



BUILDING A STRONGER L.A.

Karen Bass, Mayor

Board of Commissioners

Richard Katz, President

George S. McGraw, Vice President

Nurit D. Katz

Mia Lehrer

Wilma J. Pinder

Chante L. Mitchell, Secretary

Janisse Quiñones, Chief Executive Officer and Chief Engineer

August 13, 2024

The Honorable City Council  
City of Los Angeles  
Room 395, City Hall  
Los Angeles, California 90012

Honorable Members:

Subject: Navajo Large Generator Interconnection Agreement – AES ES Westwing, LLC; AES Westwing II ES, LLC; Arizona Public Service Company; LADWP; Nevada Power Company; Salt River Project Agricultural Improvement and Power District; Tucson Electric Power Company; and the United States of America, Department of the Interior, Bureau of Reclamation for Q292, Contract No. 54548/DWP No. BP 22-012

Pursuant to Charter Section No. 674, enclosed for approval by your Honorable Body is Resolution No. 025 025, adopted by the Board of Water and Power Commissioners on August 13, 2024, which approves Navajo Large Generator Interconnection Agreement – AES ES Westwing, LLC; AES Westwing II ES, LLC; Arizona Public Service Company; LADWP; Nevada Power Company; Salt River Project Agricultural Improvement and Power District; Tucson Electric Power Company; and the United States of America, Department of the Interior, Bureau of Reclamation for Q292, Contract No. 54548/DWP No. BP 22-012.

If additional information is required, please contact Mr. David Rahimian, Commission Liaison, at (213) 367-0361, or Mr. Paul Habib, Interim Director of Legislative and Intergovernmental Affairs, at (213) 367-3846.

Sincerely,

A handwritten signature in blue ink that reads 'Chante L. Mitchell'.

Chante L. Mitchell  
Board Secretary

The Honorable City Council

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August 13, 2024

CLM:fr

Enclosures: LADWP Board Letter  
LADWP Resolution  
Navajo LGIA  
Draft Ordinance  
CAO Report

c/encs: Mayor Karen Bass  
Councilmember Katy Yaroslavsky, Chair, Energy and Environment Committee  
Ms. Sharon Tso, Chief Legislative Analyst  
Mr. Matthew W. Szabo, City Administrative Officer  
Mr. Rafael Prieto, Office of Chief Legislative Analyst, CLA  
Ms. Jacqueline Wagner, Chief Administrative Analyst, CAO  
Mr. Paul Habib, Director of Legislative and Intergovernmental Affairs, LADWP

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Sincerely,



Chante L. Mitchell  
Board Secretary

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Mr. Paul Habib, Director of Legislative and Intergovernmental Affairs, LADWP

bc: Janisse Quiñones, Chief Executive Officer and Chief Engineer w/o encs.

City Attorney's Office w/o encs.

Board File

WHEREAS, the City of Los Angeles, acting by and through the Department of Water and Power (LADWP); United States of America, Department of the Interior, Bureau of Reclamation; Arizona Public Service Company (APS); Nevada Power Company d/b/a NV Energy, a Nevada corporation; Salt River Project Agricultural Improvement and Power District, an agricultural improvement district organized and existing under the laws of the State of Arizona; and Tucson Electric Power Company, formerly known as Tucson Gas and Electric Company, an Arizona corporation are Navajo Participants in the Navajo Project; and

WHEREAS, pursuant to the terms and conditions of the Amended and Restated Navajo Co-Tenancy Agreement, as it may be amended from time to time, DWP No. BP19-006 (Navajo CTA), the Navajo Participants are joint owners in the Navajo Project, consisting of the Navajo Southern Transmission System (STS), and the Navajo Western Transmission System; and

WHEREAS, AES ES Westwing, LLC, a Delaware limited liability company, and AES Westwing II ES, LLC, a Delaware limited liability company, hereinafter referred to collectively as Interconnection Customer, submitted an interconnection request to APS, the Operating Agent of the STS, to physically interconnect a 200-megawatt (MW) net-to-grid battery energy storage to the Westwing 230 kiloVolt (kV) Switchyard, a component of the STS, in two phases of 100 MW each (Project); and

WHEREAS, the interconnection of the Project is not expected to have a negative financial impact on the LADWP; and

WHEREAS, the execution of the Large Generator Interconnection Agreement, between the Interconnection Customer and the Navajo Participants for Q292, Contract No. 54548/DWP No. 22-012 (Navajo LGIA) is required for the interconnection of the Project; and

WHEREAS, the Navajo LGIA establishes the costs, terms, and conditions for the construction, operation, and maintenance of the facilities needed for the Interconnection Customer to physically interconnect the Project to the Westwing 230-kV Switchyard; and

WHEREAS, the Navajo LGIA shall remain in effect unless the first of the following events occur: (i) the termination of the Navajo CTA or any replacement agreement thereof; (ii) written agreement of all parties to terminate; (iii) termination pursuant to Article 20 therein; (iv) termination pursuant to Article 5.15 therein; or (v) upon no less than ninety (90) calendar days advance written notice of termination from the Interconnection Customer to the Operating Agent.

NOW, THEREFORE, BE IT RESOLVED that the Navajo LGIA a copy of which is on file with the Secretary of the Board of Water and Power Commissioners (Board) and approved as to form and legality by the City Attorney, be and the same is hereby approved.

BE IT FURTHER RESOLVED that the Board requests that the Los Angeles City Council (City Council) approve, by ordinance, the Navajo LGIA, and authorize the Board to act on and approve all future amendments of said agreement, without further approval by the City Council.

BE IT FURTHER RESOLVED that the President or Vice President of the Board, or the General Manager, or such person as the General Manager shall designate in writing, and the Secretary, Assistant Secretary, or the Acting Secretary of the Board be and they are hereby authorized and directed to execute said Navajo LGIA for and on behalf of the LADWP upon approval of said agreement by the City Council, by ordinance, pursuant to Section 674 of the Charter of the City of Los Angeles.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of a resolution adopted by the Board of Water and Power Commissioners of the City of Los Angeles at its meeting held August 13, 2024



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Secretary

APPROVED AS TO FORM AND LEGALITY  
HYDEE FELDSTEIN SOTO, CITY ATTORNEY

June 27, 2024

BY   
SYNDI DRISCOLL  
DEPUTY CITY ATTORNEY



RESOLUTION NO. 025 025

**BOARD LETTER APPROVAL**

*Simon Zewdu*

**SIMON ZEWDU**  
Senior Assistant General Manager  
Power System

*Aram Benyamin*  
Aram Benyamin (Jul 25, 2024 12:03 PDT)

**ARAM BENYAMIN**  
Chief Operating Officer

*Janisse Quiñones*

**JANISSE QUIÑONES**  
Chief Executive Officer and Chief Engineer

**DATE:** July 15, 2024

**SUBJECT:** Navajo Large Generator Interconnection Agreement – AES ES Westwing, LLC; AES Westwing II ES, LLC; Arizona Public Service Company; LADWP; Nevada Power Company; Salt River Project Agricultural Improvement and Power District; Tucson Electric Power Company; and the United States of America, Department of the Interior, Bureau of Reclamation for Q292, Contract No. 54548/DWP No. BP 22-012

**SUMMARY**

Approval is requested for the Navajo Large Generator Interconnection Agreement – AES ES Westwing, LLC; AES Westwing II ES, LLC; Arizona Public Service Company; LADWP; Nevada Power Company; Salt River Project Agricultural Improvement and Power District; Tucson Electric Power Company; and the United States of America, Department of the Interior, Bureau of Reclamation for Q292, Contract No. 54548/DWP No. BP 22-012 (Navajo LGIA). The Navajo Participants include the City of Los Angeles, acting by and through LADWP; the United States of America, Department of the Interior, Bureau of Reclamation; Arizona Public Service Company (APS); Nevada Power Company d/b/a NV Energy, a Nevada corporation; Salt River Project Agricultural Improvement and Power District, an agricultural improvement district organized and existing under the laws of the State of Arizona; and Tucson Electric Power Company, formerly known as Tucson Gas and Electric Company, an Arizona corporation. The Navajo LGIA allows AES ES Westwing, LLC, and AES Westwing II ES, LLC, identified

by the designated Operating Agent as Q292 (Interconnection Customer), to interconnect a 200-megawatt (MW) net-to-grid battery energy storage in two phases of 100 MW each to the Westwing 230-kiloVolt (kV) Switchyard, which is a part of the Navajo Project (Project).

The Navajo LGIA establishes the costs, terms, and conditions for the construction, operation, and maintenance of the facilities needed for the Interconnection Customer to physically interconnect the Project to the Westwing 230-kV Switchyard. The term of the Navajo LGIA is coterminous with the Amended and Restated Navajo Co-Tenancy Agreement, as it may be amended from time to time, DWP No. BP 19-006 (hereinafter referred to as the Navajo CTA), unless it is terminated earlier in accordance with the termination provisions of the Navajo LGIA.

City Council approval, by ordinance, is required pursuant to the Los Angeles Charter Section 674.

### **RECOMMENDATION**

It is recommended that the Board of Water and Power Commissioners (Board) adopt the attached Resolution requesting the Los Angeles City Council's approval, by ordinance, of the following:

- Execution of the Navajo LGIA.
- Delegation of authority to the Board to act on and approve all future amendments to the Navajo LGIA.

### **ALTERNATIVES CONSIDERED**

A "no project agreement" alternative was considered. However, such an alternative is not feasible without a Navajo LGIA. The Interconnection Customer will not be able to physically interconnect the Project to the Westwing 230-kV Switchyard without an executed Navajo LGIA.

### **FINANCIAL INFORMATION**

LADWP has no ownership share in the Westwing 230-kV Switchyard and does not anticipate any financial impact from the execution of the Navajo LGIA.

### **BACKGROUND**

The Navajo Participants are joint owners in the Navajo Project, consisting of the Navajo Southern Transmission System (STS), and the Navajo Western Transmission System (WTS). APS is the designated Operating Agent of the Westwing 230-kV Switchyard, which is part of the STS.

The Navajo LGIA allows for the interconnection of the Project to the Westwing 230-kV Switchyard, which is a part of the Navajo Project.

The Navajo LGIA shall remain in effect unless the first of the following events occur: (i) the termination of the Navajo CTA or any replacement agreement thereof; (ii) written agreement of all parties to terminate; (iii) termination pursuant to Article 20 therein; (iv) termination pursuant to Article 5.15 therein; or (v) upon no less than ninety (90) calendar days advance written notice of termination from Interconnection Customer to Operating Agent.

In accordance with the Mayor's Executive Directive No. 4, the City Administrative Officer's (CAO) Report was approved on June 20, 2024.

### **ENVIRONMENTAL DETERMINATION**

Determine item is exempt pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15060(c)(2). In accordance with this section, an activity is not subject to CEQA if it will not result in a direct or reasonably foreseeable indirect physical change in the environment. Entering into an LGIA will not result in any physical change in the environment; therefore, this activity is not subject to CEQA.

### **CITY ATTORNEY**

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

### **ATTACHMENTS**

- Resolution
- Navajo LGIA
- Draft Ordinance
- CAO Report