## RESOLUTION NO.

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE APPROVING THE IMPLEMENTATION OF THE CALIFORNIA ELECTRIC VEHICLE INFRASTRUCTURE PROJECT IN SAN JOSE: APPROVING PARTICIPATION OF SAN JOSE CLEAN ENERGY IN THE CALIFORNIA ENERGY COMMISSION'S CURRENT FUNDING ROUND OF THE CALIFORNIA ELECTRIC VEHICLE INFRASTRUCTURE PROJECT FOR LOAD-SERVING ENTITIES IN SAN MATEO AND SANTA CLARA COUNTIES: AND AUTHORIZING THE DIRECTOR OF ENERGY HER DESIGNEE. COMMUNITY OR IN CONSULTATION WITH THE CITY ATTORNEY, TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH THE **CENTER FOR SUSTAINABLE ENERGY TO ADMINISTER** SAN JOSE CLEAN ENERGY FUNDS AS PART OF THE IMPLEMENTATION OF THE CALIFORNIA ELECTRIC VEHICLE INFRASTRUCTURE PROJECT IN AN AMOUNT NOT TO EXCEED \$4,000.000 THROUGH DECEMBER 31, 2023. SUBJECT TO THE APPROPRIATION OF FUNDS

WHEREAS, on August 8, 2017, the City Council approved Ordinance No. 29978 establishing a Community Choice Aggregation program ("CCA") to be named San José Clean Energy ("SJCE"), and amending Title 2 of the San José Municipal Code to establish the Community Energy Department within the City of San José ("City"); and

WHEREAS, on November 7, 2017, the City Council approved Ordinance No. 30028 adding Title 26 to the San José Municipal Code related to the administration and management of SJCE, and authorizing SJCE to provide programs as approved by the City Council; and

WHEREAS, on February 27, 2018, the City Council adopted Climate Smart San José ("Climate Smart"), a Paris Agreement-aligned climate action plan, with goals and actions focused on energy, mobility, and water to reduce the City's carbon footprint and improve quality of life for those who live and work in San José, including an ambitious target of 61% of passenger vehicles being electric by 2030; and

**WHEREAS,** the Climate Smart plan identified creating a sufficient electric vehicle ("EV") charging infrastructure as one of the key challenges in meeting the 61% EV goal, and included a clear action to "partner strategically to expand the network of publicly available charging stations"; and

WHEREAS, EVs produce clear health benefits by offering zero exhaust emissions at the street level, leading to cleaner and healthier communities, with particular benefits to the most vulnerable who tend to live closer to freeways and major roadways, and EV drivers enjoy economic benefits from fuel cost savings and lower annual maintenance costs compared to gas vehicles; and

WHEREAS, the California Electric Vehicle Infrastructure Project ("CALeVIP") is a California Energy Commission ("CEC") EV charging infrastructure incentive program in which the CEC co-funds grants with a participating local government entity, utility or CCA to cover a portion of the costs to install charging stations and electrical infrastructure upgrades at existing buildings for public or private workplaces, multi-family dwellings, destination centers, and shopping centers; and

**WHEREAS,** CALeVIP program implementation and administration is managed by the Center for Sustainable Energy ("CSE"), a nonprofit energy organization selected by the CEC through a competitive solicitation as the only entity authorized to administer CEC grants under the CALeVIP program; and

WHEREAS, the CALeVIP program is operated on a county-wide level, and a coalition was formed among San Mateo and Santa Clara County electrical load-serving entities including SJCE, Peninsula Clean Energy, Silicon Valley Clean Energy, City of Palo Alto Utilities, and City of Santa Clara/Silicon Valley Power, to jointly apply for CEC funding under the CALeVIP program; and

WHEREAS, as a condition for the CEC to disburse \$10,000,000 to the City's program under an agreement with CSE, the City would contribute an amount not to exceed \$4,000,000 for the design and implementation of an EV charger incentive program through December 31, 2023, with not to exceed amounts of \$85,000 in Fiscal Year 2019-2020, \$915,000 in Fiscal Year 2020-2021, and \$3,000,000 in Fiscal Year 2021-2022, and a fee to compensate CSE for services related to the development and administration of the program in an amount not to exceed \$280,000, with payments to CSE dependent on CSE meeting certain deliverables and providing regular reports to SJCE, and subject to the appropriation of funds; and

WHEREAS, the combined CEC and SJCE funding of \$14,000,000 will be used to provide incentives for the installation of electric vehicle charging infrastructure in San José, and 25% of total rebates (\$3,500,000) will be allocated to the top 25% of disadvantaged communities, as defined by the California Environmental Protection Agency through CalEnviroScreen 3.0 tool or future versions of the tool, and/or to low income communities with census tracts and households that are at or below 80% of the statewide median income or at or below the threshold designated as low-income by the California Department of Housing and Community Development's 2016 State Income Limits; and

T-31685.022 / 1654834\_4 3 Council Agenda: 10/22/2019 Item No.: 7.1 DRAFT--Contact the Office of the City Clerk at (408)535-1260 or CityClerk@sanjoseca.gov for final document. REVISED – to add clarifying language consistent with the Memorandum to Council dated 09-18-19. WHEREAS, the City desires to implement the CALeVIP program in San José and participate in the current round of CALeVIP funding that the CEC granted to several load-serving entities in San Mateo and Santa Clara counties, and authorize the Director of Community Energy or her designee to negotiate and execute an agreement with CSE to formally launch the program;

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

- 1. The implementation of the California Electric Vehicle Infrastructure Project in San José is hereby approved.
- 2. Participation of San José Clean Energy in the California Energy Commission's current round of funding for the California Electric Vehicle Infrastructure Project for load-serving entities in San Mateo and Santa Clara counties is hereby approved.
- 3. The Director of Community Energy or her designee, in consultation with the City Attorney, is hereby authorized to negotiate and execute an agreement with the Center for Sustainable Energy to administer San José Clean Energy funds as part of the implementation of the California Electric Vehicle Infrastructure Project in an amount not to exceed \$4,000,000 through December 31, 2023, subject to the appropriation of funds.

RD:LFE:KML 9/23/2019

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2019, by the following vote:

AYES:

NOES:

ABSENT:

**DISQUALIFIED:** 

SAM LICCARDO Mayor

ATTEST:

TONI J. TABER, CMC City Clerk