

WHEREAS, the Eland Solar and Storage Center, Phase 1 (Eland 1) is a renewable 200 megawatt (MW) solar facility with a 150 MW 4-hour (600 megawatt-hours [MWh]) Battery Energy Storage System (BESS) and the Eland Solar and Storage Center, Phase 2 (Eland 2) is a renewable 200 MW solar facility with a 150 MW 4-hour (600 MWh) BESS which are both located approximately five miles southeast of Barren Ridge Switching Station near Mojave, CA; and

WHEREAS, in 2019 the Board of Water and Power Commissioners (Board), by way of Resolution No. 020 043, and the City Council, by way of Ordinance No. 186439, approved the Eland 1 Power Sales Agreement (PSA) No. BP 19-015, Eland 1 Agency Agreement (AA) No. BP 19-016, Eland 2 PSA No. BP 19-017, and Eland 2 AA No. BP 19-018; and

WHEREAS, Eland 1 PSA sets forth mutual covenants and agreements between the Los Angeles Department of Water and Power (LADWP) and the Southern California Public Power Authority (SCPPA) for LADWP's acquisition of a 175 MW solar facility with a 131.5 MW 4-hour (525 MWh) BESS metered output, associated environmental attributes, and generating capacity rights as produced by Eland 1; and

WHEREAS, Eland 1 AA provides for the designation of LADWP as the project manager to administer and manage Eland 1 on behalf of and for the benefit of the City of Glendale's Water and Power department and LADWP, and sets forth mutual covenants and agreements between SCPPA and LADWP in order to enable LADWP to carry out activities necessary for the planning, development, acquisition, maintenance, improvement, administration, and operation of Eland 1; and

WHEREAS, Eland 2 PSA sets forth mutual covenants and agreements between LADWP and SCPPA for LADWP's acquisition of a 200 MW solar facility with a 150 MW 4-hour (600 MWh) BESS metered output, associated environmental attributes, and generating capacity rights as produced by Eland 2; and

WHEREAS, Eland 2 AA provides for the designation of LADWP as the project manager to administer and manage Eland 2 on behalf of and for the benefit of LADWP, and sets forth mutual covenants and agreements between SCPPA and LADWP in order to enable LADWP to carry out activities necessary for the planning, development, acquisition, maintenance, improvement, administration, and operation of Eland 2; and

WHEREAS, SCPPA and 68SF 8ME, LLC entered into a Power Purchase Agreement (PPA) for SCPPA to purchase all of the energy, environmental attributes, and capacity rights produced from the 200 MW solar facility with a 150 MW 4-hour (600 MWh) BESS for a 25-year term with options to purchase Eland 1 and SCPPA and 69SV 8ME, LLC entered into a PPA for SCPPA to purchase all of the energy, environmental attributes, and capacity rights produced from the 200 MW solar facility with a 150 MW 4-hour (600 MWh) BESS for a 25-year term with options to purchase Eland 2, subject to certain parameters; and

WHEREAS, both Eland 1 and Eland 2 require changes to Appendix S to change the Frequency Rate of Change Response Mode to a Frequency-Watt Curve and Appendix U to change the calculations for the Round-Trip Efficiency Performance Test; and

WHEREAS, the Eland 2 counterparty has requested to increase the energy price from \$39.62/MWh to \$50.20/MWh due to an increase in procurement and construction costs, fuel and delivery costs, battery costs, solar module costs, steel costs for the racking system, and borrowing costs; and

WHEREAS, LADWP has determined that the procurement of energy and environmental attributes from Eland 2 will continue to be the most cost-effective option for ratepayers; and

WHEREAS, LADWP requires extending the Eland 2 Outside Commercial Operation Date (OCOD) to August 1, 2026, to address for delays to the Large Generator Interconnection Agreement (LGIA), and to allow for any future day-for-day delays under the LGIA to extend the OCOD, as specified in section 3.3(e); and

WHEREAS, the Eland 2 counterparty has requested a change to the Tax Equity Component Limitations table in Exhibit 2.5 of the Option Agreement, which has been negotiated by LADWP and SCPPA; and

WHEREAS, notwithstanding Resolution 020 043, delegating to the General Manager (GM) or his designee authority to review and act on material matters to be decided by LADWP for both Eland 1 and Eland 2, LADWP is requesting the Board specifically authorize the GM or his designee to instruct SCPPA to proceed with Amendment No. 2 to the Eland 1 PPA, Amendment No. 1 to the Eland 2 PPA, Amendment No. 2 to the Eland 2 PPA, and Amendment No. 1 to the Eland 2 Option Agreement.

NOW, THEREFORE, BE IT RESOLVED that the GM or his designee is authorized to instruct SCPPA to proceed with Amendment No. 2 to the Eland 1 PPA, Amendment No. 1 to the Eland 2 PPA, Amendment No. 2 to the Eland 2 PPA, and Amendment No. 1 to the Eland 2 Option Agreement substantially in the form of the attached, on file with the Secretary of the Board, on behalf of LADWP.

BE IT FURTHER RESOLVED that authorization and the amendments are exempt pursuant to the General Exemption described in California Environmental Quality Act Guidelines Section 15061(b)(3).

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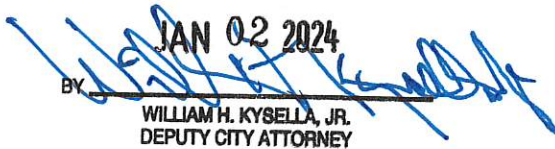
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BE IT FURTHER RESOLVED that the Chief Accounting Employee of LADWP, upon proper certification, is authorized and directed to draw demands on the Power Revenue Fund, over the term of the PSA No. BP 19-015, AA No. BP 19-016, PSA No. BP 19-017, and AA No. BP 19-018, in payment of the obligations incurred by such agreements.

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

Secretary

APPROVED AS TO FORM AND LEGALITY
HYDEE FELDSTEIN SOTO, CITY ATTORNEY

JAN 02 2024
BY 
WILLIAM H. KYSELLA, JR.
DEPUTY CITY ATTORNEY