



CITY OF HAYWARD

Hayward City Hall
777 B Street
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Cover Memo

File #: CONS 23-299, **Version:** 1

DATE: May 16, 2023
TO: Mayor and City Council
FROM: City Manager

SUBJECT

Adopt a Resolution Authorizing the City Manager to Execute an Amended Coordination, Resiliency, and Action Agreement with Russell City Energy Company, LLC and Accepting and Appropriating a Contribution of \$1,250,000 in Funds to Support Clean Energy Efficiency Projects in the City Following the Explosion that Occurred at the Russell City Energy Center on May 27, 2021

RECOMMENDATION

That the City Council adopts a resolution (Attachment II) authorizing the City Manager to execute an amended Coordination, Resiliency, and Action Agreement (Attachment III) with Russell City Energy Company, LLC and accepting and appropriating a donation of \$1,250,000 to the City of Hayward to support clean energy efficiency projects.

SUMMARY

The Russell City Energy Center (RCEC) is a 600 megawatt powerplant located in the Hayward industrial area. The plant is owned and operated by the Calpine Corporation and began commercial operations in 2013. On May 27, 2021, RCEC experienced a mechanical failure of the steam turbine generator that resulted in an explosion and fire (incident). The steam turbine generator experienced extensive damage and debris from the explosion flew from the site to surrounding areas, including the City's Water Pollution Control Facility (WPCF) and the City's Homeless Navigation Center.

On February 7, 2023, the Council approved the original Coordination, Resiliency, and Action Agreement that was the result of over two years of investigations, meetings, and collaboration between the CEC, California Public Utilities Commission (CPUC), Calpine Corporation staff, and City staff. The intent of the agreement is to document improvements made in the working relationship between the City and Calpine as well as create a mechanism for donations to the Fire Department for the purchase of a hazardous materials response vehicle (\$150,000) and to the Russell City Reparative Justice Project (RCRJP) (\$20,000). Calpine has made these initial contributions to the City.

Pursuant to a settlement agreement pending with the California Energy Commission, Calpine agreed to donate additional funds to the City in the amount of \$1,250,000 for clean energy efficiency projects in the City to support grid resiliency, including microgrids, solar energy, and/or battery storage installations.

This report presents the amended Agreement for Council adoption and allows the City to accept and appropriate the funds.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Resolution
Attachment III	Redline Amended Cooperation Agreement