



MICHAEL N. FEUER
CITY ATTORNEY

REPORT NO. **R22-0410**
NOV 17 2022

REPORT RE:

**DRAFT ORDINANCE APPROVING THE OPEN ACCESS TRANSMISSION TARIFF
FORM OF SERVICE AGREEMENT FOR FIRM POINT-TO-POINT TRANSMISSION
SERVICE, DWP NO. BP21-010, BY AND BETWEEN THE CITY OF LOS ANGELES,
ACTING BY AND THROUGH THE DEPARTMENT OF WATER AND POWER, AND
GLENDALE WATER AND POWER**

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

Council File No. 22-1287

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 the Open Access Transmission Tariff Form of Service Agreement for Firm Point-to-Point Transmission Service, DWP No. BP21-010, by and between the City of Los Angeles, acting by and through the Department of Water and Power (LADWP), and Glendale Water and Power (GWP) (Agreement).

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).

The current OATT was most recently updated in June 2020 by the City Council in accordance with Ordinance No. 183143.

Pursuant to the OATT, GWP is requesting 25 Megawatts of firm point-to-point transmission service with a point of receipt at the Los Angeles System and a point of delivery at the Airway Substation for a term of 25 years. GWP has satisfied the requirements of the Governmental Person Use Certification and of Section 5.2 of the OATT, as such LADWP is able to provide GWP with transmission service for a term of 25 years without jeopardizing LADWP's tax-exempt municipal bonds.

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 Agreement is 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 Agreement 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.

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,

MICHAEL N. FEUER, City Attorney

By

A handwritten signature in black ink, appearing to read "D. Michaelson", written over a horizontal line.

DAVID MICHAELSON
Chief Assistant City Attorney

DM:SD:rb
Transmittal