

**Mayoral Veto**  
**December 21, 2017**  
**Ordinance No. 3179-17**

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REDONDO BEACH CALIFORNIA

I hereby veto passage of Ordinance No 3179-17 as approved by the City Council of Redondo Beach on Tuesday, December 19<sup>th</sup>, 2017.

While I am a strong proponent of renewable energy and support the aggressive goal setting that has put California at the forefront of implementation of new technologies to wean ourselves off fossil fuels sooner rather than later, I am concerned about exposing Redondo Beach to unnecessary financial risk associated with joining this particular Joint Powers Authority at this time.

The risk adjusted return to the City and ratepayers is not sufficient at this time given the projected single digit percentage savings and the uncertainty of actual costs to participate in the program such as the undetermined exit fees that could be will over \$1 million if for some reason the City no longer wants to be a partner in the program.

Now, the California Public Utilities Commission is proposing changing the rules for new JPAs of this type, which could undermine the financial incentive to join such an Authority. These requirements should be finalized before Redondo Beach joins one.

California is well on its way to meeting the 50% renewable goal for the entire State by 2020, according to a recent California Energy Commission study. This demonstrates the value of government goal setting and the ability of both the public and private sector to work together toward important sustainability goals that improve the overall health and economic vitality of California.



Bill Brand

Mayor

Redondo Beach