



Office of the Los Angeles City Attorney
Hydee Feldstein Soto

REPORT NO. **R 25 - 0007**
JAN 16 2025

REPORT RE:

**DRAFT ORDINANCE APPROVING OPEN ACCESS TRANSMISSION TARIFF FORM
OF SERVICE AGREEMENTS FOR CONDITIONAL FIRM POINT-TO-POINT
TRANSMISSION SERVICE, BY AND BETWEEN THE CITY OF LOS ANGELES,
ACTING BY AND THROUGH THE DEPARTMENT OF WATER AND POWER, AND
ONE MOUNTAIN ENERGY, LLC, DWP Nos. BP22-007, BP22-019, AND BP23-002**

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

Honorable Members:

This Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality. This draft ordinance provides for the approval of Open Access Transmission Tariff Form of Service Agreements for Conditional Firm Point-to-Point Transmission Service, by and between the City of Los Angeles, acting by and through the Department of Water and Power (LADWP), and One Mountain Energy, LLC, a limited liability company organized and existing under the law of the State of Utah (OME), DWP Nos. BP22-007, BP22-019, and BP23-002 (Transmission Service Agreements).

Background

LADWP owns and operates its transmission system, dispatches its generation resources, and makes long-term power supply arrangements to meet its native load service obligations. To the extent there is transmission capacity available in excess of native load needs, the amount of available capacity may be made available to eligible transmission customers through LADWP's Open Access Transmission Tariff (OATT).

Pursuant to the OATT, OME requested conditional firm point-to-point transmission service for the delivery of power from the Gonder Substation to the Mona



Substation. Specifically, Transmission Service Agreement DWP BP22-007 is for the delivery of 13 megawatts of power, for service to commence on June 1, 2025 (this commencement date is deferred from the initial request to commence on June 1, 2024, which is allowable under the OATT); Transmission Service Agreement DWP No. BP22-019 is for the delivery of 6 megawatts of power, for service to commence on December 1, 2024; and Transmission Service Agreement DWP No. BP23-002 is for the delivery of 20 megawatts of power, for service to commence on March 1, 2025. Furthermore, each Transmission Service Agreement includes an automatic renewal option for an additional term extending through June 15, 2027, unless either party provides notification of a desire to terminate.

Charter Enabling Provisions

Charter Section 674(a)(1) provides that, subject to approval by ordinance, the Board of Water and Power Commissioners has the power to approve contracts with the United States, or any of its agencies, any state or any state agency, and any corporation, public or private, located inside or outside of the City or State of California for the construction, ownership, operation and maintenance of facilities for the generation, transformation and transmission of electric energy.

CEQA Findings

In accordance with the California Environmental Quality Act (CEQA), it has been determined that the Transmission Service Agreements are exempt pursuant to CEQA Guidelines Section 15060(c)(2). General Exemptions apply in situations where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. 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. Therefore, the execution of the Transmission Service Agreements is not subject to CEQA.

Council Rule 38 Referral

Pursuant to Council Rule 38, the draft ordinance has been presented to the Board of Water and Power Commissioners.

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If you have any questions regarding this matter, please contact Deputy City Attorney Syndi Driscoll at (213) 367-4363. A member of this Office will be available when you consider this matter to answer questions you may have.

Sincerely,

HYDEE FELDSTEIN SOTO, City Attorney

By



MICHAEL J. DUNDAS
Senior Assistant City Attorney

MJD:SD:rb
Transmittal