

THE CITY OF SANTA CLARA
RENEWABLE ENERGY RESOURCES PROCUREMENT PLAN
(RPS PROCUREMENT PLAN)

INTRODUCTION

In 2008, the City of Santa Clara (“City”) adopted an Environmental Stewardship and Renewable Portfolio Standard Policy Statement (“the Statement”). Within the Statement, the City adopted for the Electric Utility, Silicon Valley Power (“SVP”), a renewable portfolio standard (“RPS”) procurement plan which included a procurement target of 33% of retail sales being met by eligible renewable energy resources by the year 2020. In the intervening years, SVP has delivered eligible renewable energy in excess of 25% to its retail customers. It is the intent of the City, through its utility SVP, to continue to support the acquisition and/or ownership of renewable resources and work diligently to increase the amount of renewable power in the portfolio.

In 2011, SBX1-2 modified the state’s renewable portfolio standard program (“RPS Program”). Pursuant to Public Utilities Code § 399.30(a), SVP must adopt and implement a renewable energy resources procurement plan (“RPS Procurement Plan”). SBX1-2 requires SVP to adopt and implement a program for the enforcement of the RPS Procurement Plan, by January 1, 2012, but does not include a specific date by which the RPS Procurement Plan must be adopted. However, to be enforceable, the RPS Procurement Plan should include the elements directly mandated by SBX1-2. Therefore, this RPS Procurement Plan for SVP includes the elements directly mandated by SBX1-2.

1. Purpose (§ 399.30(a))

In order to fulfill unmet long-term generation resource needs, the City adopts and implements this RPS Procurement Plan, which requires SVP to procure a minimum quantity of electricity products from eligible renewable energy resources, including renewable energy credits, as a specified percentage of SVP’s total kilowatt hours sold to its retail end-use customers during each compliance period, to achieve the targets specified in Senate Bill 2 (First Extraordinary Session).

2. Compliance Periods (§ 399.30(b))

City hereby adopts the following Compliance Periods for RPS Procurement:

- A. Compliance Period 1: January 1, 2011, to December 31, 2013, inclusive.
- B. Compliance Period 2: January 1, 2014, to December 31, 2016, inclusive.
- C. Compliance Period 3: January 1, 2017, to December 31, 2020, inclusive.
- D. Annual Compliance Periods: Annually after 2020.

3. **Procurement Targets of Renewable Energy Resources for Each Compliance Period (§§ 399.30(c)(1) and (2))**

- A. During Compliance Period 1, January 1, 2011 to December 31, 2013, SVP shall procure renewable energy resources equivalent to an average of twenty percent (20%) of retail sales.
- B. By the end of Compliance Period 2, December 31, 2016, SVP shall procure renewable energy resources equivalent to not less than twenty-five percent (25%) of retail sales.
- C. By the end of Compliance Period 3, December 31, 2020, SVP shall procure renewable energy resources equivalent to not less than thirty-three percent (33%) of retail sales.
- D. Commencing on December 31, 2021, and annually thereafter, SVP shall procure renewable energy resources equivalent to not less than thirty-three percent (33%) of retail sales.

To determine the percentage achieved, SVP adds up the total eligible renewable resources procured in kilowatt hours (kWh) by the utility during the preceding calendar year, subtract sales, if any, of eligible renewable resource during the same time period, and divides that sum by the total energy sold (in kWh) to retail end-use customers in the same time period.

SVP shall account for these percentages of renewable energy in its portfolio by using (“retiring”) renewable energy credits sufficient at the end of each compliance period to meet the compliance period’s procurement target.

SVP operational management may determine that a higher percentage of renewable energy resources is appropriate in any given compliance period. The procurement targets will be considered the minimum requirement.

4. **Reasonable Progress Towards Meeting Compliance Period Targets (§§ 399.30(c)(1) and (2))**

- A. By December 31, 2014, SVP shall demonstrate that it is making reasonable progress towards ensuring that it shall meet the twenty-five percent (25%) RPS target by 2016.
- B. By December 31, 2015, SVP shall demonstrate that it is making reasonable progress towards ensuring that it shall meet the twenty-five percent (25%) RPS target by 2016.
- C. By December 31, 2017, SVP shall demonstrate that it is making reasonable progress towards ensuring that it shall meet the thirty-three percent (33%) RPS target by 2020.
- D. By December 31, 2018, SVP shall demonstrate that it is making reasonable progress towards ensuring that it shall meet the thirty-three percent (33%) RPS target by 2020.
- E. By December 31, 2019, SVP shall demonstrate that it is making reasonable progress towards ensuring that it shall meet the thirty-three percent (33%) RPS target by 2020.

5. Procurement Requirements – Definitions for Content Categories (399.30(c)(3))

SVP shall adopt procurement Content Categories that meet the criteria for the following eligible renewable energy resource electricity products:

- A. Content Category 1 (consistent with § 399.16(b)(1)): Resources in this category shall either:
 - (1) Have a first point of interconnection with a California balancing authority, have a first point of interconnection with distribution facilities used to serve end users within a California balancing authority area, or be scheduled from the eligible renewable energy resource into a California balancing authority without substituting electricity from another source, whether procured or produced as an unbundled product or renewable energy credit or procured or produced as a bundled product (even if subsequently unbundled). The use of another source to provide real-time ancillary services required to maintain an hourly or subhourly import schedule into a California balancing authority shall be permitted, but only the fraction of the schedule actually generated by the eligible renewable energy resource shall count toward this portfolio content category.
 - (2) Have an agreement to dynamically transfer electricity to a California balancing authority.
- B. Content Category 2 (consistent with § 399.16(b)(2)): Resources in this category shall include firmed and shaped eligible renewable energy resource electricity

products providing incremental electricity and scheduled into a California balancing authority, regardless of location of the primary facility and/or the incremental resource linked to the primary facility. Resources within this category will be counted for RPS purposes or recorded with vintage within the Western Renewable Energy Generation Information system (WREGIS) within 12 months of generation.

- C. Content Category 3 (consistent with § 399.16(b)(3)): Resources in this category shall include eligible renewable energy resource electricity products, or any fraction of the electricity generated, including unbundled renewable energy credits, that do not qualify under the criteria of Content Category 1 or Content Category 2.
- D. Grandfathered Resources (§ 399.16(d)): Energy from any contract or ownership agreement originally executed prior to June 1, 2010 shall count in full towards the procurement requirements (even if subsequently unbundled), if all of the following conditions are met:

(1) The renewable energy resource was eligible under the rules in place as of the date when the contract was executed.¹

(2) Any contract amendments or modifications occurring after June 1, 2010, do not increase the nameplate capacity or expected quantities of annual generation, or substitute a different renewable energy resource.

(3) The duration of the contract may be extended if the original contract specified a procurement commitment of fifteen (15) or more years.

(4) "Eligible renewable energy resource" means an electrical generating facility that meets the definition of a "renewable electrical generation facility" pursuant to Section 25741 of the Public Resources Code, subject to the following: A facility approved by the governing board of a local publicly owned electric utility prior to June 1, 2010 for procurement to satisfy renewable energy procurement obligations adopted pursuant to former Section 387 shall be certified as an eligible renewable energy resource by the Energy Commission pursuant to this article if the facility is a "renewable electrical generation facility," as defined in Section 25741 of the Public Resources Code. (§ 399.12(e)(1)(C)).

Resources procured prior to June 1, 2010 shall be counted in full for RPS compliance without regard to the limitations on the use of each portfolio Content Category as described in Section 6.

¹ This would include all resources that were eligible under City of Santa Clara's Renewable Portfolio Standard as approved by Council in 2008. The definition of eligible renewable energy resources was then (as now) resources certified by the California Energy Commission at the time of the Agreement.

6. **Procurement Requirements – Quantity for Content Categories (§ 399.30(c)(3), § 399.16(c)(1) and (2))**

- A. **Compliance Period 1 Procurement Requirements:** For Compliance Period 1, SVP shall procure not less than fifty percent (50%) of the eligible renewable energy resource electricity products associated with contracts executed after June 1, 2010 (non-Grandfathered) from Content Category 1, and not more than twenty-five percent (25%) from Content Category 3.
- B. **Compliance Period 2 Procurement Requirements:** For Compliance Period 2, SVP shall procure not less than sixty-five percent (65%) of the eligible renewable energy resource electricity products associated with contracts executed after June 1, 2010 (non-Grandfathered) from Content Category 1, and not more than fifteen percent (15%) from Content Category 3.
- C. **Compliance Period 3 Procurement Requirements:** For Compliance Period 3, SVP shall procure not less than seventy-five percent (75%) of the eligible renewable energy resource electricity products associated with contracts executed after June 1, 2010 (non-Grandfathered) from Content Category 1, and not more than ten percent (10%) from Content Category 3.
- D. **Annual Procurement Requirements After 2020:** Beginning in calendar year 2021 and annually thereafter, SVP shall procure not less than seventy-five percent (75%) of the eligible renewable energy resource electricity products associated with contracts executed after June 1, 2010 (non-Grandfathered) from Content Category 1, and not more than ten percent (10%) from Content Category 3.

7. **Excess Procurement (§ 399.30(d)(1), §399.13(a)(4)(B))**

SVP shall be allowed to apply excess procurement (“Excess Procurement”) from one compliance period to subsequent compliance periods as long as the following conditions are met:

- A. SVP may accumulate, beginning on January 1, 2011, Excess Procurement from one Compliance Period to be applied in any subsequent Compliance Period.
- B. In calculating the quantity of Excess Procurement, SVP shall deduct from actual procurement quantities the total amount of procurement associated with contracts less than ten (10) years in duration.
- C. Eligible resources must be from Content Category 1 or Content Category 2 or Grandfathered Resources to be Excess Procurement.

Excess Procurement will be quantified in values of renewable energy credits (RECs).

SVP shall also be permitted to sell Excess Procurement (or RECs) not required for compliance purposes to other parties, in accordance with the rules instituted under the new Sections 299.15, 299.21, 299.30, and 299.31 of the California Public Utilities Code. Sales of RECs may be made jointly with sales of energy (“bundled”) or separately (“unbundled”).

Net proceeds from Excess Procurement REC sales shall be used for investment in or procurement of eligible renewable energy resources electricity products or to make payments against eligible renewable energy resources agreements contracted by SVP.

8. Waiver of Timely Compliance (§ 399.30(d)(2), § 399.15(b)(5))

A. Waiver of Timely Compliance: Enforcement of timely compliance shall be waived if SVP demonstrates that any of the following conditions are beyond the control of SVP and will prevent timely compliance:

1. *Inadequate Transmission* (§ 399.15(b)(5)(A)): There is inadequate transmission capacity to allow for sufficient electricity to be delivered from SVP’s proposed eligible renewable energy resource projects using the current operational protocols of City’s Balancing Authority, the California Independent System Operator (CAISO). In making its findings relative to the existence of this condition, SVP’s deliberations shall include, but not be limited to the following:

(a) Whether SVP has undertaken, in a timely fashion, reasonable measures under its control and consistent with its obligations under local, state, and federal laws and regulations to develop and construct new transmission lines or upgrades to existing lines intended to transmit electricity generated by eligible renewable energy resources. In determining the reasonableness of SVP’s actions, SVP shall consider its expectations for full-cost recovery for these transmission lines and upgrades, and

(b) Whether SVP has taken all reasonable operational measures to maximize cost-effective deliveries of electricity from eligible renewable energy resources in advance of transmission availability.

2. *Permitting, interconnection, or other factors that delayed procurement or insufficient supply* (399.15(b)(5)(B)): In making its findings relative to the existence of this condition, SVP’s deliberations shall include, but not be limited to the following:

(a) Whether SVP prudently managed portfolio risks, including relying on a sufficient number of viable projects;

(b) Whether SVP sought to develop one of the following: its own eligible renewable energy resources, transmission to interconnect to eligible renewable energy resources, or energy storage used to integrate eligible renewable energy resources.

(c) Whether SVP procured an appropriate minimum margin of procurement above the minimum procurement level necessary to comply with the renewables portfolio standard to compensate for foreseeable delays or insufficient supply;

(d) Whether SVP has taken reasonable measures under its control to procure cost-effective distributed generation and allowable unbundled renewable energy credits;

3. *Unanticipated curtailment to address needs of the balancing authority* (§ 399.15(b)(5)(C)).
4. Other actions beyond the control of SVP which impact timely deliveries of eligible renewable energy resource products including, but not limited, to acts of nature, terrorism, war, labor difficulty, civil disturbance, or market manipulation.

B. Procedures Upon Approving Waiver: In the event of a Waiver of Timely Compliance due to any of the factors set forth above, SVP shall implement the following procedures:

1. Establish additional reporting for intervening years to show demonstration of reasonable actions under the SVP's control are being taken (§ 399.15(b)(6)).
2. Require a demonstration that all reasonable actions within the SVP's control have been taken to ensure compliance in order to grant the waiver (§ 399.15(b)(7)).

C. Prior Deficits: In no event shall a deficit from prior compliance periods be added to future compliance periods (§ 399.15(b)(9))

9. Cost Limitations for Expenditures (§ 399.30(d)(3), § 399.15(c))

SVP is committed to encouraging the development of more renewable energy resources, but not at “any cost” or unreasonable or imprudent expense to the ratepayers of the City of Santa Clara.

- A. Cost Limitations for Expenditures: The City, at its sole discretion, shall establish a cost limitation for all eligible renewable energy resources used to comply with the renewables portfolio standard.

- B. Cost Limitation Factors (§ 399.15(c)): In establishing the Cost Limitation for Expenditures, City shall take into consideration the following factors:
 - 1. The most recent renewable energy procurement plan.
 - 2. Procurement expenditures that approximate the expected cost of building, owning, and operating eligible renewable energy resources.
 - 3. The potential that some planned resource additions may be delayed or canceled.

- C. In developing the Cost Limitation for Expenditures, City shall ensure all of the following:
 - 1. The limitation is set at a level that prevents disproportionate rate impacts.
 - 2. The costs of all procurement credited toward achieving the renewables portfolio standard are counted towards the limitation.
 - 3. Procurement expenditures do not include any indirect expenses, including imbalance energy charges, sale of excess energy, decreased generation from existing resources, transmission upgrades, or the costs associated with relicensing any utility-owned hydroelectric facilities

10. Exclusive Control (399.30(m)): In all matters regarding compliance with the RPS program, City shall retain exclusive control and discretion over the following:

- A. The mix of eligible renewable energy resources procured by SVP and those additional generation resources procured by SVP for purposes of ensuring resource adequacy and reliability.

- B. The reasonable costs incurred by SVP for eligible renewable energy resources owned by it.

11. Reporting (§ 399.30(f), § 399.30(g), § 399.30(l))

A. Deliberations on Procurement Plan (399.30(f)):

1. *Public Notice:* Annually, City shall post notice of meetings as required by the Public Utilities Code if the City Council will deliberate in public regarding this RPS Procurement Plan. Notice will also be posted in accordance with normal City Council procedures.
2. *Notice to the California Energy Commission ("CEC"):* Contemporaneous with the posting of a notice for such a meeting, City shall notify the CEC of the date, time and location of the meeting in order to enable the CEC to post the information on its Internet website.
3. *Documents and Materials Related to Procurement Status and Plans:* When SVP provides information to the City Council related to its renewable energy resources procurement status and future plans, for the Council's consideration at a noticed public meeting, SVP shall make that information available to the public and shall provide the CEC with an electronic copy of the documents for posting on the CEC's Internet website.

B. Annual Report to CEC regarding Contract Execution (399.30(g))

1. Annually, SVP shall submit a report to the CEC regarding procurement contracts executed during the prior year.
2. SVP's annual report to the CEC regarding contract execution shall include all of the following:
 - (a) A description of the eligible renewable energy resource, including the duration of the contract or electricity purchase agreement.
 - (b) A description and identification of the electrical generating facility providing the eligible renewable energy resource under the contract.
 - (c) An estimate of the percentage increase in SVP's total retail sales of electricity from eligible renewable energy resources that will result from the contract.

C. Report to CEC and Customers (399.30(l))

1. Annually, SVP shall provide a report to the CEC and customers regarding renewable resources.
2. SVP's annual report to the CEC regarding renewable resources shall include all of the following:
 - (a) Expenditures of public goods funds collected pursuant to Section 385 for eligible renewable energy resource development, including a description of programs, expenditures, and expected or actual results.
 - (b) The resource mix used to serve its customers by energy source.
 - (c) SVP's status in implementing the renewable portfolio standard pursuant to § 399.30(a) and SVP's progress toward attaining the standard following implementation of the RPS Procurement Plan.

RESOLUTION NO. 11-7891

**A RESOLUTION OF THE CITY OF SANTA CLARA,
CALIFORNIA, ADOPTING THE RENEWABLE
ENERGY RESOURCE PROCUREMENT PLAN (RPS
PROCUREMENT PLAN)**

BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, the State of California has an existing California Renewables Portfolio Standard Program (“RPS Program”) that is intended to increase the amount of electricity generated each year from eligible renewable energy resources;

WHEREAS, on April 12, 2011, the Governor of the State of California signed California Senate Bill 2 of the First Extraordinary Session (SBX1-2, Chapter 1, Statutes of 2011, First Extraordinary Session), known as the *California Renewable Energy Resources Act*;

WHEREAS, on September 9, 2011, the California Legislature ended the First Extraordinary Session;

WHEREAS, SBX1-2 becomes effective on December 10, 2011, ninety-one days after the end of the First Extraordinary Session;

WHEREAS, SBX1-2 states the intent of the Legislature that the amount of electricity generated per year from eligible renewable energy resources be increased to an amount that equals at least 20% of the total electricity sold to retail customers in California per year by December 31, 2013, and 33% by December 31, 2020;

WHEREAS, pursuant to the provisions of Public Utilities Code section 399.30(a), the City must adopt and implement a renewable energy resources procurement plan (hereinafter referred to as the “RPS Procurement Plan”) to fulfill unmet long-term generation resource needs, that requires the City to procure a minimum quantity of electricity products from eligible renewable energy resources, including renewable energy credits, as a specified percentage of the total kilowatt-

hours sold to the City's retail end-use customers each compliance period, to achieve specified procurement targets;

WHEREAS, pursuant to the provisions of Public Utilities Code section 399.30(m), the City shall retain discretion over the mix of eligible renewable energy resources procured by the City and those additional generation resources procured by the City for purposes of ensuring resource adequacy and reliability, and the reasonable costs incurred by the City for eligible renewable energy resources owned by City; and,

WHEREAS, the City Council desires to adopt a Renewable Energy Resources Procurement Plan (RPS Procurement Plan).

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. That the City of Santa Clara hereby adopts the Renewable Energy Resources Procurement Plan, attached to this Resolution and hereby incorporated by reference, for the procurement of renewable energy resources, which shall be known as the City's "RPS Procurement Plan;
2. That enforcement of the City's RPS Procurement Plan lies solely with the City Council as the governing board of the City's Electric Utility, Silicon Valley Power.
3. That the RPS Procurement Plan shall be effective January 1, 2012;
4. That annually, the Director of City's Electric Utility, or the Director's designee, shall review the City's RPS Procurement Plan to determine compliance with the Plan;
5. That annually, the Director of City's Electric Utility shall report to the City Council, the public, and the California Energy Commission, the progress of the Electric Utility towards the RPS Procurement Plan.


6. Constitutionality, severability. If any section, subsection, sentence, clause, phrase, or word of this resolution is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the resolution. The City of Santa Clara, California, hereby declares that it would have passed this resolution and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

7. Effective Date: This Resolution shall be effective on January 1, 2012.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 6th DAY OF DECEMBER, 2011, BY THE FOLLOWING VOTE:

AYES:	COUNCILORS:	Gillmor, Kennedy, Kolstad, Mahan, McLeod and Moore and Mayor Matthews
NOES:	COUNCILORS:	None
ABSENT:	COUNCILORS:	None
ABSTAINED:	COUNCILORS:	None

ATTEST:



ROD DIRIDON, JR.
CITY CLERK
CITY OF SANTA CLARA

Attachment Incorporated by Reference:
1. RPS Procurement Plan

RESOLUTION NO. 11-7892

**A RESOLUTION OF THE CITY OF SANTA CLARA,
CALIFORNIA, ADOPTING A PROGRAM FOR
ENFORCEMENT OF THE RENEWABLE PORTFOLIO
STANDARDS PROCUREMENT PLAN**

BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, the State of California has an existing California Renewables Portfolio Standard Program (“RPS Program”) that is intended to increase the amount of electricity generated each year from eligible renewable energy resources;

WHEREAS, on April 12, 2011, the Governor of the State of California signed California Senate Bill 2 of the First Extraordinary Session (SBX1-2, Chapter 1, Statutes of 2011, First Extraordinary Session), known as the *California Renewable Energy Resources Act*;

WHEREAS, on September 9, 2011, the California Legislature ended the First Extraordinary Session;

WHEREAS, SBX1-2 becomes effective on December 10, 2011, ninety-one days after the end of the First Extraordinary Session;

WHEREAS, SBX1-2 states the intent of the Legislature that the amount of electricity generated per year from eligible renewable energy resources be increased to an amount that equals at least 20% of the total electricity sold to retail customers in California per year by December 31, 2013, and 33% by December 31, 2020;

WHEREAS, pursuant to the provisions of Public Utilities Code section 399.30(a), the City must adopt and implement a renewable energy resources procurement plan (hereinafter referred to as the “RPS Procurement Plan”) to fulfill unmet long-term generation resource needs, that requires the City to procure a minimum quantity of electricity products from eligible renewable energy resources, including renewable energy credits, as a specified percentage of the total kilowatt-

hours sold to the City's retail end-use customers each compliance period, to achieve specified procurement targets;

WHEREAS, the City has adopted and implemented, or will adopt and implement, an RPS Procurement Plan that includes compliance periods ("Compliance Periods") pursuant to Public Utilities Code section 399.30(b). Such Compliance Periods shall be January 1, 2011 to December 31, 2013, inclusive (Compliance Period 1), January 1, 2014 to December 31, 2016, inclusive (Compliance Period 2), January 1, 2017 to December 31, 2020, inclusive (Compliance Period 3), and each calendar year after 2020;

WHEREAS, the City has adopted and implemented, or will adopt and implement, an RPS Procurement Plan that includes specified procurement targets (Procurement Targets) of renewable energy resources for each Compliance Period pursuant to Public Utilities Code section 399.30(c)(1) and (2). Procurement Targets must average twenty percent (20%) of retail sales for the period January 1, 2011 to December 31, 2013, must meet twenty-five percent (25%) of retail sales by December 31, 2016, must meet thirty-three percent (33%) of retail sales by December 31, 2020, and must meet thirty-three percent (33%) of retail sales for all years thereafter;

WHEREAS, pursuant to the provisions of Public Utilities Code section 399.30(in), the City shall retain discretion over the mix of eligible renewable energy resources procured by the City and those additional generation resources procured by the City for purposes of ensuring resource adequacy and reliability, and the reasonable costs incurred by the City for eligible renewable energy resources owned by it;

WHEREAS, pursuant to the provisions of Public Utilities Code section 399.30(e), the City is required to adopt a program for the enforcement of the RPS Procurement Plan on or before January 1, 2012;

WHEREAS, the City Council, in compliance with Public Utilities Code section 399.30(e), desires to adopt a program for the enforcement of the RPS Procurement Plan (RPS Enforcement Program); and,

WHEREAS, the City Council, in compliance with Public Utilities Code section 399.30(e), has provided not less than thirty days' notice of the proposed adoption of the RPS Enforcement Program.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. That the City hereby adopts a program for the enforcement of City's RPS Procurement Plan, which shall include all of the provisions set forth herein and shall be known as the City's "RPS Enforcement Program";
2. That enforcement of the City's RPS Procurement Plan lies solely with the City Council as the governing board of the City's Electric Utility, Silicon Valley Power.
3. That the RPS Enforcement Program shall be effective January 1, 2012;
4. That not less than ten (10) days' advance notice shall be given to the public before any meeting is held to make a substantive change to the RPS Enforcement Program;
5. That annually, the Director of City's Electric Utility shall review the City's RPS Procurement Plan to determine compliance with the RPS Procurement Plan;
6. That annual review of the RPS Procurement Plan shall include consideration of each of the following elements:
 - A. By December 31, 2013 (end of Compliance Period 1):

- Verify that City has met an average of twenty percent (20%) of retail sales with eligible renewable resources from the specified Content Categories for the period January 1, 2011 to December 31, 2013.
 - If targets are not met, the City must:
 - Ensure that any Waiver of Timely Compliance was compliant with the provisions in the RPS Procurement Plan,
 - Review the applicability and appropriateness of excusing performance based on the Cost Limitations on Expenditures provisions of the RPS Procurement Plan.
- B. By December 31, 2014:
- Ensure that the City is making reasonable progress toward meeting the December 31, 2016 compliance obligation of twenty-five percent (25%) of retail sales with eligible renewable resources, consistent with the RPS Procurement Plan.
- C. By December 31, 2015:
- Ensure that the City is making reasonable progress toward meeting the December 31, 2016 compliance obligation of twenty-five percent (25%) of retail sales with eligible renewable resources, consistent with the RPS Procurement Plan.
- D. December 31, 2016 (end of Compliance Period 2):
- Verify that the City has met twenty-five percent (25%) of retail sales with eligible renewable resources from the specified Content Categories for the period ending December 31, 2016;

- If targets are not met, the City must:
 - Review the applicability of applying Excess Procurement from Compliance Period 1 consistent with the provisions of the RPS Procurement Plan,
 - Ensure that any Waiver of Timely Compliance was compliant with the provisions in the RPS Procurement Plan,
 - Review applicability and appropriateness of excusing performance based on the Cost Limitations on Expenditures provisions of the RPS Procurement Plan.
- E. By December 31, 2017:
- Ensure that the City is making reasonable progress toward meeting the December 31, 2020 compliance obligation of thirty-three percent (33%) renewable resources electricity, consistent with the RPS Procurement Plan.
- F. By December 31, 2018:
- Ensure that the City is making reasonable progress toward meeting the December 31, 2020 compliance obligation of thirty-three percent (33%) renewable resources electricity, consistent with the RPS Procurement Plan.
- G. By December 31, 2019:
- Ensure that the City is making reasonable progress toward meeting the December 31, 2020 compliance obligation of thirty three percent (33%) renewable resources electricity, consistent with the RPS Procurement Plan.
- H. December 31, 2020 (end of Compliance Period 3), and annually thereafter,

- Verify that that the City met thirty-three percent (33%) of retail sales with eligible renewable resources from the specified Content Categories, consistent with the RPS Procurement Plan;
 - If targets are not met, the City must:
 - Review the applicability of applying Excess Procurement from a previous Compliance Period consistent with the provisions of the RPS Procurement Plan,
 - Ensure that any Waiver of Timely Compliance was compliant with the provisions in the RPS Procurement Plan,
 - Review applicability and appropriateness of excusing performance based on the Cost Limitations on Expenditures provisions of the RPS Procurement Plan.
7. If it is determined that the City has failed to comply with the provisions of the RPS Procurement Plan, the City Council shall take steps to correct any untimely compliance, including:
- a. Review the City's RPS Procurement Plan to determine what changes, if any, are necessary to ensure compliance in the next Compliance Period;
 - b. Require SVP to report quarterly to the City Manager for the City Council regarding the progress being made toward meeting the compliance obligation for the next Compliance Period;
 - c. Require SVP to report to the City Manager for the City Council regarding the status of meeting subsequent compliance targets, and all steps being taken to ensure that the obligation is timely met.

8. Constitutionality, severability. If any section, subsection, sentence, clause, phrase, or word of this resolution is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the resolution. The City of Santa Clara, California, hereby declares that it would have passed this resolution and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

9. Effective Date: This Resolution shall be effective on January 1, 2012.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 6th DAY OF DECEMBER, 2011, BY THE FOLLOWING VOTE:

AYES:	COUNCILORS:	Gillmor, Kennedy, Kolstad, Mahan, McLeod and Moore and Mayor Matthews
NOES:	COUNCILORS:	None
ABSENT:	COUNCILORS:	None
ABSTAINED:	COUNCILORS:	None

ATTEST:



ROD DIRIDON, JR.
CITY CLERK
CITY OF SANTA CLARA

Attachments Incorporated by Reference:
None