

WHEREAS, the Los Angeles Department of Water and Power's (LADWP) Renewable Portfolio Standard Policy and Enforcement Program (RPS Policy) represents the continued commitment by LADWP to renewable energy resources in accordance with Section 399.30(e) of the Public Utilities Code, requiring the governing boards of publicly owned electric utilities to adopt a program for enforcement on or before January 1, 2012; and

WHEREAS, the RPS Policy established compliance targets for LADWP to supply 25 percent of its retail energy sales from eligible renewable energy resources by 2016 and 33 percent by 2020 in accordance with the California Renewable Energy Resources Act (SB 2 [1X]); and

WHEREAS, California's Governor signed into law Senate Bill (SB) 350 on October 7, 2015, which becomes effective on January 1, 2016, and requires that publicly owned utilities, like LADWP, procure 40 percent of its retail energy sales from eligible renewable energy resources by 2024, 45 percent by 2027, and 50 percent by 2030.

WHEREAS, the strategies in LADWP's Integrated Resource Plan (IRP) include regulatory requirements, policy objectives, and increases in eligible renewable energy resources, while maintaining service reliability, using existing assets near eligible renewable energy resources, and minimizing the financial impact on ratepayers; and

WHEREAS, the Board of Water and Power Commissioners (Board) approved the Southern California Public Power Authority (SCPPA) Development Agreement No. 96125-76 under Resolution No. 006-157, which authorized LADWP to participate with other members of SCPPA for the purpose of investigating and performing due diligence on potential new eligible renewable energy resource options; and

WHEREAS, SCPPA, pursuant to the needs of its members, under Agreement No. 96125-76, issued a Request for Proposal (RFP), a competitive process, for the purchase and/or acquisition of eligible renewable energy resources; and

WHEREAS, SCPPA received over 300 responses to its RFP, which included the Springbok 3 Solar Farm, proposing the sale of 90 megawatts (MW) AC of renewable energy environmental attributes and associated capacity from solar power generating facilities to be developed and constructed approximately 16 miles northeast of the community of Mojave in western Kern County, California; and

WHEREAS, the Springbok 3 Solar Farm (Project) is owned by 64KT 8ME, LLC (Seller); and connects directly into LADWP's balancing authority; and

WHEREAS, the Project was selected to provide renewable energy from a solar power generating facility to SCPPA for the benefit of LADWP; and

WHEREAS, SCPPA and Seller plan to enter into a Power Purchase Agreement (PPA) for SCPPA to purchase all of the energy, environmental attributes, and capacity rights

produced from the 90 MW Project for up to a 30-year term with options to purchase the Project subject to certain parameters; and

WHEREAS, the Springbok 3 Solar Farm Power Sales Agreement (PSA) No. BP 15-032 sets forth mutual covenants and agreements between LADWP and SCPPA for LADWP's acquisition of 90 MW of the metered output, associated environmental attributes, and generating capacity rights as produced by the Project; and

WHEREAS, the Springbok 3 Solar Farm Agency Agreement (AA) No. BP 15-033 provides for the designation of LADWP as the Project Manager to administer and manage the Project, and sets forth mutual covenants and agreements between SCPPA and LADWP in order to enable LADWP to carry out activities necessary for the planning, development, acquisition, maintenance, improvement, administration, and operation of the Project; and

WHEREAS, the PPA provides SCPPA an early purchase option to purchase the Project during the six-month period commencing on the date that is eighteen months prior to the fifteenth, twentieth, twenty-seventh, or thirtieth year anniversary of Commercial Operation Date, as set forth in the PPA attached thereto; and

WHEREAS, the LADWP proposes to enter into the Real Estate License Agreement (License) No. BP 15-034 for Gen-Tie Line for the Project with the Seller covering an approximately 1,157,000 square foot area on real property owned by the City of Los Angeles, acting by and through its LADWP, in unincorporated Kern County to allow the Seller to construct, own, operate and maintain certain transmission facilities that will allow for the connection of the Solar Project to the Beacon Substation; and

WHEREAS, in accordance with the California Environmental Quality Act (CEQA) it has been determined that the entering into agreements with SCPPA to purchase power and provide project management services is exempt pursuant to the General Exemption described in CEQA Guidelines Section 15061(b)(3) and General Exemptions apply in situations where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment; and

WHEREAS, the grant of the License will facilitate the LADWP's purchase of renewable electric energy from the Project; and

WHEREAS, the term of the License will be for a period of 30 years with an option to extend to a total term up to and not to exceed 35 years; and

WHEREAS, the Board finds that: (1) the property to be licensed is not presently needed for LADWP purposes; and (2) the grant of the non-exclusive License will not interfere with LADWP operations or future needs.

NOW, THEREFORE, BE IT RESOLVED that PSA No. BP 15-032 and AA No. BP 15-033, by and between LADWP and SCPPA, and License No. BP 15-034 by and between LADWP and Seller, now on file with the Secretary of the Board and approved as to form and legality by the City Attorney, be and the same are hereby approved.

BE IT FURTHER RESOLVED that the Project is exempt pursuant to the General Exemption described in CEQA Guidelines Section 15061(b)(3).

BE IT FURTHER RESOLVED that the Board requests that the City Council approve by ordinance PSA No. BP 15-032 and AA No. BP 15-033 and authorize the Board to act on all future amendments to these agreements, provided that such amendments are ministerial and administrative in nature and do not increase the costs or extend the term of the agreements.

BE IT FURTHER RESOLVED that the Board shall review and act on material matters to be decided by LADWP as Project Manager pursuant to the PSA No. BP 15-032, however, the Board will need further authorization from the City Council in order to approve the exercise of any Purchase Option or assumption of any Project Debt for the Project in the future, which authorization may be qualified.

BE IT FURTHER RESOLVED that the energy and environmental attributes acquired from PSA No. BP 15-032 shall be credited towards LADWP's Renewable Portfolio Standard Policy.

BE IT FURTHER RESOLVED that the President or the Vice President of this Board, or General Manager, or such person as the General Manager shall designate in writing, and the Secretary, Assistant Secretary, or the Acting Secretary of the Board, are hereby authorized and directed to execute the PSA and AA, for and on behalf of LADWP, upon approval by the City Council by ordinance pursuant to Sections 101 and 674 of the Los Angeles City Charter.

BE IT FURTHER RESOLVED that the Chief Accounting Employee of LADWP upon proper certification is authorized and directed to draw demands on the Power Revenue Fund, over the term of the PSA No. BP 15-032, and the AA No. BP 15-033, in payment of the obligations incurred by such agreements.

BE IT FURTHER RESOLVED that the Board finds that: (1) the property to be licensed is not presently needed for LADWP purposes; and (2) the grant of the non-exclusive License will not interfere with LADWP operations or future needs.

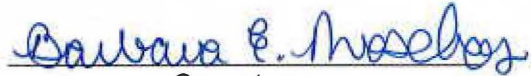
BE IT FURTHER RESOLVED that License No. BP 15-034, by and between LADWP and the Seller, now on file with the Secretary of the Board and approved as to form and legality by the City Attorney, be and the same is hereby approved.

BE IT FURTHER RESOLVED that the President or Vice President of this Board, or the General Manager, or such person as she shall designate in writing as her designee, and the Secretary, Assistant Secretary, or the Acting Secretary of this Board are hereby authorized, empowered and directed to execute said License Agreement on behalf of the City of Los Angeles, acting by and through its LADWP.

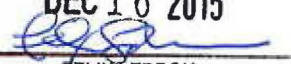
BE IT FURTHER RESOLVED that the Board requests the City Council to (1) find that the License term of up to 35 years is in the best interest of the City in accordance with

City Charter Section 607 and (2) approve License No. BP 15-034 by order or resolution in accordance with City Charter Section 606.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of the resolution adopted by the Board of Water and Power Commissioners of the City of Los Angeles at its meeting held **MAR 0 1 2016**

  
Secretary

APPROVED AS TO FORM AND LEGALITY  
MICHAEL N. FEUER, CITY ATTORNEY

**DEC 1 6 2015**  
BY   
FELIX LEBRON  
DEPUTY CITY ATTORNEY