

**RESOLUTION**

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state, or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, the California Independent System Operator (CAISO) is already part of the existing regional grid called the Western Interconnection that spans 38 balancing authorities throughout the western portion of North America; and

WHEREAS, the CAISO established the successful Western Energy Imbalance Market (EIM) in 2014 to enhance grid reliability, generate cost savings for its participants, and improve the integration of renewable energy; and

WHEREAS, the LADWP has taken steps to voluntarily join the EIM by 2020, which would allow it to voluntarily sell excess energy capacity or buy energy while retaining control of its generation, transmission, and distribution assets as well as its ratemaking authority; and

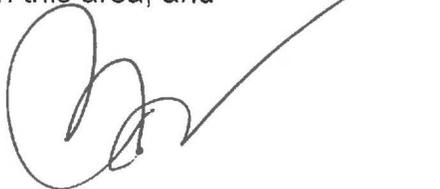
WHEREAS, AB 813 (Holden), which is supported by CAISO, proposes to expand the CAISO into a multi-state regional transmission organization (RTO); and

WHEREAS, expansion of CAISO into a multi-state RTO would result in irrevocable change to the western electricity markets, such that California may no longer retain control of its current and future clean energy resource planning and procurement policies as that control and discretion would pass to the multi-state RTO; and

WHEREAS, the LADWP has made significant investments relative to its generation, transmission and distribution systems that allow the utility to serve its customers and economically achieve the City's accelerated Renewable Portfolio Standard and clean energy goals, including reduction of its greenhouse gas (GHG) emissions to nearly 70 percent below 1990 levels over the next 20 years; and

WHEREAS, the LADWP is a participant in the Intermountain Power Project and the Southern Transmission System with other California participants, including three publicly owned utilities that are members of CAISO, and is also a co-owner of the Pacific DC Intertie with other transmission owners that are members of the CAISO;

WHEREAS, investment decisions by LADWP's co-owners for their respective shares of those critical generation and transmission assets would be subject to approval by the multi-state RTO that may not share LADWP's clean energy resource planning and procurement policies, and would undermine LADWP's continued environmental leadership in this area; and

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WHEREAS, participation in a multi-state RTO should remain voluntary and it should be structured in a manner that does not impact their energy assets and clean energy objectives of non-participants thereby preserving their independence and ensuring their continued compliance with clean energy mandates and regulations;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by adoption of this Resolution, the City of Los Angeles hereby includes in its 2017-2018 State Legislative Program OPPOSITION for AB 813 (Holden) UNLESS AMENDED to ensure that the energy assets and clean energy objectives of non-participants of the multi-state Regional Transmission Operator (RTO) are not impacted, in any way, by the resource planning and procurement policies and objectives of the RTO inasmuch as they may interfere with the LADWP's critical investments in clean energy and greenhouse gas reductions.

PRESENTED BY:

  
NURY MARTINEZ  
Councilwoman, 6<sup>th</sup> District

SECONDED BY:



ORIGINAL

JUN 22 2018