



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Adopt Resolution Authorizing the City Manager to Amend the Energy Efficiency Financing Program

MEETING DATE: November 16, 2011

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: Adopt a resolution authorizing the City Manager to amend the Energy Efficiency Financing Program.

BACKGROUND INFORMATION: In October 2010, the City Council approved a pilot project for an energy efficiency financing program, also referred to as on-bill financing. This established a loan fund in the amount of \$250,000 for G2 electric utility customers' energy efficiency/conservation projects. In May 2011, the City Council authorized an additional \$150,000 as well as G3, G4, G5 and I1 utility rate customers.

To date, eight (8) commercial/industrial customers have secured an interest-free, 24-month loan for designated and approved energy efficiency measures. These businesses include: Delta Rehabilitation, Wine & Roses, M & R Packing, Pacific Coast Producers, Quashnick Tools, Heartland Steel, Kettleman Lane Chevron, and Specialty Commodities. Of the \$400,000 available in this program, a total of \$278,955.75 has been loaned to these eight aforementioned businesses. Another \$69,101 is currently reserved, as the energy efficiency projects are pending installation/completion by years end.

Staff recommends expanding the program to include non-residential customers assigned to the G-1 electric utility rate tariff.

Also of note, all outstanding loans continue to be paid on time, each month. This continues the "cycle" of loan funds: as loan amounts are paid each month, the total available loan balance is replenished. This allows the City to offer additional loans to those customers who meet the set eligibility guidelines.

FISCAL IMPACT: The electric utility will, over time, continue to see decreased energy sales as a result of the customer-implemented energy efficiency/conservation measures.

FUNDING: Included in FY2011/12 Budget Account No. 164.1420.

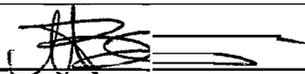


 Jordan Ayers
 Deputy City Manager/Internal Service Director



 Elizabeth A. Kirklev
 Electric Utility Director

PREPARED BY: Rob Lechner, Manager, Customer Service & Programs

APPROVED: 

 Konradt Bartlam, City Manager

RESOLUTION NO. 2011-182

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING
THE CITY MANAGER TO AMEND THE ENERGY EFFICIENCY
FINANCING PROGRAM

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WHEREAS, in October 2010, the City Council approved a pilot project for an energy efficiency financing program, also referred to as on-bill financing, which established a loan fund in the amount of \$250,000 for G2 electric utility customers' energy efficiency/conservation projects; and

WHEREAS, in May 2011, the City Council authorized an additional \$150,000 as well as G3, G4, G5, and I1 utility rate customers; and

WHEREAS, to date, eight commercial/industrial customers have secured an interest-free, 24-month loan for designated and approved energy efficiency measures; and

WHEREAS, to date a total of \$278,955.75 has been loaned to eight businesses and \$69,101 is currently reserved as the energy efficiency projects are pending installation/completion by years end; and

WHEREAS, staff recommends expanding the program to include non-residential customers assigned to the G I electric utility rate tariff, thus incorporating all non-residential customers in this program.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to amend the Energy Efficiency Financing Program by including G I commercial/industrial customers.

Dated: November 16, 2011

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I hereby certify that Resolution No. 2011-182 was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 16, 2011, by the following vote:

AYES: COUNCIL MEMBERS - Hansen, Katzakian, Nakanishi, and Mayor Johnson

NOES: COUNCIL MEMBERS - None

ABSENT: COUNCIL MEMBERS - Mounce

ABSTAIN: COUNCIL MEMBERS - None


RANDI JOHL
City Clerk