



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Lori Mitchell

SUBJECT: See Below

DATE: June 1, 2026

Approved  Date: 6/9/26

COUNCIL DISTRICT: Citywide

SUBJECT: California Community Power Budget and Cost Allocation for Fiscal Year 2026-2027

RECOMMENDATION

Adopt a resolution authorizing the Director of the Energy Department or her designee to pay the City's share of the California Community Power Joint Powers Authority's budgeted operating costs for Fiscal Year 2026-2027 in an amount not to exceed \$650,000, subject to the appropriation of funds.

SUMMARY AND OUTCOME

This recommendation authorizes the Director of the Energy Department or her designee to pay the City's share of the California Community Power Joint Powers Authority's budgeted operating costs for Fiscal Year 2026-2027. The Energy Department's continued participation in CC Power supports San José Clean Energy's participation in joint CCA energy procurement efforts to help ensure grid reliability and assist with Resource Adequacy compliance and other regulatory obligations.

BACKGROUND

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.

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.

ANALYSIS

On May 20, 2026, the CC Power Board of Directors approved the 2026-2027 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 operating costs will be approximately \$600,000, with final costs expected not to exceed \$650,000 in Fiscal Year 2026-2027.

The Energy Department recommends continued participation in CC Power and funding of the City's proportionate share of CC Power budgeted operating costs to support San José Clean Energy's participation in joint CCA energy procurement efforts to help ensure grid reliability and assist with Resource Adequacy compliance and other regulatory obligations.

EVALUATION AND FOLLOW-UP

No additional follow-up is expected at this time.

FISCAL IMPACTS

The estimated City share of CC Power budgeted operating costs are expected not to exceed \$650,000 in Fiscal Year 2026-2027. Funding is included in the Energy Department's Non-Personal/Equipment appropriation in the San José Clean Energy Operating Fund as part of the 2026-2027 Proposed Operating Budget.

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COORDINATION

This memorandum has been coordinated with the City Attorney's Office and City Manager's Budget Office.

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the June 23, 2026 City Council meeting.

BOARD, COMMISSION, COMMITTEE RECOMMENDATION AND INPUT

No board, commission, or committee recommendation or input is associated with this action.

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.

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/

Lori Mitchell

Director, Energy Department

For questions, please contact Allen Fong, Division Manager, Energy Department, at allen.fong@sanjoseca.gov or (408) 535-5630.