



CITY OF ORLAND STAFF REPORT MEETING DATE: November 19, 2024

TO: Economic Development Commission Members

FROM: Pete Carr, City Manager

SUBJECT: **Consideration of Recommendation that City of Orland Co-fund an Assessment Study to Determine the Feasibility of the City Joining Pioneer JPA (Discussion/Direction)**

BACKGROUND:

Community Choice Aggregator (CCA) programs allow local governments to procure electricity generation on behalf of residents and businesses on the wholesale market, while still utilizing transmission and distribution services from existing utility providers like PG&E.

Pioneer Community Energy (Pioneer) is a Joint Powers Authority (JPA) serving El Dorado and Placer Counties, and cities of Auburn, Colfax, Grass Valley, Lincoln, Loomis, Nevada City, Placerville, and Rocklin. Pioneer is partnering with Butte County, Sutter County, Chico, Oroville, Paradise, Yuba City, Live Oak, Tuolumne County, Nevada County and Sonora for an October 2027 launch of service. Glenn County, Orland, and Willows, could be considered for this same timeline.

Pioneer works within its service territory to offer local power purchase agreements, economic development and energy efficiency programs. Pioneer asserts that it prioritizes rate payer savings and local control, working to provide competitive electricity rates with a discount below PG&E rates.

ANALYSIS:

Pioneer's Board is interested in expanding into Glenn County and will fund half the cost of the \$30,000 assessment study for Glenn County, Orland, and Willows to determine the feasibility of joining the Pioneer JPA. The remaining \$15,000 would be split equitably among the County, Orland, and Willows, if each chooses to participate.

To begin the process, Glenn County, Orland, Willows, and Pioneer would jointly commission and share the cost of an Impact Assessment Study that determines the financial feasibility of joining a JPA. The study will define projected rates and projected power supply costs at the time of proposed service launch into Glenn County.

The Pioneer leadership team also explained the many potential benefits to the residents and businesses in the new member service territories.

The benefits include:

- **Stable and Competitive Rates** – Pioneer reports that, from 2018 through 2023, its customers have saved \$85 million, with an additional \$21 million in anticipated savings in 2024.

- **Local Control** – As a member of the JPA, the County will have one seat on the Pioneer board of directors. This person is appointed by the board. All meetings are open to the public.
- **Legislative & Regulatory Influence & Advocacy** –Pioneer is an advocate for the member agency residents and businesses by working with the State Legislature, the California Public Utilities Commission (CPUC) and PG&E on behalf of customer interests and concerns. Additionally, Pioneer is a strong advocate of biomass, which the county also supports.
- **Local Jobs and Power Supply Resources** – Pioneer supports local business by prioritizing the procurement of power through power contracts, as well as non-power contracts and purchases. The opportunities of the CCA may offer an economic edge in business attraction to Orland.
- **Programs** – With input from Pioneer’s Community Advisory committee, comprised of individuals from throughout their service area, Pioneer is developing and launching programs that meet the unique needs of the communities it serves. These include rebate and incentive programs, access to a solar + battery program, a local feed-in tariff/BioMAT (bioenergy market adjusting) program, and an agricultural flexible irrigation pilot program.

Once the results of the Impact Assessment Study are received, a more fully informed determination can be made about joining Pioneer and the optimal timing for service launch. Time is of the essence; a local determination to co-fund an assessment study must be made by Dec 3 in order to get the proposal to the Pioneer Board’s December meeting for a possible October 2027 start-up.

<https://pioneercommunityenergy.org/>

Attachments (2):

1. Pioneer Community Energy Fact Sheet
2. Pioneer CCA FAQ (frequently asked questions)

RECOMMENDATION:

Staff recommends that the Commission recommend to the City Council that the co-fund an Impact Assessment Study to determine the financial feasibility and timing of Orland joining Pioneer Community Energy’s JPA.

FISCAL IMPACT OF RECOMMENDATION:

A shared cost of \$15,000 split equitably between Orland, Glenn County, and Willows.