ORDINANCE NO. 806

A ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PACIFICA AUTHORIZING IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION PROGRAM

WHEREAS, the County of San Mateo has investigated options to provide electric services to customers within the County, including 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, renewable energy projects, reduced greenhouse gas emissions, and the wider implementation of energy conservation and efficiency projects and programs; and

WHEREAS, the County of San Mateo prepared a Feasibility Study for a community choice aggregation ("CCA") program in San Mateo County with the cooperation of the cities under the provisions of the Public Utilities Code section 366.2. The Feasibility Study shows that implementing a community choice aggregation program would provide multiple benefits, including:

- Providing customers a choice of power providers;
- Increasing local control and involvement in and collaboration on energy rates and other energy-related matters;
- Providing more stable long-term electric rates that are competitive with those provided by the incumbent utility;
- Reducing greenhouse gas emissions arising from electricity use within San Mateo County;
- Increasing local renewable generation capacity;
- Increasing energy conservation and efficiency projects and programs;
- Increasing regional energy self-sufficiency;
- Improving the local economy resulting from the implementation of local renewable and energy conservation and efficiency projects; and

WHEREAS, the County of San Mateo Board of Supervisors has directed staff to bring for its approval a Joint Powers Agreement creating the Peninsula Clean Energy Authority ("Authority"). Under the Joint Powers Agreements, cities and towns within San Mateo County may participate in the Peninsula Clean Energy CCA program by adopting the resolution and ordinance required by Public Utilities Code section 366.2. Cities and towns choosing to participate in the CCA program will have membership on the Board of Directors of the Authority as provided in the Joint Powers Agreements; 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 with those of the incumbent utility ("PG&E"). Once the California Public Utilities Commission approves the implementation plan created by the Authority, the Authority will provide service to customers within the unincorporated area of San Mateo 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, customers have the right to opt-out of a CCA program and continue to receive service from the incumbent utility. Customers who wish to continue to receive service from the incumbent utility will be able to do so; and

WHEREAS, on January 11, 2016 the City Council held a study session at which time interested persons had an opportunity to testify either in support or opposition to implementation of the Peninsula Clean Energy CCA program in the City of Pacifica; and

NOW, THEREFORE, the City Council of the City of Pacifica 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 forgoing, and in order to provide business and residents within the City of Pacifica with a choice of power providers and with the benefits described above, the City Council of the City of Pacifica ordains that it shall implement a community choice aggregation program within its jurisdiction by participating as a group with the County of San Mateo and other cities and towns as described above in the Community Choice Aggregation program of the Peninsula Clean Energy Authority, as generally described in the Joint Powers Agreement approved through Resolution No. 09-2016.

Section 3. SEVERABILITY. In the event any section, clause or provision of this ordinance shall be determined invalid or unconstitutional, such section, clause or provision shall be deemed severable and all other sections or portions hereof shall remain in full force and effect. It is the intent of the City Council that it would have adopted all other portions of this ordinance irrespective of any such portion declared to be invalid or unconstitutional.

Section 4. ENVIRONMENTAL DETERMINATION. 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 because energy will be transported through existing infrastructure (14 Cal. Code Regs. § 15378(a)). Further, this ordinance is exempt from CEQA as there is no possibility that this ordinance or its implementation would have a significant effect on the environment (14 Cal. Code Regs. § 15061(b)(3)). This 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 City Manager's Office shall cause a Notice of Exemption to be filed as authorized by CEQA and the CEQA guidelines.

Section 5. PUBLICATION. This ordinance shall be in full force and effective 30 days after its adoption, and shall be published and posted as required by law.

Section 6. EFFECTIVE DATE. This ordinance was introduced on February 8, 2016, and adopted on February 22, 2016, and shall be effective thirty days after its date of adoption.
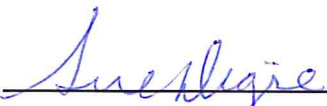
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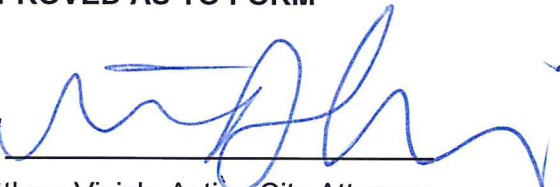AYES: Keener, Ervin, O'Neill, Digre

NOES: None

ABSENT: Nihart

ABSTAIN: None

CITY OF PACIFICA

By: _Sue Digre_
       Sue Digre, Mayor

APPROVED AS TO FORM

By: _____
Matthew Visick, Acting City Attorney

ATTEST

By: _Kathy O'Connell_
Kathy O'Connell, City Clerk