

RESOLUTION NO. 2011-197

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
REDDING TO REVISE THE RENEWABLE PORTFOLIO
STANDARD FOR THE CITY OF REDDING'S ELECTRIC SYSTEM**

WHEREAS:

- A. Pursuant to the passage of Senate Bill 1078, the City of Redding (City) formally adopted the City's Renewable Portfolio Standard (RPS) on June 9, 2003, which called for Redding Electric Utility (REU) to meet or exceed a standard of 20 percent of Redding's annual energy needs to be provided by renewable resources by 2017, including hydroelectric generation of all sizes.
- B. Hydroelectric generation accounts for approximately 30 percent of Redding's energy needs.
- C. On September 23, 2010, the California Air Resources Board (CARB) approved the Renewable Electricity Standard (RES) that required California's publicly-owned utilities to procure renewable resources for 33 percent of their annual energy needs by 2020, and may include hydroelectric generation for up to 20 percent of the goal if allowed under the Utility's previously adopted policy.
- D. On March 1, 2011, the City Council revised its RPS policy to adopt the RES of 33 percent by 2020.
- E. Senate Bill 2 in the First Extraordinary Session (SBX1 2) was signed by Governor Brown on April 12, 2011, requiring all electric utilities in California to obtain 33 percent of their annual energy needs from renewable resources by 2020.
- F. SBX1 2 supersedes the CARB's RES.
- G. SBX1 2 requires a local, publicly-owned utility to obtain 33 percent of their unmet energy needs from renewable resources by 2020.
- H. Although SBX1 2 disallows hydroelectric generation greater than 30 megawatts as a qualified renewable resource, REU believes that all sizes of hydroelectric generation are valuable and should be utilized to meet the RPS's goals.
- I. SBX1 2 requires the governing board of a local, publicly-owned utility to adopt a policy for enforcement of the new RPS requirements by January 1, 2012.

THEREFORE, BE IT RESOLVED by the City Council that the City formally revises its RPS policy to adopt the requirements of SBX1 2 as signed by Governor Brown on April 12, 2011:

1. REU's annual energy needs will be provided by renewable resources and shall meet or exceed a standard of:
 - a. An average of 20 percent in 2011 through 2013;
 - b. 25 percent by 2016; and
 - c. 33 percent by 2020 and thereafter.

2. The City adopts the following enforcement plan for compliance with SBX1 2:
 - a. REU will make a reasonable effort, in the context of Good Utility Practice, to be in compliance with the requirements of SBX1 2.
 - b. REU will report annually to the City Council on its status of compliance with SBX1 2.
 - c. REU will notify the City Council of any potential for lack of compliance with the requirements of SBX1 2 that may be considered for a notice of violation and penalty imposition.
 - d. REU will provide an explanation and analysis to the City Council on such potential for lack of compliance with SBX1 2, as well as a plan of corrective action and timeframe for returning the City back into compliance.
 - e. At such time, the City Council will direct REU staff on their recommended course of action.

I HEREBY CERTIFY that the foregoing resolution was adopted at a regular meeting of the City Council on the 20th day of December, 2011, by the following vote:

AYES:	COUNCIL MEMBERS:	Bosetti, Jones, McArthur, Sullivan, and Dickerson
NOES:	COUNCIL MEMBERS:	None
ABSENT:	COUNCIL MEMBERS:	None
ABSTAIN:	COUNCIL MEMBERS:	None

THIS INSTRUMENT IS A CORRECT COPY
OF THE ORIGINAL ON FILE IN THIS OFFICE

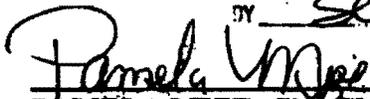
ATTEST

JAN 04 2011

Attest:

PAMELA MIZE
CITY CLERK OF THE CITY COUNCIL
OF THE CITY OF REDDING, COUNTY OF SHASTA,
STATE OF CALIFORNIA

BY


PAMELA MIZE, City Clerk


DICK DICKERSON, Mayor

Form Approved:


RICHARD A. DUVERNAY, City Attorney