, under Public Utilities Code section 366.2, ratepayers have the right to opt-out of a CCA program and to continue to receive service from the incumbent utility. Ratepayers who wish to continue to receive service from the incumbent utility will be able to do so; and

WHEREAS, on June 7th and June 21, 2016, the Placer County Board of Supervisors held public meetings at which time interested persons had an opportunity to comment on implementation of a CCA program in the unincorporated area of Placer County, and
WHEREAS, this ordinance is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to the CEQA Guidelines, as it is not a "project", as it has no potential to result in a direct or reasonable foreseeable indirect physical change to the environment. (14 Cal. Code Regs. § 15378(a)). Further, the ordinance is exempt from CEQA, as there is no possibility that the ordinance or its implementation would have a significant effect on the environment. (14 CAL. Code Regs. § 15061 (b)(3)). The ordinance is also categorically exempt because it is an action taken by a regulatory agency to assume the maintenance, restoration, enhancement or protection of the environment. (14 Cal. Code Regs § 15308). The Placer County Treasurer shall cause a Notice of Exemption to be filed as authorized by CEQA and the CEQA guidelines.

NOW, THEREFORE, LET IT BE RESOLVED the County of Placer Board of Supervisors does ordain as follows:

SECTION 1. The above recitations are true and correct and material to this Ordinance.

SECTION 2. Authorization to Implement a Community Choice Aggregation Program.
Based upon the foregoing, and in order to provide business and residents within the unincorporated area of Placer County with a choice of power providers and with the benefits described above, the County of Placer Board of Supervisors ordains that it shall implement a community choice aggregation program within the jurisdiction of the unincorporated area of the County of Placer by participating as a group with other cities and towns as generally described above in a Community Choice Aggregation Joint Powers Agreement.

SECTION 3. This Ordinance shall be adopted as an un-codified ordinance, shall be in full force and effective 30 days after its adoption, and shall be published and posted as required by law.
For cash transfers & reserve cancellations, please provide the following:

**PLACER COUNTY**

**BUDGET REVISION**

- **POST DATE:**
  - BR \(2,783,052.00\)
  - Total $ Amount: \(1\)

**Estimates Revenue Adjustment**

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**Appropriation Adjustment**

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**Total** \(1,391,526.00\)

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**Reason for Revision:** Budget revision to Placer mPOWER AB811 2016/17 budget for Community Choice Energy (CCE) Phase I and Phase II expenses.

Prepared by: Cindy Badrue Ext. 4138

Date: 6/24/16

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Budget Revision # FOR INDIVIDUAL DEPT USE.