

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF RICHMOND AMENDING ORDINANCE NO. 1579 WHICH GRANTED A FRANCHISE FOR THE TRANSMISSION AND DISTRIBUTION OF ELECTRICITY WITHIN THE CITY OF RICHMOND TO PACIFIC GAS AND ELECTRIC COMPANY TO REVISE THE FRANCHISE FEE AND ADD A FRANCHISE FEE SURCHARGE

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF RICHMOND:

SECTION 1. Ordinance No. 1579, is amended to entirely replace Section 4 and add a new Section 4.1, to be numbered and entitled and to read as follows:

SECTION 4.

Grantee shall pay to City annually, either two per cent (2%) of the gross annual receipts of grantee arising from the use, operation or possession of the franchise granted hereby, or a sum which shall be equivalent to one per cent (1%) of the gross annual receipts derived by grantee from the sale of electricity within the limits of city under both the franchise granted hereby and said constitutional franchise, if any, whichever is the greater; provided that the measure or amount of annual payments may be changed as provided in Section 5 hereof.

SECTION 4.1

- (a) This amending Ordinance is granted upon the express condition of, and in exchange for, the commitment by grantee that grantee, as consideration therefore and as compensation for use of the streets of the City, as herein authorized and permitted shall pay to the City during the term (in addition to the franchise fees specified in Section 4) an additional one and three tenths per cent (1.3%) of the gross annual receipts of grantee (the "Franchise Fee Surcharge") from all electric utility customers served by grantee within the boundaries of the City. The customer collection shall be applied equally to grantee's electric utility customers based on the consumption or use of electricity, including residential, commercial, industrial, government and wholesale customers, excluding those customers participating in grantee's California Alternative Rates for Energy (CARE) Program or successor low-income assistance program.
- (b) Prior to grantee's payment to City of the Franchise Fee Surcharge, grantee shall receive approval from the California Public Utilities Commission ("Commission") to collect the Franchise Fee Surcharge in accordance with Commission Decision 89-05-063, *Guidelines for the Equitable Treatment of Revenue Producing Mechanisms Imposed by Local Government Entities on Public Utilities*, 32 CPUC2d 60, May 26, 1989.

(c) The City shall cooperate with grantee in the preparation of any filings, data request responses or other approvals required for review of such approval.

(d) If the Franchise Fee Surcharge is approved by the Commission, grantee shall implement customer billings of the Franchise Fee Surcharge as soon as reasonably possible thereafter.

(e) The Franchise Fee Surcharge shall be remitted to the City on an annual basis, on or before the fifteenth (15th) day from and after the time for filing of the duly verified statement showing in detail the gross receipts of grantee during the prior calendar year or fractional calendar year.

(f) In the event that any modification or repeal of the Franchise Fee Surcharge is issued by the CPUC, or in the event that the CPUC issues any order or decision that conflicts with grantee's collection of the Franchise Fee Surcharge, or in the event that any changes in law or ruling in accordance with law negates the imposition or collection of the Franchise Fee Surcharge, then grantee shall reduce or eliminate collection of the Franchise Fee Surcharge in an amount that corresponds to the change resulting from the CPUC's orders, actions, decisions, or as a result of any ruling or change in law. Grantee shall make a corresponding reduction in the Franchise Fee Surcharge paid to the City as part of franchise fee due in annual period thereafter.

SECTION 2. This Ordinance amending Ordinance No. 1579 shall not become effective until written acceptance thereof shall have been filed by grantee with the City Clerk.

SECTION 3. All other terms, conditions, and provisions of Ordinance No. 1579, not amended herein shall remain in full force and effect.

PASSED FOR PUBLICATION of title this _____ day of _____, 2023, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

Mayor

ATTEST:

City Clerk

ACCEPTANCE

AMENDMENT TO ORDINANCE NO. 1579

Pacific Gas and Electric Company hereby accepts and agrees to the Amendment to Ordinance No. 1579, and agrees to abide by and to be bound by all of its terms, conditions and provisions.

PACIFIC GAS AND ELECTRIC
COMPANY

Dated: _____

By _____

Name:

Title:

Address: