



Office of the Los Angeles City Attorney
Hydee Feldstein Soto

REPORT NO. **R 25 - 0 3 3 5**

JUL 0 3 2025

REPORT RE:

DRAFT ORDINANCE APPROVING THE FIRST AMENDMENT TO THE WINDY POINT/WINDY FLATS PROJECT POWER SALES AGREEMENT, NO. BP 09-17, BY AND BETWEEN THE CITY OF LOS ANGELES, ACTING BY AND THROUGH THE DEPARTMENT OF WATER AND POWER, AND THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

Honorable Members:

This Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality. The draft ordinance provides for the approval of a First Amendment to the Windy Point/Windy Flats Project (Project) Power Sales Agreement (PSA) (First Amendment) between the City of Los Angeles (City), acting by and through the Department of Water and Power (LADWP), and the Southern California Public Power Authority (SCPPA).

Background

On June 24, 2009, SCPPA and Windy Flats Partners, LLC (PPA Parties) entered into a Power Purchase Agreement (PPA) for SCPPA to purchase all of the energy produced from the 262-megawatt Project for a 20-year delivery term, including purchase option provisions and the option to extend the delivery term for an additional four years. The Project is located in Goldendale, Washington. The Project was selected through the SCPPA 2007 Request for Proposals to acquire renewable energy resources. On

July 21, 2009, the Board adopted Resolution No. 10-046, which approved Project PSA No. BP 09-17 and Project Agency Agreement No. BP 09-18 between LADWP and SCPPA, and Agreement No. BP 09-19 between LADWP and the City of Glendale for the sale and purchase of energy from the Project. The PSA provides for LADWP's purchase of energy from SCPPA that is produced by the Project. On August 1, 2009, the City of Glendale sold and assigned its 7.63 percent contract output entitlement share of the Project to LADWP under the PSA, leaving LADWP as the 100 percent off-taker and sole participant. Windy Flats Partners, LLC, has been meeting the terms of the contract.

On November 29, 2022, the Board approved Resolution 023-095 authorizing the four-year extension contemplated in the PPA.

LADWP and the PPA Parties now seek to extend the Project term by two additional years. This draft ordinance would approve the First Amendment to the PSA that would add an additional two years to the term of the Project (in addition to the previously authorized four-year extension). This amendment supports LADWP's ability to meet Renewables Portfolio Standard requirements and the City's initiative to supply 100 percent zero-carbon energy to end-use customers. Other benefits include a reduction from the original PPA energy price for the extension period, continued delivery of highest valued Renewable Energy Credits, and optimization of existing transmission paths.

Charter Enabling Provisions

City Charter Section 674(a)(2) provides that, subject to approval by ordinance, the Board has the power to contract for the purchase of electrical energy or electric generating capacity.

CEQA Findings

In accordance with the California Environmental Quality Act (CEQA), it has been determined that extending the existing PSA is exempt pursuant to the General Exemption described in CEQA Guidelines Section 15061(b)(3). General Exemptions apply in situations where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Council Rule 38 Referral

Pursuant to Council Rule 38, the draft ordinance has been presented to the Board of Water and Power Commissioners.

If you have any questions, please contact Deputy City Attorney Nirvesh Sikand at (213) 367-4625. A member of this Office will be available when you consider this matter to answer questions you may have.

Sincerely,

HYDEE FELDSTEIN SOTO, City Attorney

By 

MICHAEL J. DUNDAS
Senior Assistant City Attorney

MJD:NS:rb
Transmittal