

RESOLUTION NO. _____

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA REQUESTING THAT THE SONOMA CLEAN POWER AUTHORITY ACT AS COMMUNITY CHOICE AGGREGATOR ON BEHALF OF THE CITY AND IMPLEMENT THE SONOMA CLEAN POWER COMMUNITY CHOICE AGGREGATION PROGRAM WITHIN THE CITY OF SANTA ROSA

WHEREAS, the Sonoma County Water Agency prepared a Feasibility Study and a draft Implementation Plan for a community choice aggregation (“CCA”) program in Sonoma County under the provisions of Public Utilities Code §366.2; and

WHEREAS, the Feasibility Study and draft Implementation Plan states that implementing a community choice aggregation program would provide multiple benefits, including:

- Providing customers a choice of power providers;
- Increasing local control and involvement in and collaboration on energy rates and other energy-related matters;
- Providing more stable long-term electric rates that are competitive with those provided by the incumbent utility;
- Reducing greenhouse gas emissions arising from electricity use within Sonoma County;
- Increasing local renewable generation capacity;
- Increasing energy conservation and efficiency projects and programs;
- Increasing regional energy self-sufficiency; and
- Improving the local economy resulting from the implementation of local renewable energy and energy conservation and efficiency projects; and

WHEREAS, on December 4, 2012, the County of Sonoma and the Sonoma County Water Agency approved a Joint Powers Agreement creating the Sonoma Clean Power Authority (“the Authority”), and under the Joint Powers Agreement, cities and towns within Sonoma County may participate in the Sonoma Clean Power CCA program by adopting the resolution and ordinance required by Public Utilities Code §366.2; and

WHEREAS, cities and towns choosing to participate in the CCA program will have membership on the Board of Directors of the Sonoma Clean Power Authority as provided in the joint powers agreement; and

WHEREAS, the Authority solicited bids from electric power suppliers and other service providers, in order to determine whether implementation of a CCA program in Sonoma County is financially viable, and has determined that a CCA program in Sonoma County could provide power to residents and businesses at rates that are competitive with those of the incumbent utility (PG&E); and

WHEREAS, under Public Utilities Code §366.2, customers have the right to opt-out of a CCA program and continue to receive service from the incumbent utility, so that City residents and businesses who wish to continue to receive service from the incumbent utility will be able to do so.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Santa Rosa hereby requests that the Sonoma Clean Power Authority act as Community Choice Aggregator on its behalf within the jurisdiction of the City, and authorizes the Authority to implement and carry out within the City the community choice aggregation program as generally described in the draft Implementation Plan, subject to the Authority's right to forego the implementation of a Community Choice Aggregation program in the event that the Board of Directors of the Sonoma Clean Power Authority determines not to finalize and approve an Implementation Plan for submission to the California Public Utilities Commission and provided that the following changes are made in writing to Joint Powers Agreement and Draft Implementation Plan:

- A. Section 4.7.6 of the Joint Powers Agreement is amended to provide that Santa Rosa shall have an equal number of Directors as the County regardless of the number of participants and provide for the appointment of alternates to attend in the absence of the Director;
- B. That Section 4.7 of the Joint Powers Agreement be amended to provide that the following actions shall require the specified vote of the Board of Directors as follows:
 1. Amendment of the Joint Powers Agreement shall require a sixty-six percent (66%) vote of the Directors and of the weighted vote of members and participants.
 2. Exercise of Eminent Domain power to acquire property other than Easements shall require a seventy five percent (75%) vote of the Board of Directors;
 3. Any requirement that Participant make contributions or pledge assets as a condition of continued participation in the CCA shall require a seventy-five percent (75%) vote of the Directors and shall also require the approval of the governing board of those asked to make such pledge or contribution.
- C. That the Joint Powers Agreement be amended to specify that meetings of the Authority, any committee appointed by the Authority including but not limited to the Ratepayer Committee and the Business Advisory Committee and any subsidiary or independent company established by the Authority shall comply with the provisions of the Ralph M. Brown Act in the conduct of any of its meetings.
- D. That Section 4.5.2.1 of the Joint Powers Agreement be amended to provide that the Ratepayer Advisory Committee "shall" instead of "may" recommend to the Board that any rates or charges proposed to be imposed by the Authority be approved, approved as amended or disapproved and delete language that the ratepayer committee can decline to make a recommendation; and that Section 4.5.3.4 be amended to provide that the Board of Directors may authorize an amount to exceed those expenditure limits of it finds and determine it is reasonable and necessary to do so.

- E. That Section 4.5.1 of the Joint Powers Agreement be amended to provide that removal of a member of the Ratepayer Advisory Committee shall require a two-thirds vote of the Directors.
- F. That the Joint Powers Agreement be amended to provide that the Board shall be required to approve any contract between the Authority and one of its Members or Participants if the total amount of the contract(s) in any fiscal year are in excess of \$50,000.
- G. That the Joint Powers Agreement be amended to clarify the Withdrawal Provisions in Sections 7.1 and 8.14 in terms of the notice requirements after an amendment and the scope of the liability of a withdrawing participant. In addition, the language in Section 7.3 should be amended to define a standard for the deposit requirements upon withdrawal that is not so ambiguous or arbitrary.
- H. That the Draft Implementation Plan be amended to provide that the Board shall develop within the first year a long term strategic plan for the funding and evaluation of local renewable and energy efficiency projects which shall include consideration by the board of requirements for a dedicated funding source, prevailing wage requirements, and project labor agreements and consider limitations on use of nuclear power.
- I. That the Draft Implementation Plan be amended to provide that the City of Santa Rosa's municipal accounts shall not be included until Phase II of the Implementation plan and that with 180 days prior notice, the City may elect to defer Implementation of some or all of its accounts until Phase III.
- J. That the Draft Implementation Plan be amended to remove the Cost Recovery Charge imposed on customers who terminate their account with Sonoma Clean Power and that provisions be added that require any customer who previously terminated their service must agree to at least a twelve month service period to initiate new service with Sonoma Clean Power.

BE IT FURTHER RESOLVED that this resolution shall be effective immediately.

BE IT FURTHER RESOLVED that upon satisfaction of the above conditions, the Council shall adopt an ordinance implementing the Community Choice Aggregation Program. If the conditions are not satisfied within thirty (30) days then this resolution shall become null and void.

IN COUNCIL DULY PASSED this ____ day of _____, 2013.

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: _____ APPROVED: _____
City Clerk Mayor

APPROVED AS TO FORM:

City Attorney

DRAFT