

**ENERGY AND ENVIRONMENT COMMITTEE REPORT and ORDINANCE FIRST CONSIDERATION** relative to a proposed amendment to the K Road Moapa Solar Project power purchase agreement.

Recommendations for Council action, **SUBJECT TO THE APPROVAL OF THE MAYOR:**

1. **CONCUR** with the Board of Water and Power Commissioner's action of December 15, 2015, Resolution No. 016-128, amending the K Road Moapa Solar Project purchase power agreement No. BP 12-017, including the purchase option, between Los Angeles Department of Water and Power (LADWP) and Moapa Southern Paiute Solar, LLC, for the purchase of renewable solar energy.
2. **PRESENT** and **ADOPT** the accompanying **ORDINANCE** dated January 14, 2016 approving the first amendment to purchase power agreement No. BP 12-017 by and between the City of Los Angeles, acting by and through the LADWP, and Moapa Southern Paiute Solar, LLC.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that the proposed amendment to the power purchase agreement will have no direct impact on the City General Fund. Approval of the proposed resolution will result in a total cost savings of approximately \$111 million over the 25-year term of the agreement which benefits the Power Revenue Fund. The proposed amendment complies with the LADWP's financial policies.

Community Impact Statement: None submitted.

### Summary

At the public hearing held on January 20, 2016, the Energy and Environment Committee considered reports from the City Attorney, Board of Water and Power Commissioners, and CAO reports, Resolution No. 016-128, and Ordinance relative to a proposed amendment to the K Road Moapa Solar Project power purchase agreement.

The City Attorney report noted that LADWP's action of amending a power purchase agreement for the purchase of power from an approved project does not itself meet the definition of a project. In accordance with the California Environmental Quality Act (CEQA) Section 15060 (c)(3), an activity is not subject to CEQA if it does not meet the definition of a project. Section 15378 (b)(5) states that organizational or administrative activities that will not result in direct or indirect physical changes in the environment do not meet that definition. Since the proposed action is only for authorization to amend an existing power purchase agreement to purchase power, but not to exercise the purchase option, the proposed action is not subject to CEQA.

At the January 20, 2016 Energy and Environment Committee meeting, staff from the LADWP and CAO gave the Committee background information on the matter. After an opportunity for public comment, the Committee recommended that Council approve the Resolution, associated Ordinance, and recommendations contained in the reports from the departments. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

A handwritten signature in black ink, appearing to be 'W. H.' with a horizontal line at the end.

**ENERGY AND ENVIRONMENT COMMITTEE**

<b><u>MEMBER</u></b>	<b><u>VOTE</u></b>
FUENTES:	YES
BLUMENFIELD:	YES
CEDILLO:	ABSENT
KORETZ:	YES
O'FARRELL:	YES

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**-NOT OFFICIAL UNTIL COUNCIL ACTS-**