RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA AS REGARDS TO NEW FEDERAL STANDARDS PERTAINING TO ELECTRIC UTILITIES UNDER THE PUBLIC UTILITIES REGULATORY POLICIES ACT OF 1978, AS AMENDED BY THE ENERGY POLICY ACT OF 2005

WHEREAS, the Public Utilities Regulatory Policies Act of 1978 ("PURPA"), as amended by the Energy Policy Act of 2005 ("EPACT 2005"), requires municipal electric utilities with total retail sales of 500 million kilowatthours during any calendar year to formally consider and determine whether to adopt five new electric utility standards relating to net metering; smart metering; interconnection; fuel diversity; and fossil fuel generation efficiency (the

"Standards"); and

WHEREAS, the City of Pasadena operates an electric utility, the Pasadena Water and Power Department ("PWP"), which exceeds annual retails sales of 500 million kilowatt-hours and accordingly must comply with PURPA, as amended by EPACT 2005; and

WHEREAS, the legislation requires the City Council, as the regulatory authority in charge of PWP, to consider whether to adopt the Standards after notice and public hearing and determine in writing whether or not to implement the Standards; and

WHEREAS, public notice was given on April 30, 2007, and the City Council held a public hearing on July 16, 2007; and

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WHEREAS, the City Council has duly considered the Standards based

upon the evidence and information received from staff and the public at the

hearing held July 16, 2007, and being fully advised in the premises, and in order

to be in full compliance with the requirements of the legislation;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of

Pasadena as follows:

- PWP currently implements the "<u>Net Metering</u>" standard by offering net metering service to all PWP customers with cogeneration or selfgeneration through rate schedule SG: Self-Generation Service, as referenced in the Pasadena Municipal Code 13.04.178 – Section B. The City Council hereby finds and determines that PWP presently meets this EPACT 2005 standard.
- 2. PWP currently implements the "Fuel Sources Plan" standard through the approval of several of its plans, including: the 2001 Strategic Resource Plan (SRP), approved by the City Council in November of 2001, the City's Renewable Portfolio Standard (RPS), adopted by the City Council in October of 2003. The City Council hereby finds and determines that PWP presently meets this EPACT 2005 standard.
- 3. PWP currently implements the "<u>Fossil Fuel Generation Efficiency</u>" standard through the approval of several of its plans, including: the 2001 Strategic Resource Plan (SRP), approved by the City Council in November of 2001. The City Council hereby finds and determines that PWP presently meets this EPACT 2005 standard.
- 4. PWP currently implements a component of the <u>"Smart Metering"</u> standard through its offering of a TOU based rate schedule to all customers, the offering of TOU meters and the offering of Load Management Credits through the City's Light and Power Rate Ordinance (Pasadena Municipal Code 13.04). However, full implementation of this standard to include additional TOU pricing schedules (Critical Peak Pricing and Real Time Pricing) and providing and installing TOU meters for each PWP customer has been determined not cost effective at this time. The City Council hereby finds and determines that PWP presently partially complies with this EPACT 2005 standard. The Council hereby directs PWP to evaluate the cost effectiveness of offering the additional TOU pricing schedules and the availability of advanced and affordable smart metering technology.

5. PWP currently implements the "Interconnection" standard by offering interconnection service through its Distributed Generation Interconnection Requirements – Regulation 23, adopted by the City Council in Resolution #8304 on October 13, 2003. The City Council hereby finds and determines that PWP presently meets or exceeds the interconnection regulations required under the IEEE 1547 standard set forth in this EPACT 2005 standard.

Adopted at the regular meeting of the City Council of the City of Pasadena

on the _____ day of

_____, 2007, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Jane L. Rodriguez, CMC City Clerk

APPROVED AS TO FORM:

Kanneusen

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Scott D. Rasmussen Assistant City Attorney