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FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

# OAKLAND CITY COUNCIL

RESOLUTION No. \_\_\_\_\_ C.M.SUL -1 PM 6:53

**RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO ACCEPT AND APPROPRIATE \$3,500,000 FROM THE WILLIAMS ENERGY SETTLEMENT, TO BE USED FOR ACTIVITIES THAT PROMOTE ALTERNATIVE ENERGY PRODUCTION OR IMPROVED ENERGY EFFICIENCY IN THE CITY**

**WHEREAS**, the Williams Energy Settlement is derived from a settlement agreement between Williams Corporation (Williams) and several plaintiffs, including the State of California and the City of Oakland (see Attachment A), and

**WHEREAS**, the use of the Williams Settlement funds is restricted to activities that promote alternative energy production or improved energy efficiency in the City; and

**WHEREAS**, Mayor Brown, City Council members and other Oakland leaders have expressed interest in alternative energy and energy efficiency for many years; and

**WHEREAS**, the City has received \$1.5 million in Williams Settlement funds to-date, and will receive the remaining funds in two installments: \$500,000 in January, 2005 and \$1.5 million in January 2007; and

**WHEREAS**, the receipt and appropriation of these funds into a project will allow the city to track and allocate revenues and expenditures; now, therefore, be it

**RESOLVED:** That the City Administrator is authorized to accept and appropriate \$3.5 million from the Williams Settlement into a distinct Williams Energy Settlement project (C256510) in the Self Insurance Liability Fund (1100); and be it

**FUTHER RESOLVED:** That staff will seek Council approval for allocation of funds from the Williams Settlement to specific projects / activities prior to distribution and expenditure of the funds.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 20\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN and PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

*S-10-29-ICC*

ATTEST: \_\_\_\_\_

**OAKLAND CITY COUNCIL**  
JUL 20 2004

CERA FLOYD  
City Clerk and Clerk of the Council  
of the City of Oakland, California  
**FINANCE & MANAGEMENT CMTE.**  
JUL 13 2004

*[Large handwritten mark resembling a stylized '5' or 'X']*

*J. Jordan*

**OAKLAND CITY COUNCIL**

RESOLUTION No. \_\_\_\_\_

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND  
C.M.S.

2004 JUL -1 PM 6:53

**RESOLUTION AUTHORIZING ALLOCATION OF WILLIAMS SETTLEMENT FUNDS FOR A PROFESSIONAL SERVICES AGREEMENT WITH NAVIGANT CONSULTING, INC., TO JOIN THE BAY AREA CONSORTIUM COMMUNITY CHOICE AGGREGATION DEMONSTRATION PROJECT TO ASSESS THE FEASIBILITY, OPPORTUNITIES AND RISKS FOR OAKLAND TO BECOME AN AGGREGATOR, IN AN AMOUNT NOT TO EXCEED \$24,500**

**WHEREAS**, AB 117, adopted as California state law in 2002, permits Cities, Counties, or City and County JPAs to aggregate residential, commercial, industrial, municipal and institutional electric loads through Community Choice Aggregation (CCA); and,

**WHEREAS**, In 1999, the Oakland City Council adopted a resolution encouraging the adoption of an early version of the CCA legislation, and in 2001 the Council passed a resolution commending then-Governor Gray Davis for signing AB 117; and,

**WHEREAS**, There are numerous potential benefits that accrue to Cities that aggregate including: 1) More stable and reliable power supplies; 2) Lower electricity rates for City residents and businesses; 3) Operational cost savings; 4) Potential general fund revenue stream; 5) Greater latitude for increased use of renewable energy resources; 6) Ratepayer access to a democratically elected governance; and, 7) Access to Public Goods Charge monies for local energy efficiency and conservation programs; and,

**WHEREAS**, The California Public Utility Commission is currently engaged in a rulemaking proceeding for CCA. Open issues include cost responsibility fees (exit fees); access to electric load data within City boundaries; customer service costs (credits) and re-entry fees, among others. A proceeding decision is expected in the early fall. Understanding the implication of these complex issues is essential before the decision about whether or not Oakland should become an aggregator can be considered; and,

**WHEREAS**, Navigant Consulting, Inc. (NCI), is the technical consultant for a Bay Area CCA demonstration project, funded by the California Energy Commission and participating municipalities, which is examining precisely these issues on behalf of participating communities; and,

**WHEREAS**, Other jurisdictions already committed to participating in this study are: Cities of Pleasanton, Vallejo, Berkeley, Richmond, Emeryville, San Marcos, Beverly Hills, West Hollywood and Torrance; Counties of Los Angeles, Marin, Sonoma (pending) and El Dorado. Affiliated but not participants are: East Bay Municipal Utility District; Marin Municipal Utility District; North Marin Utility District and the El Dorado County Water and Power Authority; and,

*S-10.29-200*

**WHEREAS**, Oakland's participation in this study will result in the completion of a CCA base-case feasibility study for Oakland's prospective CCA program, as well as a Final Report

**ORACOUNCIL**  
JUL 20 2004

**FINANCE & BUDGET CMTE**

that will evaluate the City's ability to deliver lower electricity rates while increasing the use of environmentally friendly renewable energy sources; and,

**WHEREAS**, the city must pay \$24,500 to cover its share of the cost of the base-case Feasibility Study for Oakland's prospective CCA program as well as a final report that will evaluate the City's ability to deliver lower electricity rates as described above; and

**WHEREAS**, the City Council finds and determines that the performance of the services under contract is in the public interest; and

**WHEREAS**, the City Council finds that this contract shall not result in the loss of employment or salary by any person having permanent status in the competitive service; and

**RESOLVED**: that the Oakland City Council authorizes the City Administrator or her designee to allocate and expend \$24,500 from the Williams Settlement (funding source: Fund 1100, Project C256510) to enter into an agreement with NCI so that the City can join the Bay Area Consortium in the CCA Demonstration Project, and be it

**FURTHER RESOLVED**: that the Contract will be approved by the City Attorney's Office for legality, and a copy will be on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 20\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN and PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

S-10.29-2ce

**ORACOUNCIL  
JUL 20 2004**

~~FINANCE & MANAGEMENT CMTE.  
JUL 13 2004~~