

STATUTORY EXEMPTION, ENERGY AND ENVIRONMENT COMMITTEE REPORT and ORDINANCE FIRST CONSIDERATION relative to Resolution No. 025-025 approving the Navajo Large Generator Interconnection Agreement between AES ES Westwing, LLC; AES Westwing II ES, LLC; Arizona Public Service Company; the City of Los Angeles, acting by and through the Los Angeles Department of Water and Power (LADWP); Nevada Power Company d/b/a NV Energy; 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); and, delegating to the Board of Water and Power Commissioners (Board) authority to amend said Agreement.

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

1. DETERMINE that the Navajo LGIA is statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15277. In accordance with CEQA Guidelines Section 15277, CEQA does not apply to any project or portion thereof located outside of California which will be subject to environmental impact review pursuant to the National Environmental Policy Act of 1969 (NEPA) or pursuant to a law of that state requiring preparation of a document containing essentially the same points of analysis as in an Environmental Impact Statement prepared under the NEPA. Any emissions or discharges that would have a significant effect on the environment in the State of California are subject to CEQA where a California public agency has authority over the emissions or discharges.
2. CONCUR with the Board's action of August 13, 2024, Resolution No. 025-025, which approves and authorizes the execution of the Navajo LGIA between 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; Contract No. 54548/DWP No. BP 22-012.
3. PRESENT and ADOPT the accompanying ORDINANCE dated August 22, 2024, approving the Navajo LGIA between AES ES Westwing, LLC, and AES Westwing II ES, 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 United States of America Department of the Interior Bureau of Reclamation (Contract No. 54548/DWP No. BP 22-012); and, delegating to the Board 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 ownership share in other components of the Navajo Southern Transmission System. However, the LADWP has no ownership share in the Westwing 230 kilovolt Switchyard and does not anticipate any financial impact from the execution of the Navajo LGIA.

Summary:

On September 13, 2024, your Committee considered the August 13, 2024 Board, and August 22, 2024 City Attorney reports and Ordinance relative to Resolution No. 025-025 approving the Large Generator Interconnection Agreement between AES ES Westwing, LLC, and AES Westwing II ES, LLC, and Arizona Public Service Company, the City of Los Angeles, acting by and through the Department of Water and Power, Nevada Power Company d/b/a NV Energy, 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 (Contract No. 54548, DWP No. BP 22-012)(Navajo LGIA); and delegating to the Board authority to amend said agreement.

The reports attached to the Council file include some background on the matter. After providing an opportunity for public comment, the Committee moved to approve the recommendations reflected above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

ENERGY AND ENVIRONMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
YAROSLAVSKY:	YES
MCOSKER:	YES
BLUMENFIELD:	ABSENT
DE LEON:	YES
RAMAN:	YES

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**-NOT OFFICIAL UNTIL COUNCIL ACTS-**