

RESOLUTION NO. 2016-058

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA, CALIFORNIA, SUPERSEDING RESOLUTION NO. 2014-69 AND REVISING THE TARGETS FOR CORONA DEPARTMENT OF WATER AND POWER TO PROCURE COST-EFFECTIVE ENERGY STORAGE SYSTEMS

WHEREAS, State Assembly Bill 2514 (Chapter 469, Statutes of 2010) (“AB 2514”) added sections 2835 and 2836 to the Public Utilities Code regarding energy storage systems; and

WHEREAS, Section 2836(b) (1) of the Public Utilities Code requires the governing board of each local publicly owned electric utility (“POU”) to initiate a process to determine appropriate targets, if any, for the POU to procure viable and cost-effective energy storage systems to be achieved by December 31, 2016, and December 31, 2020; and

WHEREAS, Section 2836(b) (2) of the Public Utilities Code requires the governing board of each POU to adopt procurement targets, if determined to be appropriate, by October 1, 2014; and

WHEREAS, the City of Corona (“City”) operates a municipal electric utility known as Corona Department of Water and Power (“DWP”), and DWP is generally subject to the legislative and regulatory requirements applicable to POU’s; and

WHEREAS, on March 20, 2013, the City Council adopted Resolution 2013-020, initiating a process to determine appropriate targets, if any, for viable and cost-effective energy storage systems pursuant to AB 2514; and

WHEREAS, the Corona City Council, serving as the governing board for DWP, adopted Resolution No. 2014-69 on September 17, 2014, establishing energy storage targets equal to one percent (1%) of DWP’s peak load during calendar years 2015 and 2020, with installations occurring no later than the end of calendar years 2016 and 2021, respectively; and

WHEREAS, Section 2836 (b) (3) of the Public Utilities Code requires the governing board of each POU to reevaluate these determinations not less than once every three years; and

WHEREAS, Section 9506 of the Public Utilities Code requires each POU to report to the California Energy Commission the energy storage system procurement targets, if any, adopted by the POU’s governing board, along with any modifications made to such targets as a result of reevaluation; and

WHEREAS, to conform to California Public Utilities Code § 2836(b) (1) and § 2836.6, staff reevaluated the viability and cost-effectiveness of applicable energy storage technologies to serve their electric utility customers based on costs, load forecasts, potential on-site customer generation and market alternatives; and

WHEREAS, based on that reevaluation, staff found that the application of utility-owned and operated energy storage technology to serve DWP customers over the next three years is more costly than the value of benefits; and

WHEREAS, it is anticipated that with the passage-of-time and improved technology energy storage systems may become cost-competitive with other resources; and

WHEREAS, it is recommended that DWP rescind the energy storage target for cost-effective applications equal to one percent (1%) of DWP's peak load during calendar years 2015 with installations occurring no later than the end of calendar year 2016; and

WHEREAS, the City Council will reevaluate energy storage targets not less than once every three years; however, in the event a cost-effective applicable energy storage application is not identified, the appropriateness of these targets will again be reevaluated by June 2019 and any resulting modifications to the targets will be reported to the California Energy Commission; and

WHEREAS, the City Council has reviewed staff's evaluation and recommendation and determined that a target to procure cost-effective energy storage systems equal to one percent (1%) of DWP's peak load during calendar year 2020, with installations occurring no later than the end of calendar year 2021 remains appropriate.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Corona, California, as follows:

Section 1. The recitals and findings set forth above are true and correct and are hereby incorporated in their entirety as part of this Resolution by this reference.

Section 2. The energy storage target for cost-effective applications equal to one percent (1%) of DWP's peak load during calendar year 2015, with installations occurring no later than the end of calendar year 2016 is hereby rescinded.

Section 3. To satisfy the obligations of DWP pursuant to AB 2514, the City Council determines that maintaining the energy storage target for cost-effective applications equal to one percent (1%) of DWP's peak load during calendar year 2020, with installations occurring no later than the end of calendar year 2021, remains appropriate.


Section 4. The City Council will reevaluate energy storage targets not less than once every three years; however, if a cost-effective applicable energy storage application is not identified, the appropriateness of these targets will be reevaluated by June 2019, and any resulting modifications to the targets will be reported to the California Energy Commission.

PASSED, APPROVED AND ADOPTED this 15th day of June, 2016.



Mayor of the City of Corona

ATTEST:



City Clerk of the City of Corona, California

CERTIFICATION

I, Lisa Mobley, City Clerk of the City of Corona, California, do hereby certify that the foregoing Resolution was regularly passed and adopted by the City Council of the City of Corona, California, at a regular meeting thereof held on the 15th day of June, 2016, by the following vote:

AYES: HALEY, MONTANEZ, SCOTT, SPIEGEL

NOES: NONE

ABSENT: FOX

ABSTAINED: NONE

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Corona, California, this 15th day of June, 2016.



City Clerk of the City of Corona, California

(SEAL)