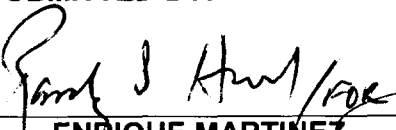



DOCKETED

Docket Number:	16-RPS-02
Project Title:	Appeal by Los Angeles Department of Water & Power re Renewables Portfolio Standard Certification Eligibility
TN #:	213056
Document Title:	47 SoCalGas 2004 Master Services Contract Agreement 47349-4 LADWP Board Letter for Reso 004-260 (Bates Nos. LA000622-LA000623)
Description:	N/A
Filer:	Pjoy Chua
Organization:	LADWP
Submitter Role:	Applicant
Submission Date:	8/30/2016 1:10:30 PM
Docketed Date:	8/30/2016

LADWP BOARD LETTER FOR APPROVAL

TO: BOARD OF WATER AND POWER COMMISSIONERS		DATE: April 12, 2004
SUBMITTED BY: <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 20px;"> <div style="text-align: center;">  ENRIQUE MARTINEZ Chief Operating Officer-Power </div> <div style="text-align: center;">  FRANK SALAS Acting General Manager </div> </div>		SUBJECT: <p style="text-align: center; margin-top: 20px;">Agreement No. 47349-4 Southern California Gas Company Master Services Contract</p>
		FOR COMMISSION OFFICE USE: <div style="text-align: center; margin-top: 10px;"> RES. NO. 004 260 APR 20 2004 </div> <div style="margin-top: 10px;"> COPY RES. TO- [Handwritten: 17101/114-1] </div>
CITY COUNCIL APPROVAL REQUIRED: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	IF YES, BY WHICH CITY CHARTER SECTION: 373	

APPROVAL REQUIRED

PURPOSE:

- This is to approve and execute the attached Agreement No. 47349-4, known as the Master Services Contract (Agreement), with the Southern California Gas Company for intrastate transportation services as authorized by the California Public Utilities Commission. The Agreement replaces an existing month-to-month master services contract with the Southern California Gas Company.
- Expenditures may total \$19 million annually and are budgeted each fiscal year in the Power Revenue Fund and will be used to pay for transporting natural gas from interstate pipelines to the burner tips of the LADWP's generating stations.
- Duration is for twenty-four months firm service and then the Agreement converts month to month thereafter. Prior to April 1, 2006, the LADWP staff will evaluate current California Public Utilities Commission proceedings and determine the benefits of bringing a new agreement to the Board of Commissioners versus taking service on a month-to-month basis with the Agreement.
- The Master Services Contract replaces an existing month-to-month agreement and may extend beyond three years duration, consequently requiring City Council approval. The LADWP proceeded with Directive 39 and received a recommended approval from the City Administrative Officer.

BACKGROUND:

- Southern California Gas Company has been given the exclusive right by the State of California to transport natural gas in its service territory. This service is provided by executing a standard Master Services Contract as approved by the California Public Utilities Commission. By executing the Agreement, any dispute arising under this Agreement will be subject to the California Public Utilities Commission rules, regulations, and jurisdiction.
- The Master Services Contract identifies the amount and kind of transportation service that LADWP will require at each generating station served. The term of the Master Services Contract is for a twenty-four month period for firm service and has the ability to revert to a month-to-month interruptible service contract thereafter.

- This is a sole source contract since the Southern California Gas Company has the State of California authorized franchise for providing intrastate gas transportation service to all gas-consuming entities in its service territory, which includes the area in which the LADWP's basin generating stations operate.

MINORITY/WOMEN BUSINESS ENTERPRISE (MBE/WBE) SUBCONTRACTING PARTICIPATION:

The LADWP requests that the Agreement be exempted from certain provisions in Section 10 of the Los Angeles Administrative Code that pertain to Child Support Policy, Recycled Paper, the Minority and Women Business Enterprise Outreach Program, and the Service Contract Worker Retention Living Wage Policy. This exemption is being requested since the California Public Utilities Commission requires the Southern California Gas Company to execute this contract with its customers in order to provide gas transportation service to their facilities.

LEGAL AGREEMENT CHECKLIST

Yes ☐ No ☒ Affirmative Action Plan
Yes ☐ No ☒ Service Contractor Worker Retention Ordinance
Yes ☐ No ☒ Child Support Policy
Yes ☐ No ☒ Living Wage Ordinance
Yes ☐ No ☒ Labor Relations Notification
Yes ☐ No ☒ Statement of Findings
Yes ☐ No ☒ Contract Compliance

Method of selection by sole source.

It is recommended that your Honorable Board adopt the resolution and that Agreement No. 47349-4 be executed as authorized in the resolution.

RLP:dw

Attachments

c/att: Commerce, Energy and Natural
Resources Committee
Frank Salas, Acting General Manager
Frank Salas
Mahmud A. Chaudhry
Gerald A. Gewe
Richard M. Helgeson
Thomas C. Hokinson
Lillian Y. Kawasaki

Hal D. Lindsey
Enrique Martinez
Pamela T. Porter
Ronald O. Vazquez
Cecilia K.T. Weldon
Randy S. Howard
Robert L. Pettinato
Albert A. Stephens