Agenda Item #14.1 For Council Meeting of: September 20, 2016

# CITY OF SANTA ROSA CITY COUNCIL

- TO: MAYOR AND CITY COUNCIL
- FROM: SEAN MCGLYNN, CITY MANAGER GEOF SYPHERS, CHIEF EXECUTIVE OFFICER SONOMA CLEAN POWER
- SUBJECT: SONOMA CLEAN POWER UPDATE ON PERFORMANCE AND POSSIBLE SERVICE TO MENDOCINO COUNTY

AGENDA ACTION: MOTION

#### **RECOMMENDATION**

It is recommended by the City Manager's Office that the Council, by motion, provide direction to its Sonoma Clean Power Authority (SCPA) Board of Directors appointee as to whether or not to (1) amend the SCPA Joint Powers Agreement (JPA) as proposed, and (2) approve participation by Mendocino County and the cities of Fort Bragg, Willits, and Point Arena.

#### EXECUTIVE SUMMARY

Sonoma Clean Power Authority (SCPA) is the official electricity provider of Sonoma County. On July 7, 2016, SCPA Board voted to offer service to Mendocino County with these conditions: A) passage of JPA amendment to allow SCPA to offer fewer board seats to non-Sonoma County jurisdictions; B) passage by Mendocino jurisdictions of statutorily required resolutions and ordinances; and C) adoption of SCPA Board's resolution to accept Mendocino jurisdictions as participants.

#### BACKGROUND

Mendocino County first requested service in 2013. SCPA staff urged delays in considering expansion until all Sonoma County operations were tested and proven. SCPA Board began discussing Mendocino in summer of 2015 and adopted a policy governing the process for expansion in December 2015. Presentations of proposed expansion continued throughout Mendocino County into the first half of 2016.

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## PRIOR CITY COUNCIL REVIEW

On July 9, 2013, the City Council adopted, by unanimous vote, a resolution requesting that the SCPA act as Community Choice Aggregator on behalf of the City and implement the Sonoma Clean Power Community Choice Aggregator program within the City of Santa Rosa.

#### **ANALYSIS**

Service to Mendocino County would expand SCPA load served by 19%. Service would begin June 1, 2017 if all decisions are finalized at October 6, 2016 SCPA Board meeting. The costs associated with the new service would be covered by delaying incentive-based programs in Mendocino for one (1) year. Long-term impact of expansion is forecast to provide a very small reduction in rates of about 0.5% for existing customers.

## FISCAL IMPACT

Approval of this action does not have a fiscal impact on the General Fund.

## ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

#### BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

N/A

NOTIFICATION

N/A

## ATTACHMENTS

N/A

## <u>CONTACT</u>

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