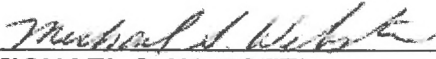




RESOLUTION NO. _____

BOARD LETTER APPROVAL



MICHAEL S. WEBSTER
Executive Director – Power System
Engineering and Technical Services



MARCIE L. EDWARDS
General Manager

DATE: October 2, 2015

SUBJECT: Sylmar Services Agreement between the Department of Water and Power of the City of Los Angeles (LADWP) and the City of Burbank (Burbank), Agreement No. BP 15-027 (Burbank Agreement) and Sylmar Services Agreement between LADWP and the City of Glendale (Glendale), Agreement No. BP 15-028 (Glendale Agreement) (collectively Agreements)

SUMMARY

The purpose of these Agreements is to provide for the rights, terms and conditions for the Cities of Burbank and Glendale (collectively, Cities) to schedule capacity and energy across Path 41 between Sylmar Switching Station (Sylmar) and California Independent System Operator (SP-15).

City Council approval, by Ordinance, is required pursuant to Charter Section 674.

RECOMMENDATION

It is recommended that the Board of Water and Power Commissioners (Board) adopt the attached Resolution recommending City Council's approval, by Ordinance, of the execution of the Agreements.

ALTERNATIVES CONSIDERED

There are no alternatives. The rights, terms and conditions set forth in these Agreements are specific to the Parties and to Sylmar. The Cities have requested this scheduling service from LADWP at Sylmar and LADWP is able to provide this scheduling service to the Cities.

FINANCIAL INFORMATION

LADWP's estimated annual revenue that will be collected for each Agreement is approximately \$150,650 per year or approximately \$301,300 for both Agreements.

BACKGROUND

Pursuant to the Pacific Intertie D-C Transmission Facilities Agreements between LADWP and Burbank, Agreement No. 10129 and LADWP and Glendale, Agreement No. 10128, the Cities have bi-directional transmission rights that enable them to schedule capacity and energy from the Nevada-Oregon Border (NOB) to LADWP's Sylmar Switching Station (Sylmar).

Pursuant to the Interchange Agreements between LADWP and Burbank, Agreement No. 10134 and LADWP and Glendale, Agreement No. 10135 the Cities have bi-directional transmission service to schedule capacity and energy from Sylmar to Receiving Station E (for Burbank) and Air Way Receiving Station (for Glendale).

Under these existing agreements the Cities are able to schedule capacity and energy on a continuous path from NOB via Sylmar to RS-E or Air Way. The Cities are not able to schedule capacity and energy between Sylmar and the SP-15 where SP-15 connects with LADWP's system through Southern California Edison Company's interconnection with LADWP at Sylmar. The Cities have requested and LADWP is able to provide scheduling services for scheduling capacity and energy between Sylmar and SP-15. This service will be used in conjunction with the Cities existing bilateral agreements with LADWP and the Agreements will provide for the terms and conditions for such scheduling services.

Per Charter Section 674, Los Angeles City Council approval by Ordinance is required. Accordingly, attached is the City Administrative Officer (CAO) Report dated September 28, 2015.

ENVIRONMENTAL DETERMINATION

In accordance with Section 15060 (c)(3) of the California Environmental Quality Act (CEQA) Guidelines, an activity is not subject to CEQA if it does not meet the definition of a project. Section 15378 (b)(5) states that organizational or administrative activities that will not result in direct or indirect physical changes in the environment do not meet that definition. Therefore the agreements authorizing the rights, terms and conditions for the Cities to schedule capacity and energy across Path 41 between Sylmar and SP-15 is not an action subject to CEQA.

CITY ATTORNEY

The Office of the City Attorney has reviewed and approved the Agreements and Resolution as to form and legality.

ATTACHMENTS

- Resolution
- Draft Ordinance
- Los Angeles-Burbank Sylmar Services Agreement No. BP 15-027
- Los Angeles-Glendale Sylmar Services Agreement No. BP 15-028
- CAO Report