



CITY OF BUELLTON

CITY COUNCIL AGENDA

**Regular Meeting of July 26, 2018 – 6:00 p.m.
City Council Chambers, 140 West Highway 246
Buellton, California**

Materials related to an item on this agenda, as well as materials submitted to the City Council after distribution of the agenda packet, are available for public inspection in the Office of the City Clerk, located at 107 West Highway 246, during normal business hours.

CALL TO ORDER

Mayor Holly Sierra

PLEDGE OF ALLEGIANCE

ROLL CALL

Council Members Ed Andrisek, Art Mercado, Vice Mayor Dave King, and Mayor Holly Sierra

REORDERING OF AGENDA

PUBLIC COMMENTS

Speaker Slip to be completed and turned in to the City Clerk prior to commencement of meeting. Any person may address the Council on any subject pertaining to City business, including all items on the agenda not listed as a Public Hearing, including the Consent Agenda and Closed Session. Limited to three (3) minutes per speaker. By law, no action may be taken at this meeting on matters raised during Public Comments not included on this agenda. Public Speakers using a translator are allotted a total of six (6) minutes to speak, unless simultaneous translation equipment is used.

CONSENT CALENDAR

(ACTION)

The following items are considered routine and non-controversial and are scheduled for consideration as a group. Any Council Member, the City Attorney, or the City Manager may request that an item be withdrawn from the Consent Agenda to allow for full discussion. Members of the Public may speak on Consent Agenda items during the Public Comment period.

- 1. Minutes of July 12, 2018 Regular City Council Meeting**
- 2. List of Claims to be Approved and Ratified for Payment to Date for Fiscal Year 2018/19**

- 3. Monthly Treasurer’s Report – June 30, 2018**
 ❖ *(Staff Contact: Finance Director Shannel Zamora)*

PRESENTATIONS

PUBLIC HEARINGS

COUNCIL MEMBER COMMENTS/ITEMS

WRITTEN COMMUNICATIONS

Written communications are included in the agenda packets. Any Council Member, the City Manager, or City Attorney may request that a written communication be read into the record.

COMMITTEE REPORTS

This Agenda listing is the opportunity for Council Members to give verbal Committee Reports on any meetings recently held for which the Council Members are the City representatives thereto.

BUSINESS ITEMS

(POSSIBLE ACTION)

- 4. Presentation by the County of Santa Barbara on Community Choice Energy and Strategic Energy Planning and Direction to Staff about City Participation in these Programs**
 ❖ *(Staff Contact: City Manager Marc Bierdzinski)*
- 5. Ordinance No. 18-02 – “An Ordinance of the City Council of the City of Buellton, California, Repealing Municipal Code Chapter 9.08 and Adding Municipal Code Chapter 19.20 Regarding Commercial Cannabis Activities and Cannabis Cultivation” (Second Reading)**
 ❖ *(Staff Contact: City Manager Marc Bierdzinski)*

CITY MANAGER’S REPORT

ADJOURNMENT

The next meeting of the City Council will be held on Thursday, August 9, 2018 at 6:00 p.m.

CITY OF BUELLTON

CITY COUNCIL MEETING MINUTES

Regular Meeting of July 12, 2018

City Council Chambers, 140 West Highway 246
Buellton, California

CALL TO ORDER

Mayor Sierra called the meeting to order at 6:00 p.m.

PLEDGE OF ALLEGIANCE

ROLL CALL

Present: Council Members Ed Andrisek and Art Mercado, Vice Mayor Dave King and Mayor Holly Sierra

Staff: City Manager Marc Bierdzinski, Public Works Director Rose Hess, City Attorney Steve McEwen, Finance Director Shannel Zamora, Planning Director Andrea Keefer, Lt. Eddie Hsueh, and City Clerk Linda Reid

PUBLIC COMMENTS

Steve Lykken, Buellton, thanked staff for having Caltrans sweep Highway 246 and requested that staff contact Caltrans to clean the right-of-way. Mr. Lykken also requested that the City clean up the Avenue of Flags before the rededication in September. Mr. Lykken provided a handout for the record.

Debbie Oquist, Buellton, stated that the City should fund development on the Avenue of Flags and not a parking lot on Central Avenue and Second Street.

Kathy Vreeland, representing the Buellton Visitors Bureau and Chamber of Commerce stated that the new branding and marketing campaign will be unveiled on Thursday, July 26 at 11:30 a.m. at Parks Plaza Theater. Ms. Vreeland provided a handout for the record regarding the event.

Richard Kusmitch, Buellton, spoke about the noise coming from businesses along Industrial Way and possible solutions.

Dawn Dunn from Santa Barbara County Public Health discussed smoking regulations for outdoor restaurant areas and provided a handout for the record.

CONSENT CALENDAR

1. **Minutes of June 28, 2018 Regular City Council Meeting**
2. **List of Claims to be Approved and Ratified for Payment to Date for Fiscal Year 2017/18**
3. **Designation of Voting Delegate and Alternate for 2018 League of California Cities Annual Conference Business Meeting**
4. **Monthly Treasurer’s Report – May 31, 2018**
5. **Quarterly Report for January 1, 2018 through March 31, 2018 from Visit Santa Ynez Valley (VisitSYV)**
6. **City of Buellton’s Response to Santa Barbara County Grand Jury Report “Pensions in Santa Barbara County”**

MOTION:

Motion by Council Member Andrisek, seconded by Vice Mayor King approving Consent Calendar Items 1 through 6 as listed.

VOTE:

Motion passed by a roll call vote of 4-0.

Council Member Andrisek – Yes

Council Member Mercado – Yes

Vice Mayor King – Yes

Mayor Sierra – Yes

PRESENTATIONS

None

PUBLIC HEARINGS

7. **Ordinance No. 18-02 – “An Ordinance of the City Council of the City of Buellton, California, Repealing Municipal Code Chapter 9.08 and Adding Municipal Code Chapter 19.20 Regarding Commercial Cannabis Activities and Cannabis Cultivation” (Introduction and First Reading)**

RECOMMENDATION:

That the City Council consider the introduction and first reading of Ordinance No. 18-02.

STAFF REPORT:

City Manager Bierdzinski presented the staff report.

DISCUSSION:

The City Council discussed cannabis deliveries in Buellton and how regulations would be enforced.

Mayor Sierra opened the public hearing at 6:33 p.m.

Mary Conway, representing Santa Ynez Valley Youth Coalition, thanked the City Council for being proactive in bringing Ordinance No. 18-02 forward for adoption.

There being no further public comment, Mayor Sierra closed the Public Hearing at 6:38 p.m.

DOCUMENTS:

Staff report with attachments as listed in the staff report.

MOTION:

Motion by Council Member Mercado, seconded by Vice Mayor King approving Ordinance No. 18-02 – “An Ordinance of the City Council of the City of Buellton, California, Repealing Municipal Code Chapter 9.08 and Adding Municipal Code Chapter 19.20 Regarding Commercial Cannabis Activities and Cannabis Cultivation” by title only and waive further reading.

VOTE:

Motion passed by a roll call vote of 4-0.

Council Member Andrisek - Yes

Council Member Mercado – Yes

Vice Mayor King – Yes

Mayor Sierra – Yes

COUNCIL MEMBER COMMENTS/ITEMS

Council Member Mercado requested that the City perform code enforcement regarding property maintenance, including trash accumulation.

Council Member Andrisek complimented the clean-up progress on the property located at 46 East Highway 246.

The City Council agreed by consensus to agendaize discussion of City Manager responsibilities at the August 9 Council meeting.

Mayor Sierra requested that the service flags on the Avenue of Flags be replaced.

Mayor Sierra thanked the Solvang Rotary for allowing her and her grandchildren to participate in the Fourth of July Parade.

Mayor Sierra thanked the Sheriff’s department for their diligent hard work.

Council Member Andrisek recognized Lt. O'Grady for his promotion to Commander.

The City Council agreed by consensus to modify the outdoor smoking ordinance.

Vice Mayor King questioned whether the City is under drought restrictions. Public Works Director Hess stated the City is not currently under drought restrictions.

The City Council agreed by consensus to agendaize appointment of an Ex-Officio Member to the Buellton Chamber of Commerce Board of Directors.

WRITTEN COMMUNICATIONS

None

COMMITTEE REPORTS

Vice Mayor King stated that he, Mayor Sierra, and Council Member Andrisek attended the League of California Cities Executive Forum in Monterey and that it was a great event.

Mayor Sierra announced that she attended the Santa Barbara County Association of Governments meeting and provided an oral report for the record.

BUSINESS ITEMS

8. Visitor's Bureau Proposed Fiscal Year 2018-19 Budget and Request for Additional Funding

RECOMMENDATION:

That the City Council receive the Buellton Visitor's Bureau Fiscal Year 2018-19 Budget and provide direction on their request for additional funding.

DISCUSSION:

Kathy Vreeland, representing the Buellton Visitors Bureau and Chamber of Commerce provided a PowerPoint presentation regarding their budget and request for additional funding and she provided handouts for the record.

The City Council discussed the following issues:

- Need for more detail regarding budget requests, including proposed staffing
- Additional backup data needed for requested increase
- Add past fiscal year data to proposed Visitors Bureau's 2018-19 Budget

Peggy Brierton, Buellton, stated that the City Council needs more detail before they provide additional funding to the Visitors Bureau. Ms. Brierton stated that additional funding would be better spent on City improvements such as the Avenue of Flags development.

DOCUMENTS:

Staff report with attachments as listed in the staff report.

DIRECTION:

The City Council agreed by consensus not to approve additional funding for the Visitors Bureau at this time and requested they bring back a more detailed budget for consideration and review.

9. Approval of Storage Improvements at City Hall**RECOMMENDATION:**

That the Council authorize the City Manager to implement the storage improvements at City Hall for a not to exceed cost of \$27,400, and amend the 2018/19 FY budget by this amount at the next budget adjustment.

STAFF REPORT:

Public Works Director Hess presented the staff report.

DISCUSSION:

The City Council discussed the following issues:

- Who will be doing the improvements
- Will the storage unit meet fire code standards

DOCUMENTS:

Staff report with attachments as listed in the staff report.

MOTION:

Motion by Council Member Andrisek, seconded by Vice Mayor King authorizing the City Manager to implement the storage improvements at City Hall for a not to exceed cost of \$27,400, and amend the 2018/19 FY budget by this amount at the next budget adjustment.

VOTE:

Motion passed by a roll call vote of 4-0.

Council Member Andrisek - Yes

Council Member Mercado – Yes

Vice Mayor King – Yes

Mayor Sierra – Yes

CITY MANAGER'S REPORT

City Manager Bierdzinski provided an informational report to the City Council.

ADJOURNMENT

Mayor Sierra adjourned the regular meeting at 8:10 p.m. The next regular meeting of the City Council will be held on Thursday, July 26, 2018 at 6:00 p.m.

Holly Sierra
Mayor

ATTEST:

Linda Reid
City Clerk

CITY OF BUELLTON
City Council Agenda Staff Report

City Manager Review: MPB
Council Agenda Item No.: 2

To: The Honorable Mayor and City Council

From: Shannel Zamora, Finance Director

Meeting Date: July 26, 2018

Subject: List of Claims to be Approved and Ratified for Payment to Date for Fiscal Year 2018/19

BACKGROUND

Staff is required to submit a check register to the City Council for approval every council meeting for the most recently completed check register (Attachment 1).

The check register for the period 7/4/2018 through 7/18/2018 has been prepared in accordance to Government Code 37202 and City Code 3.08.070. The check register lists all vendor payments for the specified period above, along with claimant's name, a brief description of the goods or service purchased, amount of demand, check number, check date and the account number(s) associated with each payment.

The total amount of checks, 7/4/2018 through 7/18/2018, and electronic fund transfers issued for the period of 7/3/2018 through 7/17/2018 was \$600,986.14.

FISCAL IMPACT

Payments made to the various vendors were consistent with the approved City's Biennial Budget for FY 2017/18 and FY 2018/19. Cash is available for the payment disbursements of the above liabilities.

RECOMMENDATION

That the City Council review and accept the check register for the period 7/4/2018 through 7/18/2018.

ATTACHMENTS

Attachment 1 – Claims

ATTACHMENT 1

CONSOLIDATED CLAIMS DISBURSEMENT

BACK-UP/SUPPORT DATA IS AVAILABLE FOR COUNCIL REVIEW IN CITY HALL

The following is a list of claims to be ratified and approved for payment by the City Council at the **July 26, 2018** Council Meeting.

Listed below is a brief summary of the attached claims:

EXHIBIT A *	A/P Packet #APPKT00801	153,035.00
	A/P Packet #APPKT00800	42,428.34
	A/P Packet #APPKT00795	65,193.05
	A/P Packet #APPKT00794	84,696.85
	Total A/P Packets:	<u>\$345,353.24</u> (9 pages)

Total Packets: \$345,353.24

EXHIBIT B \$210,965.28

Staff Payroll 7/6/2018 44,667.62

Total Payroll: \$44,667.62

TOTAL AMOUNT OF CLAIMS: \$600,986.14

* The A/P Packets above will be approved on Council Agenda date of 07/26/2018
 Checks to be signed on 07/26/2018 tie to A/P Packet #APPKT00801
 Checks previously signed by staff to avoid late fees relate to:
 A/P Packet # APPKT00794, APPKT00795 and APPKT00800

88 7/18/18

Payments via Electronic Fund Transfer (EFT):
From 07/03/2018 through 07/17/2018

CalPERS - Medical	7/3/2018	19,633.44
The Hartford	7/5/2018	554.43
CalPERS - Classic - UL	7/9/2018	164,981.00
CalPERS - Classic	7/9/2018	6,158.39
CalPERS - PEPRA - UL	7/9/2018	5,945.00
Payroll Tax - EDD	7/9/2018	2,723.07
CalPERS - PEPRA	7/9/2018	2,556.42
Payroll Tax - IRS	7/9/2018	7,751.08
AFLAC	7/17/2018	662.45

Total

210,965.28



Check Report - APPKT#'s 000794, 000795, 00800 and 00801

City of Buellton, CA

By Payment Number

Payment Dates 07/04/2018 - 07/18/2018

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
36512	7/11/2018	000326	MNS ENGINEERS, INC.			82,134.35
	70410	4/1-30/2018 - City Engineer/Public W		025-554-60800		4,135.00
	70411	4/1-30/2018 - City/Transportation Pl		029-557-60800		3,872.50
	70412	4/1-30/2018 - City/Easement Mappin		020-601-60830		480.00
	70413	4/1-30/2018 - City/Sewer Network		005-701-60830		502.50
	70414	4/1-30/2018 - City Storm Water Mgm		001-551-60800		8,701.85
	70415	4/1-30/2018 - City/Update Water		020-601-60830		1,020.00
	70416	4/1-30/2018 - City/Misc Planning Sup		001-565-60830		175.00
	70417	4/1-30/2018 - Crossroads Cntr@Villa		001-22416	90010-070	420.00
	70418	4/1-30/2018 - PedSftyImprvmnts-Hw		092-306-60800		10,615.00
	70419	4/1-30/2018 - Nghbrhd Park @ the Vi		001-22416	90017-070	300.00
	70420	4/1-30/2018 - Hampton Inn		001-22416	90019-070	1,325.00
	70421	4/1-30/2018 - Flying Flags RV Resort		001-22416	90040-070	295.00
	70422	4/1-30/2018 - Backflow Prevention P		020-601-60830		6,875.00
	70423	4/1-30/2018 - Village Townhomes		001-22416	90021-070	1,350.00
	70424	4/1-30/2018 - Industrial Way Street L		092-311-60800		1,137.50
	70425	4/1-30/2018 - Fig Mtn Brewery Expan		001-22416	90037-070	720.00
	70426	4/1-30/2018 - Calor ADA Sidewalk		092-313-60800		2,630.00
	70427	4/1-30/2018 - 2017/18 Rd Maint & Ci		092-316-60800		2,170.00
	70590	5/1-31/2018 - City Engineer/Public W		025-554-60800		612.50
	70591	5/1-31/2018 - City/Transportation Pl		029-557-60800		5,965.00
	70592	5/1-31/2018 - City/Sewer Network		005-701-60830		437.50
	70593	5/1-31/2018 - City Storm Water Man		001-551-60800		12,092.50
	70594	5/1-31/2018 - City/Update Water		020-601-60830		360.00
	70595	5/1-31/2018 - City/Misc Planning Sup		001-565-60830		612.50
	70596	5/1-31/2018 - Crossroads Cntr @the		001-22416	90010-070	120.00
	70597	5/1-31/2018 - PedSfty Imprvmnts/H		092-306-60800		4,025.00
	70598	5/1-31/2018 - Nghbrhd Park @the Vil		001-22416	90017-070	120.00
	70599	5/1-31/2018 - Flying Flags RV Resort		001-22416	90040-070	410.00
	70600	5/1-31/2018 - Backflow Prevention P		020-601-60830		4,500.00
	70601	5/1-31/2018 - Village Townhomes		001-22416	90021-070	360.00
	70602	5/1-31/2018 - Industrial Way Street L		092-311-60800		2,012.50
	70603	5/1-31/2018 - Fig Mtn Brewery Expan		001-22416	90037-070	300.00
	70604	5/1-31/2018 - Road Maint & City-wid		092-316-60800		3,482.50
36515	7/11/2018	001111	TETRA TECH, INC.			2,562.50
	51322891	Engineering Svcs -> 5/25/2018 - Encr		025-557-60800		656.25
	51322892	Engineering Svcs ->5/25/2018 - Tow		001-22416	90021-070	781.25
	51322893	Engineering Svcs->5/25/2018 - 73 In		001-22416	90037-070	656.25
	51322894	Engineering Svcs ->5/25/2018 - 35 Z		001-22416	90050-070	125.00
	51322895	Engineering Svcs ->5/25/2018 - 270 I		001-22416	80000-070	343.75
36516	7/11/2018	000005	ABALONE COAST ANALYTICAL, INC.			1,154.40
	4191	June 2018 - Chemicals/Analysis		005-701-61111		576.90
	4191	June 2018 - Chemicals/Analysis		020-601-61111		32.50
	4196	June 2018 - Chemicals/Analysis		020-601-61111		545.00
36517	7/11/2018	000820	ACWA/JPIA			3,194.89
	0562454	August 2018 - Dental/Vision/EAP Pre		001-401-50400		548.18
	0562454	August 2018 - Dental/Vision/EAP Pre		001-402-50400		115.02
	0562454	August 2018 - Dental/Vision/EAP Pre		001-403-50400		69.02
	0562454	August 2018 - Dental/Vision/EAP Pre		001-420-50400		313.14
	0562454	August 2018 - Dental/Vision/EAP Pre		001-511-50400		431.91
	0562454	August 2018 - Dental/Vision/EAP Pre		001-558-50400		565.87

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
	0562454	August 2018 - Dental/Vision/EAP Pre		001-565-50400		182.14
	0562454	August 2018 - Dental/Vision/EAP Pre		005-701-50400		484.81
	0562454	August 2018 - Dental/Vision/EAP Pre		020-601-50400		484.80
36518	7/11/2018	000019	AMERICAN INDUSTRIAL PIPE & SUPPLY			393.78
	0317313-CM	3/26/2018 - Return Tool for Credit		005-701-61127		-13.13
	0320485-IN	6/25/2018 Misc Maint/Repair Items		005-701-60250		406.91
36519	7/11/2018	000076	CAL-COAST IRRIGATION, INC.			18.52
	1807-524647	7/2/2018 - WWTP - Maint/Repair Par		005-701-60250		18.52
36520	7/11/2018	000077	CAL-COAST MACHINERY, INC			111.50
	484127	6/22/2018 - Vehicle Repair Parts		001-558-60270		111.50
36521	7/11/2018	000712	CALIF MUNICIPAL TREASURER'S ASSOC.			155.00
	INV0009431	2018-19 CMTA Membership Renewal		001-420-60650		155.00
36522	7/11/2018	000090	CalPERS LONG-TERM CARE PROGRAM			84.25
	12386031	7/1-7/15/2018 CalPERS - LT Care - EE		001-22166		84.25
36523	7/11/2018	000800	CARR'S BOOT SHOP, INC. dba			543.78
	4288	6/22/2018 - Uniforms		001-558-67600		198.70
	4289	6/22/2018 Uniforms		001-558-60131		253.30
	4316	6/26/2018 - Uniforms		005-701-60131		91.78
36524	7/11/2018	000088	CCI CENTRAL, INC.			180.12
	INST099018	6/26/2018 - Ink Cartridge - Postage		001-410-61130		180.12
36525	7/11/2018	001285	ChargePoint, Inc.			1,000.00
	38856	4/2017-3/5/2019 - Elec Stn - NtWrk S		001-410-60800		1,000.00
36526	7/11/2018	000105	CITY OF BUELLTON			1,909.16
	INV0009430	5/25-6/25/2018 - Irrigation - 595 2nd		001-552-61211		1,909.16
36527	7/11/2018	000112	CLARK PEST CONTROL			159.00
	22230496	6/23/2018 PD/LIB - Pest Control		001-558-60800		159.00
36528	7/11/2018	000118	COASTAL COPY, INC.			182.82
	799200	6/1-6/30/2018 - REC - Copy Overage		001-511-61130		182.82
36529	7/11/2018	000122	COMCAST CABLE			236.01
	INV0009437	6/29-7/28/2018 - WWTP - Internet S		005-701-60210		236.01
36530	7/11/2018	000138	D.L. ELECTRIC, INC.			96.50
	18-344/2	6/20/2018 - AOF - Light Repairs		001-558-60250		96.50
36531	7/11/2018	000142	DANIEL FITZGERALD dba			960.00
	INV0009442	June 2018 - Monthly Janitorial Servic		001-558-60800		960.00
36532	7/11/2018	001204	Dave King			259.54
	INV0009427	6/27-30/2018 - LOCC Executive Foru		001-401-60710		259.54
36533	7/11/2018	001172	DESSIE REED			16,569.00
	INV0009446	6/30/2018 - REFUND - Withdrawn Ap		005-44120		5.00
	INV0009446	6/30/2018 - REFUND - Withdrawn Ap		006-44115		3,728.00
	INV0009446	6/30/2018 - REFUND - Withdrawn Ap		020-44120		5.00
	INV0009446	6/30/2018 - REFUND - Withdrawn Ap		020-44220		410.00
	INV0009446	6/30/2018 - REFUND - Withdrawn Ap		021-44115		2,955.00
	INV0009446	6/30/2018 - REFUND - Withdrawn Ap		024-47010		466.00
	INV0009447	17-ZC-43 - REFUND - WITHDRAWN A		075-22415		9,000.00
36534	7/11/2018	000172	ECHO COMMUNICATIONS			115.95
	INV0009438	06/2018-Msg Service & 07/2018-Ans		001-558-60800		38.65
	INV0009438	06/2018-Msg Service & 07/2018-Ans		005-701-60800		38.65

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
	INV0009438	06/2018-Msg Service & 07/2018-Ans		020-601-60800		38.65
36535	7/11/2018 86X00004	000598 June 2018 - Bio Solid - Waste Handlin	ENGEL & GRAY, INC.	005-701-60800		6,838.87 6,838.87
36536	7/11/2018 32153	000187 6/28/2018 - Supplies	FARM SUPPLY COMPANY	005-701-61127		106.66 106.66
36537	7/11/2018 W17053	000649 6/27/2018 - Install 4 New Floats	FLUID RESOURCE MANAGEMENT, INC.	005-701-60250		650.00 650.00
36538	7/11/2018 7711	000203 6/20/2018 - CH - VAC Maintenance	Gary Brown Service & Repair, Inc.	001-558-60800		360.00 360.00
36539	7/11/2018 INV0009432 INV0009433	000228 6/27-30/2018 - LOCC - Executive Foru 5/17&6/21/2018 - SBCAG Meetings	HOLLY SIERRA	001-401-60710 001-401-60710		1,130.74 1,034.60 96.14
36540	7/11/2018 INV0009439	000813 June 2018 Misc Maint/Repair Item	HOME DEPOT CREDIT SERVICES	005-701-61140		71.16 71.16
36541	7/11/2018 1707.1-010 1707.1-010	000812 6/1-30/2018 - Prof Services - Hawkey 6/1-30/2018 - Planning - Professional	KOSMONT & ASSOCIATES, INC.	001-22416 001-565-60800	90057-070	1,310.40 630.00 680.40
36542	7/11/2018 57410	000286 July2018 - Advertisement - RFP: City	LEAGUE OF CALIFORNIA CITIES	001-410-60022		950.00 950.00
36543	7/11/2018 2018-0703-buel 2018-0703-buel	000835 June 2018 - Prof Services - City Plann June 2018 - Prof Services - City Plann	METRO VENTURES LTD	001-22416 001-565-60800	90052-070	7,371.00 162.00 7,209.00
36544	7/11/2018 INV0009441 INV0009441 INV0009441 INV0009441	000941 6/28/2018 - Uniforms 6/28/2018 - Uniforms 6/28/2018 - Uniforms 6/28/2018 - Uniforms	MICHAEL J. GREEN	001-558-60131 001-558-67600 020-601-60131 020-601-67600		463.69 129.24 102.60 129.25 102.60
36545	7/11/2018 CF12863	000324 6/21/2018 - Misc Maint/Repair Items	MISCO WATER CO.	020-601-60250		373.52 373.52
36546	7/11/2018 INV0009445	000059 June 2018 - Misc Maint/Repair	MOTOR PRODUCTS INC. dba	005-701-60270		199.73 199.73
36547	7/11/2018 INV0009429	000365 7/1/2018 - REFUND - RVP Security De	PEOPLE HELPING PEOPLE	001-22510		100.00 100.00
36548	7/11/2018 1252833	000861 6/21/2018 - BL#6601973 - Chemicals	POLYDYNE INC.	005-701-61111		1,202.49 1,202.49
36549	7/11/2018 83616331	000380 6/21/2018 - Cylinder Rental	PRAXAIR DISTRIBUTION, INC.	005-701-61111		49.99 49.99
36550	7/11/2018 119157 119157 119157	000382 6/27/2018 Misc Supplies 6/27/2018 Misc Supplies 6/27/2018 Misc Supplies	PROCARE JANITORIAL SUPPLY, INC.	001-552-61140 001-558-61140 005-701-61140		609.46 359.58 213.31 36.57
36551	7/11/2018 18F0029022365 18F0029022381 18F0029154614	000032 5/27-6/26/2018 - CH - Water Service 5/27-6/26/2018 - LIB/CC - Water Serv 5/27-6/26/2018 - Planning - Water Se	READY REFRESH BY NESTLE	001-410-60800 001-410-60800 001-410-60800		150.48 86.10 40.45 23.93
36552	7/11/2018 INV0009448	001287 7/7/2018 - REFUND - RVP DEPOSIT	ROBERT FERMIN	001-22510		100.00 100.00

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
36553	7/11/2018	000438	SANTA YNEZ VALLEY HARDWARE			237.28
	INV0009443	June 2018 - Maint/Repair		001-511-60250		23.69
	INV0009443	June 2018 - Maint/Repair		001-511-67135		46.81
	INV0009443	June 2018 - Maint/Repair		001-558-60250		7.10
	INV0009443	June 2018 - Maint/Repair		001-558-60250		24.54
	INV0009443	June 2018 - Maint/Repair		005-701-60250		82.94
	INV0009443	June 2018 - Maint/Repair		005-701-61140		45.22
	INV0009443	June 2018 - Maint/Repair		020-601-60250		6.98
36554	7/11/2018	000706	SATCOM GLOBAL, INC.			50.40
	A107180056	->6/30/2018 - Satellite SIM Card # 88		001-410-60014		50.40
36555	7/11/2018	000436	SB CO PUBLIC WORKS DEPARTMENT			672.00
	INV0009428	FY2018-2019 - Green Business Progr		001-410-60900		672.00
36556	7/11/2018	000450	SB CO SHERIFF'S DEPARTMENT			898.07
	18-334	June 2018 - Motorcycle Services		001-501-60800		898.07
36557	7/11/2018	000465	SP MAINTENANCE SERVICES, INC.			2,516.50
	66842	June 2018 - Street Sweeping Services		001-558-60800		2,516.50
36558	7/11/2018	000161	STATE OF CALIFORNIA - DOJ			32.00
	313977	June 2018 - Fingerprinting		001-402-60022		32.00
36559	7/11/2018	000681	STATEWIDE SAFETY & SIGNS, INC.			28.24
	03010393	7/2/2018 Misc Maint/Repair Items		001-558-60560		28.24
36560	7/11/2018	000887	TAPIA'S TREE SERVICE INC			3,150.00
	368	6/25/2018 - Tree Trimming		005-701-60250		3,150.00
36561	7/11/2018	000507	THE GAS COMPANY			0.89
	INV0009435	5/23-6/22/2018 - COC - Utility Gas Se		001-510-61230		0.89
36562	7/11/2018	000507	THE GAS COMPANY			19.37
	INV0009434	5/24-6/25/2018 - CH - Utility Gas Ser		001-510-61230		19.37
36563	7/11/2018	000507	THE GAS COMPANY			15.78
	INV0009436	5/24-6/25/2018 - LIB/CCC - Utility Ga		001-510-61230		15.78
36564	7/11/2018	001188	The Hankering Corporation			83.51
	73668	6/29/2018 - Business Cards - A Keefer		001-565-61130		83.51
36565	7/11/2018	000521	TODD PIPE & SUPPLY			79.26
	INV0009444	June 2018 - Maint/Repair		001-552-60258		21.64
	INV0009444	June 2018 - Maint/Repair		001-558-60250		6.01
	INV0009444	June 2018 - Maint/Repair		005-701-60250		23.08
	INV0009444	June 2018 - Maint/Repair		020-601-60250		28.53
36566	7/11/2018	001071	Tractor Supply Co			30.43
	INV0009440	June 2018 - Misc Maint/Repair		001-552-61140		10.76
	INV0009440	4/20/2018 - Misc Items		001-558-60900		2.99
	INV0009440	June 2018 - Misc Maint/Repair		020-601-61140		9.15
	INV0009440	June 2018 - Maint/Repair Items		020-601-61140		7.53
36567	7/11/2018	000535	UNDERGROUND SERVICE ALERT			28.15
	620180069	June 2018 - New Tckt Chrgs/Mnthly D		005-701-60800		14.08
	620180069	June 2018 - New Tckt Chrgs/Mnthly D		020-601-60800		14.07
36568	7/11/2018	000904	US BANK EQUIPMENT FINANCE			482.34
	360666622	6/20-7/20/2018 - Planning - Copier L		001-565-60310		482.34
36569	7/11/2018	000543	USA BLUEBOOK INC			733.59
	611526	6/28/2018 Maint/Repair Items		005-701-60250		733.59

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
36570	7/11/2018 1744190496	001067 6/14/2018 - CCMtng - Conference Cal	WEST.COM	001-401-60900		35.54 35.54
36571	7/11/2018 54884217 54884217 54884217 54884217	000768 JUNE 2018 - Fuel Charges JUNE 2018 - Fuel Charges JUNE 2018 - Fuel Charges JUNE 2018 - Fuel Charges	WEX BANK	001-511-61280 001-558-61280 005-701-61280 020-601-61280		2,820.29 1,227.18 531.03 531.04 531.04
36572	7/11/2018 313	001176 FY2018-2019 - Grant - Non-Profit	Zaca Center Preschool, Inc.	001-410-67200		3,917.00 3,917.00
36573	7/18/2018 INV0009452 INV0009452	000028 June 2018 - Mats/Towels Service June 2018 - Mats/Towels Service	ARAMARK UNIFORM SERVICES INC	001-558-60800 005-701-60800		413.16 330.53 82.63
36574	7/18/2018 INV0009450	000063 Mar-Jun2018 - Qtrly Disbursement - F	BUELLTON UNION SCHOOL DISTRICT	001-511-67140		450.00 450.00
36575	7/18/2018 801589 801590	000118 6/16-7/15/2018 - CH-HR #3571-Copie 6/18-7/17/2018 - CH - Copier Overag	COASTAL COPY, INC.	001-410-61130 001-410-61130		620.34 26.24 594.10
36576	7/18/2018 127751	000280 7/5/2018 - Plng - NtcofPblcHrng - Res	LEE CENTRAL COAST NEWSPAPERS	001-565-60520		172.92 172.92
36577	7/18/2018 127025	000280 6/28/2018 - COB - NtcofPblcHrng - Or	LEE CENTRAL COAST NEWSPAPERS	001-403-60520		161.64 161.64
36578	7/18/2018 30196636	000669 7/3/2018 - USPO - Pest Control	O'CONNOR & SONS dba	001-558-60800		105.00 105.00
36579	7/18/2018 INV0009451 INV0009451 INV0009451 INV0009451 INV0009451 INV0009451 INV0009451 INV0009451 INV0009451 INV0009451	000352 6/5-7/4/2018 - Electrical Service 6/5-7/4/2018 - Electrical Service	P G & E	001-410-61241 001-501-61241 001-510-61241 001-550-61241 001-552-61241 001-556-61241 001-565-61241 005-701-61241 020-601-61241		31,638.68 707.03 251.54 252.40 5,065.84 420.33 84.61 193.32 9,412.60 15,251.01
36580	7/18/2018 0146768	001168 6/1-6/30/2018 - CH - Shredding - WO	The DocuTeam	001-410-60900		27.00 27.00
36581	7/18/2018 9810507234 9810507234 9810507234 9810507234 9810507234	000556 7/9-8/8/2018 - Wireless Phone Billing 7/9-8/8/2018 - Wireless Phone Billing 7/9-8/8/2018 - Wireless Phone Billing 7/9-8/8/2018 - Wireless Phone Billing 7/9-8/8/2018 - Wireless Phone Billing	VERIZON WIRELESS	001-410-67705 001-511-61290 001-558-67705 005-701-67705 020-601-67705		526.81 66.72 39.32 123.50 124.19 173.08
36582	7/18/2018 INV821140 INV821140 INV821140 INV821140 INV821140 INV821140 INV821140 INV821140 INV821140 INV821140	001207 June 2018 - FSA/AFLAC Admin Fees June 2018 - FSA/AFLAC Admin Fees	WAGeworks INC.	001-401-50400 001-402-50400 001-403-50400 001-420-50400 001-511-50400 001-558-50400 001-565-50400 005-701-50400 020-601-50400		141.00 21.69 10.85 10.85 18.52 19.25 17.35 9.45 16.52 16.52

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
36583	7/18/2018 46379	000677 -> 6/30/2018 - Prof Svcs - COB REG C	WALLACE GROUP	005-701-60800		8,171.79 8,171.79
36584	7/18/2018 180716-001 180716-001	000258 7/03/2018 - UB - Blank Forms 7/03/2018 - UB - Blank Forms	JOHN P. SUREY dba	005-701-61130 020-601-61130		603.15 301.57 301.58
36585	7/18/2018 INV0009449	000441 FY2018-2019 - Regional Water Efficie	SB CO - PUBLIC WORKS DEPT	001-551-67575		2,619.00 2,619.00
36586	7/18/2018 19-008	000450 July 2018 - Contract Services	SB CO SHERIFF'S DEPARTMENT	001-501-60800		148,850.00 148,850.00
36587	7/18/2018 03010466	000681 7/11/2018 - Ord# 03013313 - Signs	STATEWIDE SAFETY & SIGNS, INC.	092-316-74100		333.60 333.60
36588	7/18/2018 ARINV105278	000529 June 2018 - Merchant Fees (4139980	TRANSFIRST HEALTH & GOVERNMENT SVCS	001-410-60900		276.44 276.44
36589	7/18/2018 025-228828 025-228828	000862 4/1-6/30/2018 - Subscription - UB No 4/1-6/30/2018 - Subscription - UB No	TYLER TECHNOLOGIES, INC.	005-701-60210 020-601-60210		12.00 6.00 6.00
36590	7/18/2018 68572692	001063 August 2018 - CH - Copier Rental	Wells Fargo Vendor Fin Serv	001-410-60310		340.81 340.81
Payment Total:						345,353.24

Report Summary

Fund Summary

Fund	Payment Amount
001 - General Fund	221,218.91
005 - Sewer Fund	34,636.17
006 - Wastewater Capital	3,728.00
020 - Water Fund	31,701.81
021 - Water Capital	2,955.00
024 - Traffic Mitigation Fund	466.00
025 - Gas Tax Fund	5,403.75
029 - Transportation Planning	9,837.50
075 - Trust & Agency Fund	9,000.00
092 - Capital Improvement Proj Fund	26,406.10
Grand Total:	345,353.24

Account Summary

Account Number	Account Name	Payment Amount
001-22166	Long-Term Care Deducti	84.25
001-22416	Developer Deposit	8,418.25
001-22510	Park/Damage Charge	200.00
001-401-50400	Medical Benefit	569.87
001-401-60710	Travel & Training	1,390.28
001-401-60900	Miscellaneous	35.54
001-402-50400	Medical Benefit	125.87
001-402-60022	Recruitment Expense	32.00
001-403-50400	Medical Benefit	79.87
001-403-60520	Advertising - Legal	161.64
001-410-60014	Emergency Operations	50.40
001-410-60022	Recruitment Expense	950.00
001-410-60310	Equipment Rental	340.81
001-410-60800	Contract Services	1,150.48
001-410-60900	Miscellaneous/CalPERS	975.44
001-410-61130	Office Supplies	800.46
001-410-61241	Utilities - Electric	707.03
001-410-67200	Community Organizatio	3,917.00
001-410-67705	Telephone	66.72
001-420-50400	Medical Benefit	331.66
001-420-60650	Membership & Publicati	155.00
001-501-60800	Contract Services	149,748.07
001-501-61241	Utilities - Electric	251.54
001-510-61230	Utilities - Gas	36.04
001-510-61241	Utilities - Electric	252.40
001-511-50400	Medical Benefit	451.16
001-511-60250	Maintenance/Repair	23.69
001-511-61130	Office Supplies	182.82
001-511-61280	Fuel-Vehicles	1,227.18
001-511-61290	Telephone/Internet	39.32
001-511-67135	Buellton Rec Program Tr	46.81
001-511-67140	Buellton Recreation Pro	450.00
001-550-61241	Utilities - Electric	5,065.84
001-551-60800	Contract Services	20,794.35
001-551-67575	Regulatory Compliance	2,619.00
001-552-60258	Maintenance/Repair-Riv	21.64
001-552-61140	Operational Supplies	370.34
001-552-61211	Utilities - Water	1,909.16
001-552-61241	Utilities - Electric	420.33
001-556-61241	Utilities - Electric	84.61
001-558-50400	Medical Benefit	583.22
001-558-60131	Laundry / Uniforms	382.54
001-558-60250	Maintenance / Repair	134.15

Account Summary

Account Number	Account Name	Payment Amount
001-558-60270	Maintenance - Vehicles	111.50
001-558-60560	Signs	28.24
001-558-60800	Contract Services	4,469.68
001-558-60900	Miscellaneous	2.99
001-558-61140	Operational Supplies	213.31
001-558-61280	Fuel - Vehicles	531.03
001-558-67600	Safety Equipment	301.30
001-558-67705	Telephone	123.50
001-565-50400	Medical Benefit	191.59
001-565-60310	Equipment Rental	482.34
001-565-60520	Advertising - Legal	172.92
001-565-60800	Contract Services	7,889.40
001-565-60830	Contract Services-Engine	787.50
001-565-61130	Office Supplies	83.51
001-565-61241	Utilities - Electric	193.32
005-44120	Set-Up Fees	5.00
005-701-50400	Medical Benefit	501.33
005-701-60131	Laundry / Uniforms	91.78
005-701-60210	Computer Maintenance	242.01
005-701-60250	Maintenance / Repair	5,065.04
005-701-60270	Maintenance - Vehicles	199.73
005-701-60800	Contract Services	15,146.02
005-701-60830	Contract Services-Engine	940.00
005-701-61111	Chemicals / Analysis	1,829.38
005-701-61127	Tools	93.53
005-701-61130	Office Supplies	301.57
005-701-61140	Operational Supplies	152.95
005-701-61241	Utilities - Electric	9,412.60
005-701-61280	Fuel - Vehicles	531.04
005-701-67705	Telephone	124.19
006-44115	Connection Fees	3,728.00
020-44120	Set-Up Fees	5.00
020-44220	Meter Service Installatio	410.00
020-601-50400	Medical Benefit	501.32
020-601-60131	Laundry / Uniforms	129.25
020-601-60210	Computer Maintenance	6.00
020-601-60250	Maintenance / Repair	409.03
020-601-60800	Contract Services	52.72
020-601-60830	Contract Services-Engine	13,235.00
020-601-61111	Chemicals / Analysis	577.50
020-601-61130	Office Supplies	301.58
020-601-61140	Operational Supplies	16.68
020-601-61241	Utilities - Electric	15,251.01
020-601-61280	Fuel - Vehicles	531.04
020-601-67600	Safety Equipment	102.60
020-601-67705	Telephone	173.08
021-44115	Connection Fees	2,955.00
024-47010	Traffic Mitigation Fees	466.00
025-554-60800	Contract Services	4,747.50
025-557-60800	Contract Services	656.25
029-557-60800	Contract Services	9,837.50
075-22415	Const & Demo Material	9,000.00
092-306-60800	Contract Services	14,640.00
092-311-60800	Contract Services	3,150.00
092-313-60800	Contract Services	2,630.00
092-316-60800	Contract Services	5,652.50
092-316-74100	Improvements	333.60
	Grand Total:	345,353.24

Project Account Summary

Project Account Key	Payment Amount
None	336,934.99
80000-070	343.75
90010-070	540.00
90017-070	420.00
90019-070	1,325.00
90021-070	2,491.25
90037-070	1,676.25
90040-070	705.00
90050-070	125.00
90052-070	162.00
90057-070	630.00
Grand Total:	345,353.24

CITY OF BUELLTON
City Council Agenda Staff Report

City Manager Review: MPB
Council Agenda Item No.: 3

To: The Honorable Mayor and City Council

From: Shannel Zamora, Finance Director

Meeting Date: July 26, 2018

Subject: Monthly Treasurer's Report – June 30, 2018

BACKGROUND

California Government Code Section 53646(b)(3) provides mandatory investment reporting requirements for California public agencies. The attached Treasurer's Report complies with the State's reporting requirement.

On June 8, 2017, Council adopted the current Investment Policy per Resolution 17-10 which states the City Finance Director, as the investment officer, must submit monthly reports to City Council to demonstrate that sufficient cash flow liquidity is available to meet the succeeding month's estimated expenditures.

This Treasurer's Report is for June 30, 2018. Treasurer's Reports are presented on a monthly basis.

FISCAL IMPACT

There is no fiscal impact; this report is intended to show the City Council the financial performance of the City's investment portfolio of idle funds.

RECOMMENDATION

That the City Council receive and file the Treasurer's Report for the month ending in June 30, 2018.

ATTACHMENTS

Attachment 1 – Monthly Treasurer's Report – June 30, 2018



City of Buellton

City of Buellton

Monthly Treasurer's Report

As of June 30, 2018

July 26, 2018

This report presents the City's cash activity and investment portfolio as of June 30, 2018. The report includes:

- 1) Cash and investments at June 30, 2018 compared to the prior month;
- 2) A reconciliation of cash and investments to City ledger balances;
- 3) All investments managed by the City on its own behalf;
- 4) Beginning of year fund balance, revenues, expenditures and ending fund balance for each fund at June 30, 2018

The following schedule is a summary of the City's cash and investments based on recorded value as of June 30, 2018 compared with the prior month.

	June 30, 2018	May 31, 2018
Cash	\$ 3,732,099.14	\$ 3,502,160.05
Investments held by the City	9,235,617.85	9,235,793.37
TOTAL CASH AND INVESTMENTS	\$ 12,967,716.99	\$ 12,737,953.42

Summary of activity for the Month and Future Liquidity: The majority of the difference in the recorded value for cash and investments held by the City from last month is a result of the receipt of sales tax for the month of April 2018. The portfolio is sufficiently liquid to meet expected expenditures for the coming six months.

The following schedule is a reconciliation of Cash and Investments to City ledger:



Pooled Cash Report

City of Buellton, CA
For the Period Ending 6/30/2018

ACCOUNT #	ACCOUNT NAME	5/31/2018 BALANCE	CURRENT ACTIVITY	6/30/2018 BALANCE
CLAIM ON CASH				
001-10000	Claim On Pooled Cash	7,566,523.97	(93,233.96)	7,473,290.01
005-10000	Claim On Pooled Cash	1,381,713.03	(22,200.32)	1,359,512.71
006-10000	Claim on Pooled Cash	185,152.49	-	185,152.49
020-10000	Claim On Pooled Cash	1,963,188.54	109,833.12	2,073,021.66
021-10000	Claim on Pooled Cash	288,163.73	-	288,163.73
023-10000	Claim On Pooled Cash	477,681.64	-	477,681.64
024-10000	Claim On Pooled Cash	30,502.38	-	30,502.38
025-10000	Claim On Pooled Cash	275,235.23	13,003.43	288,238.66
027-10000	Claim On Pooled Cash	12,289.41	162,744.42	175,033.83
029-10000	Claim On Pooled Cash	6,645.92	25,000.00	31,645.92
031-10000	Claim On Pooled Cash	412,871.24	(11,228.22)	401,643.02
072-10000	Claim on Pooled Cash	-	-	-
075-10000	Claim On Pooled Cash	226,766.21	4,926.25	231,692.46
090-10000	Claim On Pooled Cash	-	-	-
091-10000	Claim On Pooled Cash	-	-	-
092-10000	Claim On Pooled Cash	(88,780.37)	(3,748.77)	(92,529.14)
TOTAL CLAIM ON CASH		<u>12,737,953.42</u>	<u>185,095.95</u>	<u>12,923,049.37</u>
CASH IN BANK				
Cash in Bank				
999-10001	Pooled Cash - General Checking	3,490,474.53	228,589.50	3,719,064.03
999-10002	Pooled Cash - Money Market	205,921.07	32.73	205,953.80
999-10003	Pooled Cash - FSA	11,685.52	1,349.59	13,035.11
999-10004	Pooled Cash - Brokerage	299,762.00	(534.00)	299,228.00
999-10005	Pooled Cash - LAIF	8,186,378.49	-	8,186,378.49
999-10006	Pooled Cash - Morgan Stanley	543,731.81	325.75	544,057.56
TOTAL: Cash in Bank		<u>12,737,953.42</u>	<u>229,763.57</u>	<u>12,967,716.99</u>
Wages Payable				
999-21000	Wages Payable	-	(44,667.62)	(44,667.62)
TOTAL: Wages Payable		<u>-</u>	<u>(44,667.62)</u>	<u>(44,667.62)</u>
TOTAL CASH IN BANK		<u>12,737,953.42</u>	<u>185,095.95</u>	<u>12,923,049.37</u>

Per Statements:	6/30/2018
Rabobank General Checking	3,821,666.39
Rabobank Money Market	205,953.80
Rabobank FSA	13,035.11
Local Agency Investment Fund	8,186,378.49
Multi-Securites Bank	299,228.00
Morgan Stanley	544,057.56
Total Cash per Statements:	13,070,319.35

Claim on Cash vs. Total Cash Per Statements:	(102,602.36)
Outstanding items per System Reconciliation	(102,602.36)
Difference:	0.00

**City of Buellton
Investment Summary**

June 30, 2018

As of June 30, 2018

	Percent of Portfolio	Yield	Maturity Term	Maturity Date	Par Value	Market Value
Local Agency Investment Fund - LAIF	88.56%	1.71%	n/a	n/a	\$8,186,378.49	\$ 8,186,378.49
Certificates of Deposits (Held with Morgan Stanley)						
Wells Fargo Bank NA	2.69%	2.25%	5 yrs.	8/16/2022	249,000.00	238,525.82
Goldman Sachs Bank	2.16%	2.75%	2 yrs.	5/11/2020	200,000.00	200,757.17
City National Bank	1.11%	2.20%	1 yr.	5/24/2019	\$ 103,000.00	\$ 103,095.80
Morgan Stanley - Cash in Holding						\$ 1,678.77
Certificates of Deposits (Held with Multi-Securities Bank)						
Morgan Stanley Bank	1.08%	2.90%	3 yrs.	5/10/2021	100,000.00	99,795.00
JPMorgan Chase Bank	1.08%	3.05%	4 yrs.	5/16/2022	100,000.00	99,792.00
Sallie Mae Bank	1.08%	3.20%	5 yrs.	5/9/2023	100,000.00	99,641.00
Money Market (Held with Rabobank)	2.23%	0.20%		n/a	205,953.80	205,953.80
Total City Investments	<u>100.00%</u>	<u>3.65%</u>			<u>\$9,244,332.29</u>	<u>\$ 9,235,617.85</u>

Currently, short-term excess cash is primarily invested in the Local Agency Investment Fund (LAIF) administered by the State Treasurer. This is a high quality investment available in terms of safety, liquidity, and yield. Due to fluctuations in the marketplace, the City may have some investments with a current market value that is greater or less than the recorded value. This difference has no effect on investment yield as the City intends to hold the securities to maturity. However, generally accepted accounting principles require that market gains and losses be reported as interest earnings or losses at year-end.

The following is a fund balance schedule showing beginning fund balance at July 1, 2017 plus revenues minus expenditures for the period, resulting in ending fund balance at June 30, 2018. Fund balance includes total assets and liabilities of the City.



City of Buellton, CA

Fund Balance Report

As Of 06/30/2018

Fund	July 1, 2017 Balance	Total Revenues	Total Expenses	June 30, 2018 Balance
001 - General Fund	6,879,205.82	7,089,052.88	6,322,841.25	7,645,417.45
005 - Sewer Fund	3,486,396.62	1,100,506.58	1,092,412.22	3,494,490.98
006 - Wastewater Capital	81,915.55	114,241.20	-	196,156.75
020 - Water Fund	5,638,674.38	2,485,527.09	1,698,611.14	6,425,590.33
021 - Water Capital	142,456.80	183,251.72	-	325,708.52
023 - Housing Fees	476,537.26	3,144.35	1,999.97	477,681.64
024 - Traffic Mitigation Fund	12,648.71	17,387.67	-	30,036.38
025 - Gas Tax Fund	353,635.43	132,253.86	360,326.76	125,562.53
027 - Local Transportation Fund	49,453.33	168,242.15	46,621.65	171,073.83
029 - Transportation Planning	(132,106.10)	42,998.92	36,340.00	(125,447.18)
031 - Measure A	210,042.53	353,580.77	492,793.84	70,829.46
075 - Trust & Agency Fund	2,145.00	1,496.95	-	3,641.95
090 - Long Term Debt	(2,524,366.00)	-	-	(2,524,366.00)
091 - General Fixed Assets	17,240,627.54	-	-	17,240,627.54
092 - Capital Improvement Proj Fund	-	1,444,109.15	1,444,109.15	-
	31,917,266.87	13,135,793.29	11,496,055.98	33,557,004.18

As required by Government Code Section 53646 (b) (3), the chief officer for the City declares that there is sufficient funds to meet all obligations for the next six months.

Shannel Zamora

Shannel Zamora
Finance Director

CITY OF BUELLTON
City Council Agenda Staff Report

City Manager Review: MPB
Council Agenda Item No.: 4

To: The Honorable Mayor and City Council

From: Marc Bierdzinski, City Manager

Meeting Date: July 26, 2018

Subject: Presentation by the County of Santa Barbara on Community Choice Energy and Strategic Energy Planning and Direction to Staff about City Participation in these Programs

BACKGROUND

Jennifer Cregar, Project Supervisor, County of Santa Barbara Energy and Sustainability Initiative, will be making a presentation on Community Choice Energy (CCE) and Strategic Energy Planning (SEP). Attachment 1 is an information sheet on these programs, Attachment 2 is a CCE Feasibility Study, and Attachment 3 is a power point presentation.

CCE Program

Attachment 2 outlines the results of a feasibility study assessing the viability of CCE for Santa Barbara County. The study shows that a CCE program serving the incorporated and unincorporated parts of the county can offer cleaner electricity at a slight cost savings to PG&E and SCE. The County Board of Supervisors (on July 17) and the City Councils of Carpinteria (on July 23), Goleta (on July 17), and Santa Barbara (on July 17) will be voting on whether to form a jointly run CCE program. If Buellton is interested in participating, the City would have to join a Joint Powers Authority starting with a resolution of intention.

Staff has the following concerns/questions that the Council should take into consideration on CCE:

- The City would be placed in an electrical utility position. The City does not have the expertise in this type of endeavor
- There are no guarantees that the CCE is any more reliable or that it is a “cleaner” power per the market, policy, and customer risks and uncertainties
 - Energy prices may be higher than expected
 - Exit fee charges are unknown
 - Potentially more competitive markets through Direct Access
 - Need for greater time spent on oversight
 - Customers may opt out at a higher rate than expected
 - Distributed energy resources may cut into sales

- The potential savings is only \$11-\$51 per year. Is this worth the effort of a JPA for the City and its residents?

SEP Program

If the City desires to participate in the SEP program, a Memorandum of Understanding (MOU) would need to be approved between the County and interested cities to share the services of a consultant who is helping us analyze clean energy development opportunities throughout the county. Currently, the County and the Cities of Carpinteria and Goleta are parties to the MOU. The County has authorized \$150,000 towards the study. If Buellton would like to join, the proportionate financial contribution from each Cooperating Partner will be updated. The County estimates Buellton's share at roughly \$6,500 to \$12,000 based on relative land area and population.

Staff has the following concerns/questions that the Council should take into consideration on SEP:

- City does not have the funds to supply start-up costs. In addition, we do not have funds for all the additional administrative costs involved with its operation
- The entire project, including the feasibility study is at a cost to the City
- PG&E has been working on their own reliability projects and alternative energy sources (they too have been gaining on the solar end). For the City, site specific back up/alternative power projects at critical facilities may be an option for the future, but should the City rely on PG&E or the SEP Program?

FISCAL IMPACTS

CCE – staff and Council time to participate in the JPA. Unknown future costs to the City and its residents.

SEP – Initial cost of \$6,500 to \$12,000 to prepare the study. Unknown costs in the future.

RECOMMENDATION

Staff recommends that the City Council receive the presentation and direct staff on City participation in these projects.

ATTACHMENTS

- Attachment 1 – Information Sheet
- Attachment 2 – CCE Feasibility Study
- Attachment 3 – Power Point



Community Choice Energy and Strategic Energy Planning Opportunities

June 2018

Community Choice Energy (CCE)

CCE enables local governments to purchase or generate power for their communities and set the rates charged to customers. The existing utility—PG&E in North County and SCE in South County—continues to deliver the electricity purchased by the CCE provider and provide metering, billing, and other customer service. **CCE does not replace the utility.**

A new feasibility study looking only at Santa Barbara County indicates that a **CCE program serving all or part of Santa Barbara County can offer cleaner electricity at a comparable rate to PG&E and SCE.** If all eight cities participate, **North County residents could see energy bill savings of \$11 to \$51 per year.**

The Board of Supervisors will consider CCE on July 17, 2018. **If the Board of Supervisors votes to pursue a CCE program in partnership with other cities, all cities will be invited to form a joint powers authority to develop and oversee the CCE program.** Participating cities may be asked to share in the start-up costs. **County staff is available to present to your City Council and interested stakeholders.**

Strategic Energy Planning

The County is engaging a consultant to identify opportunities to cost-effectively develop clean energy resources and jobs throughout the county. All cities are invited to participate to develop a countywide Clean Energy Roadmap. The project will:

- (1) analyze clean energy opportunities across public and private properties countywide;
- (2) identify high-priority sites for inclusion in a Clean Energy Roadmap outlining policy, financial, and programmatic mechanisms for stimulating clean energy development; and
- (3) (optional) submit funding applications to develop clean energy projects on public properties.

Participating cities are asked to contribute to the cost of the study. The contract amount is divided into a base price, to be split proportionally among participating jurisdictions based on size with the County paying the largest share, and optional add-on services to be paid for separately by each jurisdiction. **The estimated base price for Buellton and Solvang is \$6,500 to \$12,000.***

Optional services for additional cost to be borne by the requesting jurisdiction include:

- Inclusion of additional sites for deeper technical and economic analysis (\$2,900 each)
- Presentation by consultant to City Council (\$2,400)
- Preparation and submission of funding applications (\$3,600 each)

Participating cities will sign a memorandum of understanding with the County and form a Clean Energy Working Group to share best practices and identify future opportunities for collaboration.

* Final contribution amount will depend on the number of cities participating and additional services requested.

Memorandum

To: Jennifer Cregar, Co-Division Chief, Sustainability, County of Santa Barbara

From: Pacific Energy Advisors, Inc.

Subject: Community Choice Aggregation Technical Study

Date: May 25, 2018

Executive Summary

This Community Choice Aggregation (CCA) Technical Study (Study) was prepared for the County of Santa Barbara (SBC or the County), by Pacific Energy Advisors, Inc. (PEA) under contract with SBC, for purposes of determining the potential feasibility of forming a CCA program within Santa Barbara County. Such a program would provide electric generation service to residential, business and government customers located within Santa Barbara County. Three prospective membership configurations were assessed: 1) all Santa Barbara County, which included unincorporated areas of the County as well as each municipality located therein (the All-County Configuration, or Scenario 1); 2) only the unincorporated areas of Santa Barbara County (the Unincorporated County-Only Configuration, or Scenario 2); and 3) only the City of Santa Barbara (the City-Only Configuration, or Scenario 3). Under each membership configuration, three distinct supply scenarios were evaluated, each reflecting varying levels of greenhouse gas (GHG)-free energy¹ supply and associated costs.

Based on the analyses conducted during this Study, PEA concludes that SBC would likely have several electric supply options that would yield competitive customer rates compared to the incumbent investor-owned utilities (IOUs), Pacific Gas and Electric (PG&E) and Southern California Edison (SCE) (see Exhibits 2-4). The All-County Configuration offered the greatest potential for the increased use of GHG-free energy at competitive electric rates, while the City-Only Configuration is projected to be the most financially challenging. To the extent that increased amounts of renewable energy² and hydroelectricity are used in place of conventional power sources, as illustrated in the aforementioned three supply scenarios, anticipated SBC costs and related customer rates would increase, and the opportunity for savings relative to the IOUs would decrease.

Ultimately, SBC's ability to demonstrate rate competitiveness (while also offering environmental benefits) would hinge on prevailing market prices at the time of power supply contract negotiation and execution. Depending on inevitable changes to market prices and other assumptions such as IOU generation rates and exit fees (e.g., the Power Charge Indifference Adjustment (PCIA)), SBC's actual electric rates may be somewhat lower or higher than similar rates charged by the IOUs and would be expected to fall within a

¹ GHG-free electricity refers to electric energy generated from sources that do not emit (or emit very low amounts of) gases which contribute to the greenhouse effect, such as carbon dioxide, methane, and nitrous oxide. GHG-free power sources typically include RPS-eligible renewable energy and hydroelectric generating resources.

² While the U.S. Environmental Protection Agency defines hydroelectric energy of any size as a renewable energy resource, the State of California's RPS excludes large hydroelectric projects greater than or equal to 30 MW from its definition of renewable energy. Therefore, the term "renewable energy" throughout this report refers to renewable energy resources that comply with the California RPS.

competitive range needed for program viability.

Introduction

This Study addresses the potential benefits and liabilities associated with forming a CCA program over an eleven-year planning horizon (2020-2030). Projected operating results are based on a variety of factors and assumptions, including but not limited to:

- Recent wholesale energy and capacity product pricing and availability;
- The County's desired electric power portfolio composition, which is expected to include significant use of renewable energy and other GHG-free energy sources;
- Anticipated retail generation rates of SCE and PG&E, the incumbent IOUs within the County;
- Estimated PCIA rates and other surcharges, or exit fees, which are imposed on CCA customers;
- Expected financing and administrative costs of the CCA program;
- Other cost elements at the time of assessment completion; and
- PEA's extensive direct experience with many of California's operational CCA programs.³

As requested by SBC, PEA evaluated the operating feasibility of three specific CCA membership configurations: **Scenario 1**) formation of a regional CCA initiative serving all municipalities located within Santa Barbara County (unincorporated areas of the County as well as each municipality located therein); **Scenario 2**) formation of a CCA program exclusively serving customers located within the unincorporated areas of Santa Barbara County; and **Scenario 3**) formation of a CCA program exclusively serving customers located in the City of Santa Barbara (City). PEA was tasked to deliver the following items for each membership Scenario:

1. Rate comparisons for SCE and PG&E under three (3) different supply scenarios, for which the SBC project team specified the amount of renewable energy to be included - RPS tracking, 50% renewable, and 75% renewable;
2. Portfolio composition comparisons for SCE and PG&E under the three (3) aforementioned supply scenarios; and
3. Pro forma cash flow reports for SCE and PG&E under each of SBC's three (3) supply scenarios – such cash flow reports were to include detail regarding anticipated revenues and costs associated with CCA program operation, including power supply costs, administrative and overhead costs, start-up costs and planned financial reserves.

Unless otherwise noted, the term "SBC" is used throughout this document to depict all three membership Scenarios.

SBC's Prospective Customers

Currently, electric customers within SBC are served by either SCE or PG&E, depending on the geographic area in which such customers reside. Collectively, the IOUs serve approximately 150,000 combined

³ PEA has unique experience with California CCA program evaluation, development and operation, having provided broad functional support to many operational California CCAs, including Marin Clean Energy, Sonoma Clean Power, Lancaster Choice Energy, CleanPowerSF, Peninsula Clean Energy, Silicon Valley Clean Energy, Pioneer Community Energy and Monterey Bay Community Power.

electric accounts (85,377 by SCE, and 65,142 by PG&E) within all the communities of Santa Barbara County, representing a mix of residential (~85%), commercial (~13%) and agricultural (~2%) accounts.⁴ These customers consume nearly 2.6 billion kilowatt hours (“kWh”) of electric energy each year.⁵ While the majority of customers fall under the residential classification, such accounts historically consume only 26% of the total electricity delivered by the IOUs. The balance of SBC’s historical electricity sales (74% of the total) are substantially related to commercial (~32%), industrial (~30%) and agricultural (~10%) usage. Based on historical data that was evaluated during this Study, peak annual customer demand in SBC, which represents the highest level of instantaneous energy consumption during a particular year, occurred during the month of September and totaled 428 megawatts (MW), which is equivalent to the amount of electricity produced by a small combined-cycle natural gas-fired power plant. In consideration of the unique membership scenarios that are being evaluated as part of this Study, it is also noteworthy that unincorporated SBC (reflective of Scenario 2 membership) has approximately 52,000 total customer accounts served by the IOUs; such accounts consume approximately 1.3 billion total kWh annually. The City of Santa Barbara (which reflects the Scenario 3 membership configuration) has approximately 41,000 customer accounts, all of which are located within the SCE service territory, that consume approximately 400 million kWh annually.

Under CCA service, each of these accounts could be enrolled in the SBC program; the precise timing of customer enrollment phasing, if any, would be determined during the implementation period. For purposes of this study it was assumed that all customers would be enrolled during the month of January 2020, which is the earliest time that a CCA program could launch under current State regulations. Consistent with California law, customers may elect to take service from the CCA provider or remain with SCE or PG&E, a process known as “opting-out.” For purposes of the Study, PEA utilized current participatory statistics compiled by the operating CCA programs to derive an assumed participation rate of 90% for the SBC program; the remaining 10% of regional customers (not including Direct Access customers, which would not be enrolled by the CCA program for purposes of avoiding duplicative customer charges and/or contractual issues for such accounts) are assumed to opt-out of the SBC program and would continue receiving generation service from the IOUs. Customer account and energy usage projections referenced throughout this Study reflect such adjustment.

SBC’s Indicative Supply Scenarios

For purposes of the Study, SBC identified three indicative supply scenarios which were designed to test the viability of prospective CCA operations under a variety of energy resource compositions, balancing SBC’s interest in reducing GHG emissions through increased use of GHG-free electric energy sources with SBC’s desire for rate affordability.

The following supply scenarios were identified by the SBC project team for purposes of completing this CCA Study:

- **Supply Scenario 1:** RPS tracking (33% renewable energy content in 2020, annually increasing to

⁴ Prospective account totals reflect only bundled customers served exclusively by the applicable IOU and exclude Direct Access customers who procure their electricity supply from a provider other than PG&E or SCE.

⁵ Reflects bundled customer electricity usage in calendar year 2015.

50% in 2030).^{6,7}

- **Supply Scenario 2:** Constant 50% renewable energy content throughout the entirety of the study period.
- **Supply Scenario 3:** Constant 75% renewable energy content throughout the entirety of the study period.

When considering the prospective supply scenarios evaluated in this Study, SBC should understand that it is not limited to any particular scenario assessed in this Study. The Study's supply scenarios serve to demonstrate the potential operating outcomes of a new CCA program under a broad range of energy resource compositions that generally reflect key objectives of SBC. Prior to the procurement of any particular energy products, SBC would have an opportunity to refine its desired resource mix, which may differ from the prospective scenarios reflected herein.

Portfolio Composition

When considering SBC's projected portfolio composition, it is important to note that current market pricing for renewable and GHG-free power sources is becoming increasingly cost competitive when compared to conventional generating technologies. This trend has allowed for the inclusion of high proportions of GHG-free electricity within each of SBC's prospective supply scenarios while generally retaining cost competitiveness.

In calculating the portfolio composition for each supply scenario in years 1 and 11, PEA was instructed to maintain SBC's projected GHG-free energy content at a level that did not fall below similar projections for the IOUs. The GHG estimates for PG&E were significantly influenced by its ongoing use of nuclear generation, which is generally recognized as GHG-free. In particular, the Diablo Canyon Power Plant (DCPP) produces approximately 24% of the utility's total annual electric energy requirements⁸; although the facility's two reactor units will discontinue operations (in 2024 and 2025, respectively) during the latter portion of the Study period, potential sources of necessary replacement power remain unknown. Furthermore, it remains to be seen if any replacement power will be necessary at the time of DCPP closure, as increased CCA expansion throughout California has transitioned a significant portion of PG&E's historical generation service obligation to CCA providers.

⁶ Consistent with California's RPS laws, retail sellers of electric energy, including CCAs, must procure a minimum 33% of all electricity from eligible renewable energy sources by 2020; with the recent enrollment of Senate Bill 350, California's RPS procurement mandate has been increased to 50% by 2030.

⁷ Industry accepted GHG accounting practices generally recognize eligible renewable energy sources as GHG-free. However, California's ongoing implementation of Assembly Bill 1110 (Ting, 2016) will likely alter such practices, imposing a new retail-level GHG emissions calculation methodology that may eliminate the emissions benefits historically attributed to certain renewable energy products. In particular, the California Energy Commission's recent staff proposal regarding AB 1110 implementation suggests that many Bucket 2 renewable energy products and all Bucket 3 products would be ascribed a non-zero GHG emissions rate generally equivalent to system-wide purchases. Specific details regarding AB 1110 implementation remain under development and will not be finalized until later in 2018 or early 2019. Note that AB 1110 will be effective for all power purchases occurring on and after January 1, 2019. Also, under all supply scenarios, incremental purchases of non-RPS-eligible GHG-free sources, specifically electricity produced by larger hydroelectric resources (with nameplate generating capacity in excess of 30 megawatts) would be procured by SBC to achieve targeted GHG emissions reductions.

⁸ As reflected in PG&E's 2016 Power Content Label.

In substantial part, the forecasted increase in PG&E's GHG-free supply directly results from the large amount of departing load, much of which is related to CCA expansion, within its service territory. When such transitions occur, certain GHG-free generation sources within PG&E's supply portfolio, namely nuclear power plants, hydroelectric generation and certain renewable generating technologies, generally continue to operate without adjustment for such load/sales reductions. This has the effect of inducing meaningful increases in the proportion of GHG-free energy reflected within PG&E's supply mix. In fact, PG&E recently reported a significant year-over-year reduction in its portfolio GHG emissions factor for calendar year 2016, which reflects the aforementioned phenomenon. During 2016, the proportion of PG&E's supply portfolio attributable to GHG-free resources approximated 69%; in 2017, PG&E announced that its GHG-free portfolio had increased to nearly 79%⁹, which will likely translate to further reductions in the utility's emissions factor. PEA anticipates further GHG emissions reductions for PG&E as additional customers continue to depart for CCA alternatives.¹⁰ Separately, SCE's GHG-free energy content has stayed relatively flat from 2015 to 2016, but is expected to trend higher with the 2018 launch of Clean Power Alliance of Southern California (formerly known as Los Angeles Community Choice Energy) and other existing and emerging CCAs (e.g., City of Lancaster, Apple Valley Clean Energy). This noted, the IOUs have sold, and may continue to sell, some of their respective renewable energy supplies in anticipation of reduced customer sales. Depending on the magnitude of such renewable energy sales, which are contingent upon CPUC approval, the anticipated increase in GHG-free power content within each IOU's supply portfolio may be somewhat moderated.

The various energy supply components underlying each supply scenario are broadly categorized as:

- Conventional Supply (generally electric energy produced through the combustion of fossil fuels, particularly natural gas within the California energy market);
- "Bucket 1" Renewable Energy Supply (generally renewable energy produced by generating resources located within or delivering power directly to California);
- "Bucket 2" Renewable Energy Supply (generally renewable generation produced outside of California with associated energy import requirements);
- "Bucket 3" Renewable Energy Supply (environmental attributes of metered renewable energy production, conferred in the form of a renewable energy certificate (REC), which is sold separately from the electric power; Bucket 3 renewable energy is commonly produced outside of California and is colloquially referred to as an "unbundled REC"); and
- Additional GHG-Free Supply (generally power produced by regionally located hydroelectric generating facilities, which do not meet the eligibility requirements of California's RPS program – such requirements render larger hydroelectric generators in excess of 30 MW ineligible to participate in California's RPS program).

Table 1 below displays PG&E's and SCE's proportionate use of various power sources during the most recent reporting year (2016) compared with California's aggregate resource mix. During the Study period, planned increases in California's RPS procurement mandate and various other factors, including customer departures for CCA service, will contribute to periodic changes in PG&E's and SCE's noted resource mix. Such changes will affect projected GHG emissions comparisons between SBC and PG&E/SCE.

⁹ <http://www.pgecurrents.com/2018/02/20/pge-clean-energy-deliveries-already-meet-future-goals/>.

¹⁰ <http://www.pgecurrents.com/2018/03/26/independent-registry-confirms-record-low-carbon-emissions-for-pge/>.

Table 1: 2016 PG&E, SCE and California Power Mix

Energy Resource	2016 PG&E Power Mix ¹	2016 SCE Power Mix ²	2016 California Power Mix ³
Eligible Renewable	33%	28%	25%
--Biomass & Waste	4%	1%	2%
--Geothermal	5%	7%	4%
--Small Hydroelectric	3%	0%	2%
--Solar	13%	10%	8%
--Wind	8%	10%	9%
Coal	0%	0%	4%
Large Hydroelectric	12%	6%	10%
Natural Gas	17%	19%	37%
Nuclear	24%	6%	9%
Unspecified Sources of	14%	41%	15%
Total ⁴	100%	100%	100%

¹Source: PG&E 2016 Power Source Disclosure Report

²Source: SCE 2016 Power Source Disclosure Report

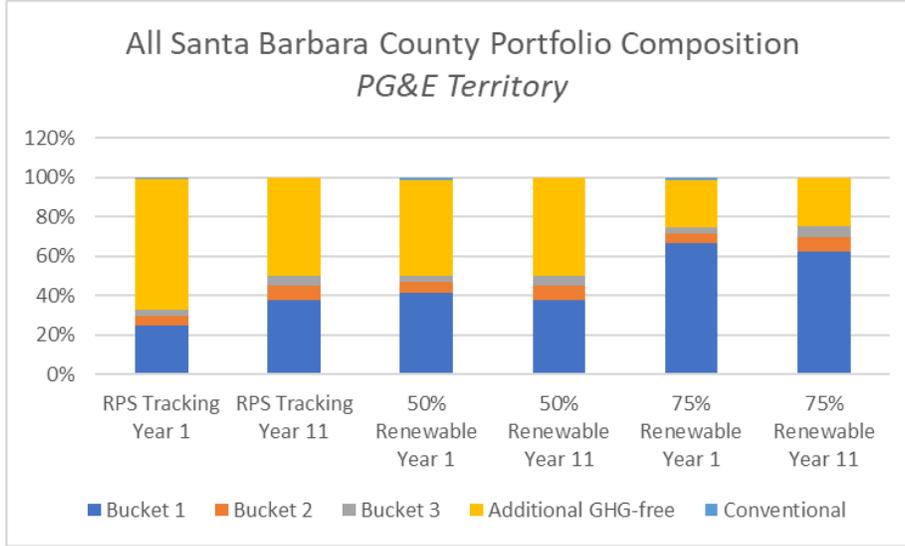
³Source: California Energy Commission - http://www.energy.ca.gov/almanac/electricity_data/total_system_power.html

⁴Numbers may not add due to rounding

Regarding SBC’s anticipated clean energy supply, each prospective supply scenario yielded different environmental benefits, resulting from the diverse composition of clean energy sources within each unique resource mix. In comparison to PG&E’s and SCE’s prospective supply portfolios, all supply scenarios would yield GHG emissions that are at parity with or below similar projections for the IOUs. As previously noted, PG&E’s proportionate share of GHG-free supply has increased in recent years and is expected to further increase as additional CCA organizations commence operations within its service territory. In order to maintain a favorable relationship with regard to this key element of SBC’s CCA service offering (within areas currently served by PG&E), PEA projected minimal use of conventional power sources and/or market purchases throughout the Study period. The expected portfolio composition within SCE’s service territory is rather different, as this IOU is not expected to offer the same level of GHG-free supply to its customers. As such, conventional power and/or market purchases range from approximately 25% to 36% within the SCE service territory throughout the Study period.

More specifically, within the PG&E service territory, Years 1 and 11 of the Study period reflected an anticipated resource mix that was approximately 99% and 100% GHG-free, respectively. Such a portfolio composition was necessary to remain competitive with PG&E in terms of SBC’s GHG-free energy content – due to PG&E’s anticipated resource composition and the SBC Study Team’s interest in retaining year-over-year portfolio compositions that did not regress in terms of GHG-free supply, the CCA’s supply portfolio within PG&E’s service territory reflected near-zero use of conventional power sources during each year of the Study period. When comparing each of the projected supply scenarios, the aforementioned GHG-free content was achieved by interlacing varying portions of renewable energy and hydroelectricity to balance SBC’s somewhat competing environmental and rate-related objectives. Additional detail regarding the projected CCA supply portfolio in Years 1 and 11 of the Study period is provided in Chart 1.

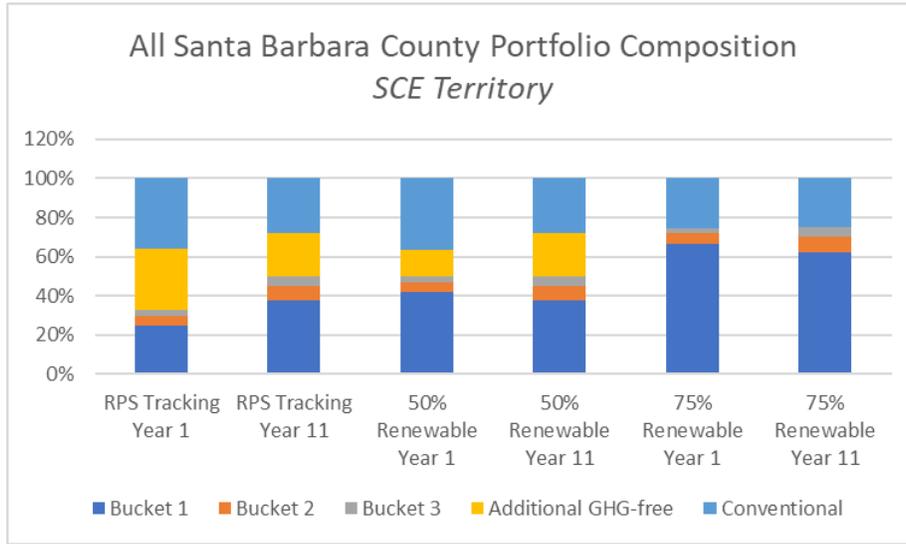
Chart 1 – All Santa Barbara County Portfolio Composition PG&E Territory



PG&E (All Santa Barbara County)	Bucket 1	Bucket 2	Bucket 3	Additional GHG-free	Total GHG-free	Conventional	Emissions Factor (lbs. CO2e/MWh)
Supply Scenario 1 (RPS Tracking Year 1)	25%	5%	3%	66%	99%	1%	9
Supply Scenario 1 (RPS Tracking Year 11)	38%	8%	5%	50%	100%	0%	-
Supply Scenario 2 (50% Renewable Year 1)	42%	5%	3%	49%	99%	1%	12
Supply Scenario 2 (50% Renewable Year 11)	38%	8%	5%	50%	100%	0%	-
Supply Scenario 3 (75% Renewable Year 1)	67%	5%	3%	24%	99%	1%	12
Supply Scenario 3 (75% Renewable Year 11)	63%	8%	5%	25%	100%	0%	-

For the SCE service territory, the CCA’s projected use of GHG-free energy resources was proportionately lower, as SCE is not expected to offer the same composition of clean resources relative to PG&E. As reflected in Chart 2, the CCAs use of conventional power sources and/or market purchases is expected to range from 25% to 36% within the SCE service territory throughout the Study period; the balance of the CCA’s resource mix would be sourced from a variety of renewable and additional GHG-free supply.

Chart 2 – All Santa Barbara County Portfolio Composition SCE Territory



SCE (All Santa Barbara County)	Bucket 1	Bucket 2	Bucket 3	Additional GHG-free	Total GHG-free	Conventional	Emissions Factor (lbs. CO2e/MWh)
Supply Scenario 1 (RPS Tracking Year 1)	25%	5%	3%	31%	64%	36%	340
Supply Scenario 1 (RPS Tracking Year 11)	38%	8%	5%	22%	72%	28%	264
Supply Scenario 2 (50% Renewable Year 1)	42%	5%	3%	14%	64%	36%	342
Supply Scenario 2 (50% Renewable Year 11)	38%	8%	5%	22%	72%	28%	264
Supply Scenario 3 (75% Renewable Year 1)	67%	5%	3%	0%	75%	25%	238
Supply Scenario 3 (75% Renewable Year 11)	63%	8%	5%	0%	75%	25%	236

Residential Rate Cost Impacts

PEA was also requested to evaluate the anticipated cost impacts resulting from CCA service commencement for a typical residential customer during each year of the Study period. Such impacts vary with the quantity of renewable energy that is assumed to be included within each of the three projected supply scenarios and the amount of electricity that a typical residential customer is expected to use (under the All-County membership configuration, an average residential customer is expected to use 436 kWh/month within the PG&E service territory and 462 kWh/month within the SCE service territory).¹¹ On average, residential bill impacts throughout the Study period were favorable (meaning that residential customers were generally expected to experience slightly reduced costs under CCA service) across all three membership configurations. In particular, supply scenarios 1 (33% to 50% renewable) and 2 (50% renewable) demonstrated rate/cost savings under all of the membership configurations while supply scenario 3 (75% renewable) was only rate-favorable under the All-County membership configuration. Details of the cost impact on residential bills of the varying levels of GHG-free resources can be found in Table 2.

¹¹ Monthly average usage figures were derived using historical usage data for residential customers within Santa Barbara County.

Table 2 – Residential Bill Impacts

Residential Bill Impacts (\$/Month)															
KWh/Mo	Membership	Supply	IOU	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Average
436	All	RPS	PG&E	\$ (2.68)	\$ (3.33)	\$ (3.17)	\$ (3.32)	\$ (3.50)	\$ (3.70)	\$ (3.36)	\$ (3.53)	\$ (4.24)	\$ (4.29)	\$ (4.38)	\$ (3.59)
436	All	50%	PG&E	\$ (0.90)	\$ (2.04)	\$ (2.06)	\$ (2.32)	\$ (2.62)	\$ (2.93)	\$ (2.71)	\$ (3.01)	\$ (3.85)	\$ (4.03)	\$ (4.25)	\$ (2.79)
436	All	75%	PG&E	\$ 1.20	\$ (0.02)	\$ (0.09)	\$ (0.35)	\$ (0.63)	\$ (0.92)	\$ (0.67)	\$ (0.94)	\$ (1.78)	\$ (1.95)	\$ (2.16)	\$ (0.76)
512	Unincorporated	RPS	PG&E	\$ (0.22)	\$ (1.87)	\$ (1.59)	\$ (1.63)	\$ (1.73)	\$ (1.85)	\$ (1.45)	\$ (1.50)	\$ (2.43)	\$ (2.44)	\$ (2.45)	\$ (1.74)
512	Unincorporated	50%	PG&E	\$ 1.15	\$ (0.86)	\$ (0.71)	\$ (0.82)	\$ (1.00)	\$ (1.21)	\$ (0.90)	\$ (1.04)	\$ (2.06)	\$ (2.16)	\$ (2.27)	\$ (1.08)
512	Unincorporated	75%	PG&E	\$ 3.54	\$ 1.46	\$ 1.55	\$ 1.46	\$ 1.31	\$ 1.13	\$ 1.48	\$ 1.38	\$ 0.37	\$ 0.29	\$ 0.22	\$ 1.29
462	All	RPS	SCE	\$ (2.08)	\$ (2.69)	\$ (2.67)	\$ (2.91)	\$ (3.17)	\$ (3.46)	\$ (3.24)	\$ (3.51)	\$ (4.34)	\$ (4.52)	\$ (4.73)	\$ (3.39)
462	All	50%	SCE	\$ (0.69)	\$ (1.65)	\$ (1.73)	\$ (2.03)	\$ (2.37)	\$ (2.74)	\$ (2.62)	\$ (2.99)	\$ (3.94)	\$ (4.25)	\$ (4.60)	\$ (2.69)
462	All	75%	SCE	\$ 0.93	\$ (0.01)	\$ (0.08)	\$ (0.31)	\$ (0.57)	\$ (0.86)	\$ (0.65)	\$ (0.94)	\$ (1.82)	\$ (2.06)	\$ (2.33)	\$ (0.79)
642	Unincorporated	RPS	SCE	\$ (0.20)	\$ (1.77)	\$ (1.57)	\$ (1.66)	\$ (1.83)	\$ (2.02)	\$ (1.64)	\$ (1.75)	\$ (2.91)	\$ (3.00)	\$ (3.09)	\$ (1.95)
642	Unincorporated	50%	SCE	\$ 1.04	\$ (0.82)	\$ (0.69)	\$ (0.84)	\$ (1.06)	\$ (1.32)	\$ (1.01)	\$ (1.21)	\$ (2.47)	\$ (2.66)	\$ (2.87)	\$ (1.26)
642	Unincorporated	75%	SCE	\$ 3.21	\$ 1.38	\$ 1.53	\$ 1.49	\$ 1.38	\$ 1.24	\$ 1.68	\$ 1.60	\$ 0.45	\$ 0.36	\$ 0.27	\$ 1.33
376	City	RPS	SCE	\$ (0.12)	\$ 0.03	\$ (0.43)	\$ (1.20)	\$ (1.20)	\$ (1.98)	\$ (1.85)	\$ (2.64)	\$ (3.93)	\$ (5.29)	\$ (6.04)	\$ (2.24)
376	City	50%	SCE	\$ 0.89	\$ 0.93	\$ 0.35	\$ (0.50)	\$ (0.58)	\$ (1.45)	\$ (1.42)	\$ (2.31)	\$ (3.71)	\$ (5.17)	\$ (6.04)	\$ (1.73)
376	City	75%	SCE	\$ 2.48	\$ 2.49	\$ 1.90	\$ 1.07	\$ 2.80	\$ 1.96	\$ 2.04	\$ 1.19	\$ (0.21)	\$ (3.40)	\$ (4.24)	\$ 0.73

General Operating Projections

When reviewing the pro forma financial results associated with each of the prospective supply scenarios, the projected “Net Surplus/Deficit” during each year of the Study period reflects the projected net revenues (or deficits) that would be realized by SBC if the program decided to offer customer electric rates that were equivalent to similar rates charged by the IOUs. To the extent that the Net Surplus/Deficit is positive, SBC would have the potential to offer comparatively lower customer rates/charges, relative to similar rates imposed by the IOUs; to the extent that the Net Surplus/Deficit is negative, SBC would need to impose comparatively higher generation rates to recover expected costs, or risk running an operating deficit that would need to be funded through accrued reserves or other unanticipated revenue sources.

The initial results for the combined-IOU pro formas indicate several instances of projected net surpluses under all membership configurations. For the All-County membership configuration, both the RPS-tracking and the 50% renewable energy supply scenario scenarios project a net surplus starting in 2020 (see Exhibits 5 and 6); the 75% renewable energy supply scenario projects a net surplus starting a year later in 2021 (see Exhibit 7). For the Unincorporated County-only membership configuration, the RPS-tracking and 50% renewable energy supply scenarios project a net surplus starting in 2020 and 2021 respectively (see Exhibits 8-9); the 75% renewable energy supply scenario is expected to generate budget deficits in each year of the Study period (see Exhibit 10), unless rates are set above the IOUs. In the City-only membership configuration, the RPS-tracking supply scenario projects a net surplus starting in 2020; the 50% renewable energy supply and 75% energy supply scenarios project a net surplus starting in 2023 and 2028, respectively (see Exhibits 11-13). Key assumptions used in PEA pro forma analyses are listed in Exhibit 1.

Ultimately, the use of any projected net revenues will be determined by SBC leadership during periodic budgeting and rate-setting processes. Such net revenues could be passed through to SBC customers in the form of comparatively lower electric rates/charges, utilized as working capital for program operations in an attempt to reduce program financing requirements, or SBC leadership could strike a balance between reduced rates and increased funding for complementary energy programs, such as Net Energy Metering, customer rebates (to promote local distributed renewable infrastructure buildout or energy efficiency, for example) as well as other similarly focused programs. SBC leadership would have

considerable flexibility in administering the disposition of any projected net revenues, subject to any financial covenants that may be entered into by the program.

Findings and Conclusions

Based on the analyses conducted throughout this Study, PEA has identified several electric supply options that could provide rate savings compared with the incumbent IOUs. The All-County membership configuration (Scenario 1) proved to be the most promising as it incorporated the combined rates of both IOUs, while the City-Only membership scenario (Scenario 3) was the most financially challenging as it only included the comparatively lower SCE generation rate (which necessitates lower CCA generation rates to remain competitive in this aspect of service delivery). Projected rate savings varied with the amount of renewable energy included in the CCA's supply portfolio, with the lower range of renewables (RPS-tracking supply scenario) offering greater savings over the supply scenarios with higher renewable content (50% and 75% renewable supply scenarios).

Ultimately, SBC's rate competitiveness (while also offering environmental benefits) would hinge on prevailing market prices at the time of power supply contract negotiation and execution. Depending on inevitable changes to market prices and other assumptions, such as IOU generation rates and exit fees (e.g., the PCIA), SBC's actual electric rates may be somewhat lower or higher than similar rates charged by the IOUs and would be expected to fall within a competitive range needed for program viability.

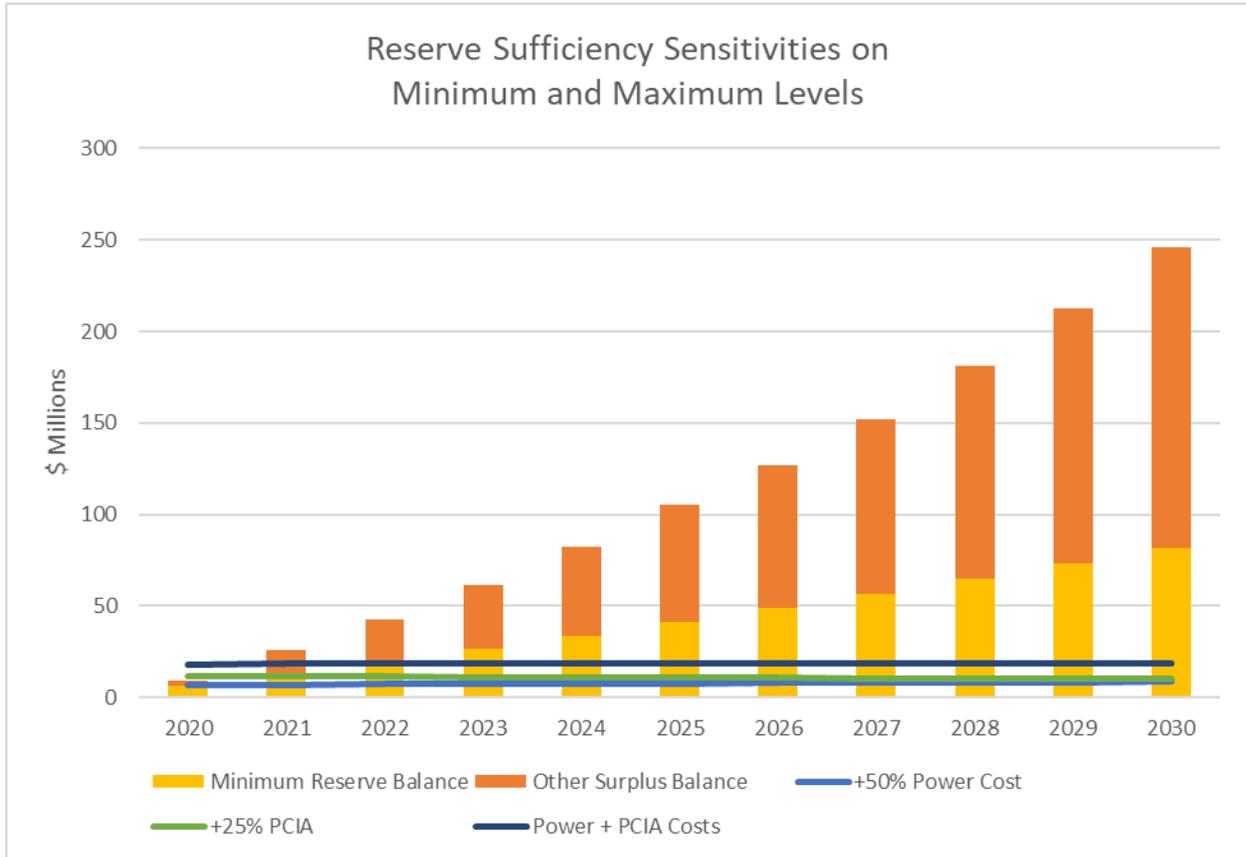
Sensitivity Analyses

In response to SBC's request to better understand the ability of the modeled reserve fund to weather adverse changes in power prices and PCIA costs, PEA performed sensitivity analyses involving the variability of those costs. The increased cost was evaluated by year relative to: 1) accumulated reserves (Minimum Reserve Levels); and 2) accumulated reserves plus accumulated surpluses (Maximum Reserve Levels). Baseline PCIA projections comprise approximately 30-40% of the CCA customer's generation costs. To represent a reasonable range of outcomes, PCIA costs were increased by 25% relative to the baseline projections. Power costs were stressed assuming a 50% increase in costs associated with the CCA program's annual open position, which is expected to be approximately 10% of total energy requirements during each year of program operation.¹²

When compared to Minimum Reserve Levels, a 50% increase in spot market power costs could be fully absorbed as early as 2020. In the unlikely event that both contingencies were to occur at the same time, the Minimum Reserve balance would be sufficient to cover the combined cost increase beginning in 2022. As compared to Maximum Reserve Levels, SBC could absorb a 50% increase in power costs as early as 2020, and could manage the impact of both a 25% increase in PCIA costs and 50% increase in power prices as early as 2021. Further details can be seen in Chart 3.

¹² Volatility on power prices was derived using historical prices over the past 10 years, which captures the market movements during the natural gas boom/bust and the Great Recession. In order to capture extreme movements, the prices were stressed using a 95% confidence interval. The PCIA sensitivity is similarly expected to capture a range of reasonably likely outcomes for that cost variable.

Chart 3 – All Santa Barbara County 50% Renewable Energy Supply Sensitivity Analyses



All Santa Barbara County 50% Renewable											
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Minimum Reserve Balance	6	13	19	26	34	41	49	57	65	73	82
Other Surplus Balance	3	13	23	35	48	64	79	95	117	140	164
Maximum Reserve Balance	9	26	42	61	82	105	127	152	181	213	246
+50% Power Cost	6	7	7	7	7	8	8	8	8	8	9
+25% PCIA	12	12	11	11	11	11	11	10	10	10	10
Power + PCIA Costs	18	18	18	18	18	18	19	19	19	19	19
Total	-9	7	24	43	64	87	109	133	163	194	227

EXHIBIT 1 – KEY ASSUMPTIONS

Generally

- Customer opt-out rate of 10% for all scenarios.
- Start-up costs of approximately \$7-10 million (consisting predominantly of 80% working capital, and 20% startup costs), sourced from an interest-free General Fund loan for the City of Santa Barbara only scenario, and a 3% interest-only bank loan with a 1 - year balloon principal payment for All Santa Barbara County and Unincorporated Santa Barbara scenarios.
- Annual reserve contributions fixed at 4% of annual revenue.
- Based on published market prices and recent transactions for similar energy products, average energy costs were modeled as follows:

PG&E (\$/MWh)	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Shaped Energy	\$ 34.24	\$ 37.10	\$ 38.45	\$ 39.41	\$ 40.40	\$ 41.41	\$ 42.44	\$ 43.50	\$ 44.59	\$ 45.70	\$ 46.85
Bucket 1	\$ 18.25	\$ 18.50	\$ 18.75	\$ 19.22	\$ 19.70	\$ 20.19	\$ 20.70	\$ 21.21	\$ 21.74	\$ 22.29	\$ 22.85
Bucket 2	\$ 8.50	\$ 9.00	\$ 9.00	\$ 9.23	\$ 9.46	\$ 9.69	\$ 9.93	\$ 10.18	\$ 10.44	\$ 10.70	\$ 10.97
Bucket 3	\$ 2.25	\$ 2.50	\$ 2.75	\$ 2.82	\$ 2.89	\$ 2.96	\$ 3.04	\$ 3.11	\$ 3.19	\$ 3.27	\$ 3.35
System RA (\$/KW-Mo)	\$ 2.38	\$ 2.43	\$ 2.48	\$ 2.54	\$ 2.60	\$ 2.67	\$ 2.74	\$ 2.80	\$ 2.88	\$ 2.95	\$ 3.02
Bay Area RA (\$/KW-Mo)	\$ 3.88	\$ 3.93	\$ 3.98	\$ 4.08	\$ 4.18	\$ 4.29	\$ 4.39	\$ 4.50	\$ 4.61	\$ 4.73	\$ 4.85
Other PG&E RA (\$/KW-Mo)	\$ 3.38	\$ 3.43	\$ 3.48	\$ 3.57	\$ 3.66	\$ 3.75	\$ 3.84	\$ 3.94	\$ 4.03	\$ 4.14	\$ 4.24
Carbon Free Premium	\$ 2.50	\$ 3.00	\$ 3.50	\$ 3.59	\$ 3.68	\$ 3.77	\$ 3.86	\$ 3.96	\$ 4.06	\$ 4.16	\$ 4.26

SCE (\$/MWh)	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Shaped Energy	\$ 34.24	\$ 37.10	\$ 38.45	\$ 39.19	\$ 40.18	\$ 40.83	\$ 43.62	\$ 44.32	\$ 43.56	\$ 44.59	\$ 45.45
Bucket 1	\$ 18.25	\$ 18.50	\$ 18.75	\$ 19.22	\$ 19.70	\$ 20.19	\$ 20.70	\$ 21.21	\$ 21.74	\$ 22.29	\$ 22.85
Bucket 2	\$ 8.50	\$ 9.00	\$ 9.00	\$ 9.23	\$ 9.46	\$ 9.69	\$ 9.93	\$ 10.18	\$ 10.44	\$ 10.70	\$ 10.97
Bucket 3	\$ 2.25	\$ 2.50	\$ 2.75	\$ 2.82	\$ 2.89	\$ 2.96	\$ 3.04	\$ 3.11	\$ 3.19	\$ 3.27	\$ 3.35
System RA (\$/KW-Mo)	\$ 3.15	\$ 3.23	\$ 3.31	\$ 3.39	\$ 3.48	\$ 3.56	\$ 3.65	\$ 3.74	\$ 3.84	\$ 3.93	\$ 4.03
LA Basin (\$/KW-Mo)	\$ 3.15	\$ 3.23	\$ 3.31	\$ 3.39	\$ 3.48	\$ 3.56	\$ 3.65	\$ 3.74	\$ 3.84	\$ 3.93	\$ 4.03
BC/Ventura (\$/KW-Mo)	\$ 3.15	\$ 3.23	\$ 3.31	\$ 3.39	\$ 3.48	\$ 3.56	\$ 3.65	\$ 3.74	\$ 3.84	\$ 3.93	\$ 4.03
Flexible (\$/KW-Mo)	\$ 0.11	\$ 0.11	\$ 0.11	\$ 0.11	\$ 0.11	\$ 0.11	\$ 0.11	\$ 0.11	\$ 0.11	\$ 0.11	\$ 0.11
Carbon Free Premium	\$ 2.50	\$ 3.00	\$ 3.50	\$ 3.59	\$ 3.68	\$ 3.77	\$ 3.86	\$ 3.96	\$ 4.06	\$ 4.16	\$ 4.26

- No utility-scale local generation supply sources were assumed within Santa Barbara County. Bucket 1 supply is generally from in-state renewable resources, Buckets 2 and 3 are from out-of-state, and additional GHG-free is assumed to be coming from large hydro electric generators in California and the Pacific Northwest.
- Approximately 10% of SBC's load would be met by purchases from the CAISO market.
- The required CCA bond is assumed at \$100,000, consistent with current requirements.
- Annual staffing costs were derived by benchmarking to currently operating CCAs of similar size that range from approximately \$558,000 for City-only to \$3,500,000 for All Santa Barbara and Unincorporated Santa Barbara, with corresponding staffing levels ranging from 3 to approximately 20, respectively.
- All scenarios consider a single phase of customer enrollments.
- Uncollectable debts are assumed at 0.5% of revenue, consistent with current bad debt levels seen by other CCAs.
- No voluntary 100% opt-up renewable energy program was modeled; the estimated impact of offering a voluntary opt-up program is de minimus with respect to portfolio planning and program finances.

- The impact of DERs on CCA load is considered to the extent that it will be offset by growth in other areas such as the increase in demand from electric vehicles.

SCE Inputs

Annual Rate Growth¹³

- Generation rates:

SCE Generation	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Annual Average Rates (\$/MWh)											
D	\$ 60.26	\$ 63.99	\$ 67.73	\$ 71.47	\$ 75.21	\$ 78.98	\$ 82.76	\$ 86.58	\$ 90.43	\$ 94.32	\$ 98.25
GS-1	\$ 67.24	\$ 70.49	\$ 73.77	\$ 77.08	\$ 80.42	\$ 83.80	\$ 87.22	\$ 90.69	\$ 94.22	\$ 97.80	\$ 101.44
TC-1	\$ 52.71	\$ 55.16	\$ 57.64	\$ 60.15	\$ 62.68	\$ 65.24	\$ 67.84	\$ 70.48	\$ 73.17	\$ 75.90	\$ 78.67
GS-2	\$ 54.26	\$ 57.50	\$ 60.74	\$ 63.98	\$ 67.24	\$ 70.52	\$ 73.81	\$ 77.14	\$ 80.50	\$ 83.89	\$ 87.33
TOU-GS	\$ 53.27	\$ 56.20	\$ 59.14	\$ 62.09	\$ 65.06	\$ 68.06	\$ 71.08	\$ 74.13	\$ 77.22	\$ 80.35	\$ 83.52
TOU-8-Sec	\$ 52.66	\$ 55.40	\$ 58.16	\$ 60.93	\$ 63.73	\$ 66.55	\$ 69.40	\$ 72.29	\$ 75.21	\$ 78.18	\$ 81.19
TOU-8-Pri	\$ 48.76	\$ 51.30	\$ 53.85	\$ 56.42	\$ 59.01	\$ 61.62	\$ 64.26	\$ 66.94	\$ 69.64	\$ 72.39	\$ 75.18
TOU-8-Sub	\$ 43.85	\$ 46.20	\$ 48.55	\$ 50.92	\$ 53.30	\$ 55.70	\$ 58.13	\$ 60.58	\$ 63.06	\$ 65.58	\$ 68.14
TOU-PA-2	\$ 49.83	\$ 52.53	\$ 55.23	\$ 57.94	\$ 60.68	\$ 63.43	\$ 66.22	\$ 69.03	\$ 71.88	\$ 74.77	\$ 77.70
TOU-PA-3	\$ 42.32	\$ 44.37	\$ 46.43	\$ 48.51	\$ 50.61	\$ 52.74	\$ 54.89	\$ 57.07	\$ 59.29	\$ 61.54	\$ 63.84
Street Lights	\$ 43.38	\$ 44.68	\$ 46.02	\$ 47.40	\$ 48.83	\$ 50.29	\$ 51.80	\$ 53.36	\$ 54.96	\$ 56.61	\$ 58.31

- Exit fees (Cost responsibility surcharge):

Cost Responsibility Surcharge	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
SCE Average Rates (\$/MWh)											
D	\$ 21.45	\$ 20.16	\$ 18.95	\$ 17.82	\$ 16.75	\$ 15.74	\$ 14.80	\$ 13.91	\$ 13.08	\$ 12.29	\$ 11.55
GS-1	\$ 13.76	\$ 12.93	\$ 12.16	\$ 11.43	\$ 10.74	\$ 10.10	\$ 9.49	\$ 8.92	\$ 8.39	\$ 7.88	\$ 7.41
TC-1	\$ 9.74	\$ 9.15	\$ 8.60	\$ 8.09	\$ 7.60	\$ 7.15	\$ 6.72	\$ 6.31	\$ 5.93	\$ 5.58	\$ 5.24
GS-2	\$ 17.89	\$ 16.82	\$ 15.81	\$ 14.86	\$ 13.97	\$ 13.13	\$ 12.34	\$ 11.60	\$ 10.91	\$ 10.25	\$ 9.64
TOU-GS	\$ 14.81	\$ 13.92	\$ 13.09	\$ 12.30	\$ 11.57	\$ 10.87	\$ 10.22	\$ 9.61	\$ 9.03	\$ 8.49	\$ 7.98
TOU-8-Sec	\$ 12.93	\$ 12.16	\$ 11.43	\$ 10.74	\$ 10.10	\$ 9.49	\$ 8.92	\$ 8.39	\$ 7.88	\$ 7.41	\$ 6.97
TOU-8-Pri	\$ 11.99	\$ 11.27	\$ 10.59	\$ 9.96	\$ 9.36	\$ 8.80	\$ 8.27	\$ 7.77	\$ 7.31	\$ 6.87	\$ 6.46
TOU-8-Sub	\$ 11.43	\$ 10.74	\$ 10.10	\$ 9.49	\$ 8.92	\$ 8.39	\$ 7.88	\$ 7.41	\$ 6.97	\$ 6.55	\$ 6.16
TOU-PA-2	\$ 13.32	\$ 12.52	\$ 11.77	\$ 11.06	\$ 10.40	\$ 9.77	\$ 9.19	\$ 8.64	\$ 8.12	\$ 7.63	\$ 7.17
TOU-PA-3	\$ 8.65	\$ 8.13	\$ 7.64	\$ 7.18	\$ 6.75	\$ 6.35	\$ 5.97	\$ 5.61	\$ 5.27	\$ 4.96	\$ 4.66
Street Lights	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01
TOU-8-S-Pri	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

- Annual load growth is assumed at 0.5%

CAISO costs

- CAISO cost: \$1.60/MWh
- Distribution losses: 6%
- Scheduling fees: \$0.40/MWh

Other costs

- Data Manager Charges of \$1.15 per account per month
- Utility Service Fees of \$1.25 per account per month

¹³ Rate projections are based on current rates which are then projected forward consistent with PEA price assumptions and the resource plans published by the IOUs.

PG&E Inputs

Annual Rate Growth

- Generation rates:

PG&E Generation											
Annual Average Rates (\$/MWh)	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
E-1	\$ 73.79	\$ 74.82	\$ 75.86	\$ 76.91	\$ 77.98	\$ 79.06	\$ 80.16	\$ 81.28	\$ 82.41	\$ 83.55	\$ 84.71
E-7	\$ 67.63	\$ 68.57	\$ 69.52	\$ 70.49	\$ 71.47	\$ 72.46	\$ 73.47	\$ 74.49	\$ 75.53	\$ 76.58	\$ 77.64
A-1	\$ 81.85	\$ 82.99	\$ 84.15	\$ 85.31	\$ 86.50	\$ 87.70	\$ 88.92	\$ 90.16	\$ 91.41	\$ 92.68	\$ 93.97
A-6	\$ 95.51	\$ 96.84	\$ 98.18	\$ 99.55	\$ 100.93	\$ 102.34	\$ 103.76	\$ 105.20	\$ 106.66	\$ 108.15	\$ 109.65
A-10	\$ 85.57	\$ 86.76	\$ 87.96	\$ 89.18	\$ 90.42	\$ 91.68	\$ 92.95	\$ 94.25	\$ 95.56	\$ 96.89	\$ 98.23
E-19-S	\$ 81.01	\$ 82.14	\$ 83.28	\$ 84.43	\$ 85.61	\$ 86.80	\$ 88.00	\$ 89.23	\$ 90.47	\$ 91.73	\$ 93.00
E-19-P	\$ 74.02	\$ 75.05	\$ 76.09	\$ 77.15	\$ 78.22	\$ 79.31	\$ 80.41	\$ 81.53	\$ 82.66	\$ 83.81	\$ 84.98
E-19-T	\$ 55.42	\$ 56.19	\$ 56.97	\$ 57.77	\$ 58.57	\$ 59.38	\$ 60.21	\$ 61.04	\$ 61.89	\$ 62.75	\$ 63.63
E-20-S	\$ 78.32	\$ 79.41	\$ 80.51	\$ 81.63	\$ 82.77	\$ 83.92	\$ 85.08	\$ 86.26	\$ 87.46	\$ 88.68	\$ 89.91
E-20-P	\$ 75.80	\$ 76.85	\$ 77.92	\$ 79.00	\$ 80.10	\$ 81.21	\$ 82.34	\$ 83.48	\$ 84.65	\$ 85.82	\$ 87.01
E-20-T	\$ 67.50	\$ 68.44	\$ 69.39	\$ 70.35	\$ 71.33	\$ 72.32	\$ 73.33	\$ 74.35	\$ 75.38	\$ 76.43	\$ 77.49
TC-1	\$ 69.76	\$ 70.73	\$ 71.71	\$ 72.71	\$ 73.72	\$ 74.74	\$ 75.78	\$ 76.84	\$ 77.91	\$ 78.99	\$ 80.09
Ag	\$ 73.42	\$ 74.44	\$ 75.48	\$ 76.53	\$ 77.59	\$ 78.67	\$ 79.76	\$ 80.87	\$ 82.00	\$ 83.14	\$ 84.29
Street Lights	\$ 81.03	\$ 82.16	\$ 83.30	\$ 84.46	\$ 85.63	\$ 86.82	\$ 88.03	\$ 89.25	\$ 90.49	\$ 91.75	\$ 93.02

- Exit fees (PCIA and franchise fees surcharge):

PCIA and Franchise Fee Surcharge											
PG&E Average Rates (\$/MWh)	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
E-1	\$ 34.01	\$ 33.86	\$ 33.72	\$ 33.57	\$ 33.43	\$ 33.29	\$ 33.14	\$ 33.00	\$ 32.86	\$ 32.72	\$ 32.58
E-7	\$ 34.01	\$ 33.86	\$ 33.72	\$ 33.57	\$ 33.43	\$ 33.29	\$ 33.14	\$ 33.00	\$ 32.86	\$ 32.72	\$ 32.58
A-1	\$ 25.28	\$ 25.17	\$ 25.06	\$ 24.96	\$ 24.85	\$ 24.74	\$ 24.63	\$ 24.53	\$ 24.42	\$ 24.32	\$ 24.21
A-6	\$ 25.28	\$ 25.17	\$ 25.06	\$ 24.96	\$ 24.85	\$ 24.74	\$ 24.63	\$ 24.53	\$ 24.42	\$ 24.32	\$ 24.21
A-10	\$ 25.68	\$ 25.57	\$ 25.46	\$ 25.35	\$ 25.24	\$ 25.13	\$ 25.02	\$ 24.92	\$ 24.81	\$ 24.70	\$ 24.60
E-19-S	\$ 21.65	\$ 21.56	\$ 21.46	\$ 21.37	\$ 21.28	\$ 21.19	\$ 21.10	\$ 21.01	\$ 20.92	\$ 20.83	\$ 20.74
E-19-P	\$ 21.65	\$ 21.56	\$ 21.46	\$ 21.37	\$ 21.28	\$ 21.19	\$ 21.10	\$ 21.01	\$ 20.92	\$ 20.83	\$ 20.74
E-19-T	\$ 21.65	\$ 21.56	\$ 21.46	\$ 21.37	\$ 21.28	\$ 21.19	\$ 21.10	\$ 21.01	\$ 20.92	\$ 20.83	\$ 20.74
E-20-S	\$ 20.83	\$ 20.74	\$ 20.65	\$ 20.56	\$ 20.47	\$ 20.39	\$ 20.30	\$ 20.21	\$ 20.12	\$ 20.04	\$ 19.95
E-20-P	\$ 19.44	\$ 19.36	\$ 19.27	\$ 19.19	\$ 19.11	\$ 19.03	\$ 18.94	\$ 18.86	\$ 18.78	\$ 18.70	\$ 18.62
E-20-T	\$ 17.86	\$ 17.78	\$ 17.71	\$ 17.63	\$ 17.55	\$ 17.48	\$ 17.40	\$ 17.33	\$ 17.25	\$ 17.18	\$ 17.11
TC-1	\$ 25.28	\$ 25.17	\$ 25.06	\$ 24.96	\$ 24.85	\$ 24.74	\$ 24.63	\$ 24.53	\$ 24.42	\$ 24.32	\$ 24.21
Ag	\$ 25.16	\$ 25.05	\$ 24.94	\$ 24.84	\$ 24.73	\$ 24.62	\$ 24.52	\$ 24.41	\$ 24.31	\$ 24.20	\$ 24.10
SL	\$ 6.50	\$ 6.47	\$ 6.44	\$ 6.42	\$ 6.39	\$ 6.36	\$ 6.33	\$ 6.31	\$ 6.28	\$ 6.25	\$ 6.23

- Annual load growth is assumed at 0.5%

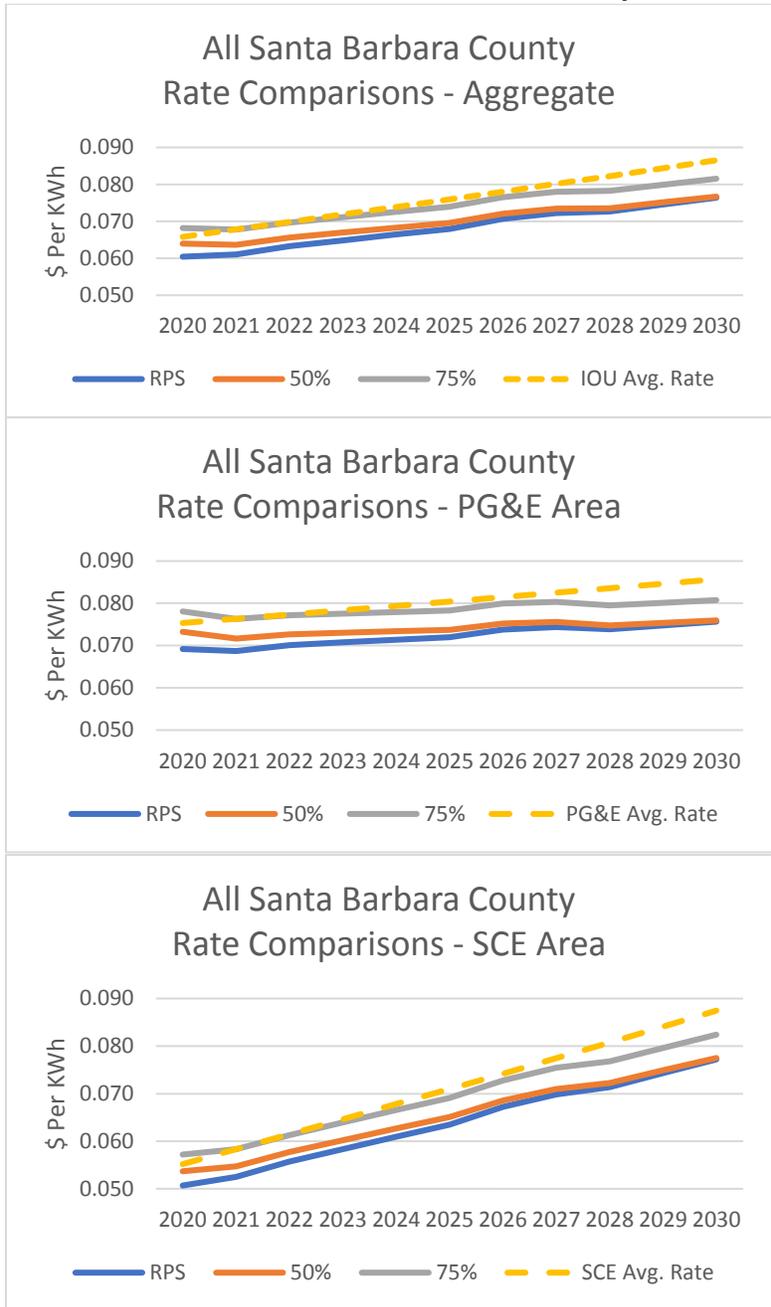
CAISO costs

- CAISO cost: \$1.60/MWh
- Distribution losses: 6%
- Scheduling fees: \$0.40/MWh

Other costs

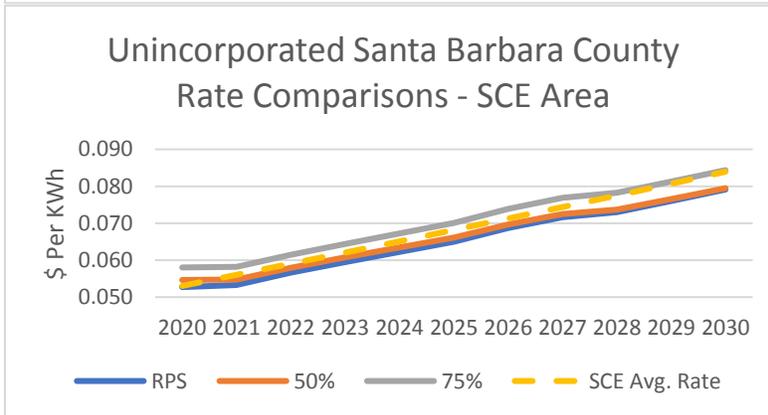
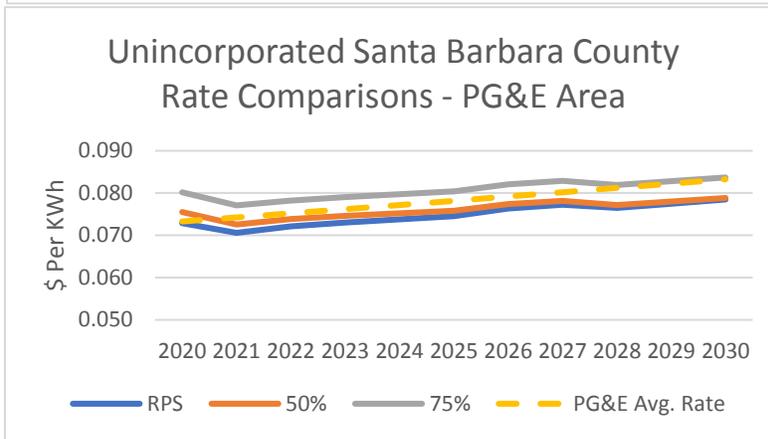
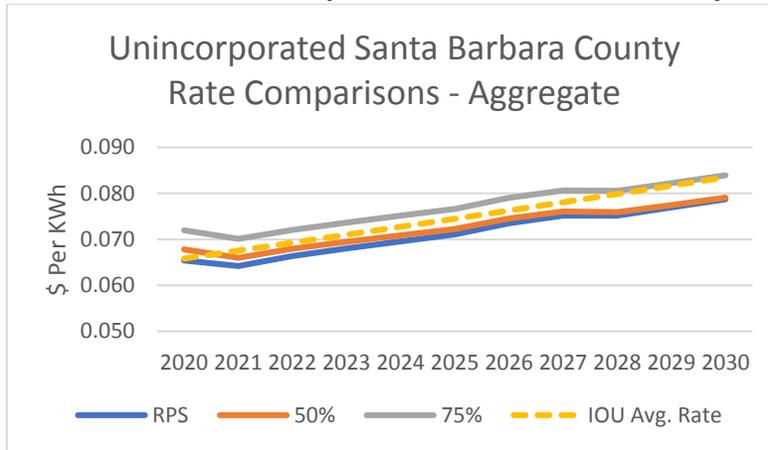
- Data Manager Charges of \$1.15 per account per month
- Utility Service Fees of \$0.37 per account per month

EXHIBIT 2 – All Santa Barbara County



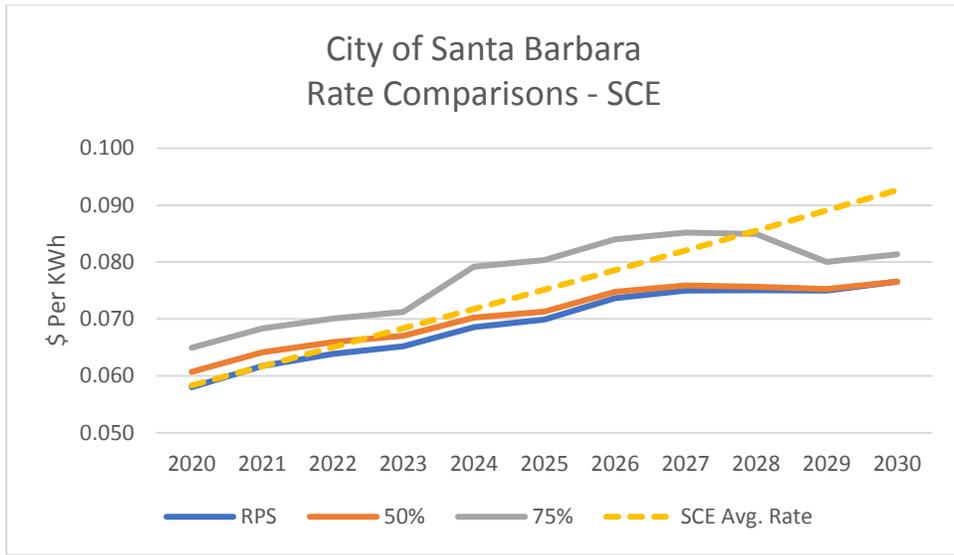
All Santa Barbara		2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
IOU Avg. Rate		0.066	0.068	0.070	0.072	0.074	0.076	0.078	0.080	0.082	0.084	0.087
CCA Avg. Cost	RPS	0.060	0.061	0.063	0.065	0.066	0.068	0.071	0.072	0.073	0.075	0.076
CCA Avg. Cost	50%	0.064	0.064	0.066	0.067	0.068	0.070	0.072	0.073	0.074	0.075	0.077
CCA Avg. Cost	75%	0.068	0.068	0.070	0.071	0.073	0.074	0.077	0.078	0.078	0.080	0.082
PG&E Avg. Rate		0.075	0.076	0.077	0.078	0.079	0.080	0.081	0.083	0.084	0.085	0.086
PG&E CCA	RPS	0.069	0.069	0.070	0.071	0.071	0.072	0.074	0.074	0.074	0.075	0.076
PG&E CCA	50%	0.073	0.072	0.073	0.073	0.073	0.074	0.075	0.076	0.075	0.075	0.076
PG&E CCA	75%	0.078	0.076	0.077	0.078	0.078	0.078	0.080	0.080	0.079	0.080	0.081
SCE Avg. Rate		0.055	0.058	0.061	0.065	0.068	0.071	0.074	0.077	0.081	0.084	0.087
SCE CCA	RPS	0.051	0.052	0.056	0.058	0.061	0.064	0.067	0.070	0.071	0.074	0.077
SCE CCA	50%	0.054	0.055	0.058	0.060	0.063	0.065	0.069	0.071	0.072	0.075	0.077
SCE CCA	75%	0.057	0.058	0.061	0.064	0.067	0.069	0.073	0.075	0.077	0.080	0.082

EXHIBIT 3 – Unincorporated Santa Barbara County



Unincorporated Santa Barbara		2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
IOU Avg. Rate		0.066	0.068	0.070	0.072	0.074	0.076	0.078	0.080	0.082	0.084	0.087
CCA Avg. Cost	RPS	0.065	0.064	0.066	0.068	0.070	0.071	0.074	0.075	0.075	0.077	0.079
CCA Avg. Cost	50%	0.068	0.066	0.068	0.069	0.071	0.072	0.075	0.076	0.076	0.077	0.079
CCA Avg. Cost	75%	0.072	0.070	0.072	0.074	0.075	0.077	0.079	0.081	0.081	0.082	0.084
PG&E Avg. Rate		0.073	0.074	0.075	0.076	0.077	0.078	0.079	0.080	0.081	0.082	0.083
PG&E CCA	RPS	0.073	0.071	0.072	0.073	0.074	0.075	0.076	0.077	0.077	0.077	0.078
PG&E CCA	50%	0.076	0.073	0.074	0.075	0.075	0.076	0.077	0.078	0.078	0.078	0.079
PG&E CCA	75%	0.080	0.077	0.078	0.079	0.080	0.080	0.082	0.083	0.082	0.083	0.084
SCE Avg. Rate		0.053	0.056	0.059	0.062	0.065	0.068	0.071	0.074	0.078	0.081	0.084
SCE CCA	RPS	0.053	0.053	0.057	0.059	0.062	0.065	0.069	0.072	0.073	0.076	0.079
SCE CCA	50%	0.055	0.055	0.058	0.061	0.063	0.066	0.070	0.072	0.074	0.077	0.079
SCE CCA	75%	0.058	0.058	0.061	0.064	0.067	0.070	0.074	0.077	0.078	0.081	0.084

EXHIBIT 4 – City of Santa Barbara County



City of Santa Barbara		2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
SCE Avg. Rate		0.058	0.062	0.065	0.068	0.072	0.075	0.079	0.082	0.086	0.089	0.093
CCA Avg. Cost	RPS	0.058	0.062	0.064	0.065	0.069	0.070	0.074	0.075	0.075	0.075	0.077
CCA Avg. Cost	50%	0.061	0.064	0.066	0.067	0.070	0.071	0.075	0.076	0.076	0.075	0.077
CCA Avg. Cost	75%	0.065	0.068	0.070	0.071	0.079	0.080	0.084	0.085	0.085	0.080	0.081

Exhibit 5 - All Santa Barbara County RPS-Tracking Pro Forma

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
I. Revenue	-	156,561,067	162,162,930	167,832,371	173,576,391	179,401,948	185,315,967	191,325,356	197,437,017	203,657,862	209,994,821	216,454,861
II. Operating Expenses												
Power Supply	-	120,053,563	129,522,094	135,157,290	139,355,182	143,454,880	147,509,281	154,505,510	158,909,698	161,743,262	167,052,712	172,284,297
Staff	583,333	3,500,000	3,587,500	3,677,188	3,769,117	3,863,345	3,959,929	4,058,927	4,160,400	3,500,000	3,500,000	3,500,000
Marketing and Communications	349,005	1,234,676	1,164,759	1,194,594	1,225,196	1,256,586	1,288,784	1,321,810	1,355,686	1,141,194	1,141,900	1,142,610
Legal, Consulting, other Prof. Services	300,000	1,500,000	1,537,500	1,575,938	1,615,336	1,655,719	1,697,112	1,739,540	1,783,029	1,500,000	1,500,000	1,500,000
Data Management	-	1,898,527	1,908,014	1,917,550	1,927,134	1,936,733	1,946,435	1,956,166	1,965,931	1,975,746	1,985,623	1,995,536
Utility Service Fees	-	431,280	426,917	436,131	445,605	455,346	465,364	475,666	425,709	427,814	429,931	432,056
Miscellaneous Admin. & General	83,333	500,000	512,500	525,313	538,445	551,906	565,704	579,847	594,343	500,000	500,000	500,000
Uncollectibles/Other	-	782,805	810,815	839,162	867,882	897,010	926,580	956,627	987,185	1,018,289	1,049,974	1,082,274
Subtotal Operating Expenses	1,315,672	129,900,851	139,470,098	145,323,164	149,743,898	154,071,546	158,359,189	165,594,092	170,181,982	171,806,305	177,160,140	182,436,774
Operating Margin	(1,315,672)	26,660,216	22,692,832	22,509,207	23,832,492	25,330,402	26,956,778	25,731,264	27,255,036	31,851,556	32,834,681	34,018,087
III. Financing												
Startup Funding Repayment	87,500	7,637,500	-	-	-	-	-	-	-	-	-	-
Reserve Contribution	-	6,262,443	6,486,517	6,713,295	6,943,056	7,176,078	7,412,639	7,653,014	7,897,481	8,146,314	8,399,793	8,658,194
Subtotal Financing	87,500	13,899,943	6,486,517	6,713,295	6,943,056	7,176,078	7,412,639	7,653,014	7,897,481	8,146,314	8,399,793	8,658,194
IV. Total Revenue Requirement	1,403,172	143,800,794	145,956,616	152,036,459	156,686,954	161,247,624	165,771,828	173,247,106	178,079,462	179,952,620	185,559,933	191,094,968
V. Net Surplus/(Deficit)	(1,403,172)	12,760,273	16,206,315	15,795,912	16,889,437	18,154,324	19,544,139	18,078,250	19,357,555	23,705,242	24,434,888	25,359,893
VI. Cumulative Reserve	-	6,262,443	12,748,960	19,462,255	26,405,310	33,581,388	40,994,027	48,647,041	56,544,522	64,690,836	73,090,629	81,748,824
VII. Cumulative Net Surplus	(1,403,172)	11,357,101	27,563,416	43,359,328	60,248,765	78,403,089	97,947,228	116,025,478	135,383,033	159,088,274	183,523,162	208,883,055
VIII. Program Average Rate (\$/MWh)	-	65.8	67.8	69.8	71.9	73.9	75.9	78.0	80.1	82.2	84.4	86.5
IX. Power Supply (\$/MWh)	-	50.4	54.2	56.2	57.7	59.1	60.5	63.0	64.5	65.3	67.1	68.9
X. Program Average Cost (\$/MWh)	-	60.4	61.0	63.2	64.9	66.4	67.9	70.6	72.3	72.7	74.5	76.4
XI. Annual Sales (MWh)	-	2,379,904	2,391,804	2,403,763	2,415,782	2,427,861	2,440,000	2,452,200	2,464,461	2,476,783	2,489,167	2,501,613

Exhibit 6 - All Santa Barbara County 50% Renewable Pro Forma

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
I. Revenue	-	156,561,067	162,162,930	167,832,371	173,576,391	179,401,948	185,315,967	191,325,356	197,437,017	203,657,862	209,994,821	216,454,861
II. Operating Expenses												
Power Supply	-	127,017,386	135,779,407	140,721,284	144,444,843	148,036,579	151,547,796	157,963,954	161,749,459	163,923,925	168,531,988	173,017,950
Staff	583,333	3,500,000	3,587,500	3,677,188	3,769,117	3,863,345	3,959,929	4,058,927	4,160,400	3,500,000	3,500,000	3,500,000
Marketing and Communications	349,005	1,234,676	1,164,759	1,194,594	1,225,196	1,256,586	1,288,784	1,321,810	1,355,686	1,141,194	1,141,900	1,142,610
Legal, Consulting, other Prof. Services	300,000	1,500,000	1,537,500	1,575,938	1,615,336	1,655,719	1,697,112	1,739,540	1,783,029	1,500,000	1,500,000	1,500,000
Data Management	-	1,898,527	1,908,014	1,917,550	1,927,134	1,936,753	1,946,435	1,956,166	1,965,931	1,975,746	1,985,623	1,995,536
Utility Service Fees	-	431,280	426,917	436,131	445,605	455,346	465,364	475,666	425,709	427,814	429,931	432,056
Miscellaneous Admin. & General	83,333	500,000	512,500	525,313	538,445	551,906	565,704	579,847	594,343	500,000	500,000	500,000
Uncollectibles/Other	-	782,805	810,815	839,162	867,882	897,010	926,580	956,627	987,185	1,018,289	1,049,974	1,082,274
Subtotal Operating Expenses	1,315,672	136,864,674	145,727,411	150,887,158	154,833,559	158,653,246	162,397,704	169,052,537	173,021,742	173,986,968	178,639,416	183,170,426
Operating Margin	(1,315,672)	19,696,393	16,435,520	16,945,213	18,742,832	20,748,702	22,918,263	22,272,819	24,415,275	29,670,894	31,355,405	33,284,434
III. Financing												
Startup Funding Repayment	102,500	9,167,500	-	-	-	-	-	-	-	-	-	-
Reserve Contribution	-	6,262,443	6,486,517	6,713,295	6,943,056	7,176,078	7,412,639	7,653,014	7,897,481	8,146,314	8,399,793	8,658,194
Subtotal Financing	102,500	15,429,943	6,486,517	6,713,295	6,943,056	7,176,078	7,412,639	7,653,014	7,897,481	8,146,314	8,399,793	8,658,194
IV. Total Revenue Requirement	1,418,172	152,294,617	152,213,928	157,600,453	161,776,615	165,829,323	169,810,343	176,705,551	180,919,223	182,133,282	187,039,209	191,828,621
V. Net Surplus/(Deficit)	(1,418,172)	4,266,450	9,949,003	10,231,918	11,799,776	13,572,624	15,505,624	14,619,805	16,517,794	21,524,579	22,955,612	24,626,240
VI. Cumulative Reserve	-	6,262,443	12,748,960	19,462,255	26,405,310	33,581,388	40,994,027	48,647,041	56,544,522	64,690,836	73,090,629	81,748,824
VII. Cumulative Net Surplus	(1,418,172)	2,848,278	12,797,281	23,029,199	34,828,975	48,401,599	63,907,223	78,527,028	95,044,823	116,569,402	139,525,014	164,151,254
VIII. Program Average Rate (\$/MWh)	-	65.8	67.8	69.8	71.9	73.9	75.9	78.0	80.1	82.2	84.4	86.5
IX. Power Supply (\$/MWh)	-	53.4	56.8	58.5	59.8	61.0	62.1	64.4	65.6	66.2	67.7	69.2
X. Program Average Cost (\$/MWh)	-	64.0	63.6	65.6	67.0	68.3	69.6	72.1	73.4	73.5	75.1	76.7
XI. Annual Sales (MWh)	-	2,379,904	2,391,804	2,403,763	2,415,782	2,427,861	2,440,000	2,452,200	2,464,461	2,476,783	2,489,167	2,501,613

Exhibit 7 - All Santa Barbara County 75% Renewable Pro Forma

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
I. Revenue	-	156,561,067	162,162,930	167,832,371	173,576,391	179,401,948	185,315,967	191,325,356	197,437,017	203,657,862	209,994,821	216,454,861
II. Operating Expenses												
Power Supply	-	136,994,213	145,646,244	150,493,869	154,470,758	158,364,525	162,186,871	168,968,425	173,085,439	175,506,123	180,364,952	185,155,829
Staff	583,333	3,500,000	3,587,500	3,677,188	3,769,117	3,863,345	3,959,929	4,058,927	4,160,400	3,500,000	3,500,000	3,500,000
Marketing and Communications	349,005	1,234,676	1,164,759	1,194,594	1,225,196	1,256,586	1,288,784	1,321,810	1,355,686	1,141,194	1,141,900	1,142,610
Legal, Consulting, other Prof. Services	300,000	1,500,000	1,537,500	1,575,938	1,615,336	1,655,719	1,697,112	1,739,540	1,783,029	1,500,000	1,500,000	1,500,000
Data Management	-	1,898,527	1,908,014	1,917,550	1,927,134	1,936,753	1,946,435	1,956,166	1,965,931	1,975,746	1,985,623	1,995,536
Utility Service Fees	-	431,280	426,917	436,131	445,605	455,346	465,364	475,666	425,709	427,814	429,931	432,056
Miscellaneous Admin. & General	83,333	500,000	512,500	523,313	538,445	551,906	565,704	579,847	594,343	500,000	500,000	500,000
Uncollectibles/ Other	-	782,805	810,815	839,162	867,882	897,010	926,580	956,627	987,185	1,018,289	1,049,974	1,082,274
Subtotal Operating Expenses	1,315,672	146,841,502	155,594,248	160,659,743	164,859,474	168,981,191	173,036,779	180,057,007	184,357,723	185,569,166	190,472,380	195,309,305
Operating Margin	(1,315,672)	9,719,565	6,568,682	7,172,628	8,716,917	10,420,757	12,279,188	11,268,348	13,079,295	18,088,695	19,522,441	21,145,555
III. Financing												
Startup Funding Repayment	102,500	9,167,500	-	-	-	-	-	-	-	-	-	-
Reserve Contribution	-	6,262,443	6,486,517	6,713,295	6,943,056	7,176,078	7,412,639	7,653,014	7,897,481	8,146,314	8,399,793	8,658,194
Subtotal Financing	102,500	15,429,943	6,486,517	6,713,295	6,943,056	7,176,078	7,412,639	7,653,014	7,897,481	8,146,314	8,399,793	8,658,194
IV. Total Revenue Requirement	1,418,172	162,271,444	162,080,765	167,373,038	171,802,530	176,157,269	180,449,418	187,710,022	192,255,203	193,715,481	198,872,173	203,967,500
V. Net Surplus/(Deficit)	(1,418,172)	(5,710,377)	82,165	459,333	1,773,861	3,244,679	4,866,549	3,615,334	5,181,814	9,942,381	11,122,648	12,487,361
VI. Cumulative Reserve	-	6,262,443	12,748,960	19,462,255	26,405,310	33,581,388	40,994,027	48,647,041	56,544,522	64,690,836	73,090,629	81,748,824
VII. Cumulative Net Surplus	(1,418,172)	(7,128,549)	(7,046,384)	(6,587,051)	(4,813,190)	(1,568,511)	3,298,038	6,913,372	12,095,186	22,037,567	33,160,215	45,647,576
VIII. Program Average Rate (\$/MWh)	-	65.8	67.8	69.8	71.9	73.9	75.9	78.0	80.1	82.2	84.4	86.5
IX. Power Supply (\$/MWh)	-	57.6	60.9	62.6	63.9	65.2	66.5	68.9	70.2	70.9	72.5	74.0
X. Program Average Cost (\$/MWh)	-	68.2	67.8	69.6	71.1	72.6	74.0	76.5	78.0	78.2	79.9	81.5
XI. Annual Sales (MWh)	-	2,379,904	2,391,804	2,403,763	2,415,782	2,427,861	2,440,000	2,452,200	2,464,461	2,476,783	2,489,167	2,501,613

Exhibit 8 - Unincorporated Santa Barbara County RPS-Tracking Pro Forma

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
I. Revenue	-	80,827,550	83,353,846	85,911,542	88,503,408	91,132,196	93,800,647	96,511,498	99,267,484	102,071,345	104,925,832	107,833,708
II. Operating Expenses												
Power Supply	-	63,167,842	67,945,133	70,761,437	72,919,922	74,951,598	76,966,000	80,238,610	82,521,579	84,089,589	86,706,738	89,367,346
Staff	583,333	3,500,000	3,587,500	3,677,188	3,769,117	3,863,345	3,959,929	4,058,927	4,160,400	4,264,400	4,370,800	4,479,600
Marketing and Communications	291,219	1,097,703	1,083,186	1,110,563	1,138,635	1,167,417	1,196,928	1,227,187	1,258,213	1,289,000	1,320,500	1,352,700
Legal, Consulting, other Prof. Services	300,000	1,500,000	1,537,500	1,575,938	1,615,336	1,655,719	1,697,112	1,739,540	1,783,029	1,500,000	1,500,000	1,500,000
Data Management	-	665,105	668,424	671,780	675,144	678,530	681,926	685,344	688,771	692,221	695,679	699,161
Utility Service Fees	-	173,579	163,903	167,659	171,522	175,496	179,584	183,791	182,909	163,702	164,498	165,299
Miscellaneous Admin. & General	83,333	500,000	512,500	525,313	538,445	551,906	565,704	579,847	594,343	500,000	500,000	500,000
Uncollectibles/Other	-	404,138	416,769	429,558	442,517	455,661	469,003	482,557	496,337	510,357	524,629	539,169
Subtotal Operating Expenses	1,257,885	71,008,366	75,914,914	78,919,434	81,270,637	83,499,674	85,716,187	89,195,803	91,665,581	92,014,652	94,650,622	97,330,347
Operating Margin	(1,257,885)	9,819,184	7,438,931	6,992,108	7,232,770	7,632,522	8,084,460	7,315,695	7,601,903	10,056,693	10,275,210	10,503,361
III. Financing												
Startup Funding Repayment	72,500	6,107,500	-	-	-	-	-	-	-	-	-	-
Reserve Contribution	-	3,233,102	3,334,154	3,436,462	3,540,136	3,645,288	3,752,026	3,860,460	3,970,699	4,082,854	4,197,033	4,313,348
Subtotal Financing	72,500	9,340,602	3,334,154	3,436,462	3,540,136	3,645,288	3,752,026	3,860,460	3,970,699	4,082,854	4,197,033	4,313,348
IV. Total Revenue Requirement	1,330,385	80,348,968	79,249,068	82,355,895	84,810,774	87,144,961	89,468,213	93,056,263	95,636,280	96,097,506	98,847,655	101,643,695
V. Net Surplus/(Deficit)	(1,330,385)	478,582	4,104,778	3,555,647	3,692,634	3,987,234	4,332,434	3,455,235	3,631,203	5,973,840	6,078,177	6,190,013
VI. Cumulative Reserve	-	3,233,102	6,567,256	10,003,718	13,543,854	17,189,142	20,941,168	24,801,627	28,772,327	32,855,181	37,052,214	41,365,562
VII. Cumulative Net Surplus	(1,330,385)	(851,804)	3,252,974	6,808,621	10,501,255	14,488,489	18,820,923	22,276,158	25,907,361	31,881,201	37,959,378	44,149,391
VIII. Program Average Rate (\$/MWh)	-	65.8	67.5	69.2	71.0	72.7	74.5	76.3	78.0	79.8	81.7	83.5
IX. Power Supply (\$/MWh)	-	51.4	55.0	57.0	58.5	59.8	61.1	63.4	64.9	65.8	67.5	69.2
X. Program Average Cost (\$/MWh)	-	65.4	64.2	66.4	68.0	69.5	71.0	73.5	75.2	75.2	76.9	78.7
XI. Annual Sales (MWh)	-	1,228,384	1,234,526	1,240,699	1,246,902	1,253,137	1,259,402	1,265,699	1,272,028	1,278,388	1,284,780	1,291,204

Exhibit 9 - Unincorporated Santa Barbara County 50% Renewable Pro Forma

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
I. Revenue	-	80,827,550	83,353,846	85,911,542	88,503,408	91,132,196	93,800,647	96,511,498	99,267,484	102,071,345	104,925,832	107,833,708
II. Operating Expenses												
Power Supply	-	65,608,392	70,153,778	72,742,449	74,751,626	76,623,200	78,466,192	81,555,546	83,642,858	85,002,227	87,397,147	89,821,308
Staff	583,333	3,500,000	3,587,500	3,677,188	3,769,117	3,863,345	3,959,929	4,058,927	4,160,400	3,500,000	3,500,000	3,500,000
Marketing and Communications	291,219	1,097,703	1,083,186	1,110,563	1,138,635	1,167,417	1,196,928	1,227,187	1,258,213	1,058,783	1,059,077	1,059,373
Legal, Consulting, other Prof. Services	300,000	1,500,000	1,537,500	1,575,938	1,615,336	1,655,719	1,697,112	1,739,540	1,783,029	1,500,000	1,500,000	1,500,000
Data Management	-	665,105	668,424	671,780	675,144	678,530	681,926	685,344	688,771	692,221	695,679	699,161
Utility Service Fees	-	173,579	163,903	167,659	171,522	175,496	179,584	183,791	162,909	163,702	164,498	165,299
Miscellaneous Admin. & General	83,333	500,000	512,500	525,313	538,445	551,906	565,704	579,847	594,343	500,000	500,000	500,000
Uncollectibles/Other	-	404,138	416,769	429,558	442,517	455,661	469,003	482,557	496,337	510,357	524,629	539,169
Subtotal Operating Expenses	1,257,885	73,448,916	78,123,560	80,900,446	83,102,341	85,117,276	87,216,379	90,512,740	92,786,880	92,927,290	95,341,031	97,784,309
Operating Margin	(1,257,885)	7,378,634	5,230,286	5,011,096	5,401,066	5,960,920	6,584,268	5,998,758	6,480,624	9,144,055	9,584,801	10,049,399
III. Financing												
Startup Funding Repayment	77,500	6,617,500	-	-	-	-	-	-	-	-	-	-
Reserve Contribution	-	3,223,102	3,334,154	3,436,462	3,540,136	3,645,288	3,752,026	3,860,460	3,970,699	4,082,854	4,197,033	4,313,348
Subtotal Financing	77,500	9,850,602	3,334,154	3,436,462	3,540,136	3,645,288	3,752,026	3,860,460	3,970,699	4,082,854	4,197,033	4,313,348
IV. Total Revenue Requirement	1,335,385	83,299,518	81,457,714	84,336,908	86,642,478	88,816,563	90,968,404	94,373,200	96,757,560	97,010,144	99,538,064	102,097,657
V. Net Surplus/(Deficit)	(1,335,385)	(2,471,968)	1,896,132	1,574,634	1,860,930	2,315,632	2,832,242	2,138,298	2,509,924	5,061,201	5,387,768	5,736,051
VI. Cumulative Reserve	-	3,223,102	6,567,256	10,003,718	13,543,854	17,189,142	20,941,168	24,801,627	28,772,327	32,855,181	37,052,214	41,365,562
VII. Cumulative Net Surplus	(1,335,385)	(3,807,353)	(1,911,221)	(336,587)	1,524,343	3,839,975	6,672,218	8,810,516	11,320,440	16,381,641	21,769,409	27,505,460
VIII. Program Average Rate (\$/MWh)	-	65.8	67.5	69.2	71.0	72.7	74.5	76.3	78.0	79.8	81.7	83.5
IX. Power Supply (\$/MWh)	-	53.4	56.8	58.6	59.9	61.1	62.3	64.4	65.8	66.5	68.0	69.6
X. Program Average Cost (\$/MWh)	-	67.8	66.0	68.0	69.5	70.9	72.2	74.6	76.1	75.9	77.5	79.1
XI. Annual Sales (MWh)	-	1,228,384	1,234,526	1,240,699	1,246,902	1,253,137	1,259,402	1,265,699	1,272,028	1,278,388	1,284,780	1,291,204

Exhibit 10 - Unincorporated Santa Barbara County 75% Renewable Pro Forma

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
I. Revenue	-	80,827,550	83,353,846	85,911,542	88,503,408	91,132,196	93,800,647	96,511,498	99,267,484	102,071,345	104,925,832	107,833,708
II. Operating Expenses												
Power Supply	-	70,752,936	75,241,688	77,779,902	79,924,314	81,951,715	83,955,229	87,227,997	89,486,191	90,983,269	93,518,891	96,107,137
Staff	583,333	3,500,000	3,587,500	3,677,188	3,769,117	3,863,345	3,959,929	4,058,927	4,160,400	4,262,213	4,365,373	4,469,886
Marketing and Communications	291,219	1,097,703	1,083,186	1,110,563	1,138,635	1,167,417	1,196,928	1,227,187	1,258,213	1,058,783	1,059,077	1,059,373
Legal, Consulting, other Prof. Services	300,000	1,500,000	1,537,500	1,575,938	1,615,336	1,655,719	1,697,112	1,739,540	1,783,029	1,500,000	1,500,000	1,500,000
Data Management	-	665,105	668,424	671,780	675,144	678,530	681,926	685,344	688,771	692,221	695,679	699,161
Utility Service Fees	-	173,579	163,903	167,659	171,522	175,496	179,584	183,791	162,909	163,702	164,498	165,299
Miscellaneous Admin. & General	83,333	500,000	512,500	525,313	538,445	551,906	565,704	579,847	594,343	500,000	500,000	500,000
Uncollectibles/Other	-	404,138	416,769	429,558	442,517	455,661	469,003	482,557	496,337	510,357	524,629	539,169
Subtotal Operating Expenses	1,257,885	78,993,461	83,211,470	85,937,899	88,275,030	90,499,791	92,705,415	96,185,191	98,630,194	98,908,332	101,462,775	104,070,138
Operating Margin	(1,257,885)	2,234,089	142,376	(26,357)	228,378	632,405	1,095,231	326,307	637,290	3,163,013	3,463,057	3,763,570
III. Financing												
Startup Funding Repayment	77,500	6,617,500	-	-	-	-	-	-	-	-	-	-
Reserve Contribution	-	3,233,102	3,334,154	3,436,462	3,540,136	3,645,288	3,752,026	3,860,460	3,970,699	4,082,854	4,197,033	4,313,348
Subtotal Financing	77,500	9,850,602	3,334,154	3,436,462	3,540,136	3,645,288	3,752,026	3,860,460	3,970,699	4,082,854	4,197,033	4,313,348
IV. Total Revenue Requirement	1,335,385	88,444,063	86,545,624	89,374,361	91,815,166	94,145,079	96,457,441	100,045,650	102,600,893	102,991,186	105,659,808	108,383,486
V. Net Surplus/(Deficit)	(1,335,385)	(7,616,513)	(3,191,778)	(3,462,819)	(3,311,758)	(3,012,883)	(2,656,795)	(3,534,153)	(3,333,409)	(919,840)	(733,976)	(549,778)
VI. Cumulative Reserve	-	3,233,102	6,567,256	10,003,718	13,543,854	17,189,142	20,941,168	24,801,627	28,772,327	32,855,181	37,052,214	41,365,562
VII. Cumulative Net Surplus	(1,335,385)	(8,951,898)	(12,143,677)	(15,606,495)	(18,918,253)	(21,931,137)	(24,587,931)	(28,122,084)	(31,455,493)	(32,375,334)	(33,109,310)	(33,659,088)
VIII. Program Average Rate (\$/MWh)	-	65.8	67.5	69.2	71.0	72.7	74.5	76.3	78.0	79.8	81.7	83.5
IX. Power Supply (\$/MWh)	-	57.6	60.9	62.7	64.1	65.4	66.7	68.9	70.3	71.2	72.8	74.4
X. Program Average Cost (\$/MWh)	-	72.0	70.1	72.0	73.6	75.1	76.6	79.0	80.7	80.6	82.2	83.9
XI. Annual Sales (MWh)	-	1,228,384	1,234,526	1,240,699	1,246,902	1,253,137	1,259,402	1,265,699	1,272,028	1,278,388	1,284,780	1,291,204

Exhibit 11 – City of Santa Barbara RPS-Tracking Pro Forma

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
I. Revenue	-	21,902,544	23,272,184	24,656,799	26,058,751	27,480,381	28,924,018	30,391,982	31,886,589	33,410,156	34,965,004	36,553,463
II. Operating Expenses												
Power Supply	-	18,913,576	20,343,912	21,160,448	21,683,519	22,202,960	22,737,477	24,213,970	24,781,316	24,836,882	25,644,778	26,299,792
Staff	279,000	558,000	566,370	583,361	600,862	618,888	637,454	656,578	676,275	696,564	717,461	738,984
Marketing and Communications	173,066	263,066	269,643	276,384	283,293	290,376	297,635	305,076	312,703	320,520	328,533	336,747
Legal, Consulting, other Prof. Services	220,000	420,000	430,500	441,263	452,294	463,601	475,191	487,071	499,248	511,729	524,522	537,636
Data Management	-	515,858	518,438	521,033	523,641	526,263	528,899	531,548	534,212	536,889	539,580	542,271
Utility Service Fees	-	71,726	72,062	72,401	72,741	73,083	73,427	73,772	74,120	74,469	74,820	75,171
Miscellaneous Admin. & General	30,000	60,000	61,500	63,038	64,613	66,229	67,884	69,582	71,321	73,104	74,932	76,805
Uncollectibles/Other	-	104,011	111,312	115,590	118,405	121,207	124,090	131,688	134,746	135,251	139,523	143,037
Subtotal Operating Expenses	702,066	20,906,237	22,373,737	23,223,516	23,799,369	24,362,607	24,942,058	26,469,286	27,083,941	27,185,408	28,044,149	28,750,443
Operating Margin	(702,066)	996,307	898,446	1,423,283	2,259,382	3,117,774	3,981,960	3,922,696	4,802,648	6,224,748	6,920,855	7,803,020
III. Financing												
Startup Funding Repayment	-	-	-	-	-	800,000	800,000	800,000	800,000	800,000	-	-
Reserve Contribution	-	876,102	930,887	986,272	1,042,350	1,099,215	1,156,961	1,215,679	1,275,464	1,336,406	1,398,600	1,462,139
Subtotal Financing	-	876,102	930,887	986,272	1,042,350	1,899,215	1,956,961	2,015,679	2,075,464	2,136,406	1,398,600	1,462,139
IV. Total Revenue Requirement	702,066	21,782,339	23,304,625	24,219,788	24,841,719	26,261,822	26,899,019	28,484,965	29,159,405	29,321,814	29,442,749	30,212,582
V. Net Surplus/(Deficit)	(702,066)	120,205	(32,441)	437,011	1,217,032	1,218,559	2,024,999	1,907,017	2,727,185	4,088,342	5,522,254	6,340,882
V. Cumulative Reserve	-	876,102	1,806,989	2,793,261	3,835,611	5,734,826	7,691,787	9,707,466	11,782,930	13,919,336	15,317,936	16,780,075
VII. Cumulative Net Surplus/(Deficit)	(702,066)	(581,861)	(614,302)	(177,291)	1,039,742	2,258,301	4,283,300	6,190,317	8,917,502	13,005,844	18,528,098	24,868,980
VI. Program Average Rate (\$/MWh)	-	58.3	61.7	65.0	68.4	71.8	75.2	78.6	82.0	85.5	89.1	92.6
VII. Power Supply (\$/MWh)	-	50.4	53.9	55.8	56.9	58.0	59.1	62.6	63.7	63.6	65.3	66.7
VIII. Program Average Cost (\$/MWh)	-	58.0	61.8	63.9	65.2	68.6	69.9	73.6	75.0	75.1	75.0	76.6
IX. Annual Sales (MWh)	-	375,396	377,273	379,160	381,055	382,961	384,876	386,800	388,734	390,678	392,631	394,594

Exhibit 12 – City of Santa Barbara 50% Renewable Pro Forma

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
I. Revenue	-	21,902,544	23,272,184	24,656,799	26,058,751	27,480,381	28,924,018	30,391,982	31,886,589	33,410,156	34,965,004	36,553,463
II. Operating Expenses												
Power Supply	-	19,918,700	21,238,616	21,946,825	22,392,327	22,828,813	23,214,733	24,656,722	25,123,384	25,071,797	25,765,773	26,299,792
Staff	279,000	558,000	566,370	583,361	600,982	618,888	637,454	656,578	676,275	696,564	717,461	738,984
Marketing and Communications	173,066	263,066	269,643	276,384	283,293	290,376	297,635	305,076	312,703	320,520	328,533	336,747
Legal, Consulting, other Prof. Services	220,000	420,000	430,500	441,263	452,294	463,601	475,191	487,071	499,248	511,729	524,522	537,636
Data Management	-	515,858	518,438	521,033	523,641	526,263	528,899	531,548	534,212	536,889	539,580	542,271
Utility Service Fees	-	71,726	72,062	72,401	72,741	73,083	73,427	73,772	74,120	74,469	74,820	75,171
Miscellaneous Admin. & General	30,000	60,000	61,500	63,038	64,613	66,229	67,884	69,582	71,321	73,104	74,932	76,805
Uncollectibles/Other	-	109,037	115,786	119,522	121,949	124,336	126,776	133,902	136,456	136,425	140,128	143,037
Subtotal Operating Expenses	702,066	21,916,386	23,272,915	24,023,825	24,511,721	24,991,589	25,482,000	26,914,252	27,427,719	27,421,497	28,165,750	28,750,443
Operating Margin	(702,066)	(13,842)	(731)	632,974	1,547,030	2,488,793	3,442,018	3,477,731	4,458,871	5,988,659	6,799,254	7,803,020
III. Financing												
Startup Funding Repayment	-	-	-	-	-	800,000	800,000	800,000	800,000	800,000	800,000	-
Reserve Contribution	-	876,102	930,887	986,272	1,042,350	1,099,215	1,156,961	1,215,679	1,275,464	1,336,406	1,398,600	1,462,139
Subtotal Financing	-	876,102	930,887	986,272	1,042,350	1,899,215	1,956,961	2,015,679	2,075,464	2,136,406	1,398,600	1,462,139
IV. Total Revenue Requirement	702,066	22,792,488	24,203,802	25,010,097	25,554,071	26,890,804	27,438,961	28,929,931	29,503,183	29,557,904	29,564,350	30,212,582
V. Net Surplus/(Deficit)	(702,066)	(839,944)	(931,618)	(353,298)	504,680	589,577	1,485,058	1,462,051	2,383,407	3,852,252	5,400,654	6,340,882
V. Cumulative Reserve	-	876,102	1,806,989	2,793,261	3,835,611	5,734,826	7,691,787	9,707,466	11,782,930	13,919,336	15,317,936	16,780,075
VII. Cumulative Net Surplus/(Deficit)	(702,066)	(1,592,010)	(2,523,628)	(2,876,926)	(2,372,246)	(1,782,669)	(297,611)	1,164,440	3,547,847	7,400,099	12,800,753	19,141,635
VI. Program Average Rate (\$/MWh)	-	58.3	61.7	65.0	68.4	71.8	75.2	78.6	82.0	85.5	89.1	92.6
VIII. Power Supply (\$/MWh)	-	53.1	56.3	57.9	58.8	59.6	60.5	63.7	64.6	64.2	65.6	66.7
VIII. Program Average Cost (\$/MWh)	-	60.7	64.2	66.0	67.1	70.2	71.3	74.8	75.9	75.7	75.3	76.6
IX. Annual Sales (MWh)	-	375,396	377,273	379,160	381,055	382,961	384,876	386,800	388,734	390,678	392,631	394,594

Exhibit 13 – City of Santa Barbara 75% Renewable Pro Forma

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
I. Revenue	-	21,902,544	23,272,184	24,656,799	26,058,751	27,480,381	28,924,018	30,391,982	31,886,589	33,410,156	34,965,004	36,553,463
II. Operating Expenses												
Power Supply	-	21,500,057	22,802,413	23,498,536	23,977,113	24,461,340	24,956,440	26,404,035	26,923,334	26,894,255	27,610,464	28,183,227
Staff	279,000	558,000	566,370	583,361	600,862	618,888	637,454	656,578	676,275	696,564	717,461	738,984
Marketing and Communications	173,066	263,066	269,643	276,384	283,293	290,376	297,635	305,076	312,703	320,520	328,533	336,747
Legal, Consulting, other Prof. Services	220,000	420,000	430,500	441,263	452,294	463,601	475,191	487,071	499,248	511,729	524,522	537,636
Data Management	-	515,858	518,438	521,033	523,641	526,263	528,899	531,548	534,212	536,889	539,580	542,271
Utility Service Fees	-	71,726	72,062	72,401	72,741	73,083	73,427	73,772	74,120	74,469	74,820	75,171
Miscellaneous Admin. & General	30,000	60,000	61,500	63,038	64,613	66,229	67,884	69,582	71,321	73,104	74,932	76,805
Uncollectibles/Other	-	116,944	123,605	127,280	129,873	132,499	135,185	142,638	145,456	145,538	149,352	152,454
Subtotal Operating Expenses	702,066	23,505,650	24,844,531	25,583,294	26,104,431	26,632,279	27,172,116	28,670,301	29,236,669	29,253,069	30,019,664	30,643,295
Operating Margin	(702,066)	(1,603,106)	(1,572,348)	(926,495)	(45,680)	848,102	1,751,903	1,721,682	2,649,921	4,157,087	4,945,340	5,910,169
III. Financing												
Startup Funding Repayment	-	-	-	-	-	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000	-
Reserve Contribution	-	876,102	930,887	986,272	1,042,350	1,099,215	1,156,961	1,215,679	1,275,464	1,336,406	1,398,600	1,462,139
Subtotal Financing	-	876,102	930,887	986,272	1,042,350	3,699,215	3,756,961	3,815,679	3,875,464	3,936,406	1,398,600	1,462,139
IV. Total Revenue Requirement	702,066	24,381,752	25,775,419	26,569,566	27,146,781	30,331,494	30,929,076	32,485,980	33,112,132	33,189,475	31,418,264	32,105,433
V. Net Surplus/(Deficit)	(702,066)	(2,479,208)	(2,503,235)	(1,912,767)	(1,088,030)	(2,851,113)	(2,005,058)	(2,093,997)	(1,225,543)	220,681	3,546,740	4,448,030
V. Cumulative Reserve	-	876,102	1,806,989	2,793,261	3,835,611	7,534,826	11,291,787	15,107,466	18,982,930	22,919,336	24,317,936	25,780,075
VII. Cumulative Net Surplus/(Deficit)	(702,066)	(3,181,274)	(5,684,509)	(7,597,276)	(8,685,306)	(11,536,418)	(13,541,477)	(15,635,474)	(16,861,017)	(16,640,336)	(13,093,596)	(8,645,566)
VI. Program Average Rate (\$/MWh)	-	58.3	61.7	65.0	68.4	71.8	75.2	78.6	82.0	85.5	89.1	92.6
VII. Power Supply (\$/MWh)	-	57.3	60.4	62.0	62.9	63.9	64.8	68.3	69.3	68.8	70.3	71.4
VIII. Program Average Cost (\$/MWh)	-	64.9	68.3	70.1	71.2	79.2	80.4	84.0	85.2	85.0	80.0	81.4
IX. Annual Sales (MWh)	-	375,396	377,273	379,160	381,055	382,961	384,876	386,800	388,734	390,678	392,631	394,594

REGIONAL CLEAN ENERGY INITIATIVES: COMMUNITY CHOICE ENERGY AND STRATEGIC ENERGY PLANNING

Presentation to the Buellton City Council

July 26, 2018

Jennifer Cregar

Co-Division Chief, Sustainability

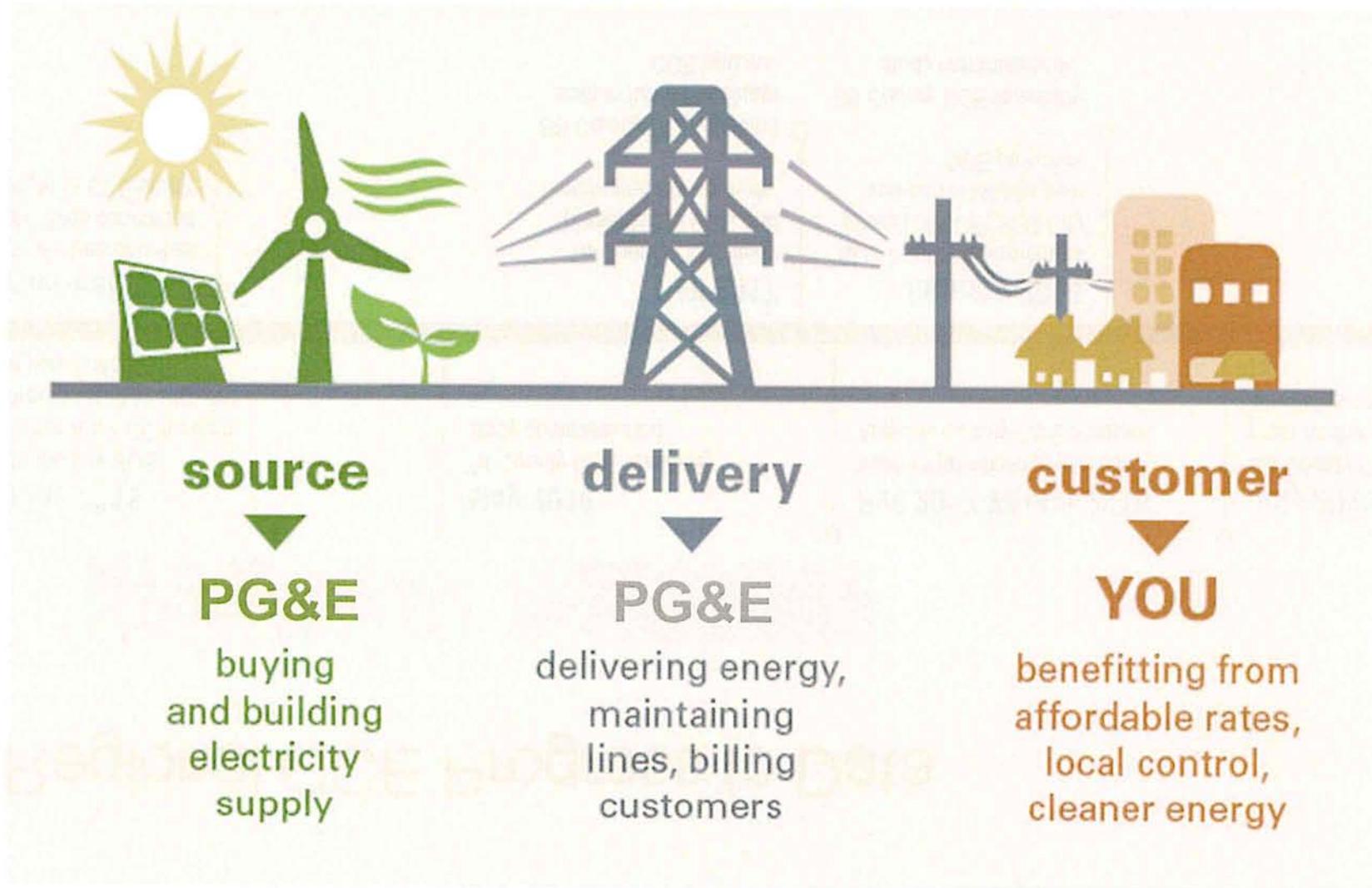
County of Santa Barbara



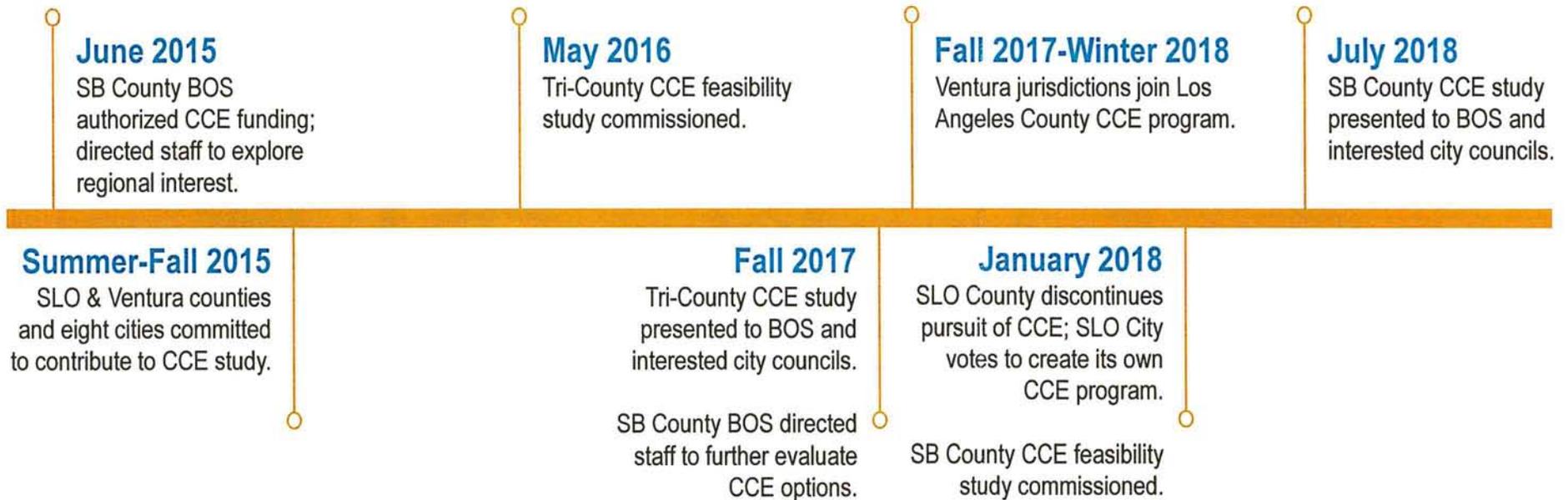
Agenda

- **Community Choice Energy (CCE)**
 - Overview
 - Feasibility Study Results
 - Next Steps
- **Strategic Energy Planning (SEP)**
 - Overview
 - Next Steps

How Community Choice Energy Works



Regional CCE Progress to Date



Evaluating CCE Feasibility

Feasibility = Can we meet our policy goals while covering our costs and offering competitive electricity rates?

Steps to determine CCE feasibility:

1. Estimate total CCE program costs.
2. Set CCE rates to fully recover program costs (Step 1).
3. Add CCE rates (Step 2) + estimated exit fees.
- 4a. Are CCE rates + exit fees (Step 3) \leq IOU generation rates?
- 4b. Are revenues $>$ costs within reasonable timeframe?

Feasibility Study Scope

- 3 geographic participation scenarios
 - All Santa Barbara County (unincorporated + 7 incorporated cities)
 - Unincorporated Santa Barbara County Only
 - City of Santa Barbara Only
- 3 renewable energy content levels
 - RPS compliant (33% to 50% renewable)
 - **50% renewable** **
 - 75% renewable
- 11-year study period: 2020-2030
- Pro forma assessment
 - Power purchase costs
 - Operational costs
 - Reserve/contingency fund
 - Debt service

Feasibility Study Results

- A CCE program serving all or part of Santa Barbara County can **offer cleaner electricity at a slight cost savings** relative to PG&E (North County) and SCE (South County).
- The **All County scenario offers the greatest cost savings, accelerates the break-even point, and generates the largest revenues** for local investment.
- **50% renewable** option balances environmental and cost considerations.

Financial Analysis for All County 50% Renewable Energy Scenario

Start-up Capital (\$)	Break Even (Year)	Net Surplus (\$)		Average Residential Customer Bill Impact (\$/Year)	
		Year 1	Year 11	Year 1	Year 11
\$9.3M	Year 1	\$4.3M	\$24.6M	PG&E: ↓ \$11 SCE: ↓ \$8	PG&E: ↓ \$51 SCE: ↓ \$55

Key Risks and Uncertainties

- **Market risk:** energy prices may be higher than expected
- **Policy risk:** threats to CCE status quo
 - PCIA “exit fee” changes unknown
 - Potentially more competitive market through Direct Access
 - Potential for centralized procurement and greater oversight
- **Customer load risk:**
 - Customers may opt out at higher rate than expected
 - Distributed energy resources may cut into sales
- **Risk mitigation strategies:**
 - Financial reserve policy (4% of annual revenues)
 - Power portfolio management
 - In-house and consultant expertise

Next Steps to Participate in CCE

- **Step 1. Authorize Resolution of Intent** to work with the County of Santa Barbara and other interested cities to form a joint powers authority (JPA) to create a CCE program serving Santa Barbara County.
 - No legal or financial commitment at this point
 - Proportional cost share TBD
 - JPA anticipated formation date: early 2019
 - CCE anticipated launch date: early 2021 (sooner if allowed by CPUC)
- **Step 2. Select staff person to participate in JPA working group.**
 - Collaborative; energy, financial, and/or legal background helpful but not required

Strategic Energy Planning Overview

- **Purpose:** Stimulate clean energy development to meet economic, environmental, and energy resiliency/reliability goals
- **Scope:**
 - Analyze clean energy opportunities across public and private properties countywide
 - Identify high-priority sites for community workshops and inclusion in a Clean Energy Roadmap
 - Roadmap to outline policy, financial, and programmatic options for stimulating clean energy development
 - (optional) Submit funding applications to develop clean energy projects on public properties
- **Participants:**
 - County and the Cities of Carpinteria and Goleta
 - Santa Barbara pursuing similar scope via separate contract
 - All cities invited to participate

Next Steps to Participate in SEP

- **Step 1. Execute MOU** with the County of Santa Barbara and other interested cities to participate in SEP project.
 - Estimated cost share: \$6,500 to \$12,000 depending on the number of cities participating
 - County will manage contract with consultant
- **Step 2. Select staff person to participate in Clean Energy Working Group.**
 - Collaborative; energy and/or land use planning background helpful but not required

Summary

- The County is interested in collaborating with Buellton on **community choice energy** and **strategic energy planning** to help stimulate local clean energy development and provide more local control over our electricity supply.
- The initiatives can help **meet local economic, environmental, and grid resiliency and reliability goals.**
- Inter-agency collaboration provides economies of scale to **cost-effectively meet shared goals.**

Questions?

Jennifer Cregar

Co-Division Chief, Sustainability
County of Santa Barbara

e: jcregar@countyofsb.org

p: (805) 568-3506

CITY OF BUELLTON
City Council Agenda Staff Report

City Manager Review: MPB
Council Agenda Item No.: 5

To: The Honorable Mayor and City Council

From: Marc Bierdzinski, City Manager

Meeting Date: July 26, 2018

Subject: Ordinance No. 18-02 – “An Ordinance of the City Council of the City of Buellton, California, Repealing Municipal Code Chapter 9.08 and Adding Municipal Code Chapter 19.20 Regarding Commercial Cannabis Activities and Cannabis Cultivation” (Second Reading)

BACKGROUND

At the July 12, 2018, City Council public hearing, the City Council introduced and held the first reading of Ordinance No. 18-02, which prohibits commercial cannabis activities and cultivation within the City Limits. Ordinance No. 18-02 is now ready for its second reading and adoption.

RECOMMENDATION

Staff recommends that the City Council consider adoption of Ordinance No. 18-02 - “An Ordinance of the City Council of the City of Buellton, California, Repealing Municipal Code Chapter 9.08 and Adding Municipal Code Chapter 19.20 Regarding Commercial Cannabis Activities and Cannabis Cultivation” by title only and waive further reading.

ATTACHMENTS

Ordinance No. 18-02

ORDINANCE NO. 18-02

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BUELLTON, CALIFORNIA, REPEALING MUNICIPAL CODE CHAPTER 9.08 AND ADDING MUNICIPAL CODE CHAPTER 19.20 REGARDING COMMERCIAL CANNABIS ACTIVITIES AND CANNABIS CULTIVATION

WHEREAS, the City would like to amend the regulations associated with all commercial cannabis activities; and

WHEREAS, all legal prerequisites have occurred prior to adoption of this Ordinance.

THE CITY COUNCIL OF THE CITY OF BUELLTON DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1: All proceedings having been duly taken as required by law, and upon review of the information provided in the staff report, consideration of the testimony given at the public hearing, as well as other pertinent information, the City Council finds the following:

A. Record. Prior to rendering a decision on any aspect of the proposed ordinance amendments, the City Council considered the following:

1. All public testimony, both written and oral, received in conjunction with that certain public hearing conducted by the City Council on July 12, 2018 (“Public Hearing”).
2. All oral, written and visual materials presented by City staff in conjunction with the Public Hearing.
3. The following informational documents which, by this reference, are incorporated herein.
 - a. That certain written report submitted to the City Council dated July 12, 2018 (the “Staff Report”).
 - b. The report and recommendation of the Planning Commission approved on June 7, 2018, and set forth in Resolution No. 18-04.

B. Public Review. On the basis of evidence hereinafter listed, all administrative procedures and public participation requirements prescribed in the Buellton Municipal Code have been lawfully satisfied:

1. A notice was published in a legal section of a newspaper on June 28, 2018 (the “Public Notice”), more than a minimum of ten (10) days in advance of the Public Hearing conducted on July 12, 2018.

2. The Public Notice was posted in two public locations on June 28, 2018, more than a minimum of 10 days in advance of the Public Hearing.

C. Environmental Clearance. Pursuant to the California Environmental Quality Act (CEQA), the Planning Commission exercises its independent judgment and finds that this ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, sections: 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment); 15060(c)(3) (the activity is not a project as defined in Section 15378); and 15061(b)(3), because the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Buellton has never allowed any commercial cannabis activity under the Municipal Code. The proposed ordinance, therefore, maintains the status quo. Because there is no possibility that this ordinance may have a significant adverse effect on the environment, the adoption of this ordinance is exempt from CEQA.

D. Consistency Declarations. Based on (i) the evidence presented in the Staff Report (incorporated herein by reference), (ii) consultations with affected City Departments, and (iii) testimony and comments received in connection with the public hearing, the City Council does hereby declare as follows:

1. Zoning Ordinance Amendments.

a. Findings:

i. That the form and substance of the Project, as well as the process used in its preparation and adoption, are consistent with the requirements set forth in the Buellton Municipal Code Section 19.10.110(C), in that the proposed ordinance will promote the general community welfare, is consistent with the General Plan, state planning and zoning laws, and the Buellton Zoning Ordinance, and is consistent with good zoning and planning practices.

ii. That the Project is in conformance with all applicable policies and implementation programs set forth in the 2025 Buellton General Plan.

iii. That the Project will not be detrimental to the health, safety, comfort, convenience, property values and general welfare of the community.

SECTION 2. The following sections of the Buellton Municipal Code are hereby amended, in words and figures, as follows:

(Chapter 9.08 Deleted)**Chapter 19.20 COMMERCIAL CANNABIS ACTIVITIES AND CANNABIS CULTIVATION**

- 19.20.010 Purpose**
- 19.20.020 Definitions**
- 19.20.030 Prohibition of Commercial Cannabis Facilities**
- 19.20.040 Regulation of Cannabis Cultivation**
- 19.20.050 Enforcement**

19.20.010 Purpose

The purpose and intent of this chapter is to prohibit any commercial cannabis facility and to regulate cannabis cultivation within the city limits. It is recognized that it is a federal violation under the Controlled Substances Act to possess or distribute cannabis even if for medical purposes. Additionally, there is evidence of an increased incidence of crime-related secondary impacts in locations associated with a cannabis facility, which is contrary to policies that are intended to promote and maintain the public's health, safety, and welfare.

19.20.020 Definitions

As used in this chapter, the following words and phrases shall have the meaning set forth below:

Cannabis or marijuana has the meaning set forth in Business and Professions Code section 26001(f) and includes all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. Cannabis or marijuana also means the separated resin, whether crude or purified, obtained from cannabis. Cannabis or marijuana does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. Cannabis or marijuana does not mean "industrial hemp" as defined by Section 11018.5 of the Health and Safety Code.

Commercial cannabis activity has the meaning set forth in Business and Professions Code section 26001(k).

Commercial cannabis facility means any building, facility, use, establishment, property, or location where any person or entity establishes, commences, engages in, conducts, or carries on, or permits another person or entity to establish, commence, engage in, conduct, or carry on, any commercial cannabis activity that requires a state license or nonprofit license under Business and Professions Code sections 26000 and following, including but not limited to cannabis cultivation, cannabis distribution, cannabis transportation, cannabis storage, manufacturing of cannabis products, cannabis processing, the sale of any cannabis or cannabis products, and the operation of a cannabis microbusiness.

Cultivation has the meaning set forth in Business and Professions Code section 26001(l) and includes any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.

State Cannabis Laws shall mean and include California Health and Safety Code Sections 11362.1 through 11362.45; California Health and Safety Code Section 11362.5 (Compassionate Use Act of 1996); California Health and Safety Code Sections 11362.7 to 11362.83 (Medical Marijuana Program Act); California Health and Safety Code Sections 26000 through 26211 (Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”)); California Health and Safety Code Sections 26220 through 26231.2; the California Attorney General’s Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use issued in August, 2008, as such guidelines may be revised from time to time by action of the Attorney General; California Labor Code Section 147.5; California Revenue and Taxation Code Sections 31020 and 34010 through 34021.5; California Fish and Game Code Section 12029; California Water Code Section 13276; all state regulations adopted pursuant to MAUCRSA; and all other applicable laws of the state of California.

19.20.030 Prohibition of Commercial Cannabis Facilities

A. Commercial cannabis facilities are prohibited in all zoning districts in the City and may not be established or operated anywhere in the City.

B. The prohibition in Paragraph A shall not prohibit a state licensed retailer located outside the City from delivering to customers in the City, provided that such deliveries are in strict compliance with State Cannabis Laws.

19.20.040 Regulation of Cannabis Cultivation

No person or entity may cultivate cannabis at any location in the City, except that a person may cultivate no more than six living cannabis plants inside his or her private residence, or inside an accessory structure to his or her private residence located upon the grounds of that private residence that is fully enclosed and secured against unauthorized entry, provided that the owner of the property provides written consent expressly allowing the cannabis cultivation to occur, the person conducting the cannabis cultivation complies with all applicable Building Code requirements set forth in Title 17 of this code, there is no use of gas products (CO₂, butane, propane, natural gas, etc.) on the property for purposes of cannabis cultivation, and the cannabis cultivation complies with Health and Safety Code section 11362.2(a)(3).

19.20.050 Enforcement

Any violation of the chapter shall be enforced pursuant to Section 19.10.300.

SECTION 3: If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance irrespective of the fact that any one or more sections, subsections, subdivision, sentences, clauses, phrases or portions thereof be declared invalid or unconstitutional.

SECTION 4: The City Clerk: (i) shall certify as to the passage of this Ordinance and shall cause the same to be published as required by law; (ii) is hereby authorized and directed to make typographical, grammatical and similar corrections in the final text of the Ordinance so long as such corrections do not constitute substantive changes in context; and (iii) cause the Buellton Municipal Code to be reprinted by adding the language contained within Section 2 of this Ordinance.

PASSED, APPROVED, AND ADOPTED this _____ of July 2018.

Holly Sierra
Mayor

ATTEST:

Linda Reid
City Clerk