



**IMPERIAL IRRIGATION DISTRICT
RESOLUTION NO. 8-2010**

**SETTING FORTH THE POSITION OF THE IMPERIAL IRRIGATION DISTRICT
OPPOSING PROPOSITION 16**

WHEREAS, the “New Two-Thirds Requirement for Local Public Electricity Providers” initiative has qualified for the June 2010 ballot as Proposition 16; and

WHEREAS, if adopted, the Proposition 16 initiative would require a publicly owned electric utility to obtain a two-thirds voter approval prior to incurring indebtedness or expending funds to “expand electric delivery services”; and

WHEREAS, this initiative would define expansion of electric delivery service to include transmission or distribution of electric power to retail end use customers even within existing boundaries of a publicly owned electric utility, unless such utility is the “sole provider” of electricity within its boundaries; and

WHEREAS, few, if any, publicly owned electric utilities are completely without load served either by an investor owned utility or direct connection by customers or distributed generation, and hence few, if any, publicly owned electric utilities will fall within the “sole provider” exemption of the initiative; and

WHEREAS, the initiative will require a two-thirds vote, not only of voters within new territory to be served by a publicly owned electric utility, but also a two-thirds vote of voters within existing territory prior to expansion of service outside the current boundaries of a publicly owned electric utility, even when such expansion or annexation has been approved by a local city council, the applicable Local Agency Formation commission, and approved by such vote as required by the Cortese-Knox-Hertzberg Local Government Reorganization Act, thereby making it likely that publicly owned electric utilities will be unable to expand – thereby dividing cities into publicly serviced and privately served spheres; and

WHEREAS, if adopted, the provisions of this initiative should also apply to the activities of joint powers agencies, jeopardizing the ability of the district's members to harness the power of joint action; and

WHEREAS, if adopted, this initiative would also have a potentially significant impact on local government costs and revenues due to its potential effects on the electricity rates and operations of the district's members; and


WHEREAS, the effect of this initiative, if adopted, upon local publicly owned electric utilities would be very substantial and would create significant fiscal and environmental impacts to local governments having publicly owned electric utility systems.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Board of Directors of the Imperial Irrigation District does oppose Proposition 16, the proposed "New Two-Thirds Requirements for Local Public Electricity Providers."

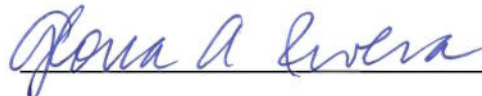
PASSED AND ADOPTED this 6th day of April, 2010.



IMPERIAL IRRIGATION DISTRICT



President



Secretary