

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 government 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 Los Angeles Department of Water and Power (LADWP) electrical system was established in 1911 when Los Angeles citizens voted 10 to 1 in favor of distributing power as a municipal enterprise; today LADWP is the nation's largest municipally owned utility, operating under the Los Angeles City Charter as a proprietary department governed and managed by an independent and locally appointed five-member Board of Water and Power Commissioners; and

WHEREAS, today LADWP's electric service territory covers 1.6 million customers over 478 square miles in the City of Los Angeles and 1,839 miles in Owens Valley, with a transmission system network totaling more than 4,000 miles to bring power from the Pacific Northwest, Utah, Nevada, Arizona, and other areas within California to Los Angeles; and

WHEREAS, LADWP is a vertically integrated utility that owns and operates its own generation, transmission, and distribution systems, and does not rely on the energy market or other transmission system operators as a primary means to meet its power needs; and

WHEREAS, although LADWP's policy is to be self-sufficient and capable of generating all its energy needs from resources it owns or controls, it also participates in energy markets if it is in the City's best economic interest, and in critical times, neighboring utilities look to LADWP's surplus energy and transmission resources to bolster their power system and avoid blackouts; and

WHEREAS, LADWP also exchanges power with the California Independent System Operator (CAISO) Western Energy Imbalance Market (WEIM) and has entered into an Implementation Agreement with the CAISO to move forward with the process of becoming a participating Entity in the Extended Day Ahead Market (EDAM), a voluntary day-ahead electricity market designed to deliver significant economic, environmental, and reliability benefits to balancing authority areas and utilities throughout the West, it still maintains a uniquely independent grid system and does not rely on CAISO to control its generation and transmission assets; and

WHEREAS, this vast transmission system is owned or co-owned by LADWP and these assets represent strategic municipal infrastructure investments that have been directly paid for by the residents of the City of Los Angeles; and

WHEREAS, LADWP uses its extensive transmission network to sell its excess energy and capacity in the California, Northwest, and Southwest energy markets, and revenues from these excess energy sales are used to reduce costs to ratepayers and for capital improvements; and



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WHEREAS, in its role as a Balancing Authority, LADWP integrates resource planning ahead of time and maintains load-interchange-generation balance within its Balancing Authority Area, which also includes Glendale and Burbank; and

WHEREAS, while it is crucial that LADWP continue to exchange energy with other entities at the bulk electric system level, it must be able to continue to do so voluntarily, while retaining complete ownership and control of its own transmission and generation assets, and be able to prioritize its native load needs first;


NOW, THEREFORE, BE IT RESOLVED, that by adoption of this Resolution, with the concurrence of the Mayor, the City of Los Angeles hereby includes in its 2025-2026 State and Federal Legislative Programs, OPPOSITION to legislation or administrative actions that would undermine LADWP's right to operate as an independent balancing authority, diminish its control over its transmission assets or its rights to transmission assets over which it has ownership or in which it has as stake, and/or impose additional charges or costs for the transmission of electricity for LADWP Power System customers.

PRESENTED BY:


ADRIN NAZARIAN

Councilmember, Second District

SECONDED BY:



ORIGINAL