

APPROVE "AMENDING
AGREEMENT TO
THE AGREEMENT
FOR THE SALE
OF ELECTRIC POWER
AND ENERGY TO
THE CITY OF
LODI"

RES. NO. 81-42

Agenda item "k" - Approve "Amending Agreement to the Agreement for the Sale of Electric Power and Energy to the City of Lodi" was introduced by City Manager Graves. The City Manager apprised the Council that NCPA and certain member cities, including Lodi, have entered into power purchase contracts with the Bonneville Power Administration and certain other utilities located in the Pacific Northwest (Northwest Entities). Such contracts provide for the purchase of nonfirm energy (Northwest Energy) to be delivered to PG&E at or near the Oregon-California border. NCPA has entered into a contract (Interruptible Transmission Service Contract between PG&E and NCPA) with PG&E for interruptible transmission service for such Northwest Energy to NCPA member cities, in amounts as shall from time to time be designated by NCPA under provisions of the Transmission Contract.

Lodi has contracted with NCPA to allow NCPA to act on Lodi's behalf in arranging with

PG&E for the transmission of such Northwest Energy from the California-Oregon border to PG&E's existing electric delivery point for Lodi.

Lodi has requested that the 1970 Agreement be amended to accommodate the delivery of Northwest Energy to Lodi and PG&E is willing to accommodate Lodi's request.

Following discussion with questions being directed to Staff, Council, on motion of Mayor Pro Tempore Murphy, Katnich second, adopted Resolution No. 81-42 approving "Amending Agreement to the Agreement for the Sale of Electric Power and Energy to the City of Lodi" and authorized the Mayor and City Clerk to execute the Agreement on behalf of the City.

follow up
CITY COUNCIL

JAMES A. McCARTY, Mayor
ROBERT C. MURPHY, Mayor Pro Tem
RICHARD L. HUGHES
WALTER KATNICH
JAMES W. PINKERTON, Jr.

CITY OF LODI

CITY HALL, 221 WEST PINE STREET
POST OFFICE BOX 320
LODI, CALIFORNIA 95241
(209) 334-5634

HENRY A. CLAVES, Jr.
City Manager

ALICE M. REIMCHE
City Clerk

RONALD M. STEIN
City Attorney

April 16, 1981

J. M. Stearns
Manager
Commercial Department
PG&E
77 Beal Street
San Francisco, CA 94106

Re: Amending Agreement to the Agreement for the Sale of Electric
Power and Energy to the City of Lodi

Dear Mr. Stearns:

Attached hereto please find three (3) executed copies and a certified copy of Resolution No. 81-42, approving "Amending Agreement to the Agreement for the Sale of Electric Power and Energy to the City of Lodi", as adopted by the Lodi City Council at its regular meeting of April 15, 1981. Please return a fully executed copy of the Agreement to this office at your earliest convenience.

Should you have any questions concerning these documents, please feel free to call this office.

Very truly yours,

Alice M. Reimche
Alice M. Reimche
City Clerk

AR:dg

Enc.

CITY COUNCIL

JAMES A. McCARTY, Mayor
ROBERT C. MURPHY, Mayor Pro Tem
RICHARD L. HUGHES
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JAMES W. PINKERTON, Jr.

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City Clerk

RONALD M. STEIN
City Attorney

April 16, 1981

Northern California
Power Agency
770 Kiely Boulevard
Santa Clara, CA 95051

Re: Amending Agreement to the Agreement for the Sale of Electric
Power and Energy to the City of Lodi

Gentlemen:

Attached hereto please find two (2) copies and a certified copy
of Resolution No. 81-42, approving "Amending Agreement to the
Agreement for the Sale of Electric Power and Energy to the City
of Lodi", as adopted by the Lodi City Council at its regular
meeting of April 15, 1981.

Should you have any questions concerning these documents, please
feel free to call this office.

Very truly yours,

Alice M. Reimche
Alice M. Reimche
City Clerk

AR:dg

Enc.

RESOLUTION NO. 81-42

RESOLUTION APPROVING AMENDING AGREEMENT TO THE AGREEMENT FOR THE SALE OF ELECTRIC POWER AND ENERGY TO THE CITY OF LODI

RESOLVED, that the City Council of the City of Lodi does hereby approve "Amending Agreement to the Agreement for the Sale of Electric Power and Energy to the City of Lodi", a copy of which is attached hereto identified as Exhibit "A" and thereby made a part hereof.

BE IT FURTHER RESOLVED that the City Council of the City of Lodi does hereby authorize the Mayor and the City Clerk to execute this Agreement on behalf of the City.

Dated: April 15, 1981

I hereby certify that Resolution No. 81-42 was passed and adopted by the City Council of the City of Lodi in a regular meeting held April 15, 1981 by the following vote:

Ayes: Councilmen - Murphy, Hughes, Katnich, Pinkerton and McCarty

Noes: Councilmen - None

Absent: Councilmen - None

Alice M. Reimche
ALICE M. REIMCHE
City Clerk

RESOLUTION NO. 81-42

RESOLUTION APPROVING AMENDING AGREEMENT TO THE
AGREEMENT FOR THE SALE OF ELECTRIC POWER AND
ENERGY TO THE CITY OF LODI

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BE IT FURTHER RESOLVED that the City Council of the City of Lodi does hereby authorize the Mayor and the City Clerk to execute this Agreement on behalf of the City.

Dated: April 15, 1981

I hereby certify that Resolution No. 81-42 was passed and adopted by the City Council of the City of Lodi in a regular meeting held April 15, 1981 by the following vote:

Ayes: Councilmen - Murphy, Hughes, Katnich, Pinkerton
and McCarty

Nces: Councilmen - None

Absent: Councilmen - None

Alice M. Reimche
ALICE M. REIMCHE
City Clerk

EXHIBIT "A"

AMENDING AGREEMENT
TO THE
AGREEMENT
FOR THE SALE OF ELECTRIC POWER AND ENERGY
TO
CITY OF LODI

THIS AMENDING AGREEMENT is made by and between the CITY OF LODI, a California municipal corporation situated in the County of San Joaquin, State of California (Lodi) and PACIFIC GAS AND ELECTRIC COMPANY (PGandE).

RECITALS:

A. Lodi presently purchases all of its electric energy and capacity (Power) from PGandE in accordance with an agreement dated April 1, 1970.

B. The Northern California Power Agency, a public agency created by a joint powers agreement dated July 19, 1968, as amended (NCPA), and certain member cities including Lodi have entered into power purchase contracts with the Bonneville Power Administration and certain other utilities located in the Pacific Northwest (Northwest Entities). Such contracts provide for the purchase of nonfirm energy (Northwest Energy) to be delivered to PGandE at or near the Oregon-California border.

C. NCPA has entered into a contract dated April 14, 1981 (Interruptible Transmission Service Contract between Pacific Gas and Electric Company and Northern California Power Agency) with PGandE for interruptible transmission service for such Northwest Energy to NCPA member cities, in amounts as shall from time to time be designated by NCPA under provisions of the Transmission Contract.

D. Lodi has contracted with NCPA to allow NCPA to act on Lodi's behalf in arranging with PGandE for the transmission of such Northwest Energy from the California-Oregon border to PGandE's existing electric delivery point for Lodi.

E. Lodi has requested that the 1970 Agreement be amended to accommodate the delivery of Northwest Energy to Lodi.

F. PGandE is willing to accommodate Lodi's request.

NOW, THEREFORE, IT IS MUTUALLY AGREED THAT THE 1970 AGREEMENT SHALL BE AMENDED AS FOLLOWS:

1. Section 1 on Page 1 is deleted and the following new Section 1 is substituted therefor:

"1. PGandE shall sell and deliver to Lodi, and Lodi shall purchase and receive from PGandE all Power required by

Lodi except for such Northwest Energy as may from time to time be delivered by PGandE to Lodi under the provisions of the NCPA-PGandE Interruptible Transmission Service Contract."

2. Sections 3 and 4 on Page 2 are hereby deleted and the following new Section 3 is substituted therefor:

(3) For the purpose of this Amending Agreement, a monthly bill based on the total metered quantity of Power delivered by PGandE to Lodi will be prepared under PGandE's FERC tariffs. Because precise information regarding deliveries of Northwest Energy to designated member cities will not be made available to PGandE by NCPA during the instant billing period, any credits, due Lodi as provided in the NCPA-PGandE Interruptible Transmission Service Contract, will be applied to PGandE's next regular monthly Power bill to Lodi. Such credits will be based on the rates and charges in effect during the billing period during which the deliveries of Northwest Energy were supplied to Lodi."

3. This Amending Agreement shall be effective on the date it is permitted to become effective by FERC but not prior to the effective date of the NCPA-PGandE Interruptible Transmission Service Contract. This Amending Agreement shall remain in effect coincident with the terms of the 1970 Agreement

and the NCPA-PGandE Interruptible Transmission Service Contract, provided, that this Amending Agreement shall automatically terminate on the date of initial delivery of Power by or for NCPA to Lodi under a new interconnection contract between NCPA and PGandE for NCPA's geothermal projects which provides similar transmission services; provided further, this Amending Agreement is expressly conditioned upon acceptance by FERC of all provisions hereof, without change or condition and will not become effective unless so accepted.

4. PGandE shall file this Amending Agreement with FERC in a timely manner and shall diligently prosecute such proceedings.

5. Nothing contained herein shall be construed as affecting in any way the right of PGandE, in furnishing service under provisions of the Agreement to unilaterally make application of FERC for a change in rates, under Section 205 of the Federal Power Act and pursuant to FERC Rules and Regulations promulgated thereunder. However, Lodi may at its discretion, protest the reasonableness of any such proposed increase in rates and/or charges.

6. Except as herein provided, the 1970 Agreement shall remain in full force and effect.

Dated this 15th day of April, 19 81.

CITY OF LODI, a municipal
corporation

By *James A. McCarty*
JAMES A. McCARTY, MAYOR

ATTEST:

Alice M. Reimche
Alice M. Reimche
City Clerk

PACIFIC GAS AND ELECTRIC COMPANY

By _____