

**BEFORE THE BOARD OF THE
SAN JOAQUIN VALLEY POWER AUTHORITY
FRESNO, CALIFORNIA**

RESOLUTION NO. 10-03

**OPPOSING THE PROPOSED CALIFORNIA CONSTITUTIONAL AMENDMENT
BALLOT INITIATIVE ENTITLED "NEW TWO-THIRDS VOTE REQUIREMENT
FOR LOCAL PUBLIC ELECTRICITY PROVIDERS"**

WHEREAS, on September 24, 2002, the Governor signed into law Assembly Bill 117 (Stat. 2002, Ch. 838), which authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation; and

WHEREAS, Community Choice Aggregation enables any city or county or combination thereof to purchase electricity on behalf of its residences and businesses, and can require and obtain a higher percentage of renewable energy in its energy portfolio than that provided by investor-owned utility; and

WHEREAS, Community Choice Aggregation programs are certified by the California Public Utilities Commission and must comply with basic requirements in order to ensure public confidence in the program; and

WHEREAS, on November 15, 2006, the San Joaquin Valley Power Authority (Authority) was formed by execution of a Joint Powers Agreement (JPA); allowing local governments to participate in Community Choice Aggregation, thereby enabling the authority to issue municipal revenue bonds to build publicly-owned, energy resources to supply electricity to their residents, and

WHEREAS, on May 28, 2009, a request for title and summary was made to the California Attorney General for an initiative to amend the California Constitution, entitled "New Two-Thirds Vote Requirement for Local Public Electricity Providers", and a copy of which is attached hereto and incorporated by this reference; and

WHEREAS, Pacific Gas & Electric Company, the majority incumbent investor-owned utility for California's Central Valley, which in recent years has become an opponent of Community Choice Aggregation, is the sole major donor to the ballot initiative campaign entitled "New Two-Thirds Vote Requirement for Local Public Electricity Providers"; and

WHEREAS, The "New Two-Thirds Vote Requirement for Local Public Electricity Providers" would require submitting any Community Choice Aggregation proposal to the voters within the proposed jurisdiction of an aggregator for a two-thirds vote of approval, and would require a two-thirds vote of approval by the voters if any type of public finance is used, including bonds, cash, income, assets or equity to implement or expand a Community Choice Aggregation program; and

WHEREAS, The "New Two-Thirds Vote Requirement for Local Public Electricity Providers" would effectively preclude any entity from becoming an electricity aggregator as well as virtually prohibiting any existing Municipal utility, all of whom operate on non-profit, public interest basis, from entering into any new competitive market in California;

NOW, THEREFORE, BE IT RESOLVED, that the San Joaquin Valley Power Authority fully supports maintaining the consumer's right to choose energy from clean, renewable sources as provided for under the Community Choice Aggregation law; and

BE IT FURTHER RESOLVED, that the San Joaquin Valley Power Authority strongly opposes "New Two-Thirds Vote Requirement for Local Public Electricity Providers" as being against the interest of California's electricity ratepayers, against the public interest, and a potential setback for renewable energy production; and

BE IT FURTHER RESOLVED, that the San Joaquin Valley Power Authority strongly urges other Community Choice Aggregation programs, cities, counties, special districts and Local Agency Formation Commissions to adopt similar resolutions opposing the "New Two-Thirds Vote Requirement for Local Public Electricity Providers"; and

THE FOREGOING RESOLUTION was passed and adopted by the Authority's Board this 28th day of January 2010, by the following vote:

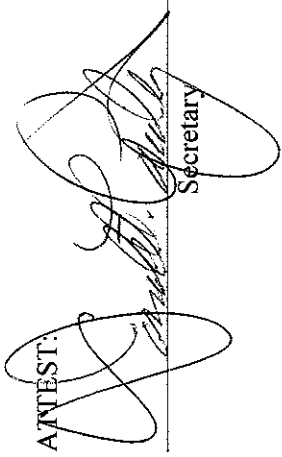
AYES: Directors Ford for the City of Clovis, Meinert for the City of Dinuba, Misenheimer for the City of Hanford, Manfredi for the City of Kerman, Pauley for the City of Kingsburg, Spikes for Kings County, Britz for the City of Lemoore, Martinez for the City of Parlier, Rogers for the City of Reedley, (85.60 %)

NOES: None

ABSTAIN: None

ABSENT: City of Sanger, City of Selma (14.40%)

ATTEST:


Secretary


Chairman