RESOLUTION NO. 06-48

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING THE PHASE II AGREEMENT OF THE NEW LODI PROJECT DEVELOPMENT

WHEREAS, NCPA members have identified the need for additional resources to meet their anticipated demand for energy and capacity over the next ten years and beyond; and,

WHEREAS, members have considered options including market purchases, acquisition of existing projects, partnerships in resources development with other entities, increasing the capacity at existing NCPA plants, and developing new and more efficient resources; and,

WHEREAS, members desire to develop and construct an efficient, economic and environmentally responsible energy and capacity resource as part of their power mix strategy; and,

WHEREAS, entering into the Phase IIA Agreement will assist the Participating Members in planning to meet their capacity and energy power goals, reduce reliance on power purchase agreements and associated fuel price volatilities, and assist the State of California in meeting its reserve requirements and energy goals, and will reduce costs by economics of scale, avoiding duplication of efforts; and,

WHEREAS, the Participating Members are ready, willing and able to support the development of this project; and,

WHEREAS, NCPA is ready, willing and able to enter into agreements on behalf of the Participating Members to efficiently and effectively develop and permit the project;

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency hereby approves the proposal and the plan described in the attached Staff Report authorizing an expenditure of an amount not to exceed $3,900,000 for the permitting and development of the New Lodi Project, the finalization and approval of the Phase IIA Agreement, and the finalization and approval of the Memorandum of Understanding (MOU) with the Modesto Irrigation District (MID).

FURTHERMORE, the Commission: a) approves the activities and intent of the New Lodi Phase II Agreement and the MID MOU; b) authorizes execution of the Phase II Agreement on behalf of NCPA by the d NCPA General Manager with such non-substantial changes as approved by the NCPA General Counsel; and c) approves the forwarding of the final form of the Phase II Agreement to the Participating Members to obtain their approval of the Phase II Agreement and the MID MOU.

PASSED, ADOPTED and APPROVED this 30th day of November 2006, by the following vote on roll call:

	Vote	Abstained	Absent
Alameda		X	
BART	Y		
Biggs	Y		
Gridley	Y		
Healdsburg	Y		
Lodi	Y		
Lompoc	Y		
Palo Alto	Y		
Port of Oakland	Y		
Redding		X	
Roseville	Y		
Santa Clara	Y		
Truckee Donner			X
Turlock	Y		
Ukiah			X
Plumas-Sierra	Y		

PATRICK KOLSTAD

ATTEST: DENISE DOW