RESOLUTION TO ENSURE THE ALAMEDA COUNTY CCA JOINT POWERS AGREEMENT CONTAINS WORKER FRIENDLY LANGUAGE SUPPORTING UNION JOBS AND THE LOCAL ECONOMY February 2016

WHEREAS, in 2002, the California Legislature passed and Governor Gray Davis signed AB 117 creating the Community Choice Aggregation (CCA) concept which permits the procurement of electricity by local governments for its residents and businesses; and

WHEREAS, California's Renewables Portfolio Standard (RPS), first established in 2002, accelerated in 2006 and broadly expanded in 2011 and extended further in 2015, is the single most ambitious and effective renewable energy standards in the country; and

WHEREAS, in 2002, AB 117 created Community Choice Aggregation (CCA), which permits the procurement of electricity by local governments for its residents and businesses; and

WHEREAS, the Alameda Labor Council has previously passed a Resolution in support of a Worker Friendly CCA agency which calls for the inclusion of local renewable energy projects to benefit local workers and the local economy (See attached Exhibit); and

WHEREAS, under California law, electric utilities, electric service providers and community choice aggregators must increase procurement from eligible renewable energy resources to 50% of total procurement by 2030; and

WHEREAS, under California law, designated State Agencies must implement rules to direct electric utilities, community choice aggregators, public agencies and private builders to increase the energy efficiency in the residential, commercial and industrial sectors by 50% by 2030. This means Californians must double the energy efficiency in homes, businesses and factories by 2030; and

WHEREAS, Governor Jerry Brown is calling for increasingly greater use of clean fuels and electric vehicles to reduce greenhouse gas emissions associated with the transportation sector, thereby increasing demand for electricity; and

WHEREAS, the continued high demand for renewable energy is creating opportunities for work in the development of new renewable energy through the building of renewable energy generation facilities in California and the Labor community is united in providing as much of this work to union members as is possible; and

WHEREAS, State policy is to generate as much renewable energy as possible. Existing CCA agencies and CCA proponents have made extensive use of Renewable Energy Certificates (RECs) to misrepresent the actual content of renewable energy. RECS are not energy – they are financial instruments and they do create renewable energy, reduce greenhouse gas emissions or promote green jobs. Even past proponents of RECs, such as the City and County of San Francisco, have acknowledged that RECs are not desirable as part of a true clean energy program: and

WHEREAS, energy that is truly renewable and green is generated from California solar, wind, small hydro-electric or other state certified green power sources; and

WHEREAS, current CCAs seek to attract customers by promising construction of local renewable energy projects, jobs to local workers and advertising the source of their energy. Currently, energy can be marketed to consumers by CCAs as "green" or "clean" even if that power comes from out of state and is not actually renewable or greenhouse gas emissions free; and

WHEREAS, current CCAs have implemented Joint Powers Agreements without any commitments to local jobs, local renewable energy projects or generating and procuring real, clean power; and

WHEREAS, the Alameda Labor Council is committed to promoting the increased procurement and production of truly renewable or greenhouse gas emissions free sources of energy by local union workers.

THEREFORE, BE IT RESOLVED, that the Alameda Labor Council hereby urges the Alameda Board of Supervisors and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Newark, Oakland, Piedmont, Pleasanton, San Leandro and Union City to adopt the attached principles for inclusion in the Joint Powers Agreement of the Alameda County Community Choice Energy agency; and

BE IT FURTHER RESOLVED, the Alameda Labor Council urges the same government jurisdictions above to adopt the attached principals for any energy marketed as "clean" or "green" by the Alameda County CCE that plans to market to their residents: and

BE IT FURTHER RESOLVED, the Alameda Labor Council will oppose the efforts of any existing or proposed Alameda CCE entity, unless these principles are adopted and applied because "going green" should benefit local communities by creating good local jobs and promoting real clean energy.

Principles for Worker Friendly Implementation of a Community Choice Aggregation Agency

When considering whether to adopt a CCA model, Alameda County and all potential city jurisdictions shall include the following language in their Joint Powers Agreement:

- 1. Whether procured directly by the Alameda CCE, in partnership with another entity or using any other method, any renewable generation procured after the initial startup shall be constructed under a Project Labor Agreement with the local building trades' council.
- 2. The Alameda CCE's resource plan will emphasize development of new renewable resources from proven developers in Alameda and adjacent counties and strictly limit the use of nonrenewable energy sources that are recognized under the California RPS to the amount permitted as "Qualified Renewable Resource."
- 3. The Alameda CCE's resource plan will integrate supply-side resources with programs that will help customers reduce their energy costs through improved energy efficiency and other demand-side measures. As part of its integrated resource plan, Alameda CCA will actively pursue, promote and ultimately administer a variety of customer energy efficiency programs that can cost-effectively displace supply-side resources. Alameda CCE shall provide work associated energy efficiency programs under a Project Labor Agreement with the local building trades' council.

- 4. Determination of whether adoption of a CCA will result in negative impacts for employees of the incumbent utility (including layoffs, work hour reductions, etc.)
- 5. Determination of whether the proposed CCA (and its subcontractors, if any) offer wages, fringe benefits and job protections that are similar to those offered by the displaced utility to employees in comparable job classifications.
- 6. Whether the proposed CCA (and it subcontractors, if any) have agreed to remain neutral in the event its employees wish to unionize."

Principles for Transparent Marketing by the New Alameda CCE Agency

In order to ensure the greatest transparency for consumers and the greatest opportunity for workers to benefit from local clean energy production jobs, the Alameda Labor Council has determined that the following Principles must be adopted by the Alameda County CCE entity.

1. Energy Identification – The Alameda County CCE will inform customers of the percentage of renewable as well as the percentage of renewable and greenhouse-gas-free electricity offered. Power may be labeled as "clean" or "green" if it comes from renewable energy generated from solar, wind and other eligible renewable energy resources in California and defined by California law in the Public Utilities Code as Category 1.

2. RECs – Because they only represent the environmental attributes of renewable energy and not actual energy, <u>Renewable Energy Certificates</u>, or RECs, are used to "cover" dirty fossil fuel power and RECs are not "clean" or "green" power. Power content that includes voluntary RECs misleads the public and should not be marketed as "clean" or "green."

3. Communication to Consumers – The Alameda CCE will send at least three written notices to potential customers, and each notice will include a description of the percentage of the power mix that comes from California solar, wind, small hydro-electric or other state certified green power sources, as well as the source of non-renewable energy, including whether it is sourced from California.

Adopted by the Alameda Labor Council Executive Committee Feb. 5, 2016 & Delegates Feb. 8, 2016

Respectfully,

Josie Camacho

Josie Camacho Executive Secretary-Treasurer Alameda Labor Council, AFL-CIO

F:EST/2016.Resolution.CCA JPA 2016.07.25.16