



City of Needles, California Request for City Council Action

CITY COUNCIL NPUA

Regular Special

Meeting Date: December 9, 2025

Title: Ratify the Utility Manager's purchase of Greenhouse Gas Emissions Instruments for the calendar year 2024 compliance period from Amerex for a total cost of \$58,867.50

Background: The California Air Resources Board regulation for Greenhouse Gas Emissions requires annual compliance obligations.

The annual compliance obligations for a covered entity equals to 30 % of the emissions, with a compliance obligation reported from the previous data year that received a positive or qualified positive emissions data verification statement. The deadline for the required compliance instruments is to be submitted into the City's CITSS compliance account no later than November 3, 2025.

For 2024, the City of Needles has verified emissions 8,944 instruments, of which the City has 6,082 free instruments entered into the compliance accounting; the remaining balance of 2,862 instruments was needed to meet compliance.

The city went into the open market and purchased the instruments at \$28.00 for vintage year 2024 CA DEBS of 1,192. The remaining instruments purchased in October will be applied to 2025 compliance. The City needed to purchase non-CA DEBS in the amount of 1,670 to meet compliance requirements. Amerex was able to locate the instruments for \$35 each.

The remaining 70% of emissions are not due until the tri-annual compliance period in 2027. Failure to meet the compliance deadline will result in a 10 to 1 penalty fine issued by the California Air Resources Board.

The Board of Public Utilities approved the recommended action on November 18, 2025.

Fiscal Impact: The fiscal impact for 1,670 instruments at \$35 each is \$58,450 plus the broker fee of \$417.50 for a total cost of \$58,867.50 to be funded by the adopted FY 26 Electric O&M Budget

Environmental Impact: Offset Greenhouse Gas Emissions reported and verified in 2024.

Recommended Action: Ratify the Utility Manager's purchase of Greenhouse Gas Emissions Instruments for the calendar year 2024 compliance period from Amerex for a total cost of \$58,867.50

Submitted By: Rainie Torrance, Utility Manager

City Manager Approval: Patrick J. Martinaz

Date: 12/4/2025

Other Department Approval (when required): Barbara DiLeo

Date: 12/02/25