

ENERGY, CLIMATE CHANGE, AND ENVIRONMENTAL JUSTICE COMMITTEE REPORT relative to the Clean Grid LA - Roseburg Senate Bill (SB) 859 Biomass Project Sales Agreement (SB 859 SA) No. BP 19-031 and Fiscal Agency Agreement (FAA) No. BP 19-032 between the Los Angeles Department of Water and Power (LADWP) and the Southern California Public Power Authority (SCPPA).

Recommendation for Council action:

CONCUR with the Board of Water and Power Commissioners' (Board) action of October 27, 2020, Resolution No. 021 065, approving and authorizing the LADWP to execute the SB 859 SA No. BP 19-031 and FAA No. BP 19-032 (Agreements) between the LADWP and the SCPPA, upon the Council's approval by Ordinance pursuant to City Charter Section 674(a), for the LADWP to acquire 5.42 megawatts of biomass capacity from the Roseburg Biomass Facility in Weed, California for a five-year term through SB 859 SA No. BP 19-031, and for the LADWP to provide financial services to the SCPPA through FAA No. BP 19-032; and, authorizing and directing the Chief Accounting Employee, LADWP, upon proper certification, to draw demands on the Power Revenue Fund in payment of the obligations under said Agreements.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that there is no impact to the General Fund. Approval of the Resolution and Ordinance authorizes expenditures of approximately \$1.3 million annually, and \$6.6 million over the five-year term, from the Power Revenue Fund.

Financial Policies Statement: The CAO reports the recommended actions comply with the LADWP's adopted Financial Policies.

Community Impact Statement: None submitted.

SUMMARY

At a Special Meeting held on November 17, 2020, the Energy, Climate Change, and Environmental Justice Committee considered the Board and CAO reports, Resolution No. 021 065, and proposed Ordinance relative to approving and authorizing the LADWP to execute the Agreements with the SCPPA. SB 859 SA No. BP 19-031 authorizes the LADWP to acquire 5.42 MW of biomass capacity from the Roseburg Biomass Facility in Weed, California for a five-year term, and identifies the contractual roles, rights and obligations, payment mechanisms, obligations, and various terms and conditions. Each participant will assume its own share of project costs, liability and obligations associated with the Facility Products accordingly. FAA No. BP 19-032, authorizes the LADWP to provide financial services to the SCPPA over a five-year term, identifies the LADWP as the lead agent to carry out the agency work on behalf of SCPPA; and, outlines the roles and obligations of SCPPA and LADWP relative to project reviews, monitoring, reporting and controls, and billing

After providing an opportunity for public comment, the Committee moved to approve the recommendations contained in the Board, CAO, and City Attorney reports, Resolution, and proposed Ordinance, 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:	YES
CEDILLO:	YES
O'FARRELL:	YES

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-NOT OFFICIAL UNTIL COUNCIL ACTS-