

Attachment A

RESOLUTION NO. 20-105

RESOLUTION NO. 20-105

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VICTORVILLE, CALIFORNIA, SUPERSEEDING RESOLUTION NO. 15-065 AND IN FURTHERANCE OF RESOLUTION NO. 11-051, REVISING THE RENEWABLE ENERGY RESOURCES PROCUREMENT PLAN FOR VICTORVILLE MUNICIPAL UTILITY SERVICES AND AUTHORIZING THE TAKING OF CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH.

WHEREAS, the City of Victorville (“City”), a municipal corporation, is authorized under various provisions of the California Constitution and the general laws of California (including, specifically, Article XI, § 9(a) of the California Constitution, Public Utilities Code § 10004, and Government Code § 39732(a) to establish, purchase, and operate a public utility to furnish its inhabitants with, among other things, electricity; and

WHEREAS, the City operates a municipal electric utility (“Victorville Municipal Utility Services” or “VMUS”); and

WHEREAS, the City Council of the City of Victorville (“City Council”) is the Governing Board for VMUS; and

WHEREAS, as a municipal electric utility, VMUS is generally subject to the legislative and regulatory requirement applicable to local publicly owned electric utilities (“POUs”); and

WHEREAS, the State of California passed Senate Bill 2 (1st Extraordinary Session) (“SBX1-2”), effective as of December 10, 2011, requiring governing boards of POU’s to adopt and implement, among other things, a renewable energy resources enforcement program that requires POU’s, like VMUS, to procure a minimum quantity of eligible renewable energy resources over certain periods, subject to cost limitation and other flexible compliance measures adopted by the POU’s respective governing boards; and

WHEREAS, the California Energy Commission adopted regulations specifying procedures for the enforcement of the requirements of SBX1-2 on June 12, 2013, and which became effective on October 1, 2013; and

WHEREAS, on October 7, 2015, Governor Brown signed the Clean Energy and Pollution Reduction Act of 2015 (Senate Bill 350 (De Leon) (“SB 350”)), with an effective date of January 1, 2016; and

WHEREAS, on September 10, 2018, Governor Brown signed Senate Bill 100 (De Leon) (“SB 100”), with an effective date of January 1, 2019; and

WHEREAS, SBX1-2, SB 350, and SB 100 require the City Council to ensure that the amount of eligible renewable energy resources that was procured by VMUS for the period from January 1, 2011 to December 31, 2013 was equal to an average of 20 percent of retail sales; and

that VMUS must make reasonable progress to ensure that the procurement of eligible renewable energy resources achieves 25 percent of retail sales by December 31, 2016, 33 percent of retail sales by December 31, 2020, 44 percent by December 31, 2024, 52 percent by December 31, 2027, and 60 percent by December 31, 2030; and

WHEREAS, Public Utilities Code § 399.30(a) requires California's POU's to adopt a Renewable Energy Resources Procurement Plan ("RPS Procurement Plan"), and further, Public Utilities Code § 399.30(e) requires POU's to adopt and implement a Renewable Energy Resources Enforcement Program ("RPS Enforcement Program") to enforce the implementation of a POU's RPS Procurement Plan; and

WHEREAS, in accordance with Public Utilities Code § 399.30(e), the City Council, as the governing board of VMUS, adopted Resolution No. 11-051 on December 6, 2011, adopting and establishing an RPS Enforcement Program, which established compliance periods, adopted RPS procurement targets, authorized VMUS to establish cost limitations on procurement expenditures, and directed the City Manager to develop and present to the City Council an RPS Procurement Plan; and

WHEREAS, in accordance with Public Utilities Code § 399.30(a), the City Council adopted Resolution No. 13-056 on November 5, 2013, which adopted VMUS' RPS Procurement Plan for the first compliance period (2011-2013), which established specific procurement targets for each of the compliance periods, specified portfolio balance requirements consistent with Public Utilities Code § 399.16, described VMUS' existing and planned procurement activities, forecasted the VMUS' retail sales and RPS obligations, adopted rules for excess procurement, and adopted a cost limitation methodology and cost limitation amount; and

WHEREAS, pursuant to Public Utilities Code § 399.30(a), the City Council adopted Resolution No. 15-065 on October 6, 2015, which adopted VMUS' RPS Procurement Plan for the second compliance period (2014-2016), which provided an updated description of VMUS' procurement activities, forecast of VMUS' retail sales and RPS obligations, and adopted a cost limitation methodology and cost limitation amount; and

WHEREAS, staff has prepared an RPS Procurement Plan for the third compliance period (2017-2020) updating the forecasted retail sales and RPS procurement requirements, providing an updated description of VMUS' existing and planned RPS procurement activities, adopting new procurement targets for the fourth, fifth, and sixth compliance periods consistent with SB 350 and SB 100, and revising the information and methodology used for establishing a cost limitation for the third compliance period; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF VICTORVILLE DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. The Victorville Municipal Utility Services Renewable Energy Resource Procurement Plan, Compliance Period 3 (2017-2020), which is attached hereto and incorporated herein, is hereby approved and adopted.

Section 2. As authorized by Public Utilities Code § 399.30(d)(2)(B), the following optional compliance mechanism is hereby approved and adopted:

A cost limitation for procurement expenditures by VMUS is hereby approved and adopted (as described in Section 10 of the RPS Procurement Plan).

Section 3. Except as to matters specifically reserved for the Victorville City Council, the City Manager or his designee is authorized and directed to do and perform all acts required to implement the Victorville Municipal Utility Services Renewable Energy Resource Procurement Plan, Compliance Period 3 (2017-2020), and to periodically report to the Victorville City Council.

Section 4. The City Clerk shall certify to the adoption of this Resolution.

Section 5. This Resolution shall take effect immediately upon its adoption.