

RESOLUTION NO.

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE AUTHORIZING THE DIRECTOR OF THE COMMUNITY ENERGY DEPARTMENT OR DESIGNEE TO NEGOTIATE AND EXECUTE A LONG-TERM AGREEMENT WITH SUN POND, LLC, A SUBSIDIARY OF LONGROAD DEVELOPMENT COMPANY, LLC, TO BUY RENEWABLE ENERGY, RENEWABLE ENERGY CREDITS, RESOURCE ADEQUACY, BATTERY TOLLING RIGHTS, AND ATTRIBUTES ASSOCIATED WITH A SOLAR PHOTOVOLTAIC AND BATTERY STORAGE FACILITY FOR A TERM OF 20 YEARS BEGINNING 2026 THROUGH 2046, IN AN ESTIMATED ANNUAL AMOUNT OF \$11,566,000 AND A NOT-TO-EXCEED AMOUNT OF \$231,320,000 IN AGGREGATE, TO BE PAID SOLELY FROM THE SAN JOSE CLEAN ENERGY OPERATING FUND AND SUBJECT TO THE ANNUAL APPROPRIATION OF FUNDS; THE TERMS OF THIS RESOLUTION SUPERSEDING SECTION (C) OF RESOLUTION NO. RES2023-9

WHEREAS, on January 24, 2023, the Council of the City of San José (“City”) adopted Resolution No. RES2023-9, which authorized the Director of the Community Energy Department or the Director’s designee to negotiate and execute an agreement with Sun Pond, LLC, a subsidiary of Longroad Development Company, LLC (the “Sun Pond Agreement”), to buy renewable energy, renewable energy credits, resource adequacy, battery tolling rights, and attributes associated with a solar photovoltaic and battery storage facility for a term of 20 years beginning 2025 through 2045, in an amount not to exceed \$11,260,000 annually and \$225,200,000 in the aggregate, to be paid solely from the San José Clean Energy Operating Fund and subject to the annual appropriation of funds; and

WHEREAS, the Sun Pond Agreement has not yet been executed and staff has negotiated an increase in the total cost of the agreement to \$231,320,000 and a term that begins in 2026 and ends in 2046; and

WHEREAS, the City desires to negotiate and execute an agreement with Sun Pond, LLC, a subsidiary of Longroad Development Company, LLC, to buy renewable energy, renewable energy credits, resource adequacy, battery tolling rights, and attributes associated with a solar photovoltaic, and battery storage facility for a term of 20 years beginning 2026 through 2046, in an estimated annual amount of \$11,566,000 and a not-to-exceed amount of \$231,320,000 in aggregate;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

Section 1. The Director of the Community Energy Department or designee is hereby authorized to negotiate and execute a long-term agreement with Sun Pond, LLC, a subsidiary of Longroad Development Company, LLC, to buy renewable energy, renewable energy credits, resource adequacy, battery tolling rights, and attributes associated with a solar photovoltaic and battery storage facility for a term of 20 years beginning 2026 through 2046, in an estimated annual amount of \$11,566,000 and a not-to-exceed amount of \$231,320,000 in aggregate, to be paid solely from the San José Clean Energy Operating Fund and subject to the annual appropriation of funds.

Section 2. This Resolution shall supersede Section (c) of Resolution No. RES2023-9.

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ADOPTED this _____ day of _____, 2023, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

MATT MAHAN
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk