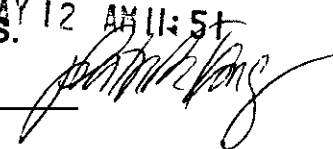


CITY OF OAKLAND

OFFICE OF THE CITY CLERK
OAKLAND

RESOLUTION NO. 79325

2005 MAY 12 AM 11:51
C. M. S.



INTRODUCED BY COUNCILMEMBER: _____

A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO: 1) APPROVE AND SEND A LETTER OF INTENT TO THE CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC) STATING OAKLAND'S INTENT TO BECOME A COMMUNITY CHOICE AGGREGATOR PENDING FINAL RESULTS OF THE CITY'S IMPLEMENTATION PLAN; AND 2) NEGOTIATE JOINT CCA EFFORTS WITH OTHER BAY AREA CITIES

WHEREAS, AB 117, adopted as California state law in 2002, permits cities, counties, or city and county Joint Power Authorities to aggregate residential, commercial, industrial, municipal and institutional electric loads through Community Choice Aggregation (CCA); and,

WHEREAS, The Oakland City Council is on record in support of this legislation; and,

WHEREAS, There are numerous potential benefits for cities that aggregate including: 1) More stable and reliable power supplies; 2) An expectation of lower electricity rates for residents, businesses and municipal operations compared to the rates of Pacific Gas & Electric Company (PG&E); 3) Opportunity for general fund revenue; 4) Greater use of renewable energy resources than are planned by PG&E; 5) Ratepayer access to a democratically elected governing body (the Oakland City Council); and,

WHEREAS, Oakland is a participant in the Bay Area CCA demonstration project, managed by the Local Government Commission and funded by the California Energy Commission, the Department of Energy and participating municipalities, which is examining these issues on behalf of participating communities; and,

WHEREAS, In July 2004 the Council, through Resolution 78708, authorized \$24,500 for a professional services agreement with Navigant Consulting Inc. ("NCI"), to evaluate the feasibility for Oakland to become an aggregator; and

WHEREAS, NCI has completed a CCA base-case feasibility study for Oakland, and a final report that evaluates the City's ability to capitalize on the opportunities and mitigate the risks of CCA; and,

WHEREAS, the completed feasibility analysis shows that it would be feasible and economically viable for the City to implement a CCA program as early as 2006; and

WHEREAS, communities that wish to proceed in forming a CCA program must complete the development of a CCA Implementation Plan and submit that plan to the CPUC prior to commencing CCA operations; and

WHEREAS, the development of a CCA Implementation Plan was authorized by the Duke Settlement Resolution on May 3, 2005, and is a continuation of Oakland's participation in the CCA Demonstration Project; and

WHEREAS, the CPUC and PG&E will be better able to accommodate Oakland's CCA activities with as much advance notice as possible; and

WHEREAS, the cost for CCA implementation and operation to Oakland will be lower and economic benefits higher if Oakland participates with other cities on CCA; now therefore be it

RESOLVED: That the Council approves and authorizes the submittal of a letter of intent to the CPUC stating that the City of Oakland intends to become a Community Choice Aggregator pending final results of the Implementation Plan; and be it

FURTHER RESOLVED, That the City Administrator is directed to negotiate with other Bay Area cities to jointly develop Implementation Plans that capture economies of scale for shared activities of CCAs.

JUN 21 2005

IN COUNCIL, OAKLAND, CALIFORNIA _____

PASSED BY THE FOLLOWING VOTE:

AYES- ~~BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL,~~
~~REID,~~ QUAN, AND PRESIDENT DE LA FUENTE - 6

NOES- 0

ABSENT- NADEL & REID - 2

ABSTENTION- 0

ATTEST:



LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California