

RESOLUTION NO. 6391(21)

**A Resolution of the City Council of the City of Lompoc,
County of Santa Barbara, State of California,
Authorizing the City Manager, or Designee, to Execute
Base Resource Contract with the Western Area Power
Administration**

WHEREAS, the City of Lompoc (City) and Western Area Power Administration (WAPA) are currently parties to a Base Resource Contract, which terminates on December 31, 2024; and

WHEREAS, WAPA is willing to provide, and the City is interested in procuring, energy from the Central Valley Project (CVP) Base Resource; and

WHEREAS, the Contract for Electric Service (Contract), attached as Exhibit A, would go into effect January 1, 2025, and conclude December 31, 2054; and

WHEREAS, the City may choose to reduce its base resource percentage (0.31618) or terminate the contract, for any reason, through June 30, 2024, pursuant to Section 4.2 of the attached contract; and

WHEREAS, requirements of the Contract include a provision requiring scheduling coordination to provide hourly load and resource schedules to the balancing authority area operator; and

WHEREAS, as a founding member of the Northern California Power Agency (NCPA), City will assign those responsibilities, along with its interest in the base resource, to NCPA to operate and optimize on its behalf; and

WHEREAS, there are uncertainties regarding the baseline resource value in future years, thereby resulting in ambiguity related to price stability and economic viability; and

WHEREAS, during the period of time leading up to June 30, 2024, City staff, in consultation with NCPA, will be evaluating the City's portfolio for: diversity; renewable content; optimization; compliance with obligatory regulations and statues; and alignment or resources with compliance period(s); and

WHEREAS, this opportunity in effect represents a free option for the City, allowing additional time for consideration of its resource needs and adequacy up to and beyond calendar year 2024; and

WHEREAS, NCPA staff supports execution of the Contract by its various members as they continue to perform due diligence on the behalf of its members.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LOMPOC, CALIFORNIA,
DOES HEREBY RESOLVE AS FOLLOWS:**

SECTION 1. The City Manager or Designee is hereby authorized to execute the Contract for Electric Service with the Western Area Power Administration, which is attached hereto and incorporated herein as Exhibit A.

SECTION 2. Effective Date. This Resolution is effective on the day of its adoption.

The foregoing Resolution was proposed by Council Member _____, seconded by Council Member _____, and was duly passed and adopted by the Council of the City of Lompoc at its regular meeting on April 6, 2021, by the following vote:

AYES: Council Member(s):

NOES: Council Member(s):

ABSENT: Council Member(s):

Jenelle Osborne, Mayor
City of Lompoc

ATTEST:

Stacey Haddon, City Clerk
City of Lompoc

Exhibit A: Contract for Electric Service