

ENERGY AND ENVIRONMENT COMMITTEE REPORT and ORDINANCE FIRST CONSIDERATION relative to the execution of the Navajo Q255 Large Generator Interconnection Agreement 23-011 between the Los Angeles Department of Water and Power (LADWP), 302PN 8me, LLC, the United States (U.S.) Bureau of Reclamation, the Arizona Public Service Company, the Nevada Power Company, the Salt River Project Agricultural Improvement and Power District, and the Tucson Electric Power Company.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. APPROVE the proposed LADWP Resolution authorizing the execution of the Navajo 0255 Large Generator Interconnection Agreement - Contract No. 54483/DWP No. 23--011 between - LADWP, 302PN 8me, LLC, the U.S. Bureau of Reclamation. the Arizona Public Service Company, the Nevada Power Company, the Salt River Project Agricultural Improvement and Power District, and the Tucson Electric Power Company;
2. DELEGATE authority to the Los Angeles Board of Water and Power Commissioners (Board) by ordinance and AUTHORIZE the Board to act on and approve all future amendments to the Interconnection Agreement pursuant to Charter Section 674.
3. AUTHORIZE, upon proper certification, the Chief Accounting Employee to draw demands on the Power Revenue Fund, in accordance with the terms of said Agreement.
4. PRESENT and ADOPT the accompanying ORDINANCE dated February 2, 2025, approving the Large Generator Interconnection Agreement among 302PN 8me, LLC, and Arizona Public Service Company, the City of Los Angeles, acting by and through the LADWP, Nevada Power Company d/b/a NV Energy, Salt River Project Agricultural Improvement and Power District, Tucson Electric Power Company, and the U.S. Department of the Interior Bureau of Reclamation (Contract No. 54483, LADWP No. BP 23-011); and delegating to the Board of Water and Power Commissioners authority to amend said agreement.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that there is no impact to the General Fund. The LADWP has a 21.2 percent ownership interest in the Navajo 500 kV Switchyard and currently pays annual operating, maintenance and capital improvement costs of \$560,000 for the Switchyard based on that ownership percentage. The approval of the proposed Navajo LGIA does not impact the LADWP Switchyard ownership percentage or annual operating costs and will therefore have no impact on the Power Revenue Fund.

Financial Policies Statement: The CAO reports that the above recommendations comply with LADWP Financial Policies.

Community Impact Statement: None submitted

SUMMARY

At the meeting held on March 4, 2025, your Energy and Environment Committee considered Board and City Attorney reports, and an Ordinance relative to the execution of the Navajo Q255 Large Generator Interconnection Agreement 23-011 between the LADWP, 302PN 8me, LLC, the U.S. Bureau of Reclamation, the Arizona Public Service Company, the Nevada Power Company, the Salt River Project Agricultural Improvement and Power District, and the Tucson Electric Power Company. After an opportunity for public comment, the Committee moved to concur with the Board resolution and approve the Ordinance, as detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

ENERGY AND ENVIRONMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
NAZARIAN	YES
YAROSLAVSKY	ABSENT
JURADO	ABSENT
RAMAN	YES
PADILLA	YES

ME

-NOT OFFICIAL UNTIL COUNCIL ACTS-