TO: Mayor and Councilmembers

FROM: Peter Imhof, Planning and Environmental Review Director

CONTACT: Cindy Moore, Sustainability Coordinator

SUBJECT: Ordinance to Implement a Community Choice Aggregation Program

RECOMMENDATION:

Conduct the second reading (by title only), and waive further reading of Ordinance No. 19---, entitled “An Ordinance of the City of Goleta, California, Specifying the Intent to Implement a Community Choice Aggregation Program By and Through Participation in Monterey Bay Community Power Authority’s Community Choice Aggregation Program.” (Attachment 1)

BACKGROUND:

On August 20, 2019, the City Council conducted the first reading of an ordinance authorizing the implementation of a community choice aggregation program by participating in Monterey Bay Community Power Authority’s community choice aggregation program.

DISCUSSION:

The ordinance introduced on August 20, 2019 is required to have a second reading before its adoption by the City Council. Should Council adopt this ordinance, it would be effective on October 4, 2019, the thirty-first day after adoption.

FISCAL IMPACTS:

There is no cost to join MBCP. However, at the August 20, 2019 meeting, the City Council approved a budget appropriation of $7,500 from the General Fund Sustainability Reserve Account to the Sustainability Program (account 101-5-4500-500) for the City’s cost share to update MBCP’s Implementation Plan and JPA agreement, which are required to be filed with the CPUC. The City’s actual cost share could be reduced depending upon other agency participation.
ALTERNATIVES:

The City Council may elect to adopt the Ordinance as proposed, modify the draft Ordinance and introduce the Ordinance as modified, or decide not to adopt it.

Reviewed By:                      Legal Review By:                        Approved By:

Kristine Schmidt                 Michael Jenkins                        Michelle Greene
Deputy City Manager              City Attorney                          City Manager

ATTACHMENT:

1. Ordinance No. 19-___ entitled “An Ordinance of the City of Goleta, California, Specifying the Intent to Implement a Community Choice Aggregation Program by and Through Participation in Monterey Bay Community Power Authority’s Community Choice Aggregation Program.”
ATTACHMENT 1

Ordinance No. 19-___ entitled “An Ordinance of the City of Goleta, California, Specifying the Intent to Implement A Community Choice Aggregation Program By and Through Participation in Monterey Bay Community Power Authority’s Community Choice Aggregation Program”
ORDINANCE NO. 19—__

AN ORDINANCE OF THE CITY OF GOLETA, CALIFORNIA, SPECIFYING THE INTENT TO IMPLEMENT A COMMUNITY CHOICE AGGREGATION PROGRAM BY AND THROUGH PARTICIPATION IN MONTEREY BAY COMMUNITY POWER AUTHORITY’S COMMUNITY CHOICE AGGREGATION PROGRAM

WHEREAS the City Council has previously directed staff to investigate the feasibility and formation of a Community Choice Aggregation (CCA) program under the provisions of the Public Utilities Code section 366.2 in order to provide electric service to customers within the City of Goleta (City) with the intent of achieving greater local control and involvement related to the provision of electric service in the City, and offering energy with lower greenhouse gas emissions at a comparable rate to the Investor-Owned Utility in the City; and

WHEREAS Monterey Bay Community Power Authority (MBCPA) is an established CCA program capable of providing the desired financial and environmental benefits, and

WHEREAS the City’s participation in MBCPA’s CCA Program requires that the City Council, among other things, adopt a resolution requesting that the City become a member of MBCPA; adopt an ordinance pursuant to Public Utilities Code section 366.2(c)(12) electing to implement the CCA Program within its jurisdiction; and execute an amendment to the MBCPA’s Joint Powers Agreement; and

WHEREAS the City’s participation in MBCPA’s CCA Program requires that MBCPA, among other things, adopt a resolution authorizing the City’s membership in MBCPA’s CCA Program; execute an amendment to the MBCPA’s Joint Powers Agreement; and prepare and submit an amended Implementation Plan to the California Public Utilities Commission (CPUC) for certification; and

WHEREAS, upon completion of all necessary actions by the City and MBCPA, as well as certification of the amended Implementation Plan by the CPUC, and adoption by MBCPA, MBCPA will be able to enter into agreements with electric power suppliers and other service providers and, based upon those agreements, MBCPA will be able to provide power to residents and businesses at rates that are competitive with those of the incumbent utility, Southern California Edison ("SCE"); and

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

WHEREAS, on July 16 and August 20, the City Council held public meetings on the manner in which the City will participate in a CCA program at which time interested persons had an opportunity to testify either in support of or opposition to the implementation of a CCA program serving the City through MBCPA.

THE CITY COUNCIL OF THE CITY OF GOLETA DOES HEREBY ORDAIN AS FOLLOWS:

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

SECTION 2. Based upon the above, and pursuant to Public Utilities Code section 366.2, the City Council of the City of Goleta hereby elects and specifies the intent to implement a community choice aggregation program within the City’s jurisdiction by and through the City’s participation in the Monterey Bay Community Power Authority’s existing Community Choice Aggregation Program.

SECTION 3. The City of Goleta’s joining as a member of Monterey Bay Community Power Authority requires additional actions by both the City of Goleta and Monterey Bay Community Power Authority, including mutual execution of an amendment to Monterey Bay Community Power Authority’s Joint Powers Agreement and other necessary CCA Program agreements.

SECTION 4. CEQA.
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 reasonably 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).

SECTION 5. Severability.
This ordinance is adopted under the authority of City Council of the City of Goleta and State law. If any section, subsection, clause or phrase is declared invalid or otherwise void by a court of competent jurisdiction, it shall not affect any remaining provision hereof. In this regard City Council finds and declares that it would have adopted this measure notwithstanding any partial invalidity hereof.
SECTION 6. Certification of City Clerk.
The City Clerk shall certify to the adoption of this ordinance and, within 15 days after its adoption, shall cause it to be published in accord with California Law.

SECTION 7. Effective Date.
This ordinance shall take effect on the 31st day following adoption by the City Council.

INTRODUCED ON the 20th day of August 2019.

PASSED, APPROVED, AND ADOPTED this ________day of ______ 2019.

PAULA PEROTTE, MAYOR

ATTEST: APPROVED AS TO FORM:

DEBORAH S. LOPEZ  MICHAEL JENKINS
CITY CLERK  CITY ATTORNEY
STATE OF CALIFORNIA 
COUNTY OF SANTA BARBARA ) ss.
CITY OF GOLETA 

I, DEBORAH S. LOPEZ, City Clerk of the City of Goleta, California, do hereby certify that the foregoing Ordinance No. 19-__ was introduced on ________, and adopted at a regular meeting of the City Council of the City of Goleta, California, held on the ________, by the following roll-call vote, to wit:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

(SEAL)

_________________________
DEBORAH S. LOPEZ
CITY CLERK