

Legislation Text

File #: 18-1488, Version: 1

Power Procurement, Rate Setting and Power Mix for San José Clean Energy.

(a) Approve San José Clean Energy's GreenSource base product that residential and commercial customers will be enrolled in 2019 to include a power mix of at least 80% Greenhouse Gas free energy with at least 45% renewable energy and the TrueGreen product to include a power mix of 100% Renewable Energy.

(b) Adopt a resolution authorizing the Director of Community Energy or her designee to negotiate and execute supply contracts for Calendar Year 2019 for Energy, Renewable Energy and Renewable Energy Credits, Resource Adequacy, and Greenhouse Gas free power and attributes using the Edison Electric Institute Agreement or the Western Systems Power Pool Agreement and to transact for balancing energy and other necessary services from the California Independent System Operator through the Northern California Power Authority, increasing the authorization by \$156,000,000 from \$70,000,000 to an amount not to exceed \$226,000,000 in aggregate through Calendar Year 2019.

(c) Approve San José Clean Energy to set rates for the GreenSource product to be one percent below Pacific Gas and Electric Company's generation rates, after accounting for the franchise fees and the Power Charge Indifference Adjustment across all rate classes for 2019 and for TrueGreen to be 0.5-1 cent per kWh higher than San José Clean Energy's GreenSource base product.

(d) Approve adjusting the launch for residential and commercial customers from March of 2019 to February of 2019. Approve delaying the enrollment of Phase II non-City small commercial and residential net energy metered customers until San José Clean Energy has paid off debt, built at least 120 days of operating expenses in a financial reserve, and can cover the cost to serve these customers through rates that are lower than Pacific Gas and Electric Company's rates.

(e) Adopt the following Fiscal Year 2018-2019 Appropriation Ordinance and Funding Sources Resolutions amendments in the San José Clean Energy Fund:

- (1) Decrease the Beginning Fund Balance - Operations and Maintenance Reserve by \$500,000;
- (2) Increase the estimate for Fees, Rates, and Charges by \$15,831,000;
- (3) Increase the Cost of Energy appropriation to the Community Energy Department in the amount of \$9,954,000;
- (4) Increase the Community Energy Non-Personal/Equipment appropriation by \$641,000;
- (5) Increase the Bonding and Security appropriation to the Community Energy Department by \$50,000;
- (6) Rename the Pacific Gas & Electric Security Deposit appropriation to Pacific Gas & Electric Fees;
- (7) Decrease the Pacific Gas & Electric Fees appropriation by \$1,000,000;
- (8) Establish the Debt Service - Interest - CP appropriation to the Community Energy Department in the amount of \$460,000;
- (9) Increase the Ending Fund Balance - Operations and Maintenance Reserve in the amount of \$6,734,000; and
- (10) Decrease the Unrestricted Ending Fund Balance by \$1,508,000.

(f) Approve the addition of a 1.0 Division Manager position (Regulatory and Legislative Policy) to the Community Energy Department.

CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. (Community Energy)