



# Monterey County

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## Board Report

Legistar File Number: 17-0130

February 14, 2017

**Introduced:** 2/2/2017

**Version:** 1

**Current Status:** Scheduled PM

**Matter Type:** General Agenda Item

Receive a report on status of governance discussions related to the Monterey Bay Community Power Proposal; and provide direction to staff as appropriate.

### RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Receive a report on status of governance discussions related to the Monterey Bay Community Power Proposal; and,
- b. Provide direction to staff as appropriate

### SUMMARY:

Monterey Bay Community Power (MBCP) is a proposed regional Community Choice Energy (CCE) initiative for local jurisdictions to form a Joint Powers Authority (JPA) to purchase renewable energy to provide enhanced energy sustainability and lower greenhouse gas emissions. The MBCP proposal currently includes the Counties of Monterey, Santa Cruz, and San Benito, and the 18 cities within their boundaries.

On January 31, 2017, the Monterey County Board of Supervisors received a staff report on the MBCP proposal and received recommendations from the Alternative Energy and Environment (AEE) Committee.

After discussion, the Board of Supervisors took the following actions and requested staff to return to the Board on February 14:

1. Directed staff to return to discussions with the MBCP working group and to communicate the Board of Supervisors' position supporting a governance structure that provides the County of Monterey with two seats on the proposed JPA Policy Board or other population-based voting structure.
2. Expressed the Board of Supervisors' willingness to be a credit guarantor for the County of Monterey portion of the credit guarantee, as well as to cover the credit guarantee for the cities in Monterey County initially, subject to specific agreements with the cities to reimburse the County of Monterey for the cities' portions of the credit guarantee.

Pursuant to the Board's direction, staff is working to meet with executive staff from participating jurisdictions to discuss the Board's direction regarding governance structure. Staff will provide a verbal update on the outcomes of these discussions and will seek further direction from the Board of Supervisors at the February 14, 2017 meeting.

### OTHER AGENCY INVOLVEMENT:

The Auditor-Controller, CAO Budget & Analysis Division, CAO- Intergovernmental and Legislative Affairs Division, and County Counsel have been involved in the MBCP

investigation, discussion, and formation of recommendations. In addition, staff has had extensive discussion regarding the MBCP proposal with the City of Salinas, other Monterey County cities, and jurisdictions within, and including Santa Cruz County and San Benito County.

FINANCING:

Due to the timing of the requested action, if the Board of Supervisors agrees to proceed with the adoption of the JPA Agreement and CCE Ordinance, the Board will be doing so without full knowledge of the County's final credit guarantee requirements or whether funds will need to be sequestered for the credit guarantee. The exact amount of the loan for start-up costs, the terms of the loan, and Monterey County's portion of the credit guarantee will be determined once the JPA is formed and the selected bank has made a proposal. The loan for start-up costs will be up to \$3 million.

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