

RESOLUTION NO. 2007-234

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING  
THE CITY MANAGER AND ELECTRIC UTILITY DIRECTOR TO  
PROCURE ENERGY AND CAPACITY FOR FISCAL YEAR  
2008-09 THROUGH FISCAL YEAR 2010-11 AT A COST  
NOT TO EXCEED \$10 MILLION PER YEAR

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WHEREAS, the City of Lodi must procure energy and capacity to economically meet its load serving obligations to its customers for fiscal year 2008-09 with the projected amount of energy remaining to be procured equaling approximately 23% of Lodi's total load serving obligation; and

WHEREAS, the City of Lodi must procure energy and capacity to economically meet its load serving obligations to its customers in the fiscal years 2009-10 and 2010-11; and

WHEREAS, to begin reducing Lodi's exposure to this market volatility, staff recommends procurement of electricity and/or natural gas to reduce or eliminate Lodi's net open position for fiscal year 2008-09 and the two subsequent years; and

WHEREAS, it is expected that Lodi's purchases under this Resolution could occur in various amounts and timeframes; and

WHEREAS, Lodi's purchases under this Resolution will conform to the accepted transaction types and other provisions of the City of Lodi Energy Risk Management Policies, adopted January 18, 2006, by City Council Resolution No. 2006-19.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager or his designee to enter into contractual arrangements to procure additional electricity and/or natural gas to reduce Lodi Electric Utility's open position to meet load-serving obligations for fiscal year 2008-09 and the two subsequent fiscal years in accordance with the City of Lodi Energy Risk Management Policies at a total cost not to exceed \$10 million per year, with this amount for each year reduced by Northern California Power Agency purchases of electricity or natural gas fuel for Lodi's benefit for such year.

Dated: November 21, 2007

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I hereby certify that Resolution No. 2007-234 was passed and adopted by the Lodi City Council in a regular meeting held November 21, 2007, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Hitchcock, Katzakian, Mounce, and Mayor Johnson

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None

  
RANDI JOHL  
City Clerk