

DOCKETED

Docket Number:	16-RPS-02
Project Title:	Appeal by Los Angeles Department of Water & Power re Renewables Portfolio Standard Certification Eligibility
TN #:	213070
Document Title:	61 SoCalGas 2008 Delegation of Authority for Master Srvcs Agreement 47498-6 City Council Action (Bates Nos. LA000743-LA000746)
Description:	N/A
Filer:	Pjoy Chua
Organization:	LADWP
Submitter Role:	Applicant
Submission Date:	8/30/2016 1:36:28 PM
Docketed Date:	8/30/2016

CITY OF LOS ANGELES
CALIFORNIA

KAREN E. KALFAYAN
City Clerk



ANTONIO R. VILLARAIGOSA
MAYOR

Office of the
CITY CLERK

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Chief, Council and Public Services Division

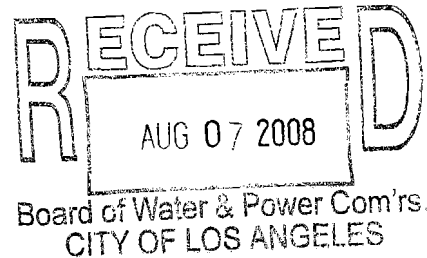
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When making inquiries
relative to this matter,
please refer to the Council
File No.

06-1494

July 22, 2008

*Res 008-242
Bd Mtg 5-20-08*



✓ Board of Water and Power Commissioners
Department of Water and Power
City Administrative Officer
Chief Legislative Analyst
City Attorney

RE: DELEGATION OF AUTHORITY TO THE BOARD OF WATER AND POWER COMMISSIONERS TO
EXTEND AND AMEND THE SOUTHERN CALIFORNIA GAS COMPANY MASTER SERVICES CONTRACT
LADWP NO. 47498-6 WITHOUT FURTHER APPROVAL OF THE COUNCIL FOR INTRASTATE
TRANSPORTATION OF NATURAL GAS FOR USE AT THE FOUR LOCAL CITY POWER PLANTS

At the meeting of the Council held July 8, 2008, the following action was taken:

Attached report adopted	_____
Attached motion (-) adopted	_____
Attached resolution adopted	_____
FORTHWITH	_____
Mayor concurred	_____
To the Mayor FORTHWITH	_____
Motion adopted to approve communication recommendation(s)	_____
Motion adopted to approve committee report recommendation(s)	_____
Ordinance adopted	X
Ordinance number	180044
Publication date	07-23-08
Effective date	08-23-08
Mayor vetoed	_____
Mayor approved	07-17-08
Mayor failed to act - deemed approved	_____
Findings adopted	_____

Karen E. Kalfayan

City Clerk
OS

*1- acts payable
gr. act for water system } 8/25/08*

TIME LIMIT FILES
ORDINANCES

Mayor's Time Stamp
OFFICE OF THE MAYOR
RECEIVED
2008 JUL -9 PM 1:13
CITY OF LOS ANGELES

City Clerk's Time Stamp
CITY CLERK'S OFFICE
2008 JUL -9 PM 1:06
CITY CLERK
BY _____ DEPUTY

COUNCIL FILE NUMBER 06-1494 COUNCIL DISTRICT _____
COUNCIL APPROVAL DATE July 8, 2008 LAST DAY FOR MAYOR TO ACT JUL 21 2008
ORDINANCE TYPE: Ord of Intent Zoning Personnel ☒ General
Improvement LAMC LAAC CU or Var Appeals - CPC No.

SUBJECT MATTER: DELEGATION OF AUTHORITY TO THE BOARD OF WATER AND POWER COMMISSIONERS TO EXTEND AND AMEND THE SOUTHERN CALIFORNIA GAS COMPANY MASTER SERVICES CONTRACT WITHOUT FURTHER APPROVAL OF THE COUNCIL FOR INTRASTATE TRANSPORTATION OF NATURAL GAS FOR USE AT THE FOUR LOCAL CITY POWER PLANTS

APPROVED DISAPPROVED

PLANNING COMMISSION
DIRECTOR OF PLANNING
CITY ATTORNEY
CITY ADMINISTRATIVE OFFICER

X

RECEIVED
CITY CLERK'S OFFICE
2008 JUL 18 PM 1:14
CITY CLERK
BY _____ DEPUTY

DATE OF MAYOR APPROVAL, DEEMED APPROVED OR *VETO JUL 17 2008
(*VETOED ORDINANCES MUST BE ACCOMPANIED WITH OBJECTIONS IN WRITING PURSUANT TO CHARTER SEC. 250(b) (c))

(CITY CLERK USE ONLY PLEASE DO NOT WRITE BELOW THIS LINE)

DATE RECEIVED FROM MAYOR JUL 18 2008 ORDINANCE NO. 180044
DATE PUBLISHED JUL 23 2008 DATE POSTED _____ EFFECTIVE DATE AUG 23 2008
ORD OF INTENT: HEARING DATE _____ ASSESSMENT CONFIRMATION _____
ORDINANCE FOR DISTRIBUTION: YES _____ NO _____

061494.ord

JUL 22 2008

LA000744

TO THE COUNCIL OF THE
CITY OF LOS ANGELES

Your

ENERGY AND ENVIRONMENT

Committee

reports as follows:

ENERGY AND ENVIRONMENT COMMITTEE REPORT, and ORDINANCE relative to the delegation of authority to the Board of Water and Power Commissioners (Board) to extend and amend the Southern California Gas Company (So Cal Gas) Master Services Contract (MSC) without further approval of the Council for intrastate transportation of natural gas for use at the four local City power plants.

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

1. CONCUR with the Board action on May 20, 2008, Resolution No. 008-242, requesting authorization by Ordinance to delegate authority to the Board to amend and extend the MSC, Los Angeles Department of Water and Power (LADWP) No. 47498-6, with the So Cal Gas without further approval of the Council for intrastate transportation of natural gas for use at the four local City power plants.
2. PRESENT and ADOPT the accompanying ORDINANCE delegating authority to the Board to extend and amend the So Cal Gas MSC, LADWP No. 47498-6.

Fiscal Impact Statement: The City Administrative Officer reports that there is no impact on the General Fund. It is estimated that the annual cost will be \$37 million, funded by the Power Revenue Fund. In addition, the LADWP is only bound by the City Debt Management Policies. Therefore, the City Financial Policies are not applicable.

Community Impact Statement: None submitted.

Summary:

At its meeting on June 17, 2008, your Committee considered reports from the Board, the City Administrative Officer (CAO), and the City Attorney, and an Ordinance, relative to the delegation of authority to the Board to extend and amend the So Cal Gas MSC without further approval of the Council for intrastate transportation of natural gas for use at the four local City power plants. In the February 29, 2008 report, attached to the Council file, the CAO states that the proposed terms of the MSC for the Haynes, Harbor and Valley Generating Stations are for an additional two years from July 1, 2008 to July 1, 2010 with unlimited natural gas service and month-to-month interruptible service thereafter.

The CAO also reports that every two years the MSC for each generating plant is renewed for two additional years. The current Agreement will expire on July 1, 2008. The delegation of authority to the Board will allow the LADWP to manage on a day-to day basis the volume of gas transported based on the volatility of the cost of natural gas and the demand for natural gas generated power. In addition, the volume will be adjusted on a daily basis to reflect changes in natural gas needs due to the variable nature of the availability of renewable generation sources such as wind and solar generation. The Scattergood Generating Station is on a contract for one month from July 1, 2008 to August 1, 2008 and then converts to month-to-month interruptible service thereafter because the California Public Utilities Commission prohibits So Cal Gas from signing a longer term Agreement

with LADWP for Scattergood since imported natural gas is a secondary source of fuel for the Scattergood Plant. The primary source of fuel is digester gas from the Hyperion Waste Treatment Plant. The natural gas MSC with So Cal Gas has been approved by the Board, Mayor and Council since July 2000. Therefore, pursuant to Section 606 of the City Charter, Council approval of this proposed contract is required because the cumulative term of the contract exceeds three years.

During the discussion of this matter, representatives from the LADWP and the CAO provided an overview of this matter and responded to several related questions from the Committee members. Some of the questions included but were not limited to the method used to issue the contract and the reasons for issuing such contract. After additional discussion and offering the opportunity for public comment, the Committee recommended that Council concur with the Board's action of May 20, 2008. The Committee also recommended that the associated Ordinance be adopted by Council. This matter is now forwarded to Council for its consideration.

Respectfully submitted,

ENERGY AND ENVIRONMENT COMMITTEE

Tony Cardenas
Richard Celis

MEMBERS	VOTE
PERRY	YES
GARCETTI	ABSENT
CARDENAS	YES
ALARCON	YES
GREUEL	ABSENT

MLE
6-21-08
Attachment: Ordinance
#061494.doc

ADOPTED
MOTION ADOPTED TO APPROVE COMMITTEE REPORT RECOMMENDATION
JUN 27 2008

LOS ANGELES CITY COUNCIL
ORDINANCE OVER TO July 18, 2008

ORD
ADOPTED

JUL 08 2008
LOS ANGELES CITY COUNCIL