



Staff Report

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**File #:** 21-0785

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**REQUEST FOR CITY COUNCIL ACTION**

**DATE:** 09/01/2021

**TO:** Honorable Mayor and City Council Members

**FROM:** Utilities Department

**SUBJECT:**

Resolution approving and attesting to the veracity of the 2020 Power Source Disclosure Program Annual Report and associated Power Content Label to the California Energy Commission for the year ending December 31, 2020.

**EXECUTIVE SUMMARY:**

For compliance under the California Energy Commission regulation, all Publicly Owned Utilities' governing bodies are required to approve and attest to the veracity of the Power Source Disclosure Program Annual Reports and the associated Power Content Label by October 1<sup>st</sup> of each year.

**RECOMMENDED ACTION:**

**That the City Council** adopt Resolution No. 2021-103, approving and attesting to the veracity of the 2020 Power Source Disclosure Program Annual Report and associated Power Content Label to the California Energy Commission for the year ending December 31, 2020.

**BACKGROUND & HISTORY:**

The requirement of this process was initiated by Senate Bill 1305 (SB 1305) in 1997 to ensure that all retail suppliers of electricity disclose to consumers the sources of energy used to provide the electric service in an accurate, reliable, and easy to understand manner. The SB 1305 Report is commonly referred to as the Power Source Disclosure (PSD) Report. The Utilities Department, previously the Department of Water and Power, submits an annual PSD Report to the California Energy Commission (CEC) by June 1<sup>st</sup> each year. The information contained in this report is used to prepare the annual Power Content Label (PCL), which is provided to our customers by October 1<sup>st</sup> of each year by posting the PCL on the City's website and the CEC's website.

**ANALYSIS:**

In 2017, the CEC regulation implemented by SB 1305 was amended by Assembly Bill 162, and the changes became retroactive effective to October 31, 2016. The changes included a provision that requires utilities to engage a third-party certified public accountant to perform an audit to verify the specific purchases, resales, and self-consumption of energy by fuel type. The regulation includes an exemption from the audit requirement for publicly owned electric utilities if the governing board of the utility, at a public meeting, approves and attests to the veracity of the data contained in the PSD Report and PCL.

The aforementioned audit exemption can only be applied to one electric service product offered by the utility; any additional products are required to go through an auditing process to satisfy the audit requirement. In the City of Corona's case, this means that the standard power mix can be approved by the City Council, as described above.

The annual PSD Report for Calendar Year 2020 was submitted to the CEC in June 2021, along with an associated staff attestation form. The 2020 PCL was posted on the City's website per the CEC regulations. The attached Resolution No 2021-103 approves the annual PSD Report and PCL submission. Further, it provides the attestation to the veracity of both the PSD Report and PCL as required for exemption from the third-party audit requirement for the City's standard power mix.

Adoption of Resolution No. 2021-103 will enable the City to comply with the CEC regulation implemented by SB 1305.

**FINANCIAL IMPACT:**

There is no fiscal impact associated with this item.

**ENVIRONMENTAL ANALYSIS:**

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This action approves and attests to the veracity of the 2020 Power Source Disclosure Program Annual Report and associated Power Content Label. Therefore, no further environmental review is required.

**PREPARED BY:** CURTIS SHOWALTER, ADMINISTRATIVE MANAGER IV

**REVIEWED BY:** TOM MOODY, GENERAL MANAGER

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**Attachments:**

1. Exhibit 1 - Resolution No. 2021-103