



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Adopt Resolution Acknowledging the City of Lodi Electric Utility's Obligation Regarding Energy Storage Systems as Defined in Assembly Bill (AB) **2514**

MEETING DATE: March **21, 2012**

PREPARED BY Electric Utility Director

RECOMMENDED ACTION: Adopt a resolution acknowledging the City of Lodi Electric Utility's obligation regarding energy storage systems as defined in Assembly Bill (AB) **2514**.

BACKGROUND INFORMATION: AB **2514** was signed into law in September **2010**. The new statute requires the California Public Utilities Commission to open proceedings to determine appropriate targets, if any, for each load-serving entity (defined as electric service providers) to procure viable and cost-effective energy storage systems commencing this month. As defined by AB **2514**, an energy storage system means commercially available technology that is capable of absorbing energy, storing it for a period of time, and discharging it for use.

For municipal service providers, the new state law requires the governing board of each local publicly/owned electric utility (i.e.: City of Lodi Electric Utility) to initiate a process for determining targets for energy storage systems also during March **2012**.

In order to remain in compliance with AB **2514**, Lodi Electric Utility staff is presenting this issue to the City Council and will, at a City Council meeting later this year, provide an overview of potential viable and cost-effective energy storage systems, as well as potential storage system procurement targets.

By adopting the resolution, the Council authorizes the Utility Director or designee to initiate a process for determining the appropriate targets, if any, for the Electric Utility Department to procure viable and cost-effective energy storage systems to be achieved over the next nine years, as prescribed by law.

FISCAL IMPACT: Not applicable.

FUNDING: Not applicabte.

 A handwritten signature in black ink, appearing to read "Elizabeth A. Kirkley".

Elizabeth A. Kirkley
Electric Utility Director

PREPARED BY Rob Lechner, Manager, Customer Service & Programs

EAK/RSL/1st

APPROVED:

Konradt Bartlam, City Manager

RESOLUTION NO. 2012-24

A RESOLUTION OF THE LODI CITY
COUNCIL ACKNOWLEDGING THE CITY OF
LODI ELECTRIC UTILITY'S OBLIGATION
REGARDING ENERGY STORAGE SYSTEMS
AS DEFINED IN ASSEMBLY BILL 2514

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WHEREAS, the California Legislature and the Governor of California have approved Assembly Bill 2514; and

WHEREAS, this new law requires the governing board of each local, publicly-owned electric utility to initiate a process for determining appropriate targets, if any, to procure viable and cost-effective energy storage systems; and

WHEREAS, as required under state law, Electric Utility staff will provide at a future 2012 Lodi City Council meeting an overview of potential viable and cost-effective energy storage systems, as well as potential energy storage system procurement targets.

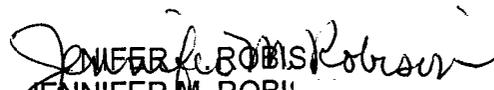
NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby acknowledge the City of Lodi Electric Utility's obligation regarding energy storage systems as defined in Assembly Bill 2514, now California law.

Dated: March 21, 2012

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I hereby certify that Resolution No. 2012-24 was passed and adopted by the City Council of the City of Lodi in a regular meeting held March 21, 2012, by the following vote:

- AYES: COUNCIL MEMBERS - Hansen, Johnson, Katzakian, Nakanishi, and Mayor Mounce
- NOES: COUNCIL MEMBERS - None
- ABSENT: COUNCIL MEMBERS - None
- ABSTAIN: COUNCIL MEMBERS - None


JENNIFER M. ROBIS
Assistant City Clerk