



Memorandum

TO: TRANSPORTATION AND
ENVIRONMENT COMMITTEE

FROM: Lori Mitchell

SUBJECT: See Below

DATE: July 20, 2026

Approved

Date:

7/21/2026

**SUBJECT: Climate Advisory Commission Fiscal Year 2025-26 Annual Report
and Fiscal Year 2026-27 Work Plan**

RECOMMENDATION

Accept the Climate Advisory Commission's Fiscal Year 2025-2026 Annual Report and approve the Fiscal Year 2026-2027 Work Plan.

BACKGROUND

The 11-member Climate Advisory Commission ("Commission") was established in January 2024 to advise the City Council, City Manager, and departments on the implementation of Climate Smart San José, with a focus on the City's Pathway to Carbon Neutrality by 2030 and climate adaptation. The Commission meets bimonthly and includes representatives with technical, community, and advocacy expertise.

ANALYSIS

Fiscal Year 2025-2026 Annual Report

The Commission reviewed and commented on several key initiatives during Fiscal Year (FY) 2025-2026 fiscal year, including:

- San José Clean Energy Programs 5-year Roadmap
- San José Clean Energy Power Mix and Power Change Indifference Adjustment Briefing
- San José Clean Energy's Integrated Resource Plan
- Climate Adaptation and Resilience Plan Update Draft
- Planning, Building, and Code Enforcement Policy Update Draft
- Building Performance Ordinance Updates

Fiscal Year 2026-2027 Work Plan

The proposed Commission work plan for fiscal year 2026-2027 includes briefings and actions aligned with the City's climate goals. Key items include:

- Legislative/Regulatory Outlook (July 2026)
- Large Load Customer Status (July 2026)
- Climate Smart Annual Update (November 2026)
- Transportation Updates (September 2026 and March 2027)
- San José Clean Energy Programs Roadmap (January 2027)
- San José Clean Energy Rates and Power Source Mix Recommendation (January 2027)
- Outreach and Engagement Strategy (April 2027)

This work plan reflects a continuation of the Commission's role in shaping and informing San José's climate initiatives.

COORDINATION

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

/s/
Lori Mitchell
Director, Energy Department

For questions, please contact Julie Benabente, Deputy Director, Climate Smart Division, Energy Department, at Julie.Benabente@sanjoseca.gov.

ATTACHMENTS

Attachment A: Climate Advisory Commission Fiscal Year 2025-2026 Annual Report
Attachment B: Climate Advisory Commission Fiscal Year 2026-2027 Work Plan

Attachment A: Climate Advisory Commission Fiscal Year 2025-2026 Annual Report

Climate Advisory Commission (CAC) Annual Report for Fiscal Year (FY) 2025-2026				
Objective of FY 25-26	Timeframe	Related CS Strategies	Status & Accomplishments	Future Target/Goals
Receive briefing on relevant upcoming legislation and potential City actions	July 17, 2025	General - overarching	Commission received briefing on upcoming legislation and policy actions. Commissioners discussed potential impacts on City climate goals.	Continue monitoring state and federal legislation. Provide input on policy opportunities that support City climate goals. Commissioners will continue to explore greater involvement in legislative priorities and advocacy and continue to work with staff to understand the City procedures and stances on forthcoming legislation. An update will be presented to the Commission in 2026.
Receive briefing and provide comment on long term resource procurement - Integrated Resource Plan (IRP; first review)		Strategy 1.1 - Transition to a Renewable Energy Future	Commission received briefing on long-term resource procurement planning. Commissioners provided input on energy supply strategy and priorities.	This item was presented for second review in March 2026. Additional next steps are included under corresponding item below. Provide ongoing input on long-term energy procurement strategy. Ensure alignment with emissions reduction and reliability goals.
Receive briefing and provide comment on Climate Smart San José plan update and on Climate Smart programs and policies	September 18, 2025	General - overarching	Commission received briefing on Climate Smart plan update. Commission provided comments and emphasized need for faster progress toward climate goals. Commission recommended adoption of the updated plan to City Council.	The Climate Smart San José 2025 Update was presented and approved by City Council in December 2025. City staff track greenhouse gas (GHG) reductions on the Climate Smart Data Dashboard and Climate Smart continues to update the CAC on relevant items. High-level Climate Smart updates are presented to CAC and Council on an annual basis. Track implementation progress of Climate Smart actions. Identify opportunities to accelerate progress toward 2030 goals.
Receive briefing and provide comment on updates to Planning, Building, and Code Enforcement (PBCE) setback and noise ordinance		Strategies 2.1, 2.2 - Densify Our City and Provide Affordable Efficient Homes	Commission received briefing on PBCE ordinance updates. Commissioners discussed impacts and provided feedback to staff.	Monitor implementation of ordinance updates. Provide input on future policy refinements as needed.
Formed an ad hoc committee to review San José Clean Energy (SJCE) rates and financial reserves	October 7, 2025 Special Session	Strategy 1.1 - Transition to a Renewable Energy Future	Commission approved formation of an ad hoc committee to review SJCE rates and financial reserves. Committee members were appointed and scope of work was established.	Complete review of SJCE rates and financial reserves. Provide recommendations to support long-term financial stability and affordability. The ad hoc committee met with staff and presented findings at the November 2025 meeting.
Receive briefing on 2026 power mix and rates, and potentially vote on power mix and rates recommendation to City Council (first review)	November 6, 2025 Special Session	Strategy 1.1 - Transition to a Renewable Energy Future	Commission received briefing on 2026 power mix and rate proposals. Commissioners reviewed affordability and clean energy alignment considerations. Commissioners provided initial input to inform future recommendations.	Continue reviewing rate proposals and cost impacts. Support development of final recommendations aligned with climate goals. This item was presented for second review in January 2026. Additional next steps are included under that item below.
Receive briefing on Building Performance Ordinance		Strategy 3.2 - Improve the Commercial Building Stock	Commission received briefing on Building Performance Ordinance. Commissioners discussed energy and water benchmarking requirements and future improvements.	Provide input on ordinance updates and program improvements. Support policies that increase building efficiency and compliance. A related follow-up item was presented for review in March 2026. Additional next steps are included under that item below.

Attachment A: Climate Advisory Commission Fiscal Year 2025-2026 Annual Report

Climate Advisory Commission (CAC)				
Annual Report for Fiscal Year (FY) 2025-2026				
Objective of FY 25-26	Timeframe	Related CS Strategies	Status & Accomplishments	Future Target/Goals
Report from ad hoc committee to review SJCE rates and financial reserves		Strategy 1.1 - Transition to a Renewable Energy Future	Ad hoc committee provided updates on SJCE rates and financial reserves. Commission discussed findings and next steps for rate recommendations.	The ad hoc committee was dissolved in 2026 and is no longer active, though the Commission continues to provide input and recommendations related to rates, financial reserves, and programs.
Meeting cancelled	November 20, 2025	Meeting cancelled	Meeting was cancelled; no Commission action taken.	Resume scheduled Commission activities.
Receiving briefing and provide comment on Climate Adaptation and Resilience Plan	January 15, 2026	NEW: Adaptation and Resilience	Commission received briefing on Climate Adaptation and Resilience Plan. Commission voted to recommend approval of the plan to City Council. Commissioners and public emphasized importance of funding and implementation.	The Climate Adaptation and Resilience Plan was presented and approved by City Council in March 2026. Monitor implementation of the plan. Track funding opportunities and project prioritization. Support ongoing public engagement.
Receive briefing and provide comment on SJCE programs and policies		Strategies 1.1, 2.2, 2.3, 3.2 - Transition to a Renewable Energy Future, Provide Affordable Efficient Homes, Support Clean Personal Mobility, and Improve the Commercial Building Stock	Commission received briefing on SJCE programs and policies. Commission reviewed program priorities and provided feedback to staff.	Continue reviewing program effectiveness and equity impacts. Provide input on program improvements and expansion.
Receive updated briefing on 2026 power mix and rates including analysis of bill credits, Power Charge Indifference Adjustment (PCIA) cost impacts, and final rate recommendations for customer affordability and clean energy alignment prior to Council action (second review)		Strategy 1.1 - Transition to a Renewable Energy Future	Commission received updated analysis of rates, bill credits, and cost impacts. Commission approved recommendation to City Council on rates and power mix.	Monitor implementation of approved rates.
			Commission added recommendation to improve transparency on cost impacts.	Track impacts on affordability and emissions reductions.
Formed an ad hoc committee to review SJCE Programs 5-year Roadmap		Strategies 1.1, 2.2, 2.3, 3.2 - Transition to a Renewable Energy Future, Provide Affordable Efficient Homes, Support Clean Personal Mobility, and Improve the Commercial Building Stock	Commission approved formation of ad hoc committee to review SJCE 5-year Programs Roadmap. Committee tasked with developing recommendations and targets.	Develop recommendations for the 5-year programs roadmap. Identify spending and emissions reduction targets. The ad hoc committee met with staff and presented findings at the November 2025 meeting.
Receive a second briefing and provide comment on the final SJCE IRP modeling and strategy prior to City Council submittal	March 19, 2026	Strategy 1.1 - Transition to a Renewable Energy Future	Commission received second briefing on IRP. Commission reviewed final modeling and strategy. Commission approved recommendation to City Council with additional feedback.	Monitor implementation of IRP strategy. Provide input on future updates and procurement decisions.
Receive briefing and provide comment on Building Performance Ordinance update to Transportation and Environment Committee		Strategy 3.2 - Improve the Commercial Building Stock	Commission received updated briefing on Building Performance Ordinance. Commissioners discussed potential improvements and enforcement considerations.	Track ordinance updates and potential enforcement measures. Provide continued feedback on policy effectiveness.
Report from SJCE Programs 5-year Roadmap ad hoc committee		Strategies 1.1, 2.2, 2.3, 3.2 - Transition to a Renewable Energy Future, Provide Affordable Efficient Homes, Support Clean Personal Mobility, and Improve the Commercial Building Stock	Ad hoc committee reported findings on SJCE Programs Roadmap. Commission reviewed recommendations, including spending and emissions targets.	Review and support implementation of roadmap recommendations. Continue collaboration with staff on program priorities. This The ad hoc committee was dissolved though the Commission will continue to monitor and provide recommendations.
Receive briefing and provide comment on Transportation programs and policies		Strategies 2.1, 2.3, 2.4, and 3.3 - Densify Our City, Support Clean Personal Mobility, Develop Integrated and Accessible Public Transit, Make Goods Movement Efficient	Commission received briefing on transportation programs and policies. Commissioners provided input on emissions reduction strategies and mobility improvements.	Monitor transportation initiatives and emissions impacts. Support policies that reduce vehicle miles traveled and increase mode shift.
Receive briefing and provide comment on Climate Smart outreach and advocacy strategies		General - overarching	Commission received briefing on outreach and advocacy strategies. Commissioners provided feedback on improving community engagement and program awareness.	Improve outreach strategies to reach more residents. Increase awareness of climate programs and incentives.

Attachment A: Climate Advisory Commission Fiscal Year 2025-2026 Annual Report

Climate Advisory Commission (CAC)				
Annual Report for Fiscal Year (FY) 2025-2026				
Objective of FY 25-26	Timeframe	Related CS Strategies	Status & Accomplishments	Future Target/Goals
Review the Commission Work Plan for FY 2026-27	May 21, 2026	NA - Commission specific	Commission reviewed upcoming work plan. Commissioners discussed priorities and future agenda items.	Finalize and adopt updated work plan. Align priorities with City climate goals and emerging issues.
Review the Commission Annual Report for FY 2025-26		NA - Commission specific	Commission reviewed the draft annual report for Fiscal Year 2025–26. Commissioners provided feedback on objectives, accomplishments, and report content. Commission prepared the report for finalization and submission to City Council.	Finalize and approve the annual report for submission. Continue improving clarity and tracking of objectives and accomplishments. Align future reports with Commission priorities and City climate goals.

Attachment B: Climate Advisory Commission Fiscal Year 2026-2027 Work Plan

Climate Advisory Commission (CAC) Work Plan for Fiscal Year (FY) 2026-2027		
Items for Briefing and Possible Action in FY 26-27	Actions	Timeframe
Legislative/Regulatory Outlook	Receive briefing on relevant upcoming legislation and potential City actions	July 16, 2026
Large Load Customer Status**	Receive briefing and give comment on large load customer tariff update	
San José Clean Energy (SJCE) budget and programs spending update**	Receive briefing and give comment on SJCE budget and programs spending update	
<i>SJCE Integrated Resource Plan (every two years)**</i>	<i>Not on agenda for this year - Receive briefing and give comment on long term resource procurement</i>	
	No meeting	August 2026
Transportation Semi-Annual Update**	Receive briefing and give comment on Transportation programs and policies	September 17, 2026
	No meeting	October 2026
Climate Smart Annual Update**	Receive briefing and give comment on Climate Smart programs and policies	November 19, 2026
SJCE budget and programs spending update**	Receive briefing and give comment on SJCE budget and programs spending update	
	No meeting	December 2026
SJCE Programs Roadmap**	Receive briefing and give comment on SJCE programs and policies	January 21, 2027
SJCE rates and power source mix**	Receive briefing on 2026 power mix and rates, and potentially vote on power mix and rates recommendation to City Council.	
	No meeting	February 2027
Transportation Semi-Annual Update**	Receive briefing and give comment on Transportation programs and policies	March 18, 2027
SJCE budget and programs spending update**	Receive briefing and give comment on SJCE budget and programs spending update	
	No meeting	April 2027
Outreach and Engagement Strategy**	Receive briefing and give comment on Climate Smart outreach and advocacy strategies	May 20, 2027
CAC Work Plan for FY 27-28**	Review the CAC Work Plan for FY 27-28	
CAC Annual Report for FY 26-27**	Review the CAC Annual Report for FY 26-27	

**Denotes items where commission action/recommendation to City Council and/or Staff is expected or applicable AND/OR may be authorized for advocacy and outreach.