


CITY COUNCIL ACTION REQUEST			
DEPARTMENT(S) Energy	CEQA Not a Project, File No. PP17-004, Government Funding Mechanism or Fiscal Activity with no commitment to a specific project which may result in a potentially significant physical impact on the environment.	COORDINATION City Attorney's Office; City Manager's Budget Office	Director Approval /s/ Lori Mitchell
COUNCIL DISTRICT(S) Citywide			CMO Approval <div style="text-align: center; margin-top: 20px;">  </div> <div style="text-align: right; margin-top: 20px;">5/13/25</div>
SUBJECT: California Community Power Budget and Cost Allocation for Fiscal Year 2025-2026			
RECOMMENDATION			
Adopt a resolution authorizing the Director of the Energy Department or her designee to pay the City share of the California Community Power's budgeted costs for Fiscal Year 2025-2026 in an amount not to exceed \$600,000, subject to the appropriation of funds.			
BASIS FOR RECOMMENDATION			
<p>California Community Power, also referred to as CC Power, is a Joint Powers Authority that includes several Community Choice Aggregators (CCAs) within the state. The purpose of CC Power is to enable joint procurement efforts among member CCAs for large energy projects that would typically not be available to a single or smaller collection of CCAs, thereby maximizing procurement opportunities and taking advantage of economies of scale. CC Power contracts directly with energy project developers, and program and service providers. Each member of CC Power is responsible for an equal share of ongoing Joint Powers Authority costs, along with a proportionate share of costs associated with projects, programs or services based on their level of participation in those separate project-specific agreements.</p> <p>On January 5, 2021, the City Council approved San José Clean Energy joining CC Power and authorized the City to pay a share of CC Power's annual costs in an amount not to exceed the contract authority of the City Manager for the corresponding fiscal year. On June 15, 2021, the City Council adopted a resolution authorizing the Director of Energy or her designee, in consultation with the City Attorney's Office, to negotiate and execute consultant and cost-sharing agreements with CC Power and other CCAs, in an amount not to exceed a total of \$320,000 per year in aggregate, to conduct necessary activities to identify, evaluate, and negotiate potential CC Power energy programs and projects. The City has continually maintained its membership in CC Power with Lori Mitchell, Director of Energy, serving on the CC Power Board of Directors to represent the interests of San José Clean Energy and the City.</p> <p>On April 21, 2025, the CC Power Budget Ad Hoc Committee approved the 2025-2026 CC Power Budget and estimated cost share allocation between member CCAs. Based on the City's level of participation in CC Power projects, the estimated City share of total CC Power costs will be approximately \$410,000, with final costs expected not to exceed \$600,000 in Fiscal Year 2025-2026. The Energy Department recommends continued participation in CC Power and funding of the City's proportionate share of CC Power budgeted costs to support San José Clean Energy's</p>			

participation in joint CCA energy procurement efforts to help ensure grid reliability and assist with Resource Adequacy compliance and other regulatory obligations.

Climate Smart San José: The recommended actions support Climate Smart San José (action 1.1 Transition to a Renewable Energy Future) and the Envision San José 2040 General Plan (Goal MS-2 and Appendix 8: GHG Reduction Strategy).

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

COST AND FUNDING SOURCE

The estimated City share of CC Power budgeted costs are expected not to exceed \$600,000 in Fiscal Year 2025-2026. Funding is included in the Energy Department's Non-Personal/Equipment appropriation in the San José Clean Energy Operating Fund as part of the 2025-2026 Proposed Operating Budget.

FOR QUESTIONS CONTACT: Allen Fong, Division Manager, Energy Department at (408) 535-5630 or email allen.fong@sanjoseca.gov