

RESOLUTION NO. 2013-03

A RESOLUTION OF THE LASSEN MUNICIPAL UTILITY DISTRICT ADOPTING A RENEWABLE ENERGY RESOURCE PROCUREMENT PLAN

WHEREAS, the Lassen Municipal Utility District (“District”) is a municipal utility district organized under California’s Municipal Utility District Act (Public Utilities Code §11501, et seq.) which provides electrical service to customers located within Lassen County, California; and

WHEREAS, on April 12, 2011, the Governor of the State of California signed Senate Bill 2 of the First Extraordinary Session (“SBX1-2”) into law; and

WHEREAS, SBX1 2 states the intent of the Legislature is that the amount of electricity generated per year from eligible renewable energy resources be increased to an amount that equals at least 20% of total electricity sold to retail customers in California per year by December 31, 2013 and at least 33% by December 31, 2020; and

WHEREAS, in compliance with Public Utilities Code Section 399.30(a), each Publicly Owned Utility (“POU”), including Lassen Municipal Utility District, must adopt and implement a Renewable Energy Resource Procurement Plan (“RPS Procurement Plan”) that requires the utility to procure minimum quantities of electricity products sourced from eligible renewable resources, expressed as a percentage of total kilowatt-hours sold to the utility’s retail end-use customers during each of three compliance periods;

WHEREAS, in compliance with SBX1-2, District staff has developed an RPS Procurement Plan. The District, in its sole discretion, has elected to establish cost limitations for all eligible renewable energy resources used to comply with the RPS Procurement Plan. Any such cost limitations will be developed consistent with §399.15(c). The District’s ratepayer base is very small and electric ratepayers are largely economically disadvantaged. SBX1-2 allows for each POU to establish a limitation on the procurement expenditures for all eligible renewable resources used to comply with the RPS Procurement Plan. In establishing this limitation, the District’s Board of Directors shall rely on the following: the limitation is set at a level that prevents disproportionate rates increases; further, the District shall set cost limitations so as not to cause financial detriment to the District or its ratepayers.

WHEREAS, the RPS Procurement Plan, among other things: defines compliance periods, includes minimum renewable procurement targets for each compliance period, establishes certain exemptions from timely compliance due to qualifying mitigating circumstances consistent with SBX1-2, and requires annual review for purposes of assessing compliance;

NOW, THEREFORE, BE IT RESOLVED that the Lassen Municipal Utility District's Board of Directors adopts the District's RPS Procurement Plan.

BE IT FURTHER RESOLVED, that the RPS Procurement Plan shall be effective immediately.

The foregoing Resolution was duly and regularly passed and adopted by the Board of Directors of the Lassen Municipal Utility District at a regular meeting of said Board duly noticed and held on the ____ day of _____, 2013, as follows:

AYES: _____

NOES: _____

ABSENT: _____

ABSTENTIONS: _____

H.W. "Bud" Bowden, President of
the Board of Directors of the
Lassen Municipal Utility District

ATTEST:

Karen Rollings, Board Secretary

APPROVED AS TO FORM AND PROCEDURE:

Eugene Chittock, General Counsel