



Office of the Mayor

**33**

CONSENT CALENDAR

June 11, 2019

To: Honorable Mayor and Members of the City Council  
From: Mayor Jesse Arreguín and Councilmember Kate Harrison  
Subject: Oppose AB 56 – Centralizing Energy Procurement

RECOMMENDATION

Adopt a Resolution opposing AB 56 (authored by Assemblymember Eduardo Garcia). Send a copy of the Resolution to Governor Gavin Newsom, State Senator Nancy Skinner, and Assemblymembers Buffy Wicks and Eduardo Garcia.

BACKGROUND

The City of Berkeley is one of eleven cities in Alameda County that is a part of East Bay Community Energy (EBCE). Launched in June 2018, EBCE is one of 19 Community Choice Aggregation (CCA) programs across California serving 10 million residents, with dozens more jurisdictions across the state currently planning or debating joining a CCA. CCAs allow local jurisdictions to pool together their resources in procuring energy, with an emphasis on renewables.

AB 56 would allow the California Public Utilities Commission (CPUC) to establish the California Clean Electricity Authority, which would be responsible for the procurement of electricity on behalf of retail customers of electrical corporations, community choice aggregators, and electric service providers.

AB 56 as currently written would have a negative impact on CCAs. It threatens a CCA's autonomy when it comes to procurement, which in turn could make it more difficult to acquire renewables. AB 56 aims to address the underlying issues of being able to meet the state's future energy needs, especially during a time of uncertainty given PG&E's bankruptcy woes relating to its connections to recent wildfires. However, CCAs are already obligated to meet state standards when it comes to meeting the Renewables Portfolio Standard as defined under SB 350 – which requires energy utility companies to reach 33% renewable by 2020 and 50% by 2030. Potentially removing procurement from CCAs would limit local jurisdictions' ability to meet and/or exceed environmental standards.

FINANCIAL IMPLICATIONS

None.

Oppose AB 56

CONSENT CALENDAR  
June 11, 2019

ENVIRONMENTAL SUSTAINABILITY

AB 56 would potentially limit CCAs such as EBCE from procuring energy at higher renewable levels.

CONTACT PERSON

Mayor Jesse Arreguín	510-981-7100
Councilmember Kate Harrison	510-981-7140

Attachments:

- 1: Resolution
- 2: Text of AB 56

RESOLUTION NO. ##,###-N.S.

IN OPPOSITION TO AB 56

WHEREAS, East Bay Community Energy is the Community Choice Aggregate (CCA) for Berkeley and most of Alameda County; and

WHEREAS, CCAs allow local jurisdictions to pool together their resources in procuring energy, with an emphasis on renewables; and

WHEREAS, there are 19 CCA programs across California serving 10 million residents, with dozens more jurisdictions across the state currently planning or debating joining a CCA; and

WHEREAS, AB 56 would allow the California Public Utilities Commission (CPUC) to establish the California Clean Electricity Authority, which would be responsible for the procurement of electricity on behalf of retail customers of electrical corporations, community choice aggregators, and electric service providers; and

WHEREAS, this proposal could threaten a CCA's autonomy when it comes to procurement, which in turn could make it more difficult to acquire renewables; and

WHEREAS, potentially removing procurement from CCAs would limit local jurisdictions' ability to meet and/or exceed environmental standards.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that it hereby opposes AB 56.

BE IT FURTHER RESOLVED that copies of the Resolution to Governor Gavin Newsom, State Senator Nancy Skinner, and Assemblymembers Buffy Wicks and Eduardo Garcia.

