



City of Newark

# Alameda County Community Choice Aggregation Energy Program



October 27, 2016

# What is a Joint Powers Authority? JPA

Separate legal entity

Member agencies assume no obligations, except in limited circumstances

Board of Directors that consists of a representative from each agency

Governed by Joint Powers Agreement

Has been named the “**East Bay Community Energy Authority**”



# Follow-up with July Meeting

## Five Policy Considerations

1. Community Advisory Committee
2. Advisory Chair on **JPA** Board
3. “Voting Shares Vote”
4. Supermajority vote for amendments
5. Adding parties after program launch



# Policy Consideration #1

## Advisory Committee

### **Draft JPA:**

**Creation of a “Community Advisory Committee” consisting of 9 members who “represent a diverse cross-section of interests and skill sets” to advise the Board on all matters relating to the CCA.**

Did not specify how the committee members are selected

Did not ensure equitable geographic representation

# Policy Consideration #1

## Advisory Committee

### Final JPA:

Creation of a “Community Advisory Committee” consisting of 9 members who “represent a diverse cross-section of interests ~~and skill~~ sets to advise the Board on all matters relating to the CCA.

Does not specify how the committee members are selected

**DOES** ensure equitable geographic representation

# **Policy Consideration #2**

## **Advisory Committee Chair**

Serving as “Ex Officio Board Member”

### **Steering Committee requested:**

- 1. Advisory Committee Chair to serve as an “Ex Officio Board Member.**
- 2. Person will not have voting rights but would attend Board meetings and provide comments.**

### **Council’s concern:**

- 1. An advisory committee already exists.**
- 2. Councilmembers are the elected stewards of public money - board should consist of only councilmembers.**

# **Policy Consideration #2**

## **Advisory Committee Chair**

Serving as “Ex Officio Board Member”

### **Steering Committee requested:**

- 1. Advisory Committee Chair to serve as an “Ex Officio Board Member.**
- 2. Person will not have voting rights but would attend Board meetings and provide comments.**

### **County’s response:**

Disagreement amongst the cities. Other cities wanted to assuage the community groups, so this provision remains in the final JPA.

# Policy Consideration #3

## Voting Process

Draft JPA called for two types of voting

### 1 “Percentage Vote”

- Each Director receives one equal vote
- A simple majority is needed to pass
- Immediately after the “Percentage Vote” any two Directors could ask for a “Voting Shares Vote”

### 2 “Voting Shares Vote”

- Each Director’s vote is weighted based on energy consumption





# Policy Consideration #3

## Voting Process

### Final JPA:

Keeps the same voting structure, however it requires:

- **Three** directors to call for a weighted vote instead of two

### Larger Cities

Oakland  
Hayward  
Fremont

Requested two (2) directors

### Smaller Cities

Pleasanton  
San Leandro  
Newark

Wanted a four director trigger and/or  
a super-majority weighted vote

County felt that a 3 director trigger is a fair compromise

# Policy Consideration #3

## Voting Process (continued)

**If each agency joins, then the voting shares would be weighted as follows:**

Oakland	24.88%
Fremont	16.18%
Hayward	10.11%
Berkeley	8.48%
Pleasanton	6.55%
San Leandro	6.40%
Unincorporated	6.37%

Livermore	6.17%
Union City	4.30%
Dublin	3.68%
Newark	3.20%
Emeryville	2.52%
Albany	0.71%
Piedmont	0.41%

# Policy Consideration #4

## Supermajority Votes

### Draft JPA:

Authorized amendments by a **2/3 vote** and any amendments to the voting provisions by a **3/4 vote**.

### Council's concern:

- **3/4 supermajority vote** is too high
- A **2/3 vote** strikes appropriate balance between significant representation of member agencies and does not make it too difficult to amend voting provisions

# Policy Consideration #4

## Supermajority Votes

**No changes were made by county staff or board of supervisors.**

# Policy Consideration #5

## Conditions to Join *After* Launch

If agency joins *after* launch, then:

**1** Authority could charge a “membership fee”

**2** Admission would be voted upon

**3** Authority could impose “any condition”

### Council’s concern:

- No ceiling for “membership fee”
- Ambiguity regarding “any condition”



# Policy Consideration #5

## Conditions to Join *After* Launch

If agency joins *after* launch, then:

**1** Authority could charge a “membership fee”

**2** Admission would be voted upon

**3** Authority could impose “any condition”

### County's response:

- No agency design fee to be paid to capture future costs
- No other agency imposed condition”



# Questions?



# Recent Additions to the JPA

## Business Plan requirement

Describe how CCA will foster local job creation and community energy programs



To be adopted within eight months



Govern first five years of operation





# Recent Additions to the JPA

## Business Plan requirement

### Category 1

Describe how

to be adopted  
within eight  
months

Govern first five  
years of operation

### Category 1

Eligible,  
renewable  
energy produced  
in California



# Recent Additions to the JPA

## Two clauses relating to labor

Authority shall remain neutral if employees or subcontractors wish to unionize



Ensure a “just transition” from workers in existing jobs to new jobs





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