

GENERAL EXEMPTION and ENERGY, CLIMATE CHANGE, AND ENVIRONMENTAL JUSTICE COMMITTEE REPORT relative to the Los Angeles Department of Water and Power's (LADWP) Clean Grid LA: 300 Megawatt (MW) Feed-in Tariff (FiT) Program Expansion.

Recommendations for Council action:

1. FIND that in accordance with the California Environmental Quality Act (CEQA), it has been determined that the amendment to expand the FiT Program is exempt pursuant to the General Exemption in CEQA Guidelines Section 15061(b)(3).
2. NOT PRESENT and ORDER FILED the accompanying ORDINANCE dated October 31, 2019, amending Section 10.5.2 of the Los Angeles Administrative Code increasing the Board of Water and Power Commissioners' (Board) authority to enter into contracts for the purchase of local renewable energy from 150 MW to 450 MW, lowering the cap on the average purchase price from \$300 per MW- hour to \$250 per MW-hour, and increasing the facility effective capacity limit from 3 to 10 MW.
3. REQUEST City Attorney to prepare and present an Ordinance amending Section 10.5.2 of the LAAC increasing the Board's authority to enter into contracts for the purchase of local renewable energy from 150 MW to 450 MW, lowering the cap on the average purchase price from \$300 per MW-hour to \$250 per MW-hour, and increasing the facility effective capacity limit from 3 to 10 MW including the following:
 - a. Purchase price cap of \$250.00 per MW-hour shall apply to the initial 200 MW (150 MW of current program and 50 MW of expanded program) of the local renewable energy/FiT Program excluding projects already completed or in process of being completed.
 - b. The remaining 250 MW of the local renewable energy/FiT Program shall be subject to a review conducted by the LADWP to determine and recommend an applicable purchase price cap.
4. AUTHORIZE the expansion of the current FiT Program for an incremental increase of 50 MW, and the revised Program Guidelines.
5. CONCUR with the Board's action of September 24, 2019, Resolution No. 020-059, which approves Clean Grid LA: 300 Megawatt FiT Program Expansion.
6. REQUEST that the LADWP make technical modifications to the local renewable energy/FiT Program guidelines consistent with the language found in the requested Ordinance.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that there is no General Fund impact. Approval of the proposed Resolution and Ordinance authorizes additional expenditures of up to \$11.9 million per year for the first incremental increase to the FiT Program. Funding is provided in the LADWP's Fiscal Year 2019-20 Adopted Budget within the Power Revenue Fund's Fuel and Purchased Power Budget line item. The proposed action complies

with LADWP's Financial Policies.

Community Impact Statement: None submitted.

SUMMARY

At its regular meeting held on November 5, 2019, the Energy, Climate Change, and Environmental Justice Committee considered a Board, CAO and City Attorney reports, Resolution and Ordinance dated October 31, 2019 relative to the LADWP's Clean Grid LA: 300 MW FiT Program expansion.

After providing an opportunity for public comment, the Committee moved to approve the recommendations contained in the reports and proposed Ordinance as amended, as detailed above. This matter is now transmitted to the Council for its consideration.

Respectfully Submitted,

ENERGY, CLIMATE CHANGE, AND ENVIRONMENTAL JUSTICE COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
MARTINEZ:	YES
KORETZ:	YES
KREKORIAN:	ABSENT
CEDILLO:	YES
O'FARRELL:	YES

LC 11/05/19

-NOT OFFICIAL UNTIL COUNCIL ACTS-