

DOCKETED

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| Docket Number: | 16-RPS-02 |
| Project Title: | Appeal by Los Angeles Department of Water & Power re Renewables Portfolio Standard Certification Eligibility |
| TN #: | 213398 |
| Document Title: | 337 City Council File 02-1135 - LADWP Board Reso No. 006-122 re Amend to LAAC10.5.3 NG Risk Mgmt (01.24.06) (Bates No. LA001618) |
| Description: | N/A |
| Filer: | Adriana Ayuso |
| Organization: | Los Angeles Department of Water and Power |
| Submitter Role: | Applicant |
| Submission Date: | 8/31/2016 4:23:05 PM |
| Docketed Date: | 8/31/2016 |

WHEREAS, Los Angeles Administrative Code Section 10.5.3 paragraph (1)(c) provides authority, within specific parameters, for the Board of Water and Power Commissioners to enter into contracts for the purchase and delivery of natural gas and/or financial transactions for natural gas used in the production of electricity to serve the Department's retail customers, for terms of up to five years, and paragraph (1)(i) establishes that the purchase price for natural gas set forth in every contract and the delivered price of natural gas set forth in a financial transaction shall not exceed seven dollars and fifty cents (\$7.50) per million British Thermal Units including broker's fees, if any; and

WHEREAS, the Board urges the City Council to amend Section 10.5.3 paragraphs (1)(c) and (1)(i) to extend the maximum duration of natural gas financial transactions from five years to ten years and to increase the cap on the price of natural gas financial contracts from \$7.50 per million British Thermal Units (MMBtu) to \$10/MMBtu; and

WHEREAS, such amendments would increase the ability to manage the volatility of the net amount payable for natural gas used for the production of electricity to serve the Department's retail customers, subject to all other existing limitations set forth in Section 10.5.3 and as implemented in the Department's Natural Gas Risk Management Program.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby requests amendments to Section 10.5.3 paragraphs (1)(c) and (1)(i) whereby extends the maximum duration of natural gas financial transactions to ten years, and increases the cap on the price of natural gas financial contracts to \$10 per million British Thermal Units while maintaining all other terms, conditions, and limitations set forth in Section 10.5.3; and

BE IT FURTHER RESOLVED that this matter is forwarded to the City Council for approval by ordinance.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of a Resolution adopted by the Board of Water and Power Commissioners of the City of Los Angeles at its meeting held JAN 24 2006



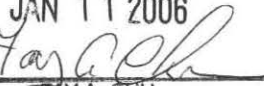
Secretary

REQUIRES CITY COUNCIL
APPROVAL

APPROVED AS TO FORM AND LEGALITY
ROCKARD J. DELGADILLO, CITY ATTORNEY

JAN 11 2006

BY


FAY A. CHU
Deputy City Attorney