


PPD

POWER SYSTEM

SEP 14 2015

EXECUTIVE OFFICE

TRANSMITTAL		0150-10487-0000
TO Marcie L. Edwards, General Manager Department of Water and Power <i>(Att: PPD)</i>	DATE SEP 11 2015	COUNCIL FILE NO.
FROM The Mayor	COUNCIL DISTRICT	
WESTERN ELECTRICITY COORDINATING COUNCIL (WECC) – WESTERN RENEWABLE ENERGY GENERATION INFORMATION SYSTEM (WREGIS) INDEMNITY AGREEMENT		
Approved and transmitted for further processing including Council consideration. See the City Administrative Officer report attached.		
 MAYOR		Ana Guerrero

AS:RR:06160006T

CAO 649-d

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: September 2, 2015

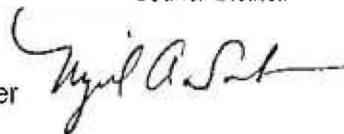
CAO File No. 0150-10487-0000

Council File No.

Council District:

To: The Mayor

From: Miguel A. Santana, City Administrative Officer



Reference: Communication from the Department of Water and Power dated July 31, 2015; referred by the Mayor for report on August 13, 2015

Subject: **WESTERN ELECTRICITY COORDINATING COUNCIL (WECC) – WESTERN RENEWABLE ENERGY GENERATION INFORMATION SYSTEM (WREGIS) INDEMNITY AGREEMENT**

SUMMARY

The Department of Water and Power (DWP; Department) requests approval of a proposed resolution authorizing the DWP Board of Commissioners to execute the Western Electricity Coordinating Council (WECC)-Western Renewable Energy Generation Information System (WREGIS) Indemnity Agreement (Agreement). The proposed Agreement indemnifies and holds WECC and all affiliates harmless against all liabilities from any direct or third party claim related to DWP using the WREGIS.

Authorized by the North American Electric Reliability Corporation (NERC) and Federal Energy Regulatory Commission (FERC), WECC is the regional entity responsible for monitoring and enforcing electric system reliability in the Western Interconnection. WREGIS is an independent, renewable energy tracking system for the region covered by the WECC.

Approval is required by WECC for users of WREGIS to utilize the Renewable Energy Credit (REC) tracking system. Use of WREGIS will allow DWP to self-report mandated REC activity to the California Energy Commission (CEC). Without approval, DWP will be reliant on counterparties for reporting REC activity to the CEC which may result in lower levels of accuracy and control.

The Agreement does not include an expiration date and is anticipated to be in place in excess of three years. Council approval is required for contracts that exceed three years, pursuant to Charter Section 373. This Agreement has been reviewed and accepted by DWP Risk Management. City Attorney has approved the resolution and Agreement as to form and legality.

We have reviewed the proposed Indemnity Agreement and believe it to be reasonable and in accordance with City policies and procedures.

RECOMMENDATIONS

That the Mayor:

1. Approve the proposed resolution authorizing the Department of Water and Power to execute the Western Electricity Coordinating Council -Western Renewable Energy Generation Information System Indemnity Agreement; and,
2. Return the proposed resolution and agreement to the Department for further processing, including Council consideration.

FISCAL IMPACT STATEMENT

Approval of the proposed Agreement does not result in a fiscal impact to Water or Power Revenue Funds or the City General Fund. The proposed Agreement complies with the Department's adopted Financial Policies.

TIME LIMIT FOR COUNCIL ACTION

Pursuant to Charter Section 373, "Long Term Contracts Approved by Council," and the Los Angeles Administrative Code Section 10.5, "Limitation and Power to Make Contracts," unless the Council takes action disapproving a contract that is longer than three years within 60 days after submission to Council, the contract shall be deemed approved.