

ADMINISTRATIVE EXEMPTION and INNOVATION, GRANTS, TECHNOLOGY, COMMERCE, AND TRADE COMMITTEE REPORT relative to an agreement with Hecate Energy Harborside LLC (Hecate) to procure, install, maintain and operate photovoltaic solar power systems at up to 12 site locations within the Port of Los Angeles.

Recommendations for Council action:

1. ADOPT the determination by the Los Angeles Harbor Department (LAHD) that the proposed action is exempt under the California Environmental Quality Act (CEQA) as provided in Article II, Section 2 (f) of the Los Angeles City CEQA Guidelines.
2. APPROVE the agreement with Hecate to procure, install, maintain and operate photovoltaic solar power systems at up to 12 site locations within the Port of Los Angeles.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that approval of the proposed agreement between the LAHD and Hecate includes Hecate paying the LAHD approximately 7.02 percent of its gross annual revenue to the LAHD from sale of the electricity to Los Angeles Department of Water and Power, which includes approximately \$141,090 per year and approximately \$2,281,800 over the 20-year term of the agreement. Hecate estimated that its revenue for the use of the LAHD property and installation of the photovoltaic solar power systems at up to 12 site locations within the Port of Los Angeles will be approximately \$2,009,146 per year, with 7.02 percent of the amount earmarked to the LAHD. The proposed agreement will have no impact on the City General Fund. Any revenue will be deposited into the Harbor Revenue Fund.

Community Impact Statement: None submitted.

TIME LIMIT FILE – JANUARY 10, 2016

(LAST DAY FOR COUNCIL ACTION – DECEMBER 16, 2015)

SUMMARY

At the meeting held on December 15, 2015, your Innovation, Grants, Technology, Commerce and Trade Committee considered a LAHD transmittal relative to a 20-year Operating Agreement with Hecate to procure, install, maintain and operate a photovoltaic solar power systems at up to 12 site locations within the Port of Los Angeles. The CAO reports that a photovoltaic power system is a method of converting solar energy into direct current electricity. The system employs solar panels composed of a number of solar cells to supply usable solar power. The proposed solar power system will generate approximately 10 megawatts of electricity for sale to the City of Los Angeles Department of Water and Power and to fulfill the commitment to install 10 megawatts of photovoltaic solar power systems in the Port of Los Angeles. An opportunity for public comment was held. After a brief discussion, the Committee moved to approve the recommendations contained in the transmittal.

This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

INNOVATION, GRANTS, TECHNOLOGY, COMMERCE, AND TRADE COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
BLUMENFIELD:	YES
BONIN:	ABSENT
KREKORIAN:	YES
BUSCAINO:	YES
MARTINEZ:	ABSENT

ME

-NOT OFFICIAL UNTIL COUNCIL ACTS-