



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

Item No. _____

FROM: City Administrator

SUBJECT: Community Choice Aggregation Consulting Services Agreement with California Choice Energy Authority

MEETING DATE: May 15, 2018

RECOMMENDATION:

1. Approve Consulting Services Agreement with California Choice Energy Authority for Community Choice Aggregation (CCA) Technical Study and Implementation Plan and Authorize City Administrator to execute all documents, for an amount not to exceed \$63,000.
2. Approve Resolution No. , appropriating \$63,000 from the General Fund Unallocated Fund Balance (10-8804-54043; Project Consultant), to fund the contract, to be reimbursed from future CCA revenues.

BACKGROUND:

At its regular meeting on May 1, 2018, the City Council received a presentation regarding Community Choice Aggregation (CCA), California Choice Energy Authority (CCEA) and the benefits CCEA offers City of Commerce in preparing a CCA Technical Study and subsequent Implementation Plan and Statement of Intent. At that meeting, the City Council directed the City Administrator to negotiate a contract with CCEA for those services.

The Technical Study will analyze City of Commerce electricity usage data, received directly from Southern California Edison (SCE) to determine customer base, load profile, and estimate total usage. This data will then be used to prepare financial pro-formas that take into account various different renewable energy options and customer savings assumptions. The Technical Study will be the basis of the development of the required Implementation Plan and Statement of Intent, which is required to be submitted to and certified by the California Public Utilities Commission (CPUC). The total cost of the Technical Study and Implementation Plan is \$63,000, which is fully reimbursable from future CCA generated revenues.

Resolution E-4907 which was adopted by the CPUC established a timeline which prospective CCAs are now required to follow. Based on the newly established timeline, in

order to be eligible to begin operating and serving customers in January 2020, Commerce must submit its Implementation Plan to the CPUC by January 1, 2019. The total time required to complete the study, including the request and processing of the data from SCE, and City Council review and approval, is approximately 4–6 months. To ensure Commerce can meet the timeline, the work should begin no later than June 1, 2018.

The procurement of the technical study for the CCEA model is considered unique in its nature. The Consulting Services for this endeavor requires highly specialized work and hence staff recommends sole sourcing the services of CCEA.

ALTERNATIVES:

1. Approve staff recommendation
2. Disapprove staff recommendation
3. Provide further direction to staff

FISCAL IMPACT:

The cost for consulting services to perform a Technical Study and Implementation Plan Development is for an amount not to exceed \$63,000. Should this item be approved, the FY 2017-2018 budget will be amended, appropriating \$63,000 from the General Fund Unallocated Fund Balance to (10-8804-54043; Project Consultant). The appropriations necessary for the consulting services will be reimbursed from future CCA revenues.

Approved by: René Bobadilla, Director of Community Development and Sustainability
Prepared by: René Bobadilla, Director of Community Development and Sustainability
Reviewed by: Vilko Domic, Finance Director
Approved as to form: Norma Copado, City Attorney
Respectfully submitted: Edgar P. Cisneros, City Administrator

Attachments (2):

- 1) Resolution No.
- 2) Agreement for Consulting Services