

ORDINANCE NO. 520

AN ORDINANCE OF THE CITY OF BLUE LAKE AUTHORIZING PARTICIPATION IN THE COMMUNITY CHOICE AGGREGATION PROGRAM IMPLEMENTED AND OPERATED BY THE REDWOOD COAST ENERGY AUTHORITY (RCEA)

The City Council of the City of Blue Lake hereby ordains as follows:

Section 1. Findings and Purpose. The City Council of the City of Blue Lake hereby finds and declares as follows:

- A. The California Public Utilities Code under Chapter 2.3 of Division 1, Part 1 allows electric utility customers to aggregate their electric loads as members of their local community with community choice aggregators, where a community choice aggregator may be any city, county, or group of cities or counties who have elected to combine the loads of their programs through the formation of a joint powers agency established under Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the California Government Code.
- B. The City of Blue Lake has been investigating options to provide electric services to constituents within its service areas with the intent of achieving greater local involvement over the provisions of electric services, competitive electric rates, the development of clean, local renewable energy projects, reduced greenhouse gas emissions, and the wider implementation of energy conservation and efficiency projects and programs through a community choice aggregation (CCA) program.
- C. The City of Blue Lake is a member of the Redwood Coast Energy Authority (RCEA), a joint powers authority formed by the County of Humboldt, Cities of Arcata, Blue Lake, Eureka, Ferndale, Fortuna and Rio Dell, Trinidad and the Humboldt Bay Municipal Water District, to act as a regional agency to promote sustainable energy initiatives that reduce energy demand, increase energy efficiency, and advance the use of clean, efficient and renewable resources available in the region.
- D. The RCEA is authorized by ordinance to act as a community choice aggregator to implement and operate a CCA program under California law.
- E. RCEA has established key CCA program goals of maximizing the use of local renewable resources while also providing competitive rates to customers. These goals are aimed at supporting local economic development as well as reducing the environmental impacts resulting from the use of electricity in a technically and economically feasible manner.
- F. To analyze the feasibility of operating a CCA program that achieves these goals, RCEA has procured independent technical support services to conduct the appropriate development and operational studies, including technical, financial and risk analyses. These studies will assist RCEA, its member agencies, and the community in evaluating a potential rate structure and energy portfolio, and, ultimately, potential CCA program viability prior to formal launch of a CCA program through the filing of an Implementation Plan with the CPUC.

- G. Participation in a CCA program implemented and operated by the RCEA, rather than independently electing to become a community choice aggregator, will reduce the City's financial exposure from community choice aggregation, if any, because RCEA's joint power authority structure immunizes its member agencies from its debts, liabilities and obligations, and therefore the debts, liabilities and obligations of a CCA program.
- H. Electric customers have the right to opt out of the CCA program and continue to receive service from the existing utility under Public Utilities Code §366.2.
- I. Under the RCEA CCA program structure, the City will have CCA program voting privileges on the RCEA Board of Directors as set out in the RCEA Amended and Restated Joint Powers Agreement effective December 15, 2015.

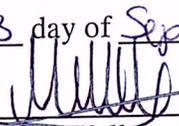
Section 2. Participation in Community Choice Aggregation. Based on all of the above, the City Council of the City of Blue Lake elects to implement a Community Choice Aggregation program within the City's jurisdiction by and through the RCEA, subject to the determination of the RCEA, based on its CCA program developmental and operational analyses and member agency input, that a CCA program based on the key goals set out above is not technically or economically feasible and consequently decides not to launch the CCA program.

Section 3. Severability. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portion of this ordinance. The City Council of the City of Blue Lake hereby declares that it would have passed this ordinance and every section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional or invalid.

Section 4. Environmental Review. This Ordinance is exempt from the California Quality Act (CEQA) pursuant to Section 15061(b)(3) of the CEQA Guidelines.

Section 5. Effective Date. This ordinance shall take effect and be in full force thirty (30) days from and the date of its passage.

PASSED, APPROVED, AND ADOPTED this 13 day of Sept, 2016.



Michele McCall-Wallace, Mayor

ATTEST:



April Sousa, City Clerk

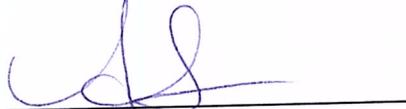
CLERK'S CERTIFICATE

THIS IS TO CERTIFY that Ordinance No. 520 of the City Council of the City of Blue Lake was introduced and read at the regular meeting of the City Council of the City of Blue Lake, California, held on Aug 23, 2016. This Ordinance, again read at the regular meeting of the Blue Lake City Council, held on Sept 13, 2016 and at the time, passed by roll call vote, the vote on the adoption of the Ordinance being as follows:

AYES: McCall-Wallace, Sawatzky, Lynch, Sues

NOES:

ABSENT: Kullmann



City Clerk, City of Blue Lake