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CITY ATTORNEY

REPORT NO. R 15 - 0 2 7 3
OCT 1 9 2015

REPORT RE:

**REVISED DRAFT ORDINANCE AMENDING LOS ANGELES ADMINISTRATIVE
CODE TO AUTHORIZE THE BOARD OF WATER AND POWER COMMISSIONERS
TO DELEGATE AUTHORITY TO THE GENERAL MANAGER TO PURCHASE
NATURAL GAS IN EXCESS OF EXISTING PRICE LIMITS WITHIN DESCRIBED
PARAMETERS WHEN NECESSARY TO PROVIDE A RELIABLE POWER SUPPLY
TO RETAIL CUSTOMERS AT THE LEAST COST**

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

Honorable Members:

This Office has prepared and now transmits for your consideration the enclosed revised draft ordinance, approved as to form and legality. This Office previously transmitted the original draft ordinance which would amend Los Angeles Administrative Code (LAAC) Section 10.1.1, Subsection (b), to authorize the Board of Water and Power Commissioners (Board) to delegate authority to the General Manager to purchase natural gas in excess of existing price limits within described parameters when necessary to provide a reliable power supply to retail customers at the least cost. At the Energy and Environment Committee held on October 7, 2015, the Ratepayer Advocate of the Office of Public Accountability requested that the draft ordinance include the notification process found in LADWP Board Resolution No. 016 044. The Chair of the committee was amenable to the request. Therefore, this revised draft ordinance is submitted with the requested modification for consideration.

CEQA Findings

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 of governments that will not result in direct or indirect physical changes in the environment do not meet that definition. Therefore, the recommendation of the proposed ordinance related to the cost of natural gas is not subject to CEQA.

Council Rule 38 Referral

This draft ordinance has been presented to the Board of Water and Power Commissioners pursuant to Council Rule 38.

If you have any questions regarding this matter, please contact Deputy City Attorney Jean-Claude Bertet at (213) 367-4500. He or another member of this Office will be present when you consider this matter to answer any questions you may have.

Very truly yours,

MICHAEL N. FEUER, City Attorney

By 

DAVID MICHAELSON
Chief Assistant City Attorney

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Transmittal