

RESOLUTION NO.

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE AUTHORIZING THE DIRECTOR OF THE COMMUNITY ENERGY DEPARTMENT OR THE DIRECTOR'S DESIGNEE TO NEGOTIATE AND EXECUTE A LONG-TERM AGREEMENT WITH PACIFIC GAS AND ELECTRIC COMPANY TO BUY RENEWABLE ENERGY FOR A TERM OF NO MORE THAN 20 YEARS, FROM 2023 THROUGH 2043, IN AN ESTIMATED AMOUNT OF \$10,000,000 ANNUALLY AND NOT TO EXCEED \$150,000,000 IN AGGREGATE, TO BE PAID SOLELY FROM THE SAN JOSE CLEAN ENERGY OPERATING FUND AND SUBJECT TO THE ANNUAL APPROPRIATION OF FUNDS; AND REPEALING RESOLUTION NO. RES2023-154

WHEREAS, on May 16, 2023, the Council of the City of San José ("City") adopted Resolution No. RES2023-154, which authorized the Director of the Community Energy Department or the Director's designee to negotiate and execute a long-term agreement with Pacific Gas and Electric Company ("PG&E) to buy renewable energy for a term of no more than 20 years from 2023 through 2043, in an amount not-to-exceed \$7,500,000 annually and \$150,000,000 in aggregate, to be paid solely from the San José Clean Energy Operating Fund and subject to the annual appropriation of funds; and

WHEREAS, on May 22, 2023, the Community Energy Department executed the long-term agreement with PG&E to purchase renewable energy and discovered that the annual not-to-exceed language in Resolution No. RES2023-154 did not align with the variability of the executed agreement; and

WHEREAS, on August 3, 2023, the Community Energy Department's Risk Oversight Committee approved a recommendation to City Council that changes the annual not-to-exceed amount in the long-term agreement with PG&E to an estimate and adjusts it from \$7,500,000 to \$10,000,000; and

WHEREAS, staff recommends that the City repeal Resolution No. RES2023-154 and authorize the Director of the Community Energy Department or the Director's designee to negotiate and execute a long-term agreement with PG&E to buy renewable energy for a term of no more than 20 years, from 2023 through 2043, in an estimated amount of \$10,000,000 annually and not to exceed \$150,000,000 in aggregate, to be paid solely from the San José Clean Energy Operating Fund and subject to the annual appropriation of funds; and

WHEREAS, the City wishes to repeal Resolution No. RES2023-154 and adopt this new resolution authorizing the negotiation and execution of a long-term agreement with PG&E;

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

1. The Director of the Community Energy Department or the Director's designee is hereby authorized to negotiate and execute a long-term agreement with Pacific Gas and Electric Company to buy renewable energy for a term of no more than 20 years, from 2023 through 2043, in an estimated amount of \$10,000,000 annually and not to exceed \$150,000,000 in aggregate, to be paid solely from the San José Clean Energy Operating Fund and subject to the annual appropriation of funds; and
2. Resolution No. RES2023-154 is hereby repealed.

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

AYES:

NOES:

ABSENT:

DISQUALIFIED:

MATT MAHAN
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk