



RESOLUTION NO. 023 108

BOARD LETTER APPROVAL

A handwritten signature in blue ink, appearing to read "Nancy H. Sutley", written over a horizontal line.

NANCY H. SUTLEY
Senior Assistant General Manager -
External and Regulatory Affairs and
Chief Sustainability Officer

A handwritten signature in blue ink, appearing to read "B. J. Wilbur", written over a horizontal line.

BRIAN J. WILBUR
Senior Assistant General Manager
Power System - Construction, Maintenance,
and Operations

A handwritten signature in blue ink, appearing to read "Martin L. Adams", written over a horizontal line.

MARTIN L. ADAMS
General Manager and Chief Engineer

DATE: November 10, 2022

SUBJECT: Utility Crossing Agreement with Torrance Pipeline Company LLC
Halldale Receiving Station – LADWP File No. P-84949

SUMMARY

LADWP, as Grantee, desires to enter into a Utility Crossing Agreement (Agreement) with the Torrance Pipeline Company LLC, a Delaware limited liability company, successor in interest to ExxonMobil Oil Corporation, a New York corporation (Grantor), covering certain property located in the City of Torrance, California (Property). The Agreement will give LADWP the right to maintain, operate, repair, construct, and remove a control cable duct bank, linking to the Grantee's Halldale Receiving Station:

The previous Agreement ended on October 11, 2017. The new Agreement is for a 30-year term beginning on October 12, 2017, and ending on October 11, 2047 for utility crossing.

City Council approval is required according to Charter Section 373 and Administrative Code Section 10.5.

RECOMMENDATION

It is recommended that the Board of Water and Power Commissioners adopt the attached Resolution recommending the Los Angeles City Council's approval of the new Agreement between the Grantor and LADWP.

ALTERNATIVES CONSIDERED

The only alternative is relocation of LADWP's control cable duct bank (Facility) to an alternate location outside of the area. An alternate location, if available, would require an extensive and lengthy acquisition process or relocation of the Facility. Relocation of the Facility is considerably more expensive to build and operate.

FINANCIAL INFORMATION

One Thousand Dollars (\$1,000) per year for a 30-year term, increased annually by three percent over the life of the agreement. The First Increase is effective October 13, 2021.

BACKGROUND

The original Agreement was for replacement of the four-138 kilovolt (kV) oil-filled circuit breakers with new SF6 circuit breakers to 1) increase LADWP's power system reliability, 2) meet the increased North American Electric Reliability Corporation and Federal Energy Regulatory Commission requirements for control and metering, Supervisor Control and Data Acquisition/Remote Terminal Unit (SCADA/RTU), system protection and system security, and 3) address the failure of existing circuit breakers at the time. Under the original Agreement, LADWP conducted conduit boring under the pipelines owned by ExxonMobil, installed conduits needed for electrical wiring and cables Facility connecting between the four 138kV SF6 circuit-breakers in the switchyard and the control metering, SCADA/RTU, and system protection equipment inside the control room of LADWP's Halldale Receiving Station.

The Facility is an integral and necessary part of LADWP power delivery network. The original Agreement with the ExxonMobil Oil Corporation began on October 12, 2012 and terminated on October 11, 2017. The new Agreement, when fully executed will be for a term of 30 years, starting on October 12, 2017, and expiring on October 11, 2047.

In accordance with the Mayor's Executive Directive No. 4, the City Administrative Officer's (CAO) Report was approved on July 27, 2022.

ENVIRONMENTAL DETERMINATION

Determine item is exempt pursuant to California Environmental Quality Act (CEQA) Guidelines 15060(c)(3). In accordance with this section, an activity is not subject to CEQA if it does not meet the definition of a project. Section 15378(b)(2) states that continuing administrative or maintenance activities do not meet that definition.

Therefore, the Agreement to continue allowing LADWP to construct, maintain, operate, repair, and remove a control cable duct bank, linking to the Grantee's Halldale Receiving Station is not an action subject to CEQA.

CITY ATTORNEY

The Office of the City Attorney reviewed and approved the Resolution and Agreement as to form and legality.

ATTACHMENTS

- Resolution
- Agreement
- CAO Report

