

**RESOLUTION NO.**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF FAIRFAX  
OPPOSING PROPOSITION 16: THE CALIFORNIA CONSTITUTIONAL AMENDMENT  
BALLOT INITIATIVE ENTITLED "NEW TWO-THIRDS VOTE REQUIREMENT FOR LOCAL  
PUBLIC ELECTRICITY PROVIDERS"**

**WHEREAS**, in 1997 the State of California deregulated the electricity market with the intent to give consumers a choice in electricity providers, ending decades of monopolized electricity markets; and

**WHEREAS**, deregulation promised lower rates and better service through increased competition; and

**WHEREAS**, the deregulation of the electricity market led to market manipulation by some investor-owned electricity providers which later admitted to fraudulent behavior. A direct result of that market manipulation was the energy crisis of 2000-2001; and

**WHEREAS**, in 2001, the State of California rescinded deregulation, returning most ratepayers to the same monopolistic electricity providers that they had prior to deregulation, resulting in the loss of free-market competition and consumer choice; and

**WHEREAS**, in 2002, in response to the collapse of deregulation and its failure to provide electricity consumers with a choice of electricity providers, Assemblywoman Carole Migden authored, and the California Legislation passed, Assembly Bill 117, enabling communities to establish Community Choice Aggregation programs; and

**WHEREAS**, Community Choice Aggregation enables any city or county or combination thereof to purchase electricity on behalf of its residences and businesses, and can require and obtain a higher percentage of renewable energy in its energy portfolio than that provided by an investor-owned utility; and

**WHEREAS**, Community Choice Aggregation offers Californians the opportunity to choose their electricity provider and obtain electricity that is qualified as renewable energy, as defined by the California Energy Commission; and

**WHEREAS**, Community Choice Aggregation gives authority to participating local governments to issue municipal revenue bonds to build publicly-owned, renewable energy resources to supply electricity to their residents, thereby playing an important role in California's greenhouse gas reduction target as mandated in Assembly Bill 32, California's Global Warming Solutions Act; and

**WHEREAS**, Pacific Gas & Electric has in recent years become an opponent of Community Choice Aggregation, and is the sole major donor to the ballot initiative campaign entitled "New Two-Thirds Vote Requirement for Local Public Electricity Providers"; and

**WHEREAS**, the "New Two-Thirds Vote Requirement for Local Public Electricity Providers" adds unreasonable hurdles for California cities and counties to overcome in order to become aggregate purchasers of electricity; and

**WHEREAS**, the "New Two-Thirds Vote Requirement for Local Public Electricity Providers" would require submitting any Community Choice Aggregation proposal to the voters within the proposed jurisdiction of an aggregator for a two-thirds vote of approval; and

**WHEREAS**, many electrical utility ratepayers are not registered voters and Proposition 16's election requirement would deny such ratepayers the ability to chose their provider; and

**WHEREAS**, the "New Two-Thirds Vote Requirement for Local Public Electricity Providers" would effectively preclude any entity from becoming an electricity aggregator as well as virtually prohibiting any existing Municipal utility, all of whom operate on a non-profit, public interest basis, from entering into any new competitive market in California; and now, therefore,

**NOW, THEREFORE, BE IT RESOLVED**, that the Town Council of theTown of Fairfax fully supports maintaining the consumer's right to choose energy from clean, renewable sources as provided for under the Community Choice Aggregation law; and

**BE IT FURTHER RESOLVED**, that the Town Council of the Town of Fairfax strongly opposes "New Two-Thirds Vote Requirement for Local Public Electricity Providers" as being against the interest of California's electricity ratepayers, against the public interest, and a potential setback for renewable energy production; and

**BE IT FURTHER RESOLVED**, that the Town Council of the Town of Fairfax strongly urges other Community Choice Aggregation programs, cities, counties, special districts and Local Agency Formation Commissions to adopt similar resolutions opposing the "New Two-Thirds Vote Requirement for Local Public Electricity Providers"; and

**BE IT FURTHER RESOLVED**, that the Town Clerk is hereby directed to forward a fully conformed copy of this resolution to the Attorney General of the State of California, the California Secretary of State, the Director of the San Joaquin Valley Power Authority, the Executive Officer of the San Francisco Local Agency Formation Commission, the Director of the Sonoma County Water Agency, the President of the Municipal Utilities Association, the Sacramento Municipal Utilities District, the League of California Cities and the County Supervisors Association of California for dissemination to their members, and the Executive Director of the California Association of Local Agency Formation Commissions for dissemination to its members.

The foregoing Resolution was duly passed and adopted at a regular meeting of the Town of Fairfax held in said Town on this 7<sup>th</sup> day of April 2010, by the following vote, to wit:

AYES:

NOES:

ABSENT:

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Lew Tremaine, Mayor

ATTEST:

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Judy Anderson, Town Clerk