

Los Angeles  Department of Water & Power

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*General Manager*

January 22, 2014

The Honorable City Council  
City of Los Angeles  
Room 395, City Hall  
Los Angeles, California 90012

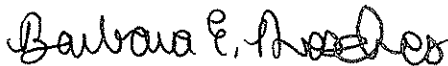
Honorable Members:

Subject: Los Angeles Department of Water and Power Agreement Nos. BP 13-020, BP 13-021, BP 13-022 for Electrical Transmission and Distribution Equipment and Servicing Inventory Greenhouse Gas Reporting Program Designated Representative Agreements

Pursuant to Charter Section 373 and 604(c), enclosed for approval by your Honorable Body is Resolution No. 014 129, adopted by the Board of Water and Power Commissioners on January 21, 2014, approved as to form and legality by the City Attorney, which authorizes execution of LADWP Agreement Nos. BP 13-020, BP 13-021, and BP 13-022 for Electrical Transmission and Distribution Equipment and Servicing Inventory Greenhouse Gas Reporting Program Designated Representative Agreements.

If additional information is required, please contact Ms. Winifred Yancy, Manager of Intergovernmental Affairs and Community Relations, at (213) 367-0025.

Sincerely,



Barbara E. Moschos  
Board Secretary

BEM:sar

Enclosures: LADWP Resolution  
Board Letter  
CAO Report  
Agreement No. BP 13-020  
Agreement No. BP 13-021  
Agreement No. BP 13-022

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

c/enc: Mayor Eric Garcetti

Councilmember Felipe Fuentes, Chair, Energy and the Environment Committee

Gerry F. Miller, Chief Legislative Analyst

Miguel A. Santana, City Administrative Officer

Rafael Prieto, Legislative Analyst, CLA

William R. Koenig, Chief Administrative Analyst

Winifred Yancy

RESOLUTION No. 014 129

WHEREAS, pursuant to Section 114 of the Clean Air Act (codified at 42 U.S.C. §7414), the United States Environmental Protection Agency (EPA) promulgated mandatory greenhouse gas (GHG) Reporting Requirements for owners and operators of facilities that directly emit GHG; and

WHEREAS, the Los Angeles Department of Water and Power (LADWP) owns, services, or maintains an electrical power system comprised of electric transmission and distribution equipment insulated with or containing sulfur hexafluoride, such equipment hereafter collectively referred to as the T&D Equipment; and

WHEREAS, the T&D Equipment qualifies as a facility subject to the GHG Reporting Requirements; and

WHEREAS, each facility subject to the GHG Reporting Requirements must have a single designated representative who binds the owner and operator of the facility in matters pertaining to the GHG Reporting Requirements and who is responsible for certifying, signing, and submitting GHG emissions reports and other necessary documents under the GHG Reporting Requirements; and

WHEREAS, LADWP co-owns T&D Equipment in which another company acts as the Operating Agent, which includes Southern California Edison for the Eldorado System (BP 13-020), Arizona Public Service Company for the Navajo Project Southern Transmission System (BP 13-021), and Salt River Project Agricultural Improvement and Power District for the Arizona Power Project High Voltage Switchyard (BP 13-022); and

WHEREAS, LADWP executed agreements BP 13-020, BP 13-021 and BP 13-022 pursuant to section 604(c) of the Charter of the City of Los Angeles and Los Angeles Administrative Code §10.1.1(a), subject to extension under Section 373 of the Charter of the City of Los Angeles.

NOW, THEREFORE, BE IT RESOLVED that execution, delivery and performance of the Electrical T&D Equipment and Servicing Inventory GHG Reporting Program Designated Representative Agreements (BP 13-020, BP 13-021, and BP 13-022), approved as to form and legality by the City Attorney and filed with the Secretary of the Board, are hereby ratified and approved.

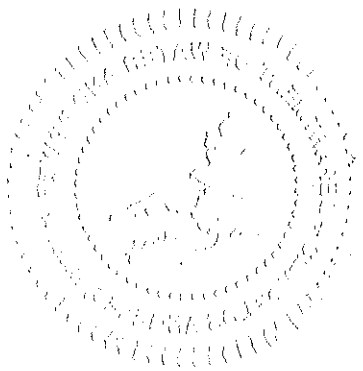
I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of the resolution adopted by the Board of Water and Power Commissioners of the City of Los Angeles at its meeting held JAN 21 2014

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

  
Secretary

AUG 30 2013  
BY   
VAUGHN MINASSIAN  
DEPUTY CITY ATTORNEY

021 210





Los Angeles  
Department of  
Water & Power

RESOLUTION NO. \_\_\_\_\_

**BOARD LETTER APPROVAL**

A handwritten signature in black ink, appearing to read 'Aram Benyamini', is written over a horizontal line.

**ARAM BENYAMIN**  
Senior Assistant General Manager  
Power System

A handwritten signature in black ink, appearing to read 'Ronald O. Nichols', is written over a horizontal line.

**RONALD O. NICHOLS**  
General Manager

**DATE:** December 27, 2013

**SUBJECT:** Los Angeles Department of Water and Power (LADWP) Agreement Nos. BP 13-020, BP 13-021, BP 13-022 for Electrical Transmission and Distribution (T&D) Equipment and Servicing Inventory Greenhouse Gas (GHG) Reporting Program Designated Representative Agreements

**SUMMARY**

The purpose of the proposed Agreements is to designate representatives for Electrical T&D Equipment and Servicing Inventory GHG Reporting Program.

Pursuant to Section 114 of the Clean Air Act, the United States Environmental Protection Agency (EPA) promulgated mandatory GHG Reporting Requirements for owners and operators of facilities that directly emit GHG, which require entering into these Agreements.

LADWP owns, services or maintains an electrical power system comprised of electric transmission and distribution equipment insulated with or containing sulfur hexafluoride (SF<sub>6</sub>), such equipment hereinafter collectively referred to as the T&D Equipment. The T&D Equipment qualifies as a facility subject to the GHG Reporting Requirements. Each facility subject to the GHG Reporting Requirements must have a single designated representative who binds the owner and operator of the facility in matters pertaining to the GHG Reporting Requirements and who is responsible for certifying, signing, and submitting GHG emissions reports and other necessary documents under the GHG Reporting Requirements.

LADWP co-owns T&D Equipment in which another company acts as the Operating Agent, which includes Southern California Edison as Operating Agent for the Eldorado System (BP 13-020), Arizona Public Service Company as Operating Agent for the Navajo Project Southern Transmission System (BP 13-021), and Salt River Project Agricultural Improvement and Power District as Operating Agent for the Arizona Nuclear Power Project High Voltage Switchyard (BP 13-022).

City Council approval is required according to Charter Section 373, 604(c).

### **RECOMMENDATION**

It is requested that the Board of Water and Power Commissioners adopt the attached Resolution recommending City Council's approval of Agreement Nos. BP 13-020, BP 13-021, BP 13-022 for Electrical T&D Equipment and Servicing Inventory GHG Reporting Program Designated Representative Agreements per Charter Section 373.

### **ALTERNATIVES CONSIDERED**

There are no alternatives with these Agreements.

The EPA mandatory GHG Reporting Requirements for owners of facilities to submit GHG emissions reports and other necessary documents. LADWP and other entities, acting as the Operating Agent for various joint facilities, are required to file these reports on behalf of the owners.

### **FINANCIAL INFORMATION**

There are no costs associated with these Agreements.

The Agreements were executed pursuant to section 604(c) of the Los Angeles City Charter and Los Angeles Administrative Code §10.1.1(a), subject to extension under Section 373 of the Los Angeles City Charter.

The Agreements have no term limit as the EPA requires that a designated representative be selected by an agreement binding on the owners and operators of T&D Equipment which qualifies as a facility subject to GHG Reporting Requirements.

### **BACKGROUND**

The T&D Equipment:

- (i) Is linked through electric power transmission or distribution lines and functions as an integrated unit that is owned, serviced, or maintained by Operating Agent.
- (ii) Is located between the points at which electric energy is obtained from electricity generating units and the points at which customers receives the electric energy.
- (iii) Includes servicing inventory for the equipment listed in (i) and (ii) above, which contains SF<sub>6</sub>. The T&D Equipment qualifies as a facility subject to the GHG Reporting Requirements.

Each facility subject to the GHG Reporting Requirements must have a single designated representative who binds the owner and operator of the facility in matters

pertaining to the GHG Reporting Requirements and who is responsible for certifying, signing, and submitting GHG emissions reports and any other necessary submission under the GHG Reporting Requirements. Each facility may also have one alternate designated representative who may act on behalf of the designated representative when the designated representative is unavailable.

The Participants are parties to certain existing Participation Agreements governing the ownership and operation of the T&D Equipment.

The Participants, each owners of different T&D Equipment located at different transmission and distribution facilities under the operation control of Operating Agent, entered into an Electrical T&D Equipment and Servicing Inventory GHG Reporting Program Designated Representative Agreements to:

- (i) Establish the procedures for the appointment and removal of a designated representative for the T&D Equipment under the operational control of Operating Agent with respect to the GHG Reporting Requirements (Designated Representative) and an alternate designated representative (Alternate Designated Representative).
- (ii) Establish procedures for, and provide for certain matters relating to, the Designated Representative's and the Alternate Designated Representative's performance for his or her duties.
- (iii) Establish procedures to ensure compliance with the GHG Reporting Requirements as they relate to the relevant T&D Equipment.
- (iv) Keep an up to date list of the facilities subject hereto.

The Agreements have no term limit. Performance under the agreements beyond the initial one-year period require Board approval and ratification.

#### Los Angeles City Council Approval

Per Charter Section 373, Los Angeles City Council (City Council) approval is required. Accordingly, attached is the City Administrative Officer (CAO) report dated November 1, 2013.

#### **ENVIRONMENTAL DETERMINATION**

In accordance with the California Environmental Quality Act (CEQA), it has been determined that the award of this contract is exempt pursuant to the General Exemption described in CEQA Section 15061(b)(3). General Exemptions apply in situations where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

## **CITY ATTORNEY**

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

## **ATTACHMENTS**

- A. Resolution
- B. Agreement
- C. CAO Report



**OFFICE OF THE CITY ADMINISTRATIVE OFFICER**

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Date: November 1, 2013

CAO File No.: 0150-10088-0000

Council File No.:

Council District: NA

To: The Mayor

From: Miguel A. Santana, City Administrative Officer



Reference: Communication from the Department of Water and Power dated September 23, 2013; referred by the Mayor for report on October 9, 2013

Subject: **ELECTRICAL TRANSMISSION AND DISTRIBUTION EQUIPMENT AND SERVICING INVENTORY GREENHOUSE GAS REPORTING PROGRAM DESIGNATED REPRESENTATIVE AGREEMENTS**

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**SUMMARY**

The Department of Water and Power (DWP; Department) requests approval of a proposed resolution approving Agreements Nos. BP 13-020, BP 13-021, and BP 13-022 with the Department and the designated operating agents 1) Southern California Edison, 2) Arizona Public Service Company, and 3) the Salt River Project Agricultural Improvement and Power District of the three DWP co-owned electrical transmission and distribution (T&D) equipment facilities in Arizona, to enter into the Electrical T&D Equipment and Servicing Inventory GHG Reporting Program Designated Representative Agreements.

Pursuant to Section 114 of the Clean Air Act, the United States Environmental Protection Agency (EPA) publicized mandatory Greenhouse Gas (GHG) reporting requirements for owners and operators of facilities that directly emit GHG. Consequently, these Agreements are federally mandated and the City Attorney opines that City Council approval of this request is required pursuant to Charter Section 373 without an expiration date. As DWP co-owns an electrical power system comprised of transmission and distribution equipment insulated with or containing sulfur hexafluoride (SF6) which is known to emit GHG where another company acts as the operating agent, the facilities are subject to the reporting requirements. The equipment containing the SF6 is used to conduct electricity through the plant more efficiently; however, DWP advises that there have been few incidents in the United States that leaks have occurred causing GHG emission control concerns. DWP facilities have not had leakages; nevertheless, the EPA requires annual reporting of inventory and control as well as immediate leakage reports, if applicable.

Each facility subject to the GHG Reporting Requirements must have a single designated representative who binds the owner and operator of the facility in matters pertaining submitting GHG emissions reports and other necessary documentation.

The Participants of each Agreement in this request are detailed below:

Agreement No.	Operating Agent	T&D Equipment & Inventory Storage Facility
BP 13-020	Southern California Edison	Eldorado System
BP 13-021	Arizona Public Service Company	Navajo Project Southern Transmission System
BP 13-022	Salt River Project	Arizona Nuclear Power High Voltage Switchyard

The City Attorney has approved the proposed resolution as to form and legality.

Upon review of the attached DWP request, it is the opinion of this Office that the item can be approved as the requested action appears to be reasonable and in accordance with City policies and procedures.

### RECOMMENDATION

That the Mayor:

Approve the proposed resolution approving Agreements Nos. BP 13-020, BP 13-021, and BP 13-022 with the Department and the designated operating agents 1) Southern California Edison, 2) Arizona Public Service Company, and 3) the Salt River Project Agricultural Improvement and Power District of the three DWP co-owned electrical transmission and distribution (T&D) equipment facilities in Arizona, to enter into the Electrical T&D Equipment and Servicing Inventory GHG Reporting Program Designated Representative Agreements, and return the request to the Department for further processing, including Council consideration.

### FISCAL IMPACT STATEMENT

Approval of the proposed resolution will have no impact on the City's General Fund. Approval of the proposed resolution will have no impact on the Power Revenue Fund. The Department's adopted Financial Policies do not apply.

### 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.