

WHEREAS, the Los Angeles Department of Water and Power (LADWP) is registered with the North American Electric Corporation (NERC) as a Balancing Authority (BA) with a collection of generation, transmission, and loads within a metered Balancing Authority Area (BAA); and

WHEREAS, the City of Burbank (Burbank) and the City of Glendale (Glendale) currently are both load serving entities with load and generation resources within the boundary of LADWP's BAA; and

WHEREAS, Burbank and Glendale are requesting to purchase BAA services from LADWP, and LADWP is able to provide such BAA services; and

WHEREAS, LADWP has an Open Access Transmission Tariff (OATT) with rates for transmission and ancillary services that were developed pursuant to a Cost of Service Study (COSS) which were adopted by the Board of Water and Power Commissioner (Board) and further approved by Ordinance 183143 by the Los Angeles City Council (City Council) on August 14, 2014; and

WHEREAS, the BAA services are similar to the ancillary services under LADWP's OATT, and LADWP proposes to use the rates developed using the COSS as a basis for the rates to charge Burbank and Glendale for LADWP to provide such BAA services; and

WHEREAS, the parties recognizing that Burbank and Glendale are uniquely situated as load serving entities currently within LADWP's BAA, negotiated a Balancing Authority Area Services Agreement with terms and conditions, and rates and procedures that address this unique relationship; and

WHEREAS, the execution of Balancing Authority Area Services Agreement between LADWP and Burbank, DWP No. BP 15-025 (Burbank Balancing Services Agreement), will allow LADWP to provide BAA services to Burbank in accordance with the terms and conditions and the rates and procedures as set forth in the Burbank Balancing Services Agreement; and

WHEREAS, the execution of Balancing Authority Area Services Agreement between LADWP and Glendale, DWP No. BP 15-026 (Glendale Balancing Services Agreement), will allow LADWP to provide BAA services to Glendale in accordance with the terms and conditions and the rates and procedures as set forth in the Glendale Balancing Services Agreement; and

WHEREAS, as a registered NERC BA, LADWP must be in compliance with NERC Reliability Standards as set forth in Section 215(a)(3) of the Federal Power Act, 16 U.S.C. §824o(a)(3), or any successor legislation (Reliability Standards); and

WHEREAS, such Reliability Standards may be revised, eliminated, or supplemented, from time to time, and the Burbank Balancing Services Agreement and the Glendale Balancing Services Agreement (collectively, the Balancing Services Agreements) may then need to be amended to ensure compliance; and

WHEREAS, from time to time, technical modifications to LADWP's, Burbank's or Glendale's electrical system may be necessary, and the respective Balancing Services Agreements may then need to be amended to reflect such technical modification.

NOW, THEREFORE BE IT RESOLVED that the Balancing Services Agreements, copies of which are on file with the Secretary of the Board and approved as to form and legality by the City Attorney, are hereby approved.

BE IT FURTHER RESOLVED that the Board requests that the City Council approve, by ordinance, the Balancing Services Agreements, and authorize the Board to act on all future amendments to the Balancing Services Agreements, without further approval of City Council, provided that such amendments relate to technical modifications to LADWP's, Burbank's or Glendale's respective electrical system or compliance with the NERC Reliability Standards, and do not increase the costs or extend the terms of these Balancing Services Agreements.

BE IT FURTHER RESOLVED that the President or Vice President of the Board of Water and Power Commissioners, 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 be and they are hereby authorized and directed to execute said Balancing Services Agreements for and on behalf of LADWP, upon approval by the City Council by ordinance pursuant to Sections 101 and 674(a)(1) of the 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, in payment of the obligations arising under these Balancing Services Agreements.

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

OCT 20 2015


Secretary

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

SEP 23 2015
BY 
SYNDI DRISCOLL
DEPUTY CITY ATTORNEY