

**LODI CITY COUNCIL  
SHIRTSLEEVE SESSION  
CARNEGIE FORUM, 305 WEST PINE STREET  
TUESDAY, JUNE 26, 2012**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, June 26, 2012, commencing at 7:00 a.m.

Present: Council Member Johnson, Council Member Katzakian, and Mayor Mounce

Absent: Council Member Hansen, and Mayor Pro Tempore Nakanishi

Also Present: Deputy City Manager Ayers, Deputy City Attorney Magdich, and City Clerk Johl

B. Topic(s)

B-1 Renewable Portfolio Standard Update (EUD)

Electric Utility Director Elizabeth Kirkley provided a PowerPoint presentation regarding the Renewable Portfolio Standards (RPS) update. Specific topics of discussion included legislative background, new legislative requirements, revised goals, portfolio content, oversight by California Energy Commission (CEC), steps taken by Lodi to date, Lodi's current portfolio, RPS implementation, and next steps.

In response to Mayor Mounce, Consultant Matthew Foskett and Ms. Kirkley confirmed that there are approximately five other balancing authorities throughout the State of California and in the western area.

In response to Council Member Johnson, Mr. Foskett stated the Air Resources Board is involved because green house gases are considered airborne.

In response to Mayor Mounce, Mr. Foskett stated credits are sold based on developing market prices using mega watt hours and can be sold in smaller blocks. He stated the bucket one price is approximately \$50 per mega watt hour and bucket three averages at \$15 per mega watt hour.

In response to Council Member Katzakian, Mr. Foskett stated legislation has been introduced in favor and against hydro electric and the City will not be affected greatly if it is eliminated because the City's portfolio is diverse.

In response to Mayor Mounce, Ms. Kirkley stated the City is continuing to look at options for diversifying its portfolio into the future and is considering biomethane. Ms. Kirkley stated staff is also continuing to review options for a future solar project near the I-5 property, which is currently being used for Lodi Energy Center purposes.

In response to Council Member Johnson, Ms. Kirkley stated geothermal is affected by declining steam fields and Northern California Power Agency has made additional improvements to its plant to mitigate the impact.

In response to Council Member Hansen, Ms. Kirkley stated the City should not be affected in the next five years with the RPS because it can sell bucket ones and purchase bucket threes and the biggest unknown continues to be enforcement and penalties for the future.

In response to Myrna Wetzel, Ms. Kirkley stated there are no penalties for the CEC's inability to clearly define the requirements and penalties by a certain date.

In response to Ed Miller, Mr. Foskett stated there is no financial impact for the consumer up to 2019 because the costs stay below \$1 million and impacts thereafter will be reviewed in the next steps as outlined in the presentation.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 7:25 a.m.

ATTEST:

Randi Johl  
City Clerk