



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Approve Execution of the Bonneville Power Administration/Northern California Power Agency Enabling Agreement (Umbrella Agreement)

MEETING DATE: August 19, 1992

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: That the City Council adopt the attached resolution which authorizes the execution of the Bonneville Power Administration/Northern California Power Agency Enabling Agreement (Umbrella Agreement) on file in the office of the City Clerk

BACKGROUND INFORMATION: The purpose of the Enabling Agreement (Umbrella Agreement) is to duly recognize Bonneville as the Pacific Northwest "Marketing and Transfer" agency for all transfers of power out of the Northwest. Transfers of power and energy from Canadian power agencies and Northwest agencies all require formal agreement and acceptance by Bonneville. This Enabling Agreement, authorized by Bonneville, allows Northern California Power Agency to transfer power and energy with the Northwest on behalf of its members for a twenty-year period.

Approval of the Enabling Agreement pursuant to the attached Resolution will ensure proper execution of the necessary documents to assure timely participation in the power exchange with the City of Seattle and any other services economically available in the Northwest.

FUNDING: Not applicable.

Signature of Henry J. Rice, Electric Utility Director

c: City Attorney
Manager, Rates & Resources

APPROVED

Signature of Thomas A. Peterson

THOMAS A PETERSON
City Manager

recycled paper

RESOLUTION NO. 92-136

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A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING EXECUTION OF THE BONNEVILLE POWER
ADMINISTRATION/NORTHERN CALIFORNIA POWER AGENCY
ENABLING AGREEMENT (UMBRELLA AGREEMENT)

WHEREAS, Bonneville Power Administration (BPA) is a power marketing agency within the Department of Energy which controls and administers all power transactions into and out of the Pacific Northwest; and

WHEREAS, northern California Power Agency (NCPA), of which Lodi is a participant, has found that it would be economical for its participating members to seasonally exchange capacity and energy with a Pacific Northwest utility; and

WHEREAS, Seattle City Light (SCL) is a department of the City of Seattle, a Washington State municipal corporation that has contracted with NCPA to provide power exchanges which require a contractual mechanism recognizing BPA as the Pacific Northwest power marketing agent for such purposes; and

WHEREAS, NCPA contemplates future purchases and sales of surplus energy (firm, nonfirm and/or provisional) and other services which may from time to time become available in the Pacific Northwest; and

WHEREAS, this 20-year agreement with BPA to make power exchanges with Pacific northwest power entities will enable NCPA to "do business" with SCL and other Pacific Northwest companies; and

WHEREAS, KPA Counsel and the NCPA Commission have reviewed the Agreement and recommend its approval by the participants.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby authorizes participation in the BPA/NCPA Umbrella Agreement.

BE IT FURTHER RESOLVED that the City Manager is authorized to execute the Agreement.

Dated: August 19, 1992

I hereby certify that Resolution No. 92-136 was passed and adopted by the Lodi City Council in a regular meeting held August 19, 1992 by the following vote:

- Ayes: Council Members -
- Noes: Council Members -
- Absent: Council Members -

Alice M. Reimche
City Clerk

RESOLUTION NO. 92-136

=====

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WHEREAS, this 20-year agreement with BPA to make power exchanges with Pacific Northwest power entities will enable NCPA to "do business" with SCL and other Pacific Northwest companies; and

WHEREAS, NCPA Counsel and the NCPA Commission have reviewed the Agreement and recommend its approval by the participants.

NOW, THEREFORE, BE IT RESOLVED that the City council hereby authorizes participation in the BPA/NCPA Umbrella Agreement.

BE IT FURTHER RESOLVED that the City Manager is authorized to execute the Agreement.

Dated: August 19, 1992

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I hereby certify that Resolution No. 92-136 was passed and adopted by the Lodi City Council in a regular meeting held August 19, 1992 by the following vote:

Ayes: Council Members - Hinchman, Pennino, Sieglock, Snider
and Pinkerton (Mayor)

Noes: Council Members - None

Absent: Council Members - None

Alice M. Reimche
Alice M. Reimche
City Clerk

92-136



Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

OFFICE OF THE ADMINISTRATOR

June 23, 1992

In reply refer to: PMCE

Contract No. DE-MS79-89BP9-019

Mr. Michael H. McDonald, General Manager
Northern California Power Agency
180 Clrby Hay
Roseville, CA 95678

Dear Mr. McDonald:

This letter constitutes an Agreement among the United States of America, Department of Energy, acting by and through the Bonneville Power Administration (Bonneville), the Northern California Power Agency (NCPA), and certain members of NCPA, which are the Cities of Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Palo Alto, Roseville, and Ukiah, and Plumas-Sierra Electric Cooperative, hereinafter sometimes referred to individually as "Party" and collectively as "Parties", to provide a contractual mechanism for future purchases and sales of surplus energy (firm, nonfirm and/or provisional), surplus capacity, power exchanges, and other services which the Parties may agree from time to time to make available and purchase or exchange for short-term periods as specified below. This Agreement is not a present sale of such surplus power nor a present exchange, and does not constitute any advance agreement or obligation for any Party to make available or to purchase or exchange any specific amount of such power or services.

Therefore, Bonneville proposes the following terms and conditions:

1. Term of Agreement. This Agreement shall become effective at 2400 hours on the date of execution, and shall remain in force and effect unless terminated by a Party by giving at least 12-months' written notice to the other Parties; but in no event shall the term of this Agreement extend beyond 20 years from the date of execution. All obligations and liabilities accrued hereunder are hereby preserved until satisfied.
2. Exhibits. The following exhibits are attached hereto and made part of this Agreement Exhibit A - (Wholesale Power Rate Schedules and General Rate Schedule Provisions) and Exhibit B - (General Contract Provisions (Form PSC (SW)-1))
3. NCPA to Act as Agent for its Members. All day-to-day functions under sections 4, 5, 6, and 7 of this Agreement shall be the responsibility of

NCPA, acting as agent for its members. These functions shall include, but shall not be limited to, scheduling, accounting, billing its members, rendering bills to Bonneville, and collection of payments from the members and forwarding payments to Bonneville on bills rendered by Bonneville.

4. Sale of Surplus Energy and Surplus Capacity. At any time during the term of this Agreement, either Bonneville or NCPA may offer to sell to the other Party or request to purchase from the other Party available amounts of surplus energy (firm, nonfirm, and/or provisional) and surplus capacity for short-term purchase. Any sale of such capacity or energy shall be promptly confirmed in writing.

5. Power Exchanges or Other Services. Either Bonneville or NCPA may request the exchange of capacity or energy or other services. Upon such request, the Parties shall endeavor to negotiate mutually agreeable terms and conditions for such arrangement. Any agreement for a specific exchange of capacity or energy or other service shall be promptly confirmed in writing.

6. Provisions Relating to Delivery. All Bonneville deliveries to NCPA, and all NCPA deliveries to Bonneville, under this Agreement shall be at the California-Oregon border, the Nevada-Oregon border, or to another point as shall be mutually agreed upon by the Parties. Unless otherwise agreed, the receiving Party shall not be responsible for costs incurred by the delivering Party in any deliveries of energy or capacity to the point of delivery.

NCPA shall arrange for transmission service to or from the point of delivery at the California-Oregon or Nevada-Oregon border. Bonneville, NCPA, and any other necessary entity shall exchange mutually agreed upon schedules for NCPA's accounts.

Unless otherwise agreed, Bonneville and NCPA shall each be solely responsible for the provision of its support services for the integration of power delivered or received at the point of delivery under this Agreement.

7. Payment for Power Sold or Other Services Provided.

(a) Bonneville shall submit a power bill to NCPA each month for any surplus energy or capacity sales at the applicable rate listed in Bonneville's Wholesale Power Rate Schedules or its successor rate schedules, or at the rate negotiated pursuant to such rate schedules, and in accordance with the General Rate Schedule Provisions. NCPA shall collect payments from its members and forward a single payment to Bonneville in accordance with the terms of such rate schedule and the General Rate Schedule Provisions. Power bills which are not paid in full by NCPA when due shall thereafter bear interest at the daily rate of interest specified in the then current General Rate Schedule Provisions, assessed on the unpaid balance on a daily basis until payment is received by Bonneville.

(b) NCPA shall submit a power bill to Bonneville by the tenth (10th) day of the month following the month of sale for sales at the rate agreed to by the Parties. Bonneville shall pay within 20 days after the date of the bill. Bills shall reference the contract number of this Agreement and shall be sent to:

Bonneville Power Administration
Chief, Program and
Contract Review Section - OSAC
P.O. Box 3621
Portland, OR 97208-3621

Payment of the bill by Bonneville shall be accomplished by electronic transfer within the 20-day period. Bills not paid in full on or before the close of business on the due date shall bear interest at the rate consistent with the Prompt Payment Act Renegotiation Board's interest rate published in the Federal Register, assessed on the unpaid balance on a daily basis until payment is received by NCPA.

(c) Any agreement for power exchanges or other services between Bonneville and NCPA may specify other appropriate related provisions. Unless otherwise stated in writing, payment and other related provisions shall be in accordance with the General Rate Schedule Provisions.

(d) As necessary, Bonneville and NCPA shall identify individual(s) and address(es) for receipt of official notices, bills, scheduling procedures, and all other official communications relating to each transaction in any written confirmation of a transaction.

8. Applicable law. All sales and exchanges under this Agreement shall be subject to statutes governing the surplus power marketing activities of Bonneville, including but not limited to Public Law 88-552 (the Act of August 31, 1964, 16 U.S.C. 837), and Sections 5(f) and 9(c) of Public Law 96-501 (Northwest Electric Power Planning and Conservation Act, 16 U.S.C. 839).

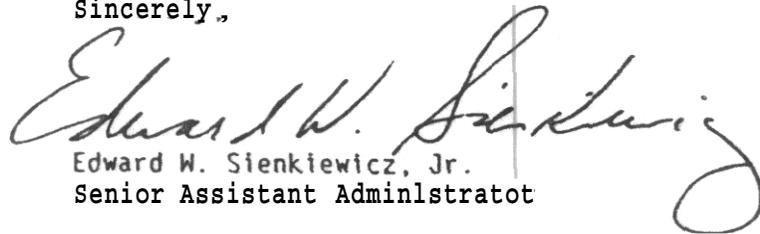
9. Ratification of Prior Power Transactions. All Parties to this Agreement hereby acknowledge and ratify any and all short-term power transactions conducted between Bonneville and NCPA on or after January 1, 1985, whether concluded or continuing, and each Party deems any such obligations as transactions under this Agreement. Any continuing transaction is deemed to be an obligation under this Agreement. All such obligations incurred shall be preserved until satisfied. All prior deliveries of power which have been completed as of the date of execution of this Agreement, and all prior payments made by either Bonneville or NCPA for such deliveries, are hereby expressly accepted and ratified by all Parties. All deliveries of energy under any exchanges which have been completed by Bonneville and NCPA are also hereby expressly ratified. All Parties agree that no obligation remains under any such prior completed transactions and expressly agree that all obligations incurred by any Party to another Party under such prior completed transactions have been fully satisfied.

10. Signature Clause. Each Party hereto represents that it has the authority to execute this Agreement and that it has been duly authorized to enter into this Agreement.

11. Execution by Counterpart. This Agreement may be executed in a number of counterparts and shall be deemed to constitute a single document with the same force and effect as if the Parties hereto having signed a single counterpart, had signed all counterparts. Each Party shall deliver an executed counterpart to Bonneville, and Bonneville shall prepare a conformed copy of this Agreement and deliver it to each Party. This Agreement shall become effective at such time as it is executed by all Parties.

If the foregoing terms are acceptable to NCPA and its members, please sign and return one copy of this Agreement with a certified copy of an authorizing resolution for each NCPA member signing. The remaining copy is for your files.

Sincerely,


Edward W. Sienkiewicz, Jr.
Senior Assistant Administrator

NORTHERN CALIFORNIA POWER AGENCY

By _____

Name _____
(Print/Type)

Title _____

Date _____

ATTEST:

By _____

Name _____
(Print/Type)

Title _____

Date _____

CITY OF AUMEDA

By _____

Name _____
(Print/Type)

Title _____

Date _____

ATTEST:

By _____

name _____
(Print/Type)

Tttle _____

Date _____

CITY OF GRIDLEY

By _____

Name _____
(Print/Type)

Title _____

Date _____

ATTEST:

BY _____

Name _____
(Print/Type)

Title _____

Date _____

CITY OF BIGGS

By _____

Name _____
(Print/Type)

Tttle _____

Date _____

ATTEST:

By _____

Name _____
(Print/Type)

Tttle _____

Date _____

CITY OF HEALDSBURG

By _____

Name _____
(Print/Type)

Title _____

Date _____

ATTEST:

By _____

Name _____
(Print/Type)

Title _____

Date _____

Approved as to form:

BW McNatt
Barry W. McNatt, City Attorney

Attest: *Alice M. Beincke*
Alice M. Beincke, City Clerk

CITY OF LODI

By *Thomas A. Peterson*
Name Thomas A. Peterson
(Print/Type)
Title City Manager
Date August 19, 1992

ATTEST:

By _____
Name _____
(Print/Type)
Title _____
Date _____

CITY OF PALO ALTO

By _____
Name _____
(Print/Type)
Title _____
Date _____

ATTEST:

By _____
Name _____
(Print/Type)
Title _____
Date _____

CITY OF LOMPOC

By _____
Name _____
(Print/Type)
Title _____
Date _____

ATTEST:

By _____
Name _____
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Title _____
Date _____

CITY OF ROSEVILLE

By _____
Name _____
(Print/Type)
Title _____
Date _____

ATTEST:

By _____
Name _____
(Print/Type)
Title _____
Date _____

C I N OF UKIAH

By _____

Name _____
(Print/Type)

Title _____

Date _____

ATTEST:

BY _____

Name _____
(Print/Type)

Title _____

Date _____

(VS10-PMCE-4088c)

PLUMS-SIERRA ELECTRIC COOPERATIVE

By _____

Name _____
(Print/Type)

Title _____

Date _____

ATTEST:

By _____

Name _____
(Print/Type)

Title _____

Date _____

NCPA A Public Agency

Northern California Power Agency

180 Cirby Way, Roseville California 95678

MICHAEL W. McDONALD

General Manager
(916)781-4223

July 31, 1992

Mr. Henry Rice
City of Lodi
221 W. Pine Street
P.O. Box 3006
Lodi, CA 95241-1910

Subject Bonneville Power Administration/
NCPA Umbrella Agreement

Dear Mr. Ria:

As you may know, the BPA/NCPA enabling agreement (Umbrella Agreement) was approved at the July Commission meeting. Duplicate originals of the subject Agreement **are** enclosed for execution by your authorized representative. The Agreement has *already* been executed by BPA. **Upon approval by your** City Council, please arrange execution of both **originals**. Please return one of the originals along with an **originally** signed resolution authorizing execution of the Agreement. BPA, being the bureaucracy that it is, **stresses** that they need both an originally signed agreement and resolution in order to "authenticate" the Agreement. Please return these to Ms. Gail Sipple. NCPA will forward the duplicate original and resolution from each member to BPA for **their** authentication process. **A fully authenticated copy will** be returned to you for your records.

Sincerely,



THOMAS C. GREEN
Power Contracts Engineer

TCG/dd

cc: Michael W. McDonald
Gail Sipple
City Clerks of Participating Members