



# Memorandum

**TO:** RULES & OPEN GOVERNMENT  
COMMITTEE

**FROM:** Lori Mitchell

**SUBJECT: BENEFITS AND RISKS OF PROVIDING**  
**SAN JOSÉ ELECTRIC SERVICE TO**  
**NEW DEVELOPMENTS**

**DATE:** August 3, 2022

Approved

Date

08/04/22

## RECOMMENDATION

Set a City Council Special Meeting entitled *Benefits and Risks of Providing San José Electric Service to New Developments* for Friday, September 16, 2022 from 1:30 p.m. - 4:30 p.m. in the City Council Chambers and approve a draft Special Meeting agenda.

## PURPOSE

To provide information concerning an assessment of Benefits and Risks of Providing San José Electric Service to New Developments in the City. A case study performed on the Downtown West Development surfaced important benefits and possible risks of providing San José Electric Service to new developments within the City. The report concludes that City provided electric service could offer rates that, over the long-term, are competitive with the standard Investor-Owned Utility electric service rates. In addition, City provided electric service could allow more flexibility in design and construction of an electrical distribution system to include more onsite renewable energy that may result in a more resilient, reliable, energy efficient, and carbon free electrical system than would otherwise be possible.

## OUTCOME

The Assessment developed by Flynn Resource Consultants, Inc., *Benefits and Risks of Providing San José Electric Service to New Developments – A Case Study of the Downtown West Mixed-use Development*, is accepted at the September 16, 2022, City Council Special Meeting.

## **CONCLUSION**

Providing San José electric service to new developments in the City presents an opportunity for the City and developers to work together to achieve shared objectives of providing reliable, resilient power to the customers within new developments at a competitive cost as compared to traditional utility service. The City could have the ability to adopt applicable design standards and rules and regulations that could allow for a more advanced microgrid to accommodate more on-site clean energy resources and improve electric reliability and resiliency.

/s/

LORI MITCHELL

Director, Community Energy

For questions, please contact Lori Mitchell, Director of Community Energy, at (408) 535-4880.

## **Attachment**

September 16, 2022 Special Meeting Agenda



# **CITY COUNCIL SPECIAL MEETING**

## **BENEFITS AND RISKS OF PROVIDING SAN JOSE ELECTRIC SERVICE TO NEW DEVELOPMENTS**

**SEPTEMBER 16, 2022**  
**1:30 P.M. to 4:30 P.M.**

SAM LICCARDO, MAYOR  
CHAPPIE JONES, VICE MAYOR, DISTRICT 1  
SERGIO JIMENEZ, DISTRICT 2  
RAUL PERALEZ, DISTRICT 3  
DAVID COHEN, DISTRICT 4  
MAGDALENA CARRASCO, DISTRICT 5  
DEV DAVIS, DISTRICT 6  
MAYA ESPARZA, DISTRICT 7  
SYLVIA ARENAS, DISTRICT 8  
PAM FOLEY, DISTRICT 9  
MATT MAHAN, DISTRICT 10

- **Call to Order and Roll Call**

1:30 p.m. - Special Meeting

- **Orders of the Day**

## **6. ENVIRONMENTAL & UTILITY SERVICES**

### **6.1 Special Meeting of the City Council on the Benefits and Risks of Providing San Jose Electric Service to New Developments.**

#### **Recommendation:**

Accept the Assessment developed by Flynn Resource Consultants, Inc., Benefits and Risks of Providing San José Electric Service to New Developments – A Case Study of the Downtown West Mixed-use Development.

CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action. (Community Energy)

- **Open Forum**
- **Adjournment**