

RESOLUTION NO. 2009-07

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING
THE CITY MANAGER TO EXECUTE THE SECOND AMENDED AND
RESTATED METERED SUBSYSTEM AGGREGATOR AGREEMENT
WITH NORTHERN CALIFORNIA POWER AGENCY AND CALIFORNIA
INDEPENDENT SYSTEM OPERATOR CORPORATION

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WHEREAS, the City of Lodi Electric Utility (City) currently operates within the California Independent System Operator Corporation (CAISO) Balancing Authority Area as a Metered Subsystem (MSS) entity; and

WHEREAS, the City and nine other public entities are members of the Northern California Power Agency (NCPA) Pool; and

WHEREAS, NCPA, acting as Scheduling Coordinator on behalf of the City, operates and schedules the NCPA Pool Member resources and loads within an aggregated portfolio pursuant to the terms of the CAISO Tariff and the NCPA Metered Subsystem Aggregator Agreement (MSSA Agreement); and

WHEREAS, the existing MSSA Agreement became effective on September 1, 2002, and was developed to work in conjunction with the current CAISO market structure; and

WHEREAS, the CAISO is currently in the process of implementing a new market structure within California, which is known as the Market Redesign and Technology Upgrade (MRTU), under which the City will transact in the future; and

WHEREAS, in light of the pending implementation of MRTU, NCPA, acting on behalf of the City, and the CAISO have worked over the course of the past year to update the MSSA Agreement to reflect the new market structure; and

WHEREAS, the Second Amended and Restated MSSA Agreement has been developed which contains a number of protections and provisions that will allow NCPA, acting on behalf of the City, to continue operating the NCPA Pool Member system loads and generation resources within an integrated portfolio under MRTU, and will allow NCPA to continue to perform Load-Following to meet the service obligations of the City; and

WHEREAS, the Second Amended and Restated MSSA Agreement encompasses a number of modifications, including but not limited to, updated terminology and contract references, updated scheduling provisions and timelines, revised termination provisions, updated contract party references, clarifying statements regarding applicability of NERC/WECC reliability requirements, and revised/updated CAISO settlement provisions and exemptions; and

WHEREAS, the Second Amended and Restated MSSA Agreement has been unilaterally filed with the Federal Energy Regulatory Commission (FERC) by the CAISO, and once accepted by FERC, the Second Amended and Restated MSSA Agreement will become effective and will replace the existing MSSA Agreement.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize (i) the City Manager to execute the Second Amended and Restated MSSA Agreement and (ii) the Electric Utility Director to implement and administer such amended Agreement in accordance with its terms.

Dated: January 21, 2009

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I hereby certify that Resolution No. 2009-07 was passed and adopted by the City Council of the City of Lodi in a regular meeting held January 21, 2009, by the following vote:

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


RANDI JOHL
City Clerk