

RESOLUTION NO. _____

**A RESOLUTION OF THE COUNCIL OF THE CITY OF
SAN JOSE AMENDING RESOLUTION NO. 80331 TO
MODIFY SAN JOSE CLEAN ENERGY'S RATE AND
SERVICE OPTIONS**

WHEREAS, the Council of the City of San José ("City") unanimously approved the formation of San José Clean Energy ("SJCE") in May 2017, and SJCE launched service to most businesses and residents in February 2019; and

WHEREAS, on November 7, 2017, the City Council approved an ordinance to add Title 26 to the San José Municipal Code ("SJMC") that provides procedures for the operation and management of SJCE, whereby SJCE may provide any rate designs or programs as approved by the City Council; and

WHEREAS, on March 19, 2019, the City Council approved an ordinance amending SJMC Section 26.40.020 which permits SJCE to decrease rates without requiring written notice to customers or a finding of extraordinary circumstances by City Council if the rate is decreased or modified more than twice a year; and

WHEREAS, on December 14, 2021, the City Council adopted Resolution No. 80331, approving SJCE's product offerings and rates for calendar year 2022, with a two-part implementation plan, Plan A and Plan B, contingent on the timing of PG&E's anticipated but unconfirmed rate changes, and on January 1, 2022 SJCE implemented the Plan B "interim" rate recommendations; and

WHEREAS, on March 1, 2022, SJCE implemented the Plan A recommendations per Resolution No. 8031, setting SJCE's GreenSource standard service at 8% above Pacific Gas & Electric ("PG&E") generation rates, after accounting for the Franchise Fee Surcharge and the Power Charge Indifference Adjustment ("PCIA"); SJCE's

GreenValue at parity to PG&E generation rates, after accounting for the Franchise Fee Surcharge and the PCIA; SJCE's TotalGreen at \$0.005 or \$0.01 per kilowatt-hour above GreenSource, depending on rate class; and SJCE's SJ Cares program to 5% below PG&E generation rates, after accounting for the Franchise Fee Surcharge and the PCIA; and

WHEREAS, on May 31, 2022, PG&E issued Advice Letter 6603-E-A, wherein it increased its generation rates and the PCIA for some rate schedules and decreased them for other rate schedules, effective June 1, 2022; and

WHEREAS, given the noticing requirements of the San José Municipal Code as presently written, there would be a delay in time for SJCE to match the PG&E rate change commensurately and, during that delay, SJCE rates would no longer be in adherence to the percentage ratios specified in Resolution No. 80331; and

WHEREAS, in order to enable SJCE to at least meet, if not better, the requirements of the rate percentages in reference to PG&E rates without raising rates in response to rate changes in both PG&E generation rates and the PCIA fee, the City desires to amend Resolution No. 80331 to incorporate language that (1) allows for rates for GreenSource to be set up to but no more than 8% above PG&E generation rates, (2) allows for rates for GreenValue to be set at no greater than parity with PG&E generation rates, and (3) allows for rates for SJCares to be set to no less than the 5% below PG&E generation rates;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

The City amends San José Clean Energy's (SJCE) rate and service options (Plan A), as set forth in Resolution No. 80331, as follows:

- (1) Continuing to set rates for GreenSource standard service up to 8% above Pacific Gas & Electric (PG&E) generation rates after accounting for the Franchise Fee Surcharge and the Power Charge Indifference Adjustment (PCIA);
- (2) Continuing to set rates for SJCE's lowest-cost service GreenValue at no greater than parity to PG&E generation rates after accounting for the Franchise Fee Surcharge and the PCIA;
- (3) Continuing to set rates for TotalGreen, SJCE's 100% renewable energy service, at \$0.005 or \$0.01 per kilowatt-hour above GreenSource, depending on rate class; and
- (4) Continuing to set rates for SJCE's SJ Cares program, to no less than 5% below PG&E generation rates after accounting for the Franchise Fee Surcharge and the PCIA.

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ADOPTED this _____ day of _____, 2022, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

SAM LICCARDO
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk