

ENERGY AND ENVIRONMENT COMMITTEE REPORT and ORDINANCE FIRST CONSIDERATION relative to the first amendment to Power Purchase Agreements (PPAs) with the Sustainable Power Group, LLC, for the Beacon Solar Project.

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

1. CONCUR with the Board of Water and Power Commissioners' (Board) action of May 3, 2016, Resolution No. 016-255, authorizing the first amendment to PPAs Nos. BP 14-008, BP 14-010, and BP 14-012 with the Sustainable Power Group, LLC, for the development of Beacon Solar Project Sites 1, 3, and 4.
2. PRESENT and ADOPT the accompanying ORDINANCE dated May 10, 2016 approving the first amendment to PPAs by and between the City of Los Angeles, acting by and through the Los Angeles Department of Water and Power (LADWP), and Beacon Solar 1, LLC, under contract No. BP 14-008; Beacon Solar 3, LLC, under contract No. BP 14-010; and Beacon Solar 4, LLC, under contract No. BP 14-012; and delegating to the Board limited authority to amend such agreements.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that approval of the proposed agreements benefits the Power Revenue Fund by reducing the cost of energy by approximately \$782,000 annually and totaling \$20 million over the 25-year term. The proposed agreements comply with the LADWP adopted financial policies. There is no impact to the City General Fund.

Community Impact Statement: None submitted.

Summary:

At a meeting held on May 18, 2016, the Energy and Environment Committee considered reports from the City Attorney, Board of Water and Power Commissioners, and City Administrative Officer, Resolution No. 016-255 and Ordinance relative to the first amendment to PPAs with the Sustainable Power Group, LLC, for the Beacon Solar Project. During the discussion of this item, representatives from the LADWP and the CAO provided an overview of the proposed amendment and responded to related questions from the Committee members. After providing an opportunity for public comment, the Committee recommended that Council approve the recommendations detailed above. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

ENERGY AND ENVIRONMENT COMMITTEE

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke extending to the right.

MEMBER	VOTE
FUENTES:	YES
BLUMENFIELD:	YES
CEDILLO:	ABSENT
KORETZ:	ABSENT
O'FARRELL:	YES

MLE
14-0735-S2_rpt_ee_5-18-16

-NOT OFFICIAL UNTIL COUNCIL ACTS-