

ENERGY, CLIMATE CHANGE, AND ENVIRONMENTAL JUSTICE COMMITTEE REPORT and ORDINANCE FIRST CONSIDERATION relative to the Open Access Transmission Tariff (OATT) Service Agreement for Firm Point-to-Point Transmission Service (Service Agreement) between the Los Angeles Department of Water and Power (LADWP) and Powerex Energy Corporation.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. CONCUR with the Board of Water and Power Commissioners' (Board) action of December 10, 2019, Resolution No. 020 113, approving the Service Agreement, DWP No. BP 19-012, between the LADWP and Powerex Energy Corporation.
2. PRESENT and ADOPT the accompanying ORDINANCE, dated January 7, 2020, approving the Service Agreement, DWP No. BP 19-012, by and between the City of Los Angeles acting by and through the LADWP, and Powerex Corporation, a corporation organized and existing under the laws of the Province of British Columbia, doing business in California as Powerex Energy Corporation.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that approval of the proposed Resolution and Ordinance will not have an impact on the General Fund. However, approval of the proposed Resolution and Ordinance will have an impact on the Power Revenue Fund. The Service Agreement complies with the LADWP's adopted Financial Policies.

Community Impact Statement: None submitted.

SUMMARY

At its regular meeting held on January 21, 2020, the Energy, Climate Change, and Environmental Justice Committee considered the Board, CAO, and City Attorney reports; Resolution, and Ordinance relative to the Service Agreement, DWP No. BP 19-012, between the LADWP and Powerex Corporation. The LADWP may sell surplus capacity to all eligible transmission customers in the wholesale energy markets through the LADWP's OATT Program, upon review of the LADWP's internal needs and a determination that such capacity is available. Powerex Corporation submitted a transmission service request for 496 megawatts of long-term point-to-point transmission service. The term of the Service Agreement is two years, commencing on January 1, 2020 through January 1, 2022, with an automatic renewal option for an additional term of two years, unless either party provides notification of a desire for termination.

After providing an opportunity for public comment, the Committee moved to approve the recommendations contained in the Board, CAO, and City Attorney reports, as detailed above. This matter is now transmitted to the Council for consideration.

Respectfully Submitted,

ENERGY, CLIMATE CHANGE, AND ENVIRONMENTAL JUSTICE COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
MARTINEZ	YES
KORETZ	YES
KREKORIAN	YES
CEDILLO	YES
O'FARELL	YES

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-NOT OFFICIAL UNTIL COUNCIL ACTS-