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Organization:	Southern Ca Public Power Authority
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Southern California Public Power Authority

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February 5, 2021

California Energy Commission
EPS Compliance
1516 Ninth Street
Sacramento, CA 95814-512
Attention: Compliance Filing

Re: EPS Compliance Filing for Roseburg SB 859 Biomass Project

Dear Sir or Madam:

Please be advised that on October 17, 2019, the Board of Directors of the Southern California Public Power Authority ("SCPPA"), at a noticed public meeting, approved and authorized execution and delivery of an SB 859 Purchase Agreement ("Purchase Agreement") between SCPPA and Roseburg Forest Products Co. ("Seller") for 11 MW of capacity associated with an existing biomass-fueled generation station located in or near Weed, California ("Project").

- SCPPA is a joint powers agency formed in 1980 pursuant to the Joint Exercise of Powers Act (Cal. Govt. Code § 6500 *et seq.*). SCPPA is comprised of eleven cities and one irrigation district ("Members"), each of which owns and operates an electric utility within its jurisdictional boundaries.

SCPPA entered into the PPA on February 2, 2021, on behalf of three of its Members – the City of Los Angeles, the City of Anaheim, and the Imperial Irrigation District ("Participating Members") to fulfill the mandate imposed upon them pursuant to Public Utilities Code § 399.20.3, as enacted in 2016 by adoption of Senate Bill 859 (the "SB 859 Mandate"). Each Participating Member will receive its proportionate share of capacity pursuant to individual SB 859 Sales Agreements with SCPPA. Four additional publicly-owned utilities subject to the SB 859 Mandate – the Sacramento Municipal Utilities District ("SMUD"), the Modesto Irrigation District ("MID"), the Turlock Irrigation District ("TID"), and the City of Riverside (Riverside) – are also parties to the PPA but take their shares directly from the facility owner rather than through SCPPA. The entitlement shares of the Participating Members, SMUD, MID and TID are shown in Attachment A.

This compliance filing is made on behalf of the Participating Members as well as for SCPPA's own account pursuant to the Commission's Emission Performance Standard("EPS") regulations (20 CCR. § 2900 et seq.).

Additional information about the Project is shown on Attachment A. Attachment B includes the Agenda Report presented to the SCPPA Board of Directors for its October 17, 2019 meeting (Attachment B-1) and SCPPA Board Resolution No. 2019-121, adopted the same date (Attachment B-2). Attachment C is the attestation required by 20 CCR § 2909.

SCPPA respectfully requests that the Commission determine that the covered procurement that is the subject of this filing is compliant with the Commission's EPS regulations.

Sincerely

A handwritten signature in dark ink, appearing to read "MB Martin", with a stylized flourish at the end.

Mary Beth Martin
General Counsel

Attachments

Roseburg SB 859 Biomass Project
Facility Information for SB 1368 Compliance Filing

- NAME OF UTILITIES: The Southern California Public Power Authority ("SCPPA") has acquired a share of the Roseburg SB 859 Biomass Project on behalf of three of its Members — the City of Los Angeles, the City of Anaheim, and the Imperial Irrigation District ("Participating Members"). Four additional publicly owned utilities — SMUD, MID, TID, and the City of Riverside -- have acquired a share of the Project pursuant to the same SB 859 Purchase Agreement. The entitlement shares of the Participating Members, SMUD, MID and TID are shown in the following chart:

Name of Agency	Capacity (MW)	% of Total Capacity
City of Anaheim	0.4928	4.48%
Imperial Irrigation District	0.9108	8.28%
City of Los Angeles	5.4241	49.31%
City of Riverside	0.4928	4.48%
SMUD	2.5795	23.45%
MID	0.6072	5.52%
TID	0.4928	4.48%
TOTAL	11	100.00%

This filing is made by SCPPA for its own account and on behalf of its three Participating Members. SMUD, MID, TID and Riverside have filed or will file their own Compliance Filings with the Commission.

- CONTRACT DATE: November 25, 2019
- NAME OF COUNTERPARTY: Roseburg Forest Products Co.
- NAME OF FACILITY: Weed Cogeneration Plant
- LOCATION OF FACILITY: 98 Mill Street, Weed, CA 96094
- TECHNOLOGY/FUEL: Biomass
- NAMEPLATE CAPACITY OF FACILITY: 13.4 MW

ATTACHMENT A

- PRODUCT DESCRIPTION: 11 MW of capacity in which the Seller will burn SB 859-compliant Tier 1 and Tier 2 high-hazard biomass fuels.
- SUBSTITUTE ENERGY ALLOWED: No
- DELIVERY START DATE: June 1, 2020 (expected date of Commercial Operation)
- DELIVERY END DATE: The fifth anniversary of the date Commercial Operation
- FURTHER DESCRIPTION OF TECHNOLOGY, IF NECESSARY: None
- FURTHER DESCRIPTION OF FACILITY OUTPUT PROFILE, IF NECESSARY: None
- DESCRIPTION OF CONTRACT TERMS RELATED TO THE PROVISION OF SUBSTITUTE ENERGY, IF NECESSARY: None
- DESCRIPTION OF OTHER RELEVANT INFORMATION AND CONTRACT TERMS:

While the nameplate capacity of the Project facility is 13.4 MW, SCPPA and the other parties to the PPA (that is, SMUD, MID, TID and Riverside) are procuring a total of just 11 MW. SCPPA's share of the contracted amount is 6.8277 MW, all of which in turn is delivered to the three SCPPA Participating Members pursuant to power sales agreements in the capacity amounts shown on the chart above.

The transaction involves acquisition of capacity only and the Seller's commitment to burn SB 859-compliant Tier 1 and Tier 2 biomass fuels during plant operation. Electric output of the facility is sold to PacifiCorp under a QF contract.

As a biomass-fueled facility, the Weed Cogeneration station is "determined to be compliant" with the Commission's EPS regulations pursuant to 20 CCR § 2903(b)(2). SCPPA respectfully requests that the Commission make a finding to that effect in its decision in this matter.

AGENDA ITEM STAFF REPORT

MEETING DATE:

10/17/2019

**RESOLUTION
NUMBER:**

2019-121

SUBJECT:

Roseburg Forest Products Biomass SB 859 Agreement

DISCUSSION: ☒

OR

CONSENT:

☐

Select the appropriate box(es):

FROM:

METHOD OF SELECTION:

Finance ☐

Competitive ☒

Project Development ☒

Cooperative Purchase ☐

Program Development ☐

Sole Source ☐

Regulatory/Legislative ☐

Single Source ☐

Project Administration ☐

Other (Please describe):

Legal ☐

Executive Director ☐

Approved by Executive Director:

[Signature]
S. M. S. W.

RECOMMENDATION:

Authorize and approve the negotiation, execution and delivery of the SB859 Purchase Agreement, SB859 Sales Agreement, Buyers' Joint Project Agreement, and Fiscal Agency Agreement for the Roseburg SB 859 Biomass Project ("Project").

The participating utilities are three SCPPA Members – the City of Los Angeles acting by and through its Department of Water and Power ("LADWP"), the Imperial Irrigation District ("IID"), and the City of Anaheim ("Anaheim"). The City of Riverside ("Riverside"), though a SCPPA Member, has elected to participate as a separate party rather than through SCPPA. The three participating non-SCPPA Members are the Sacramento Municipal Utility District ("SMUD"), the Modesto Irrigation District ("MID"), and the Turlock Irrigation District ("TID"). (These seven entities are collectively referred to herein as "Participants.")

BACKGROUND:

In response to the mandate imposed on publicly owned utilities (POUs) by the State of California in 2016 by passage of Senate Bill 859 (SB 859), effective September 4, 2016, POUs serving more than 100,000 customers are required to procure their proportionate share of 125MWs. SB 859 thus the

Participants to procure their share of 29 MW for a term of 5 years of generation utilizing a specific percentage of high hazard tier 1 and 2 biomass-fueled resources. In 2017, SCPPA and the participants were able to meet 18 MW of the commitment by executing agreements for the ARP-Loyalton Biomass Project. The Participants' obligation to procure the remaining 11 MW under SB 859 will be complete upon approval and execution of the SB859 Purchase Agreement with Roseburg Forest Products Co. ("Roseburg"). The Roseburg facility is located in Weed, California, a city just north of Redding near the California-Oregon border. Roseburg's facility is a cogeneration biomass generating plant able to utilize SB 859 tier 1 and tier 2 high hazard fuel to generate electricity as well as use the boiler and steam in their wood products business. Roseburg's specialty is wood veneer that can be commonly found in Lowe's Home Improvement stores.

Applicable MW share and capacity percentage of the 11 MW for each Participant is shown in the table below:

	Capacity (MW)	% of Total Capacity
City of Anaheim	0.4928	4.48%
Imperial Irrigation District	0.9108	8.28%
LADWP	5.4241	49.31%
City of Riverside	0.4928	4.48%
SMUD	2.5795	23.45%
MID	0.6072	5.52%
TID	0.4928	4.48%
Total	11	100.00%

DISCUSSION:

- **Scope of Contract Services:**

SB 859 Purchase Agreement includes a contract price of \$46.00/MWh for 11 MW utilizing tier 1 and 2 high-hazard Biomass. Each participant will pay their percentage of capacity based on the table provided above. The agreement is strictly for capacity of the facility in which Roseburg will burn SB 859 compliant biomass fuels.

The other agreements before the Board include a Buyers' Joint Project Agreement among SCPPA, Riverside, SMUD, MID and TID, to facilitate project administration; SB 859 Sales Agreements with the LADWP, Anaheim and IID, by which SCPPA will sell its share of the capacity in the Project to the participating SCPPA Members; and a Fiscal Agency Agreement between SCPPA and LADWP pursuant to which LADWP will provide its customary fiscal management services for the Project.

- **Selection Method:**

SCPPA rereleased an RFP on April 11, 2018 for Biomass facilities able to meet the SB 859 mandate in providing 11 MW of generation to our participants. SCPPA closed the RFP on April 30, 2018 and received three proposals. Out of the 3 bids received, Roseburg submission is the most cost-effective and competitive bid compared to the others. Similar to the 2017 agreement, SCPPA and 3 non-members (SMUD, MID, and TID) will be participating in the

agreement. The percentage for each participant will be the same proportional percentage that was established in the other project Loyalton.

- **SCPPA's Authority:**

This transaction involving procurement of electric generation capacity for SCPPA Members falls squarely within the purposes for which SCPPA was formed as set forth in the Joint Powers Agreement.

FISCAL IMPACT:

None. All costs and expenses will be borne by the Participants as a Project cost.

RESOLUTION NO. 2019-121

RESOLUTION RELATING TO THE ROSEBURG SB 859 BIOMASS PROJECT: (I) AUTHORIZING THE NEGOTIATION, EXECUTION AND DELIVERY OF (A) AN SB 859 PURCHASE AGREEMENT AND RELATED DOCUMENTS BY AND AMONG ROSEBURG FOREST PRODUCTS CO., AS SELLER, AND THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY, THE SACRAMENTO MUNICIPAL UTILITY DISTRICT, THE MODESTO IRRIGATION DISTRICT, THE TURLOCK IRRIGATION DISTRICT AND THE CITY OF RIVERSIDE, AS BUYERS; (B) A BUYERS' JOINT PROJECT AGREEMENT BY AND AMONG THE AFORESAID BUYERS; (C) THREE SB 859 SALES AGREEMENTS BETWEEN THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY AND, RESPECTIVELY, THE CITY OF LOS ANGELES ACTING BY AND THROUGH THE DEPARTMENT OF WATER AND POWER, THE CITY OF ANAHEIM AND THE IMPERIAL IRRIGATION DISTRICT; (D) A FISCAL AGENCY AGREEMENT BETWEEN THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY AND THE CITY OF LOS ANGELES ACTING BY AND THROUGH THE DEPARTMENT OF WATER AND POWER; AND (E) SUCH OTHER DOCUMENTS, INSTRUMENTS AND AGREEMENTS AS MAY BE NECESSARY OR APPROPRIATE TO ADMINISTRATION OF THE PROJECT.

WHEREAS, the State of California, by passage of Senate Bill 859 (Stats.2016, c.368, eff. Sept. 14, 2016) imposed a mandate on investor-owned utilities ("IOUs") and publicly owned utilities ("POUs") serving more than 100,000 customers to each procure a proportionate share of 125 MW of electric generation capacity from biomass-fueled resources, with such proportionate shares to be determined by the California Public Utilities Commission ("CPUC"); and

WHEREAS, the CPUC, in its Resolution E-4805 dated October 13, 2016, determined that seven POU's, namely, the City of Anaheim ("Anaheim"), the City of Los Angeles acting by and through its Board of Water and Power Commissioners ("LADWP"), the Imperial Irrigation District ("IID"), the City of Riverside ("Riverside"), the Sacramento Municipal Utility District ("SMUD"), the Modesto Irrigation District ("MID") and the Turlock Irrigation District ("TID"), constituted those POU's in the State that serve more than 100,000 customers, and further determined that the combined share of the 125 MW statewide mandate to be allocated to them is 29 MW, with the balance of the mandated amount (96 MW) allocated to the IOUs; and

WHEREAS, SCPPA, for the benefit of the Anaheim, LADWP, and IID, (collectively, the "SCPPA Participating Members"), and working with SMUD, MID, TID and the City of Riverside, issued a Request for Proposals ("RFP") on or about March 13, 2017 to identify potential biomass generation resources to meet the SB 859 mandate, and through that process have focused on a facility known as the Weed Cogeneration Project ("the Project") located in Weed, California, which has a nameplate rating of 11 MW ("Facility Capacity") and is owned and operated by Roseburg Forest Products Co, an Oregon corporation ("Roseburg"); and

WHEREAS, SCPPA, for the benefit of the SCPPA Participating Members, and SMUD, MID TID and Riverside, have negotiated and developed an SB 859 Purchase Agreement ("Purchase Agreement") with Roseburg to facilitate the acquisition of the Facility Capacity and other rights associated with the Project for a term of five (5) years, of which SCPPA will take 6.8277 MW (or 62.07% of the Facility Capacity) for the SCPPA Participating Members (the "SCPPA Capacity Share")¹, SMUD will take 2.5795 MW (or 23.45%), MID will take 0.6072 MW (or 5.52%) TID will take 0.4928 MW (or 4.48%), and Riverside will 0.4928 MW, or 4.48%; and

WHEREAS, SCPPA, SMUD, MID, TID and Riverside have negotiated and desire to enter into a Buyers' Joint Project and Agency Agreement to establish a decision making process for them to follow as joint buyers under the Purchase Agreement and to designate SCPPA to act as the "Buyers' Agent" in dealings with Roseburg as contemplated in the Purchase Agreement; and

WHEREAS, SCPPA and each of the SCPPA Participating Members desire to enter into the Roseburg SB 859 Biomass Project SB 859 Sales Agreements (collectively, the "SB 859 Sales Agreements"), whereby SCPPA will provide to each of such SCPPA Participating Members its proportionate share of the SCPPA Capacity Share of the Facility Capacity along with other rights and resources associated with the Project, and each such SCPPA Participating Member will agree to pay its proportionate share of all costs, liabilities and obligations of SCPPA in connection with the Project, including, but not limited to, the costs for acquisition and delivery of capacity and other attributes pursuant to the Purchase Agreement and all of SCPPA's other costs associated therewith; and

WHEREAS, SCPPA and the SCPPA Participating Members desire to provide for the further development, negotiation, execution and delivery of such other documents, instruments, agreements and arrangements with respect to the Project so as to facilitate administration, including without limitation a Fiscal Agency Agreement for services from LADWP.

WHEREAS, a copy of each of the Purchase Agreement, the Buyers' Joint Project Agreement, the SB 859 Sales Agreement² and the Fiscal Agency Agreement have been provided to the Board substantially in final form.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Southern California Public Power Authority as follows:

1. The Power Purchase Agreement, the Buyers' Joint Project Agreement, the SB 859 Sales Agreement and the Fiscal Agency Agreement, as presented to the Board substantially in final form, are hereby approved.

¹ The shares of the SCPPA Participating Members are: Anaheim, 0.4928 MW, or 4.48%; IID, 0.9108 MW, or 8.28%; and LADWP, 5.4241 MW, or 49.31%.

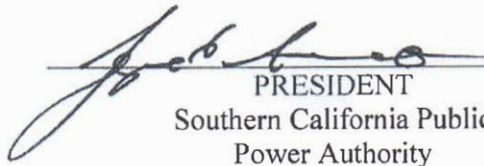
² To avoid unnecessary duplication, the only form of a SB 859 Sales Agreement provided is between SCPPA and LADWP. The SB 859 Sales Agreements for the other SCPPA Participating Members will be identical save for designation of the parties.

2. The Executive Director is hereby delegated the right, power and authority to negotiate and finalize, and each of the President, Vice President and Executive Director of SCPPA is hereby authorized and directed, upon the successful negotiation thereof, to execute and deliver (A) the Purchase Agreement, as described herein, and each of such other agreements, documents and instruments the substance or form of which are referenced in or otherwise attached to the Purchase Agreement and related documents or which may be contemplated by the terms of the Purchase Agreement and to which SCPPA is to be a party or is to sign; and (B) the Buyers Joint Project Agreement, the SB 859 Sales Agreement and the Fiscal Agency Agreement as described herein, each with such changes, insertions and omissions are hereby approved by said President, Vice President or Executive Director (such approval to be conclusively evidenced by her or his execution and delivery thereof).

3. Each of the President, Vice President, Secretary, any Assistant Secretary, the Executive Director and any other officer of SCPPA is hereby authorized to execute and deliver any and all agreements, documents and instruments and to do and cause to be done any and all acts and things deemed necessary or advisable for carrying out the transactions contemplated by this Resolution (including, but not limited to, making such changes to the agreements, documents and instruments referred to in this Resolution if such changes are determined by the President, Vice President or Executive Director to be necessary or advisable). Each reference in this Resolution to the President, Vice President, Secretary, Assistant Secretary or Executive Director shall refer to the person holding such office or position, as applicable, at the time a given action is taken and shall not be limited to the person holding such office or position at the time of the adoption of this Resolution. All actions heretofore taken by the officers, employees and agents of SCPPA in furtherance of the transactions contemplated by this Resolution are hereby approved, ratified and confirmed.

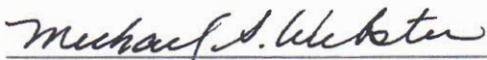
4. This Resolution shall become effective immediately.

THE FOREGOING RESOLUTION is approved and adopted by SCPPA this 17th day of October 2019.



PRESIDENT
Southern California Public
Power Authority

ATTEST:




SECRETARY
Southern California Public
Power Authority

CALIFORNIA ENERGY COMMISSION
EMISSION PERFORMANCE STANDARD COMPLIANCE FILING
COMPLIANCE FILING ATTESTATION

I, the official named below, certify under penalty of perjury, the following:

1. I am an agent of the Southern California Public Power Authority (SCPPA) authorized by its governing board to sign this attestation on its behalf. (Capitalized terms used herein have the meanings given in the cover letter submitted herewith.)
2. The SCPPA Board of Directors has reviewed and approved in public meetings both the covered procurement (on October 17, 2019) and the compliance filing described above (February 20, 2020).
3. Based on the SCPPA Board of Director's knowledge, information, and belief, the compliance filing does not contain a material misstatement or omission of fact;
4. Based on the SCPPA Board of Director's knowledge, information, or belief, the covered procurement complies with Title 20, Division 2, Chapter 11, Article 1 of the California Code of Regulations; and
5. While the Purchase Agreement does not contain the contractual terms specified in 20 CCR § 2909(a)(4), it does contain a warranty by the Seller that the Project is and will remain EPS Compliant for the duration of the Agreement and provides SCPPA with a right to terminate the Purchase Agreement in the event of a breach of said warranty.

Executed this 3rd day of February 2021, at Glendora, California.


Michael S. Webster, Executive Director
Southern California Public Power Authority

ATTACHMENT C