



CITY OF NEEDLES

817 Third Street • Needles, California 92363
(760) 326-2113 • FAX (760) 326-6765

Mayor Edward Paget, M.D.
Vice Mayor Terry Campbell
Councilmember Tony Frazier
Councilmember Jim Lopez
Councilmember Shawn Gudmundson
Councilmember Linda J Kidd
Councilmember Tom Darcy
City Manager Rick Daniels

September 25, 2014

Mr. John Mathias
Electricity Analysis Office
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814

RE: City of Needles Position on Setting Energy Storage Procurement Targets for AB 2514

Dear Mr. Mathias,

Please find attached Resolutions from the respective governing boards of the City of Needles respectfully declining to set energy storage procurement targets.

- Resolution No. 8-5-14 BPU – Needles Board of Public Utilities
- Resolution No. 8-12-2014 – NPUA – Needles Public Utilities Authority
- Resolution No. 2014-39 – City Council of the City of Needles

Should you have any questions, please feel free to call me at (760) 326-5700 X323


David G. Brownlee, Jr., Assistant City Manager/Utilities General Manager

RESOLUTION NO. 8-5-14 BPU

A RESOLUTION OF THE BOARD OF PUBLIC UTILITIES OF THE
CITY OF NEEDLES, CALIFORNIA, RESPECTFULLY DECLINING TO SET ENERGY
STORAGE PROCUREMENT TARGETS AS PER ASSEMBLY BILL 2514

WHEREAS, California' energy storage law – Assembly Bill (AB) 2514 as articulated in California Public Utilities Code Section 2836(b)(1) – requires the governing board of each publicly-owned utility (POU) to “determine appropriate targets, if any, for the utility to procure viable and cost-effective energy storage systems”. In addition to requiring POUs to evaluate the feasibility of energy storage targets, AB 2514 also requires that...” all procurement of energy storage systems” by POUs” shall be cost-effective; and

WHEREAS Energy storage is economical only when the marginal cost of electricity (the cost to produce one more KWh of electricity) varies more than the costs of storing and retrieving the energy plus the price of energy lost in the process; and

WHEREAS; Energy storage systems do not store electricity directly, but rather convert it to another form of energy that is then stored (kinetic, electrochemical, electrostatic, potential, etc.) and when electricity is needed or is more valuable, reconvert it back to its original form; and

WHEREAS, Needles has no utility-owned renewable energy sources that require storage of energy for periods when the sun is not shining and the wind is not blowing, there is no immediate need for energy storage devices.; and

WHEREAS Needles does not foresee the day when it will find renewable energy to be price competitive with the City's allocation of large hydro power from the Parker-Davis Project.

NOW, THEREFORE, BE IT RESOLVED that the Board of Public Utilities of the City of Needles, California determines that establishing a target for the City of Needles and the Needles Public Utility Authority to procure energy storage systems is not appropriate due to the absence of a clear and present need for energy storage systems.

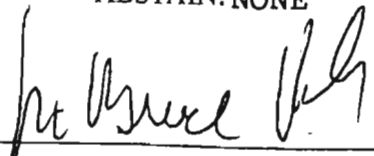
PASSED, APPROVED AND ADOPTED at a regular meeting of the Board of Public Utilities of the City of Needles, California, held on the 5th day of August, 2014, by the following roll call vote:

AYES: CHAIRMAN POCOCK, COMMISSIONERS SHAVER AND SHAW

NOES: COMMISSIONER SULLIVAN

ABSENT: COMMISSIONER SCHNEIDER AND MOFFITT

ABSTAIN: NONE



Chairman

ATTEST: 

Secretary

RESOLUTION NO. 8-12-2014 - NPUA

A RESOLUTION OF THE NEEDLES PUBLIC UTILITY AUTHORITY OF THE
CITY OF NEEDLES, CALIFORNIA, RESPECTFULLY DECLINING TO SET ENERGY STORAGE
PROCUREMENT TARGETS AS PER ASSEMBLY BILL 2514

WHEREAS California' energy storage law – Assembly Bill (AB) 2514 as articulated in California Public Utilities Code Section 2836(b)(1) – requires the governing board of each publicly-owned utility (POU) to “determine appropriate targets, if any, for the utility to procure viable and cost-effective energy storage systems”. In addition to requiring POUs to evaluate the feasibility of energy storage targets, AB 2514 also requires that...” all procurement of energy storage systems” by POUs” shall be cost-effective; and

WHEREAS, Energy storage is economical only when the marginal cost of electricity (the cost to produce one more KWh of electricity) varies more than the costs of storing and retrieving the energy plus the price of energy lost in the process; and

WHEREAS Energy storage systems do not store electricity directly, but rather convert it to another form of energy that is then stored (kinetic, electrochemical, electrostatic, potential, etc.) and when electricity is needed or is more valuable, reconvert it back to its original form; and

WHEREAS, Needles has no utility-owned renewable energy sources that require storage of energy for periods when the sun is not shining and the wind is not blowing, there is no immediate need for energy storage devices.; and

WHEREAS, Needles does not foresee the day when it will find renewable energy to be price competitive with the City's allocation of large hydro power from the Parker-Davis Project.

NOW, THEREFORE, BE IT RESOLVED that the Needles Public Utility Authority of the City of Needles, California, hereby determines that establishing a target for the Needles Public Utility Authority to procure energy storage systems is not appropriate due to the absence of a clear and present need for energy storage systems.

PASSED, APPROVED AND ADOPTED at a regular meeting of the Needles Public Utility Authority of the City of Needles, California, held on the ¹³12th day of August, 2014, by the following roll call vote:

AYES: Members Kidd, Frazier, Campbell, Darcy and Gudmundson

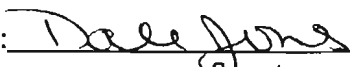
NOES: None

ABSENT: Members Lopez and Paget

ABSTAIN: None



Chairman

ATTEST: 

Secretary

RESOLUTION NO. 2014-39

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEEDLES,
CALIFORNIA, RESPECTFULLY DECLINING TO SET ENERGY STORAGE
PROCUREMENT TARGETS AS PER ASSEMBLY BILL 2514

WHEREAS, California' energy storage law – Assembly Bill (AB) 2514 as articulated in California Public Utilities Code Section 2836(b)(1) – requires the governing board of each publicly-owned utility (POU) to “determine appropriate targets, if any, for the utility to procure viable and cost-effective energy storage systems”. In addition to requiring POU's to evaluate the feasibility of energy storage targets, AB 2514 also requires that...” all procurement of energy storage systems” by POU's” shall be cost-effective; and

WHEREAS,, Energy storage is economical only when the marginal cost of electricity (the cost to produce one more KWh of electricity) varies more than the costs of storing and retrieving the energy plus the price of energy lost in the process; and

WHEREAS, Energy storage systems do not store electricity directly, but rather convert it to another form of energy that is then stored (kinetic, electrochemical, electrostatic, potential, etc.) and when electricity is needed or is more valuable, reconvert it back to its original form; and

WHEREAS, Needles has no utility-owned renewable energy sources that require storage of energy for periods when the sun is not shining and the wind is not blowing, there is no immediate need for energy storage devices.; and

WHEREAS, Needles does not foresee the day when it will find renewable energy to be price competitive with the City's allocation of large hydro power from the Parker-Davis Project.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Needles, California, hereby determines that establishing a target for the Needles Public Utility Authority to procure energy storage systems is not appropriate due to the absence of a clear and present need for energy storage systems.

PASSED AND ADOPTED at a regular meeting of the City Council on the 12th day of August, 2014 by the following vote:
13

AYES: Council Members Kidd, Frazier, Darcy and Gudmundson

NAYS: None

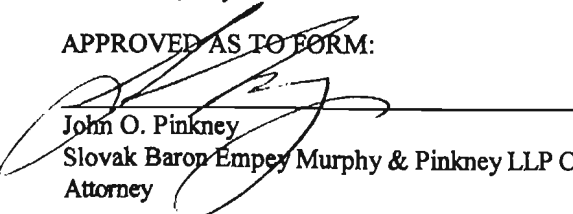
ABSENT: Councilmembers Lopez and Mayor Paget

ABSTAIN: None

ATTEST:


Dale Jones, City Clerk

APPROVED AS TO FORM:


John O. Pinkney
Slovak Baron Empey Murphy & Pinkney LLP City
Attorney

Edward T. Paget, M.D., Mayor

Vice Mayor Campbell
