

RESOLUTION NO. 2010-22

RESOLUTION OF THE ALBANY CITY COUNCIL OPPOSING PROPOSITION 16, AN INITIATIVE CONSTITUTIONAL AMENDMENT TO IMPOSE NEW TWO-THIRDS VOTER APPROVAL FOR LOCAL PUBLIC ELECTRICITY PROVIDERS

WHEREAS, on June 1 2009, California State Ballot Petition 09-0015, the “New Two-Thirds Vote Requirement for Public Electricity Providers,” was filed with the California State Attorney General for the June 2010 statewide ballot; and

WHEREAS, Article XI, Section 9 of the California Constitution establishes the sovereign authority of local municipalities to provide electric services to their inhabitants. It also allows private corporations to provide such services, subject to requirements established by the municipality. Similar provisions have been part of the Constitution for more than 100 years. In addition, numerous state laws already establish requirements for specific electric services or for particular types of public entities; and

WHEREAS, the Federal Power Act requires investor-owned utilities to allow public entities that meet certain requirements to connect to the electric grid in order to provide electric service to customers; and

WHEREAS, electric service by public entities can provide substantial benefits to customers and taxpayers, including lower rates, local revenue enhancement and job creation, local sovereignty and control over clean energy choices, and transparency and accountability that is available through the public process that does not exist for the private sector; and

WHEREAS, Proposition 16 would amend the basic revenue bond authority of local government such that local governments that plan to start selling electricity would first need a two-thirds vote of approval from their residents if the plans required public financing;

WHEREAS, while Proposition 16 does not take away the right of local governments to provide electric service, it imposes a barrier that will create unnecessarily delays and costs to local governments associated with any special elections that would be required under the proposed initiative, which may dissuade public entities from attempting to provide such service at all; and

WHEREAS, the proposed initiative would impact the ability of cities and counties to engage in community choice aggregation (CCA); and

WHEREAS, on March 15, 2010, the Albany City Council adopted the City of Albany Climate Action Plan, which includes a measure to explore community choice aggregation as a strategy to reduce greenhouse gas emissions:

Measure BE 4.3: Research the feasibility of joining the Community Choice Aggregation efforts of Berkeley, Oakland, Emeryville, and other neighboring cities.

and the proposed initiative would negatively impact said feasibility by creating additional procedural and cost barriers; and

WHEREAS, the two-thirds vote requirement of Proposition 16 diminishes the rights of the majority of voters by allowing a minority to control the outcome of the vote,

NOW, THEREFORE BE IT RESOLVED, that the Albany City Council opposes Proposition 16 on the June 8, 2010 statewide ballot.

Joanne Wile
Mayor