

# City of Calistoga

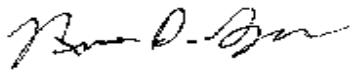
## Staff Report

**TO** Honorable Mayor and City Council  
**FROM** Lynn Goldberg, Planning and Building Director  
**DATE** October 20, 2015  
**SUBJECT** Marin Clean Energy Membership Request

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APPROVAL FOR FORWARDING



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Richard D. Spitler, City Manager

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1 **ISSUE:** Consider applying for membership to Marin Clean Energy (MCE), an  
2 alternative electric energy supplier

3 **RECOMMENDATIONS:**

- 4 Following a public hearing:
- 5 1. Adopt the attached resolution requesting membership in Marin Clean Energy
  - 6 2. Introduce the attached ordinance that a) approves the implementation of a  
7 Community Choice Aggregation program within the City of Calistoga’s jurisdiction  
8 by and through the City’s participation in MCE and b) authorizes the Mayor to  
9 execute the MCE Joint Powers Agreement
  - 10 3. Adopt the attached Memorandum of Understanding regarding MCE membership  
11 consideration
  - 12 4. Authorize the City Manager to sign the attached request to PG&E for the  
13 confidential sharing of electric use data within the city limits
  - 14 5. Designate the Planning and Building Director to serve as the City’s liaison to  
15 MCE to support and facilitate communication with other City staff and officials, as  
16 well as provide input and high-level assistance on community outreach

17 **BACKGROUND:** On May 15th, the City Council received a presentation from MCE,  
18 a public, not-for-profit electricity provider that focuses on maximizing the use of  
19 renewable energy sources in addition to lower energy rates. It is the intent of MCE  
20 to promote the development and use of a wide range of renewable energy sources and  
21 energy efficiency programs, including but not limited to solar and wind energy  
22 production, at competitive rates for customers. Following MCE's presentation, the  
23 Council directed staff to pursue this energy option for local electricity customers.

24 On September 1st, following a staff report, the Council directed the City Manager to  
25 submit a letter of membership interest to MCE on behalf of the City of Calistoga. MCE  
26 recently advised the City that its Board has approved a six-month "inclusion period" that  
27 would allow consideration of the City's membership application if it is completed by  
28 March 31, 2016.

29 **DISCUSSION:**

30 In order to apply for membership, the City would have to take the steps summarized  
31 above under "Recommendations."

32 The Council should be aware of the following requirements included in the draft  
33 Memorandum of Understanding if the City's membership is approved:

- 34 • The City agrees to publicize and share information about MCE within its  
35 community during the six-month enrollment period. Publicity options  
36 include, but are not limited to, website, social media, public events,  
37 community workshops, and newsletter announcements (where feasible),  
38 as well as distribution of flyers and handouts provided by MCE at the City  
39 offices.
- 40 • The City agrees to provide desk space for up to two MCE staff members  
41 during the six-month enrollment period, and agrees to consider ongoing  
42 desk space availability if needed for effective and efficient outreach.

43 All of the other Napa County jurisdictions have received similar notifications from MCE  
44 about their letters of membership interest (the County of Napa is already a MCE  
45 member). To streamline communications and policy setting, MCE allows any  
46 participating cities and towns in Napa County to jointly select one shared representative  
47 and one alternate to serve on the MCE Board as a voting member. The selected  
48 representative would have a weighted vote based on the combined customer load of all  
49 participating cities and towns within the county.

50 **FISCAL IMPACT:** It was anticipated that if the City's membership consideration  
51 request was approved, the City would be required to enter into a contract with MCE to  
52 fund preparation of an economic feasibility analysis. However, MCE is not requiring the  
53 City to contribute funds towards this effort.

54 **CONSISTENCY WITH COUNCIL GOALS AND OBJECTIVES:** Becoming a member of  
55 MCE would help fulfill the following City Council goals and objectives for Fiscal Year  
56 2015-16:

57 *Goal 4: Create an environmentally-sustainable community.*

58 Objectives

- 59 1. *Implement "green" environmental sustainability policies and initiatives.*
- 60 2. *Reduce greenhouse gas emissions.*

61 **ALTERNATIVES TO RECOMMENDATIONS:** The City could decline to apply for MCE  
62 membership. Local electric customers would continue to receive electricity sourced by  
63 PG&E.

### **ATTACHMENTS**

1. Draft resolution requesting membership in Marin Clean Energy
2. Draft ordinance approving the implementation of a Community Choice Aggregation program and authorizing execution of the MCE Joint Powers Agreement
3. Memorandum of Understanding regarding MCE membership consideration
4. Request to PG&E for the confidential sharing of electric use data within the city limits
5. Marin Energy Authority Joint Powers Agreement, as amended
6. Letter from Dawn Weisz, CEO of MCE, dated September 21, 2015

## RESOLUTION NO. 2015-XXX

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALISTOGA, COUNTY OF NAPA, STATE OF CALIFORNIA, REQUESTING MEMBERSHIP IN MARIN CLEAN ENERGY**

**WHEREAS**, the City of Calistoga has been actively investigating options to provide electric services to constituents within its service area with the intent of achieving greater local involvement over the provision of electric services and promoting competitive and renewable energy; and

**WHEREAS**, Assembly Bill 117 (Stat. 2002, Ch. 838; see California Public Utilities Code Section 366.2; hereinafter referred to as the "Act") authorizes any California city whose governing body so elects to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation ("CCA"); and

**WHEREAS**, the Act expressly authorizes participation in a CCA program through a joint powers agency, and on December 19, 2008, Marin Clean Energy (MCE) was established as a joint power authority pursuant to a Joint Powers Agreement, as amended from time to time; and

**WHEREAS**, on February 2, 2010, the California Public Utilities Commission certified MCE's "Implementation Plan," confirming MCE's compliance with the requirements of the Act; and

**WHEREAS**, the City fully supports the mission of MCE, which states that the purpose of MCE is to address climate change by reducing energy-related greenhouse gas emissions and securing energy supply, price stability, energy efficiencies and local economic and workforce benefits. It is the intent of MCE to promote the development and use of a wide range of renewable energy sources and energy efficiency programs, including but not limited to solar and wind energy production at competitive rates for customers; and

**WHEREAS**, the City fully supports MCE's current electricity procurement plan, which targets for more than 50% renewable energy content; and

**WHEREAS**, in order to become a member of MCE, the MCE Joint Powers Agreement requires the City to adopt a resolution requesting membership in MCE electing to implement a CCA program within its jurisdiction.

**NOW, THEREFORE, BE IT HEREBY RESOLVED** by the City Council of the City of Calistoga as follows:

1. Based upon all of the above, the Council requests that the MCE Board of Directors approve the City of Calistoga as a member of MCE.
2. The City Manager is hereby directed to forward a copy of this resolution to MCE.

40           **PASSED AND ADOPTED** by the City Council of the City of Calistoga at a  
41 regular meeting held the 20th day of October, 2015 by the following vote:

**AYES:**  
**NOES:**  
**ABSTAIN:**  
**ABSENT:**

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**CHRIS CANNING, Mayor**

**ATTEST:**

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**KATHY FLAMSON, City Clerk**