

**6.1 Long Term Power Purchase Agreement with Zeta Solar, LLC. - TO BE HEARD IMMEDIATELY AFTER CONSENT**

**Recommendation:**

Adopt a resolution authorizing the Director of the Energy Department or her designee to negotiate and execute a long-term power purchase agreement with Zeta Solar, LLC, a subsidiary of Longroad Development Company, LLC, to buy renewable energy, renewable energy credits, resource adequacy, battery tolling rights, and attributes associated with a solar photovoltaic and battery storage facility for a term of 20 years beginning 2027 through 2047, in an estimated annual amount of \$11,227,000 and a not-to-exceed amount of \$224,540,000 in aggregate, to be paid solely from the San José Clean Energy Operating Fund and subject to the annual appropriation of funds.

CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. (Energy)

**TO BE HEARD IMMEDIATELY AFTER CONSENT**



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Lori Mitchell

**SUBJECT: LONG TERM POWER  
PURCHASE AGREEMENT WITH  
ZETA SOLAR, LLC**

**DATE:** January 22, 2024

Approved

Date

1/31/24

## RECOMMENDATION

Adopt a resolution authorizing the Director of the Energy Department or her designee to negotiate and execute a long-term power purchase agreement with Zeta Solar, LLC, a subsidiary of Longroad Development Company, LLC, to buy renewable energy, renewable energy credits, resource adequacy, battery tolling rights, and attributes associated with a solar photovoltaic and battery storage facility for a term of 20 years, beginning 2027 through 2047, in an estimated annual amount of \$11,227,000 and a not-to-exceed amount of \$224,540,000 in aggregate, to be paid solely from the San José Clean Energy Operating Fund and subject to the annual appropriation of funds.

## SUMMARY AND OUTCOME

This memorandum requests adoption of a resolution to authorize the Director of the Energy Department or her designee to enter a long-term agreement with Zeta Solar, LLC (Zeta) for a new solar plus battery storage project to serve customers of San José Clean Energy (SJCE). Approving the recommendation to negotiate and execute the agreement will contribute towards the Energy Department achieving California Public Utilities Commission (CPUC) requirements. The capacity from Zeta will make significant contributions toward meeting the CPUC 2027 and 2028 Mid-term reliability requirements. Additionally, Zeta will contribute a modest amount of capacity toward SJCEs monthly resource adequacy and procurement requirements. The agreement will also add resources identified as needed to achieve state and local climate goals in SJCE's 2022 Integrated Resource Plan.

## **BACKGROUND**

### ***CPUC Resource Adequacy Slice of Day Requirements***

On July 15, 2021, the CPUC released Decision 21-07-014 on Phase 2 of the Resource Adequacy Reform Track. In this decision, the CPUC adopted a new regulatory framework for resource adequacy, a program to ensure there are sufficient power resources to reliably meet demand. The new regulatory framework requires load serving entities to show they have contracted with sufficient power resources to meet their demand every hour of the day on the peak day of each month. Since 2021, the CPUC has been refining the rules for this new structure. To utilize batteries as resource adequacy, the rules require that load serving entities demonstrate they have enough power resources above their peak demand to charge the batteries. Considering these rules, stand-alone batteries are only valuable to the extent load serving entities have sufficient excess supply that qualifies for charging. Conversely, a solar project co-located with batteries, like the Zeta project, is particularly valuable because the solar can charge the batteries. The Zeta project will make a modest contribution towards meeting SJCE's peak resource adequacy requirements in the new regulatory framework.

### ***CPUC Procurement Mandate and SJCE Integrated Resource Plan***

On June 6, 2021, the CPUC released Decision 21-06-035 Requiring Procurement to Address Mid-term Reliability (2023-2026) due in part to the phased retirement of the Diablo Canyon Power Plant in 2024 and 2025, and the decision is unlikely to be changed even if Diablo Canyon continues to operate. The decision requires all load serving entities to procure their proportional share of 11,500 megawatts of resource adequacy. The procurement must be available during the month of September, the peak demand month in the state, via long-term agreements that come online over the period of calendar years 2023 through 2026. The CPUC assigned SJCE 247 megawatts of this procurement requirement. On February 2, 2023, the CPUC released Decision 23-02-040 that extended the deadline for part of this requirement to 2028. That decision also added to the procurement requirements in Decision 21-06-035, such that all load serving entities must procure their proportional share of 4,000 megawatts of resource adequacy. Again, the procurement must be available during the month of September, the peak demand month in the state, via long-term agreements that come online over the period of calendar years 2026 through 2027. The CPUC assigned SJCE 80 megawatts of this additional procurement requirement, and the Zeta project will contribute a significant amount towards SJCE's 2027 and 2028 procurement requirement.

On October 25, 2022, the City Council approved SJCE's 2022 Integrated Resource Plan. SJCE's Integrated Resource Plan incorporates the requirements of Decision 21-06-035 and identifies a need for additional resources to achieve state emission reduction requirements and the City's objective to be climate neutral by 2030. The Zeta project will also make a modest contribution towards the City's objective to be climate neutral by 2030.

### ***Solicitations***

On March 22, 2023, the Energy Department issued a joint solicitation with Ava Community Energy (formerly East Bay Community Energy) seeking proposals for new clean resources, including renewables and batteries. Nearly 50 entities submitted 73 bids in response to the solicitation. Most bids were for stand-alone storage which have limited contribution to resource adequacy without a charging source. Bids for solar plus storage and/or wind were limited. These results may be due to robust competition for new renewable resources as the state, local governments, and large corporations strive to meet aggressive greenhouse gas reduction goals. Additionally, the CPUC's new rules for resource adequacy have increased demand for renewable resources capable of providing resource adequacy. The Energy Department analyzed the offers, considering factors such as value, technology, location, project risk, emissions mitigation, and counterparty experience. The Zeta project was one of eight projects shortlisted.

### ***Risk Oversight Committee Review***

On January 11, 2024, the City Manager's Risk Oversight Committee recommended that the Energy Department submit to City Council for approval a resolution to authorize the Director of the Energy Department or her designee to negotiate and execute a long-term agreement with Zeta.

## **ANALYSIS**

### ***Benefits of the Agreement***

The agreement with Zeta will provide SJCE renewable energy, resource adequacy, and dispatchable batteries. The project will contribute towards SJCE's ability to meet the new CPUC resource adequacy requirements and the procurement requirement for 2027 and 2028. The agreement is particularly valuable because it includes solar energy to charge the co-located batteries. The agreement allows the Energy Department to make progress towards achieving San José's aggressive goal to be carbon neutral by 2030. The **attachment** - Summary of Material Terms for the Agreement with Zeta Solar, LLC – provides further information about the agreement.

### ***Project Developer***

Longroad Development Company, LLC's subsidiary Zeta is building a new utility-scale solar photovoltaic facility with a four-hour electric battery storage project in Merced County, California. Longroad Development Company, LLC was founded in 2016 and focuses primarily on the development and operation of utility-scale wind, solar, and battery energy storage projects throughout the United States. It has successfully brought 1.9 gigawatts of projects online in recent years. Longroad Development Company, LLC, is not a publicly traded company. The City

had previously executed another long-term power purchase agreement with a different subsidiary of Longroad Development Company, LLC, Sun Pond LLC.

***Project Terms***

Estimated annual cost: \$11,227,000  
Maximum total contract cost: \$224,540,000  
Term: 20 years  
Expected commercial online date: 2027

***Interconnection Risk***

Zeta faces a reasonable risk that, until a key substation is upgraded, the project will not qualify to provide resource adequacy or compliance with the CPUC procurement requirements for the entire capacity of the batteries. The upgrade is scheduled to be completed in 2028, but it could be delayed. The agreement addresses the risk by requiring that, from commercial operation and throughout the term, Zeta will provide resource adequacy, and hence compliance with the CPUC procurement requirement, equal to at least 75% of the capacity of the batteries. In addition, Zeta will pay damages to San José for any reductions in resource adequacy below 100% of the battery capacity until the project qualifies for full capacity following the upgrade of the relevant substation. Although the project faces a degree of interconnection risk, staff recommends going forward with the agreement because there are limited projects available to provide the services needed and the agreement includes provisions to reduce the potential adverse impacts. Most other viable projects are facing similar risks due transmission upgrades that are needed to bring new renewable projects online.

***Climate Smart San José Analysis***

Proceeding with the agreement with Zeta promotes San José’s ability to provide renewable power to SJCE customers at a reasonable price, thus increasing demand for renewable energy.

**EVALUATION AND FOLLOW-UP**

No additional follow-up is expected at this time.

**COST SUMMARY/IMPLICATIONS**

Entering into the agreement with Zeta is estimated to cost up to \$11,227,000 annually, beginning in 2027, and \$224,540,000 over the life of the agreement.

Funding for the agreement in the San José Clean Energy Fund (Fund 501) will be brought forward as part of future budget processes beginning with the development of the 2026-2027 operating budget and is subject to City Council-approved appropriation of funds. The Energy

HONORABLE MAYOR AND CITY COUNCIL

January 22, 2024

**Subject: Long Term Power Purchase Agreement with Zeta Solar, LLC**

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Department recommends SJCE customer rates to City Council on an annual basis sufficient to meet the department's costs, including power costs, considering all its agreements.

### **COORDINATION**

This memorandum has been coordinated with the City Attorney's Office and the City Manager's Budget Office.

### **PUBLIC OUTREACH**

This memorandum will be posted on the City's Council Agenda website for the February 13, 2024 City Council meeting.

### **COMMISSION RECOMMENDATION AND INPUT**

No commission recommendation or input is associated with this action.

### **CEQA**

Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.

### **PUBLIC SUBSIDY REPORTING**

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/  
LORI MITCHELL  
Director, Energy Department

For questions, please contact Lori Mitchell, Director of the Energy Department, at [lori.mitchell@sanjoseca.gov](mailto:lori.mitchell@sanjoseca.gov) or (408) 535-4880.

**ATTACHMENT:-** Summary of Material Terms for the Agreement with Zeta Solar, LLC

## ATTACHMENT - SUMMARY OF MATERIAL TERMS FOR ZETA SOLAR, LLC

**Buyer:** The City of San José.

**Seller:** Zeta Solar, LLC

**Product:** Renewable energy, capacity attributes (as defined under the agreement), which includes resource adequacy, green attributes (renewable energy certificates), the right to dispatch the battery and ancillary services.

**Facility:** Seller will develop, design, permit, construct, own, and operate the facility, which is a solar photovoltaic and battery energy storage system located in Merced County, California.

**CAISO Scheduling Coordinator:** SJCE will be the CAISO Scheduling Coordinator for the facility.

**Delivery Term:** The delivery term for the project is 20 years.

**Pricing:** \$11,227,000 Estimated Annual Cost, \$224,540,000 Maximum Total Cost.

**Guaranteed Commercial Operation Date:** 2027

**Environmental Attributes:** Portfolio Content Category 1 renewable energy.

**Insurance:** Consistent with the requirements approved by Risk Management.

**Designated Fund and Appropriation of Funds:** The agreement will include provisions that will limit the City's liability to the San José Clean Energy Operating Fund (Designated Fund). This fund is used solely for the City's costs and expenses associated with operating San José Clean Energy. The agreement will provide that payment obligations are special limited obligations of the City payable solely from the Designated Fund, and that those obligations shall not be a charge upon the revenues or General Fund of the City of San José or upon any non-San José Clean Energy moneys or other property of the Energy Department or the City of San José. The agreement will also not financially bind future governing bodies and will not constitute an obligation of future legislative bodies of the City to appropriate funds.



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Lori Mitchell

**SUBJECT: LONG TERM POWER  
PURCHASE AGREEMENT WITH  
ZETA SOLAR, LLC**

**DATE:** February 12, 2024

Approved

Date

2/13/24

## SUPPLEMENTAL

### REASON FOR SUPPLEMENTAL

The purpose of the supplemental memorandum is to describe new language that has been added to the proposed power purchase agreement submitted by the Department of Energy for City Council approval. The language was added in response to a request by IBEW Local 332 to delay approval of the agreement. This supplemental memorandum explains that a delay in approval of the agreement would result in a need to renegotiate. Staff modified the memorandum from January 30, 2024 to reflect that Zeta Solar, LLC offered to include in the agreement a requirement that the facility be constructed subject to a project labor agreement or award the contract for construction to a union signatory entity which will employ a union workforce governed by that entity's existing labor agreements.

### RECOMMENDATION

Adopt a resolution authorizing the Director of the Energy Department or her designee to negotiate and execute a long-term power purchase agreement with Zeta Solar, LLC, a subsidiary of Longroad Development Company, LLC, to buy renewable energy, renewable energy credits, resource adequacy, battery tolling rights, and attributes associated with a solar photovoltaic and battery storage facility for a term of 20 years, beginning 2027 through 2047, in an estimated annual amount of \$11,227,000 and a not-to-exceed amount of \$224,540,000 in aggregate, to be paid solely from the San José Clean Energy Operating Fund, subject to the annual appropriation of funds.

## **BACKGROUND**

On January 30, 2024, the City Clerk posted a memorandum seeking City Council approval for the Director of the Energy Department or her designee to negotiate and execute a long-term power purchase agreement with Zeta Solar, LLC, to buy power products associated with a solar photovoltaic and battery storage facility. The attachment to the January 30, 2024 memorandum summarized key terms of the agreement. On February 12, 2024, IBEW Local 332 sent a letter to the Mayor and City Council asking for a one-week delay in approval of the agreement to allow Zeta Solar, LLC and local labor unions to complete negotiations of a project labor agreement.

On February 12, 2024, Zeta Solar, LLC added language to the proposed power purchase agreement that expressly requires Zeta Solar, LLC or its construction contractor to either enter into a project labor agreement for construction of the facility or award the contract for construction to a union signatory entity that will employ a union workforce governed by that entity's existing labor agreements. This must be done at least six months before commencement of construction. This language is included in the updated attachment included with this supplemental memorandum (**Attachment** - Summary of Material Terms for Zeta Solar, LLC.)

A one-week delay in approval of the agreement would likely result in the need to renegotiate the agreement and could result in loss of the opportunity to enter into the agreement. This is because, in order for Zeta Solar, LLC to obtain the right to provide resource adequacy from the battery storage, Zeta Solar, LLC must have a signed power purchase agreement on or before February 14, 2024. Resource adequacy ensures there are sufficient power plants available to meet load at all times. Each load serving entity, such as San José Clean Energy, must buy its share of the resource adequacy needed within the control area of the California Independent System Operator to maintain reliability.

For a battery to qualify to provide resource adequacy, the California Independent System Operator must allocate to that battery an adequate share of the available transmission capacity where the battery is connected to the electric grid as part of the battery interconnection process. After undertaking studies to evaluate whether a project can be safely connected to the electric grid, the California Independent System Operator may reserve capacity for a project seeking to interconnect. However, because transmission capacity is limited and projects are uncertain, to maintain the reservation, a project must demonstrate to the California Independent System Operator ongoing development progress. Zeta Solar, LLC has been allocated capacity upon completion of an upgrade of the Manning substation. To maintain that capacity, Zeta Solar LLC must provide an affidavit to the California Independent System Operator by February 14, 2024, stating that it has a signed power purchase agreement for the project.

As the January 30, 2024 memorandum sets forth, the Zeta Solar, LLC project is particularly valuable to provide resource adequacy because it includes both a solar component that can charge the battery and a battery. The proposed power purchase agreement requires Zeta Solar, LLC to be able to provide resource adequacy for at least 75 percent of the battery. If Zeta Solar, LLC loses the ability to provide resource adequacy, the agreement would have to be renegotiated.

HONORABLE MAYOR AND CITY COUNCIL

February 12, 2024

**Subject: Long Term Power Purchase Agreement with Zeta Solar, LLC**

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## **ANALYSIS**

Staff recommends that the City Council authorize the Director of the Energy Department or her designee approve the proposed power purchase agreement as presented by Zeta Solar, LLC. As stated in the January 30, 2024 memorandum, there is strong competition for projects, like one presented by Zeta Solar, LLC, that include solar power and battery storage. Projects located in California are even more desirable. Accordingly, if the Energy Department is unable to contract with the Zeta Solar, LLC project, it will be challenging to identify another similar project with a similar in-service date. While ordinarily delaying approval of an agreement by a week would not be consequential, in this case, delaying approval of the agreement would result in the need to renegotiate the agreement and could result in a loss of valuable resource adequacy.

## **COORDINATION**

This memorandum has been coordinated with the City Attorney's Office.

/s/  
LORI MITCHELL  
Director, Energy Department

For questions, please contact Lori Mitchell, Director, at [lori.mitchell@sanjoseca.gov](mailto:lori.mitchell@sanjoseca.gov) or (408) 535-4880.

**ATTACHMENT** – Summary of Material Terms for Zeta Solar, LLC

## ATTACHMENT - SUMMARY OF MATERIAL TERMS FOR ZETA SOLAR, LLC

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**Facility:** Seller will develop, design, permit, construct, own, and operate the facility, which is a solar photovoltaic and battery energy storage system located in Merced County, California.

**CAISO Scheduling Coordinator:** San José Clean Energy will be the CAISO Scheduling Coordinator for the facility.

**Delivery Term:** The delivery term for the project is 20 years.

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**Insurance:** Consistent with the requirements approved by Risk Management.

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**Prevailing Wage:** To the extent applicable to the construction of the Facility, Seller shall comply with all applicable federal, state, and local laws, statutes, ordinances, rules and regulations, and orders and decrees of any courts or administrative bodies or tribunals, including without limitation employment discrimination laws and prevailing wage laws. Seller has represented that all employees hired by Seller, and its contractors and subcontractors, that will perform construction work or provide services at the Site related to construction of the Facility are paid wages at rates not less than those prevailing for workers performing similar work in the locality as provided by applicable California law, if any. Seller's obligations under this Section will be satisfied upon Seller's offer to execute a project labor agreement related to construction of the Facility. Seller or its construction contractor for the Facility shall either (i) execute a project labor agreement with the appropriate building or construction trade unions for construction of the Facility, or (ii) award the contract for construction to a union signatory entity which will employ a union workforce governed by that entity's existing labor agreements, in either case, no later than the date that is six (6) months prior to the Construction Start Date.

# ZETA SOLAR LONG TERM RENEWABLE ENERGY CONTRACT

San José City Council

February 13, 2024

Item 6.1



Lori Mitchell, Director of Energy Department  
Paul Innamorato, Deputy Director of Power Resources

# LONGROAD: ZETA

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**Seller:** Zeta Solar, LLC

**Developer:** Longroad Development Company, LLC

**Technology:** Solar + Storage

**Products:** Renewable energy, RA, RECs, and battery tolling

**Location:** Merced County, CA

**COD:** 2027

**Price:** Fixed for energy, RA/tolling, no escalation

**Terms:** 20 years

**Annual Cost:** \$11,227,000

**Total Cost:** \$224,540,000

# LONGROAD DEVELOPMENT COMPANY

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- Longroad primarily focuses on the development and operation of utility-scale wind, solar and battery energy storage projects throughout the United States.
- They have been operating since 2016 and have over 1.9 GW of operating projects.
- Longroad is not a publicly traded company
- Longroad is the developer of another executed PPA, Sun Pond LLC



Source: Longroad website

# DELIVERABILITY DEADLINE & LABOR

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- Deliverability
  - Zeta must have deliverability to count for Resource Adequacy.
  - Zeta received its full allocation of Transmission Planning Deliverability in 2023 by showing the project was shortlisted.
  - Per the CAISO Tariff Section 8.9.3, to keep that allocation Zeta **must** execute an agreement by February 14, 2024.
- Labor
  - On February 12, 2024, IBEW Local 332 sent a letter requesting Council defer a decision on Zeta.
  - Zeta offered to include language to the power purchase agreement that expressly requires that no later than six months prior to construction start:
    - Zeta Solar, LLC or its construction contractor to either enter into a project labor agreement for construction of the Facility or;
    - award the contract for construction to a union signatory entity which will employ a union workforce governed by that entity's existing labor agreements.
- Deferring approval of this agreement would result in:
  - Zeta losing its deliverability allocation and require parties renegotiate key aspects of the agreement
  - Zeta project would not meet the reliability requirements mandated by the CPUC

# QUESTIONS?

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## Recommendation:

Adopt a resolution authorizing the Director of the Energy Department or the Director's designee to negotiate and execute a long-term power purchase agreement with Zeta Solar, LLC, a subsidiary of Longroad Development Company, LLC, to buy renewable energy, renewable energy credits, resource adequacy, battery tolling rights, and attributes associated with a solar photovoltaic and battery storage facility for a term of 20 years beginning 2027 through 2047, in an estimated annual amount of \$11,227,000 and a not-to-exceed amount of \$224,540,000 in aggregate, to be paid solely from the San José Clean Energy Operating Fund and subject to the annual appropriation of funds.

## Staff:

Lori Mitchell, Director of Energy Department  
Paul Innamorato, Deputy Director of Power Resources



Source: Longroad website

# FW: Request to Defer Item 6.1

City Clerk <city.clerk@sanjoseca.gov>

Mon 2/12/2024 10:11 AM

To: Agendadesk <Agendadesk@sanjoseca.gov>

I'm using Adobe Acrobat.

Here's the [IBEW 332.pdf](#) for you to review.

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**From:** Joey Rezonable [REDACTED]  
**Sent:** Monday, February 12, 2024 9:05 AM  
**To:** Joey Rezonable [REDACTED]  
**Cc:** Javier Casillas [REDACTED]  
**Subject:** Request to Defer Item 6.1

[External Email]

Some people who received this message don't often get email from [REDACTED]. [Learn why this is important](#)

Good morning,

Please see the attached correspondence from IBEW Local 332 Business Manager Javier M. Casillas.

Thank you,

*Joey M. Rezonable*

Office Manager  
IBEW Local Union 332

[REDACTED]  
[REDACTED]  
[REDACTED] fax

*jmr/opeiu#29/afl-cio*

This message is from outside the City email system. Do not open links or attachments from untrusted sources.



IBEW Local 332 | [REDACTED]

PHONE [REDACTED]

| FAX [REDACTED]

| EMAIL [REDACTED]

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February 12, 2024

Re: Requesting Deferral of Item 6.1 Long Term Power Purchase Agreement with Zeta Solar, LLC.

Honorable Mayor and City Council,

On behalf of IBEW 332, we respectfully request that the City Council defer this item until the next City Council meeting to allow time to complete negotiations that are underway and close to agreement.

The Zeta Solar project in Merced is in the final stages of negotiations with local unions for a Project Labor Agreement that would provide protections for workers on the project, support apprentice hiring and training, and help ensure reliable and quality construction of the project. We expect the remaining details of this agreement to be finalized soon.

At a total cost of \$224,540,000, this is a major long-term investment toward the City's goals of equitable economic development, greenhouse gas reduction, and affordable, reliable power for San Jose's residents and businesses. It is important to take the time to get it right. Deferring until the agreement is finalized will help the City to ensure the project is designed for long-term success. Please contact me at [REDACTED] if you have any questions.

Sincerely,

[REDACTED]  
Javier M. Casillas

Business Manager/Financial Secretary

CC: South Bay Labor Council

# FW: Public Comment: Item 6.1 Long Term Power Purchase Agreement with Zeta Solar, LLC

City Clerk <city.clerk@sanjoseca.gov>

Tue 2/13/2024 10:48 AM

To:Agendadesk <Agendadesk@sanjoseca.gov>

I'm using Adobe Acrobat.

Here's the [CCA Alliance\\_Public Comment Letter\\_Item 6.1\\_Zeta Solar\\_021324.pdf](#) for you to review.

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**From:** Leslie Austin [REDACTED]  
**Sent:** Tuesday, February 13, 2024 10:00 AM  
**To:** City Clerk <city.clerk@sanjoseca.gov>  
**Cc:** Eric Veium [REDACTED]; Tim Frank <[REDACTED]>  
**Subject:** Public Comment: Item 6.1 Long Term Power Purchase Agreement with Zeta Solar, LLC

[External Email]

You don't often get email from [REDACTED]. [Learn why this is important](#)

Dear San Jose City Council and San Jose Clean Energym Staff,

Please see the public comment attached, on behalf of the CCA Workforce and Environmental Justice Standards Alliance.

Thank you for attaching our comments under "Letters from the Public" to the Council Item.

~Leslie

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Leslie Austin (she / her)  
Director, Let's Green CA!  
[www.greencal.org](http://www.greencal.org)

[REDACTED]

Land Acknowledgment: I live and work on the traditional, unceded lands of the Uypi Tribe of the Awaswas Nation, today represented by the Amah Mutsun Tribal Band, who are dedicated to caring for this place through the Amah Mutsun Land Trust.

This message is from outside the City email system. Do not open links or attachments from untrusted sources.



February 13, 2023

Honorable Mayor Mahan and City Council  
 City of San Jose  
 200 E. Santa Clara Street  
 San Jose, CA 95113

Re: Item 6.1: Long Term Power Purchase Agreement with Zeta Solar, LLC

Dear Mayor Mahan and Councilmembers,

We, the undersigned alliance of over 40 labor, environmental justice, and climate advocates, are writing to express our collective support for the adoption of strong workforce and environmental justice standards within California's Community Choice Aggregation (CCA) programs. Our alliance has successfully championed these standards at three neighboring CCAs, and we are committed to working in collaboration with the remaining Northern CCAs and their joint-procurement agency, California Community Power.

San Jose Clean Energy is uniquely positioned to advance clean energy projects to meet the City of San Jose and CA's climate goals, while also protecting and supporting workers and communities that host those projects. As a mission-driven public agency, we believe San Jose Clean Energy has a responsibility to prioritize workforce development and environmental justice in your clean energy procurement processes. By doing so, you can contribute to local economic benefits, empower workers, and address historical inequities in environmental justice communities.

We understand and support staff's efforts to amend the Zeta Solar Project agreement to include updated workforce standards language. This amendment process provides a valuable chance to reflect on procurement, evaluation, and selection of projects. We have successfully collaborated with neighboring CCAs to proactively establish standards to ensure benefits to workers, the environment, and communities, while reducing avoidable stakeholder friction that might inadvertently cause project delays or other development risks.

Last month, Ava Community Energy adopted [this leadership](#) CCA Workforce & EJ Clean Energy Project Selection Criteria Policy.

We had the pleasure to work directly with CEO Nick Chaset to craft a policy that staff and stakeholders supported. The policy was adopted unanimously by Ava's board with high praise for developing a leadership policy through such a collaborative approach.

We ask for your support to collaborate with your staff in earnest to bring to your Council a Workforce & Environmental Justice Project Selection Criteria Policy that aligns with your agency's values and captures the best practices that we believe should be adopted as standard at CCAs across CA. .

Sincerely,

*Endorsement list of alliance organizations follows:*

Susan Penner, Co-Chair, Legislative Working Group, 1000 Grandmothers for Future Generations

Alan Weiner, Coordinator, 350 Conejo / San Fernando Valley

Nora Privitera, Chair, Federal Climate Team, 350 Bay Area Action Transition Team, California Alliance for Community Energy

Lucas Zucker, Co-Executive Director, Central Coast Alliance United for a Sustainable Economy

Ana Rosa Rizo-Centino, Network Manager, Central Coast Climate Justice Network

Lynda Marin, Chapter Lead, Citizens' Climate Lobby, Santa Cruz Chapter

Michael Chiacos, Policy Director, Community Environmental Council

Jordan Ackerman, Sr. Policy & Public Affairs Manager, Construction Trades Workforce Initiative

Ratha Lai, CEO, Critical Impact Consulting

Rita Casaverde, Executive Director, Diversity Coalition, San Luis Obispo County

John Foran, Founding Editor, Eco-Vista

Andy Carman, Director, Environteers

Leah Redwood, Action Coordinator, Extinction Rebellion San Francisco Bay Area

Tim Frank, Representative, Building and Construction Trades Council of Alameda  
Bart Pantoja, Building and Construction Trades Council of San Mateo County  
John Doherty, Business Manager, IBEW Local 6  
Paul Guitierrez, Business Manager, IBEW Local 234  
Bill Baker, Business Manager, IBEW Local 413  
Greg Bonato, Business Manager, IBEW Local 595  
Scott Wein, Business Manager, IBEW Local 617  
Mark Simonin, Business Manager, IBEW Local 639  
Hector Huezco, California Director, Jobs to Move America  
Veronica Wilson, CA Organizer, Labor Network for Sustainability  
Leslie Austin, Director, Let's Green CA!  
Jessica Tovar, Steering Committee Member, Local Clean Energy Alliance  
Gopal Shanker, President, Récolte Energy  
Nancy Faulstich, Executive Director, Regeneración Pajaro Valley  
Sara Nelson, Executive Director, Romero Institute  
Alex Lansberg, Director, Research & Advocacy, San Francisco Electrical Contractors Assoc.  
Jill ZamEk, Board Member, San Luis Obispo Mothers for Peace  
Robert M. Gould, MD, President, San Francisco Bay Physicians for Social Responsibility  
Joni Eisen, Representative, San Francisco Climate Emergency Coalition  
Ken Hough, Executive Director, Santa Barbara County Action Network  
Pauline Seales, Educator Organizer, Santa Cruz Climate Action Network  
Eric Veium, Chair and Co-Executive Director, SLO Climate Coalition  
Melissa Yu, Senior Energy Campaigns Representative, Sierra Club  
Timothy Duda, Director, Terra Advocati  
Woody Hastings, Fossil Fuel Phaseout Manager, The Climate Center  
Kristin Kusanovich, Founder, tUrn Climate Crisis Awareness & Action  
Bijan Ashtiani-Eisemann, Organizer, UC Green New Deal Coalition  
Louise Auerhahn, Director of Economic & Workforce Policy, Working Partnerships USA