

Los Angeles  Department of Water & Power

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MARCIE L. EDWARDS  
*General Manager*

April 27, 2015

The Honorable City Council  
c/o Office of the City Clerk  
Room 395, City Hall  
Mail Stop 160

Attention: Councilmember Felipe Fuentes  
Chair, Energy and Environmental Committee

Honorable Members:

Subject: Transmission Service Requests from the City of Glendale  
Pursuant to Sections 211(a) and 213(a) of the Federal Power Act

This transmittal is to notify you pursuant to the Los Angeles Administrative Code, Division 23, Chapter 7, Article 3 (Section 23.133b), the Los Angeles Department of Water and Power (LADWP) has received two requests for transmission service from the City of Glendale pursuant to Sections 211(a) and 213(a) of the Federal Power Act.

Section 23.133(b) requires LADWP to notify the City Council of the proposed terms of any transmission service agreement that is requested pursuant to Section 211 of the Federal Power Act for a term in excess of three years. Within ten business days of this notification, the City Council, by a simple majority vote, may direct LADWP to submit an agreement for its approval.

Section 23.133(b) further states that if the City Council does not act with respect to the matter within ten business days of this notification, the Board of Water and Power Commissioners (Board) shall be authorized to enter into any written transmission service agreement if the duration of such agreement does not exceed five years, is approved by the City Attorney as to form and legality, and is deemed by the Board necessary to satisfy such request made pursuant to Section 211 of the Federal Power Act. Further, LADWP may enter into a written transmission agreement for more than five years if the Federal Energy Regulatory Commission (FERC) by a final order requires LADWP to enter into such an agreement, after LADWP has exhausted all administrative and legal remedies.

**Los Angeles Aqueduct Centennial Celebrating 100 Years of Water 1913-2013**

111 N. Hope Street, Los Angeles, California 90012-2607 Mailing address: Box 51111, Los Angeles, CA 90051-5700  
Telephone: (213) 367-4211 [www.LADWP.com](http://www.LADWP.com)

The Honorable City Council  
Page 2  
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For each of the Transmission Service Requests, the City of Glendale has requested a term of service longer than five years.

LADWP will respond to the requests in accordance with Section 211 of the Federal Power Act and the FERC implementing regulations. If required in a final order from FERC after exhausting all administrative and legal remedies, LADWP may execute such agreements. The subject requests are enclosed.

If you have any questions or require further information, please contact me at (213) 367-1338, or you may have your staff contact Ms. Winifred J. Yancy, Director of Intergovernmental Affairs and Community Relations, at (213) 367-0025.

Sincerely,



Marcie L. Edwards  
General Manager

JL:jm

Enclosures

c/enc: The Honorable Bob Blumenfield, Vice-Chair, Energy and Environment  
Committee

The Honorable Jose Huizar, Member, Energy and Environment Committee

The Honorable Paul Koretz, Member, Energy and Environment Committee

The Honorable Tom LaBonge, Member, Energy and Environment Committee

Board of Water and Power Commissioners

Ms. Winifred J. Yancy



March 26, 2015

Ms. Marcie L. Edwards  
General Manager  
Los Angeles Department of Water & Power  
111 North Hope Street – Room 1550  
Los Angeles, CA 90012

Via Federal Express and E-mail

**SUBJECT: REQUEST FOR 50 MW OF FIRM/NON-INTERRUPTIBLE TRANSMISSION  
SERVICE BETWEEN MEAD230 AND AIRWAY**

Dear Ms. Edwards:

The purpose of this letter is to formally request transmission service by the City of Glendale from the Los Angeles Department of Water and Power ("LADWP"). Glendale requests the service pursuant to Sections 211(a) and 213(a) of the Federal Power Act. This letter describes the character and nature of the services requested and the concepts Glendale believes should govern determination of the applicable rates. The accompanying Appendix produces further details and is organized in accordance with the Federal Energy Regulatory Commission's Policy Statement Regarding Good Faith Requests for Transmission Services and Responses by Transmitting Utilities Under Sections 211(a) and 213(a) of the Federal Power Act, III FERC Stats. and Regs. ¶ 30,795 (July 14, 1993), codified at 18 C.F.R. § 2.20(b) (the "Policy Statement").

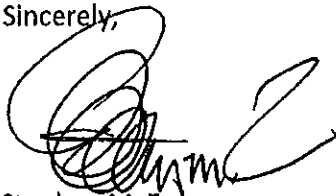
The service requested is for 50 MW of firm/non-interruptible, bidirectional point-to-point transmission service between the Mead/230 Station and Glendale's Air Way Station, including the Beltline components as defined in TSA Nos. 10007, 10929 and 10932 ("VIC-LA") (with a Point of Receipt/Delivery at MEAD230 and a Point of Receipt/Delivery at AIRWAY).

To the extent that LADWP believes that it is necessary or appropriate to provide ancillary services in connection with the foregoing requests, Glendale requests that LADWP (1) demonstrate that such ancillary services are necessary in conjunction with the delivery of power under the service requested by Glendale, and (2) provide proposed pricing and technical information sufficient to enable Glendale to evaluate whether and to what extent it might be desirable for Glendale to make alternative arrangements for such ancillary services.


Marcie Edwards  
March 26, 2015  
Page 2 of 2

Pricing should reflect a rate-base methodology for calculating revenue requirements, inclusive of credits for revenues received for uses of the transmission system for firm, off-system sales by LADWP and firm transmission service provided to other entities. LADWP's net transmission revenue requirements should be converted into a wheeling rate for firm service that is (a) comparable to that which LADWP charges itself for similar service and (b) just and reasonable. In accordance with the requirements of FERC's Policy Statement, 18 C.F.R. § 2.20, Glendale requests written acknowledgement of this request within 10 days of receipt thereof and a complete written response within 60 days.

Sincerely,



Stephen M. Zurn  
General Manager  
Glendale Water and Power

 RZA/SMZ:to

Appendix - Good Faith Request for Transmission Service

cc (e-mail): Mukhlesur Bhuiyan – LADWP  
Jan Lukjaniec – LADWP  
David Wright – LADWP  
Syndi Driscoll - LADWP

March 30, 2015

APPENDIX TO CITY OF GLENDALE'S  
GOOD FAITH REQUEST TO LADWP FOR  
TRANSMISSION SERVICE

***COMPONENT 1<sup>1/</sup>*** : *The identity, address, telephone number, and facsimile number of the party requesting transmission services, and the same information, if different, for the party's contact person or persons.*

The party requesting transmission service is:

City of Glendale  
Glendale Water and Power  
141 North Glendale Avenue  
Glendale, CA 91206

Contact person:

Ramon Abueg  
Chief Assistant General Manager  
City of Glendale  
Glendale Water and Power  
141 North Glendale Avenue, Level 4  
Glendale, CA 91206  
Telephone: 818-548-3297  
Facsimile: 818-552-2852

<sup>1/</sup>

The "components" indicated in italics are quoted directly from the Federal Energy Regulatory Commission's Policy Statement Regarding Good Faith Requests for Transmission Services and Responses by Transmitting Utilities Under Section 211(a) and 213(a) of the Federal Power Act, III FERC STATUTES & REGULATIONS ¶ 30,975 (July 14, 1993), codified at 18 C.F.R. § 2.20(b).

***COMPONENT 2: A statement that the party requesting transmission service is, or will be upon commencement of service, an entity eligible to request transmission under sections 211(a) and 213(a) of the FPA.***

Glendale is an entity that is eligible to request transmission under Sections 211(a) and 213(a) of the Federal Power Act.

***COMPONENT 3: A statement that the request for transmission service is intended to satisfy the "request for transmission services" requirement under sections 211(a) and 213(a) of the FPA, and that the request is not a request for mandatory retail wheeling prohibited under section 212(h) of the FPA.***

This request for transmission service is intended to satisfy the "request for transmission services" requirement under sections 211(a) and 213(a) of the FPA, and the request is not a request for mandatory retail wheeling prohibited under section 212(h) of the Federal Power Act.

***COMPONENT 4: The party requesting transmission services should specify the character and nature of the services requested. Some types of service may require more detailed information than others. Where point-to-point service is requested, the party requesting transmission services should specify the anticipated point(s) of receipt to the transmitting utility's grid and the anticipated point(s) of delivery from the transmitting utility's grid. Where a party requesting transmission services requests additional flexibility to schedule multiple resources to meet its needs (e.g., network service), the request for services should contain a description of the requested services in sufficient detail to permit the transmitting utility to model the additional services on its transmission system.***

As stated in the transmittal letter accompanying this request, and as further described under Components 7, 8 and 9 below, Glendale is requesting 50 MW of firm/non-interruptible point-to-point transmission service on the VIC-LA path with a Point of Receipt/Delivery at MEAD230 and a Point of Receipt/Delivery at AIRWAY.

The firm/non-interruptible bidirectional, point-to-point transmission service requested is between the indicated points on the LADWP System.<sup>2/</sup> The transmission service requested is to be of a priority equal to that of the native load of LADWP on the LADWP System. The service is requested for the delivery of power from sources available to Glendale which would be delivered to and from the LADWP System.

The requested transmission service should permit Glendale sufficient flexibility to avail itself of all services and schedules available to LADWP from utilities with which LADWP is interconnected, as well as any power pool or similar such arrangement which exists or may

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<sup>2/</sup> The "LADWP System" includes all present and future electrical transmission facilities owned or controlled by LADWP (whether by contract or otherwise), wherever located.

exist in the future, on a basis comparable to LADWP's own uses of the LADWP System. Comparability also means that inadvertent energy should be returned in kind at mutually agreed upon times without penalty.

To the extent that LADWP believes that it is necessary or appropriate to provide ancillary services in connection with the foregoing requests, Glendale requests that LADWP (1) demonstrate that such ancillary services are necessary in conjunction with the delivery of power under the service requested by Glendale, and (2) provide proposed pricing and technical information sufficient to enable Glendale to evaluate whether and to what extent it might be desirable for Glendale to make alternative arrangements for such ancillary services.

Glendale has been engaged in interconnected operation with LADWP for decades. Glendale believes that LADWP has the data needed to perform whatever analysis LADWP requires to respond to this request for transmission service.

***COMPONENT 5: The names of any other parties likely to provide transmission service to deliver electric energy to, and receive electric energy from, the transmitting utility's grid in connection with the requested transmission services.***

The other parties likely to provide transmission service to deliver electric energy to, and receive electric energy from, the LADWP System in connection with the requested transmission services would include parties with whom LADWP now interfaces in connection with, including utilities and entities within the Western Electricity Coordinating Council.

***COMPONENT 6: The proposed dates for initiation and terminating the requested transmission services.***

Glendale requests that the transmission services being sought be initiated on no later than June 1, 2015 and continue on a long term basis for a period not less than 10 years, until terminated upon reasonable notice from Glendale to LADWP.

***COMPONENT 7: The total amount of transmission capacity being requested.***

50 MW of firm/non-interruptible, bidirectional transmission service as described in Component 4 above.

***COMPONENT 8: To the extent it is known or can be estimated, a description of the "expected transaction profile" including load factor data describing the hourly quantities of power and energy the party requesting transmission services would expect to deliver to the transmitting utility's grid at relevant points of interconnection. In the event delivery to multiple points within the transmitting utility's electric control area, the requestor should describe, to the extent it is known or can be estimated, the expected load (over a given duration of time) at each such delivery point-to-point.***

Glendale anticipates that the firm/non-Interruptible service will be utilized on an up to 100 percent load factor basis depending on GWP's loads and the performance of GWP resources.

***COMPONENT 9: Whether firm or nonfirm service is being requested. Where a party requests firm service, it should specify the priority of service it is willing to accept, or the conditions under which it is willing to accept interruption or curtailment, if known.***

Glendale is requesting firm transmission service to serve its native load and requests a priority equal to that which LADWP uses to serve the native load of LADWP on the LADWP System under similar conditions.

***COMPONENT 10: A statement as to whether the request is being made in response to a solicitation and a copy of the solicitation if publicly available. This will help the transmitting utility determine whether requests for transmission service are duplicative or mutually exclusive of requests filed by other parties.***

This request is not made in response to a solicitation.

***COMPONENT 11: The proposed rates, terms and conditions for the requested transmission services as required by Section 213(a). It is not necessary for the requestor to propose a specific numerical rate. Rather, a party requesting transmission services can fulfill the rate, terms and conditions requirements by specifying a rate methodology (e.g., embedded or incremental cost) or by referencing an existing formula rate, transmission tariff, or transmission contract. The validity of the good faith request will not depend on the rates proposed by the party requesting transmission services. This requirement is not intended to allow utilities to delay responses to requests for transmission services, or to deny requests for transmission services on the basis of an overly rigid or technical approach to the "rates, terms and conditions" element of the request.***

Pricing should reflect a rate-base methodology for calculating revenue requirements, inclusive of credits for revenues received for uses of the transmission system for firm, off-system sales by LADWP and firm transmission service provided to other entities. The firm service requested should be charged on a basis comparable to that which LADWP charges itself.

If LADWP believes that additional ancillary services are necessary or appropriate in connection with the services to be provided to Glendale, Glendale requests that LADWP so demonstrate and provide rates and cost support for such services in a manner that would allow Glendale to obtain such services from others, if Glendale so desires.

***COMPONENT 12: Any other information to facilitate the expeditious processing of its request. Such information will improve the negotiation process, reduce costs, and will improve chances to arrange the requested transmission without resorting to section 211 application procedures before the Commission.***



Glendale does not believe it has in its possession any additional information which, if provided to LADWP, will help Glendale avoid filing a Section 211 application at this time.



March 26, 2015

Ms. Marcie L. Edwards  
General Manager  
Los Angeles Department of Water & Power  
111 North Hope Street – Room 1550  
Los Angeles, CA 90012

Via Federal Express and E-mail

**SUBJECT: REQUEST FOR 50 MW OF FIRM/NON-INTERRUPTIBLE TRANSMISSION SERVICE  
BETWEEN VICTORVILLE AND AIRWAY**

Dear Ms. Edwards:

The purpose of this letter is to formally request transmission service by the City of Glendale from the Los Angeles Department of Water and Power ("LADWP"). Glendale requests the service pursuant to Sections 211(a) and 213(a) of the Federal Power Act. This letter describes the character and nature of the services requested and the concepts Glendale believes should govern determination of the applicable rates. The accompanying Appendix produces further details and is organized in accordance with the Federal Energy Regulatory Commission's Policy Statement Regarding Good Faith Requests for Transmission Services and Responses by Transmitting Utilities Under Sections 211(a) and 213(a) of the Federal Power Act, III FERC Stats. and Regs. ¶ 30,795 (July 14, 1993), codified at 18 C.F.R. § 2.20(b) (the "Policy Statement").

The service requested is for 50 MW of firm/non-interruptible, bidirectional point-to-point transmission service between the Adelanto Switching Station or Victorville Switching Station and Glendale's Air Way Station, including the Beltline components as defined in TSA Nos. 10007, 10929 and 10932 ("VIC-LA") (with a Point of Receipt/Delivery at VICTORVILLE and a Point of Receipt/Delivery at AIRWAY).

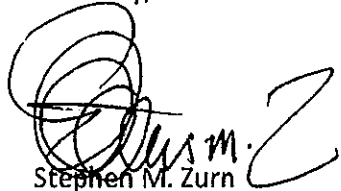
To the extent that LADWP believes that it is necessary or appropriate to provide ancillary services in connection with the foregoing requests, Glendale requests that LADWP (1) demonstrate that such ancillary services are necessary in conjunction with the delivery of power under the service requested by Glendale, and (2) provide proposed pricing and technical information sufficient to enable Glendale to evaluate whether and to what extent it might be desirable for Glendale to make alternative arrangements for such ancillary services.

Marcie Edwards  
March 26, 2015  
Page 2 of 2

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In accordance with the requirements of FERC's Policy Statement, 18 C.F.R. § 2.20, Glendale requests written acknowledgement of this request within 10 days of receipt thereof and a complete written response within 60 days.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen M. Zurn". The signature is stylized with large, overlapping loops and a long horizontal stroke extending to the right.

Stephen M. Zurn  
General Manager  
Glendale Water and Power

R2 RZA/SMZ:to

Appendix - Good Faith Request for Transmission Service

cc (e-mail): Mukhlesur Bhuiyan – LADWP  
Jan Lukjaniec – LADWP  
David Wright – LADWP  
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March 30, 2015

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***COMPONENT 2: A statement that the party requesting transmission service is, or will be upon commencement of service, an entity eligible to request transmission under sections 211(a) and 213(a) of the FPA.***

Glendale is an entity that is eligible to request transmission under Sections 211(a) and 213(a) of the Federal Power Act.

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***COMPONENT 12: Any other information to facilitate the expeditious processing of its request. Such information will improve the negotiation process, reduce costs, and will improve chances to arrange the requested transmission without resorting to section 211 application procedures before the Commission.***

Glendale does not believe it has in its possession any additional information which, if provided to LADWP, will help Glendale avoid filing a Section 211 application at this time.