

From: [Lonnie Eldridge](#)
To: announcements@alamedacitizenstaskforce.org
Cc: [Marilyn Ezzy Ashcraft](#); [Michele Pryor](#); [Tony Daysog](#); [Tracy Jensen](#); [Greg Boller](#); [Jennifer Ott](#); [Yibin Shen](#); [Lara Weisiger](#); [Tim Haines](#)
Subject: Re: Item 5D on City Council's September 16, 2025, meeting agenda (responses to questions)
Date: Friday, September 12, 2025 1:07:16 PM

Dear Alameda Citizens Task Force,

In consultation with and on behalf of Tim Haines, Alameda Municipal Power (AMP) General Manager, the responses to your questions are below, in italics.

Yours,
Lonnie Eldridge
Special Counsel, Alameda City Attorney's Office

ACT
Alameda Citizens Task Force
Vigilance, Truth, Civility

Honorable Mayor and Members of the Alameda City Council,

We, the Board of the Alameda Citizens Task Force, are asking for clarification of the Agreements presented in Item 5D. We are not questioning the value or appropriateness of the City's participation in the project described but are simply requesting an explanation of what exactly is involved.

Of concern to us is that the City Manager who sits ex-officio on the PUB appears to be treating this as an urgent matter without what we consider to be an adequate explanation. Note that per the Staff Report this Consent Agenda item is calendared for the September 16, 2025, meeting in response to a PUB resolution that will be made at their next scheduled meeting on September 15th.

After reviewing the three exhibits comprising Item 5D, we are requesting discussion of the following factors:

1. The power supply under consideration is **not expected** to be available until **2029**. So why the urgency for signing the agreements?

The facility is expected to be operational by June 1, 2029; however, construction of the facility cannot begin until a contract is in place. AMP is participating with 7 other members of the Northern California Power Agency (NCPA). NCPA and the other members have committed to approving this agreement in September, which accounts for the urgency in AMP's (and the City Council's) approval.

2. The contract calls for our proportionate funding of **all** costs of operation, but it isn't clear if such costs are to include the cost of acquisition, regulatory compliance issues, and construction of the facility.

This is a power purchase agreement and AMP will pay per kilowatt at a fixed contract price. The Seller (and not AMP) will pay for all costs of acquisition, regulatory compliance issues, and construction of the facility under the Energy Storage Services Agreement (ESSA). There are additional standard overhead costs from NCPA related to the administration and scheduling under the contract, but these are not the operational costs of the battery facility.

3. When will the City be required to provide its **non-refundable** Security Deposit and start making monthly payments?

AMP does have to maintain a security deposit with NCPA amounting to three months of expected charges under the Third Phase Agreement. The deposit will be funded 90 days prior to the Commercial Operation Date, which is expected to be June 1, 2029. Monthly payments will begin after the Commercial Operation Date. This deposit is refundable at the end of the project. The Security Deposit is a standard condition of third phase agreements with NCPA in joint power purchase agreements.

4. Has our City Attorney evaluated the agreements?

Yes, the City Attorney's office has reviewed the agreements. In addition, NCPA and the other 7 project participants have also conducted their own reviews.

5. The City is to be indemnified against certain losses with an exception for those that might be caused by simple negligence. Is it reasonable to exempt simple negligence? This would be a question for the City Attorney.

The City does not agree with the premise of the question, as neither the Third Phase Agreement nor the ESSA provides that the City will not be indemnified in the case of simple negligence. For example, it can be seen that simple negligence is not an exception for indemnification in Section 16.1 of the ESSA.

6. The proposed project is claimed to be exempt from CEQA regulations. Does our City Attorney agree with this assertion?

Yes, we agree the project is exempt from CEQA. We will be providing supplemental information on the PUB and City Council agendas to further explain the CEQA exemption.

We acknowledge that participation in this proposed project will likely prove to be a worthwhile endeavor for the City, the above considerations notwithstanding. We would, however, request public clarification of the above issues for the benefit of Alameda's residents before the Council acts on Item 5D.

Thank you.

Alameda Citizens Task Force Board of Directors

From: [Alameda Citizens Task Force](#)
To: [Marilyn Ezzy Ashcraft](#); [Michele Pryor](#); [Tony Daysog](#); [Tracy Jensen](#); [Greg Boller](#)
Cc: [Manager Manager](#); [Lara Weisiger](#); [City Attorney](#)
Subject: [EXTERNAL] Item 5D on City Council's September 16, 2025, meeting agenda
Date: Thursday, September 11, 2025 1:50:46 PM

ACT

Alameda Citizens Task Force

Vigilance, Truth, Civility

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2. The contract calls for our proportionate funding of **all** costs of operation, but it isn't clear if such costs are to include the cost of acquisition, regulatory compliance issues, and construction of the facility.
3. When will the City be required to provide its **non-refundable** Security Deposit and start making monthly payments?
4. Has our City Attorney evaluated the agreements?
5. The City is to be indemnified against certain losses with an exception for those that might be caused by simple negligence. Is it reasonable to exempt simple negligence? This would be a question for the City Attorney.

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Alameda Citizens Task Force Board of Directors