

TO THE COUNCIL OF THE
CITY OF LOS ANGELES

Your

ENERGY AND ENVIRONMENT

Committee

reports as follows:

ENERGY AND ENVIRONMENT COMMITTEE REPORT relative to Amendments 3 and 4 to Agreement No. 47443 with Open Access Technology International, Inc.,(OATI) a firm specializing in systems and software development that control energy transactions for the management of the Los Angeles Department of Water and Power (LADWP) electric transmission services.

Recommendation for Council action:

CONCUR with the Board of Water and Power Commissioners' (Board) action of February 16, 2010, Resolution No. 010-235, which authorizes the execution of Amendments 3 and 4 to Agreement No. 47443 with OATI. Amendment 3 increases the contract total from \$2,264,000 to \$8,116,000 to add subscriptions to real time power system balancing authority area services hosted by OATI to implement the LADWP's Energy Transaction Scheduling and Settlement project. Amendment No. 4 provides for contractual terms related to OATI's webSweep service, which is a deliverable of Amendment No. 3.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that approval of proposed Amendment No.3 to Agreement No. 47443 will have no impact on the General Fund. The Amendment will increase the LADWP's monthly subscriptions costs by \$46,611 during the five-year term of the Agreement and includes a one-time service initiation cost of the two new services of \$1,477,890. The monthly fees will escalate at 3% per year. Funds for this increase from \$2,264,000 to \$8,092,000 are available from the Power Revenue Fund. Since the LADWP is bound only by the City Debt Management Policies, the City Financial Policies are not applicable.

Community Impact Statement: None Submitted

TIME LIMIT FILE - APRIL 24, 2010

(LAST DAY FOR COUNCIL ACTION - APRIL 23, 2010)

Summary:

At its March 2, 2010 meeting, your Committee considered reports from the Board, the LADWP, and the CAO, and Resolution No. 010-235 relative to Amendments 3 and 4 to Agreement No. 47443 with OATI. The reports and Resolution, attached to the Council file, provide background information and additional details on this issue. During the discussion of this item, the LADWP and CAO representatives provided an overview of the Department's request and responded to related questions posed by the Committee members. After providing an opportunity for public comment, the Committee recommended that Council concur with the Board's action as reflected above.

This matter is now submitted to Council for its consideration.

Respectfully submitted,

ENERGY AND ENVIRONMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
PERRY	YES
CÁRDENAS	YES
ALARCÓN	ABSENT
KORETZ	YES
KREKORIAN	YES

MLE
[10-0320](#)_rpt_ee_03-03-10

- Not Official Until Council Acts -