

Resolution No. 9248
Resolution of the Council of the City of Palo Alto Approving The
Execution of the Northern California Power Agency Renewable
Energy Certificates Transfer Agreement

A. The City of Palo Alto (the "City") is a member of the Northern California Power Agency ("NCPA"). As a member, the City has full and unfettered rights and title to its share of capacity and energy ("Project Entitlement Percentage") attributable to NCPA project power generation, as specified in various NCPA project agreements.

B. An NCPA power project's capacity and energy includes, without limitation, environmental attributes associated with the production of electricity from a renewable energy resource; those attributes include renewable energy certificates ("RECs").

C. The City is eligible to receive RECs that are made available to the customers of the Western Area Power Administration's Sierra Nevada Region ("Western"), which are the recipients of Western's base resource hydroelectric generation ("Western generation").

D. NCPA has established an account with the Western Renewable Energy Generation Information System ("WREGIS"), and WREGIS has and will continue to issue RECs to the extent those RECs are derived from NCPA's registered power generation units.

E. The City has established a WREGIS account to receive, track and retire RECs associated with its renewable energy resources and to satisfy its compliance with its Renewable Portfolio Standard (RPS) program.

F. NCPA may receive, on the City's behalf, RECs from Western that are attributable to City's share of Western generation, consistent with the City's assignment of its Western base resource percentage to NCPA.

G. The City desires that NCPA transfer the City's RECs, held in the NCPA's WREGIS account, to the City's WREGIS account. In order to effectuate this desire, NCPA requires the City to execute NCPA's Renewable Energy Certificates Transfer Agreement ("Transfer Agreement").

H. The Transfer Agreement only addresses the transfer of RECs; it does not include any NCPA service that entails the sale or marketing of the City's RECs.

I. By executing the Transfer Agreement, the City agrees not to transfer, assign, sell, or exchange any RECs derived from NCPA's project generation, directly or indirectly, in any manner, or take any other action that would adversely effect the tax exempt status of bonds that support NCPA's project generation.

NOW, THEREFORE, the Council of the City of Palo Alto does hereby RESOLVE as follows:

SECTION 1. The Council hereby approves of the Northern California Power Agency Renewable Energy Certificates Transfer Agreement and amendments, if any, to accomplish the transfer of the City's REC's, now held by NCPA in its own WREGIS account, to the City's WREGIS account. The Council hereby authorizes the City Manager to sign the Transfer Agreement on behalf of the City.

SECTION 2. The Council finds that the adoption of this resolution does not constitute a project under Section 21065 of the California Environmental Quality Act (CEQA) and the CEQA Guidelines, and therefore, no environmental assessment is required.

INTRODUCED AND PASSED: May 14, 2012

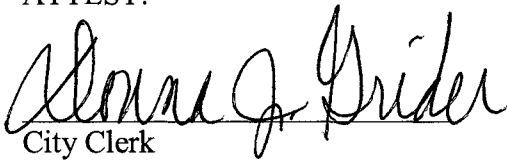
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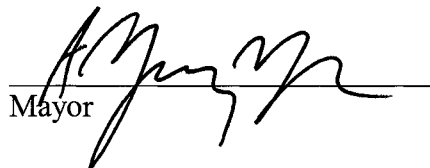
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ABSENT:

ABSTENTIONS:

ATTEST:

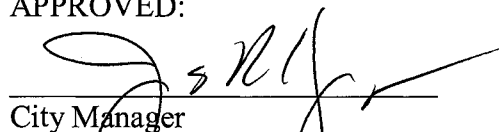

City Clerk

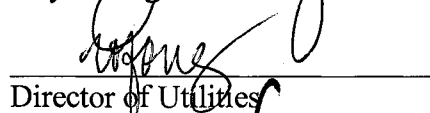

Mayor

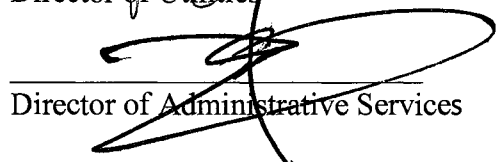
APPROVED AS TO FORM:


Senior Assistant City Attorney

APPROVED:


City Manager


Director of Utilities


Director of Administrative Services