



Memorandum

TO: Mayor and City Council

FROM: Councilmember David Cohen
Councilmember Dev Davis

SUBJECT: See below

DATE: August 15, 2023

Approved

Date: August 11, 2023

SUBJECT: Ordinance Amending Titles 2, 4, and 26 and Adding Title 28 to the San José Municipal Code to Establish a Municipal Utility for Electric Service.

RECOMMENDATION

Accept the staff recommendation with the additional direction:

- Direct staff to actively work collaboratively with the International Brotherhood of Electrical Workers Local Union 1245 (IBEW 1245), International Brotherhood of Electrical Workers Local Union 332 (IBEW 332), and Pacific Gas and Electric Company (PG&E) regarding the potential creation of the municipal electric company, San José Power, and proceeding with the interconnection application.
- Direct staff to return to City Council for any future decision points related to the proceeding of San José Power and provide regular updates, at minimum annually, to the Transportation and Environment committee regarding all progress.

BACKGROUND

We would like to thank staff for working diligently to find potential solutions to accommodate for our growing electrical grid. The possibility of creating our own municipal transmission lines brings San José up to speed with many other cities that already have this infrastructure in place to ensure power remains on for its residents. With the potential creation of new transmission lines into the City, though, we need to also work diligently with our labor partners to provide opportunities for collaboration on this path forward.

Jobs for electrical workers can potentially be increased by San José directly having access to this new transmission power. More job positions in the energy industry provides a clear opportunity for the City to collaborate with new and existing electrical workers. The staff recommendations today only set the stage for the *potential* creation of San José's own electrical grid however, if in the future we decide to set in motion the creation of San José Power, our labor partners should be an active participant in learning and providing input for the municipal utility for electric service. Updates of the company should be shared with stakeholders including analysis of the impacts that San José Power would have on the City and its workers.

HONORABLE CITY COUNCIL

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The signers of this memorandum have not had, and will not have, any private conversation with any other member of the City Council, or that member's staff, concerning any action discussed in the memorandum, and that each signer's staff members have not had, and have been instructed not to have, any such conversation with any other member of the City Council or that member's staff.