




Los Angeles
Department of
Water & Power

RESOLUTION NO. 026 036

BOARD LETTER APPROVAL


David Hanson (Aug 21, 2025 18:54:14 PDT)

DAVID W. HANSON
Senior Assistant General Manager
Power System



JANISSE QUIÑONES
Chief Executive Officer and Chief Engineer

DATE: August 21, 2025

SUBJECT: Amendment No. 2 to Agreement No. 47622 for Professional Services and Training for Tripwire Proprietary Software with Tripwire, Inc.

SUMMARY

The proposed Amendment No. 2 (Amendment) to Agreement No. 47622 (Agreement) will add time and funds for the procurement of continuing on-demand professional services and training for Tripwire, Inc. (Tripwire) software used for monitoring and managing LADWP's Bulk Electric System (BES) Cyber Assets in compliance with the mandatory requirements from the North American Electric Reliability Corporation (NERC) Cyber Security Critical Infrastructure Protection (CIP) Reliability Standards and best cyber security industry standards and practices. The cumulative Agreement total will be increased by \$603,000 from \$697,000 to \$1,300,000 (budgeted). The term of the Agreement will be extended by 5 additional years, from September 25, 2025, to September 24, 2030.

LADWP is currently using Tripwire's proprietary software on a day-to-day basis for monitoring and managing its Power System BES Cyber Assets in compliance with the mandatory requirements from the NERC CIP Reliability Standards. It is essential that LADWP continues to have access to professional services and training from Tripwire to assure compliance in accordance with the most current cyber security regulations and minimize LADWP's exposure to penalties and/or sanctions.

City Council approval is required in accordance with Charter Section 373.

RECOMMENDATION

It is recommended that the Board of Water and Power Commissioners (Board) adopt the attached Resolution authorizing approval of the Amendment to the Agreement for professional services and training for Tripwire's proprietary software.

ALTERNATIVES CONSIDERED

There are no alternatives for this procurement. Tripwire's software was selected and has been installed at LADWP's CIP High and Medium Impact Facilities. Tripwire is the sole entity that can provide the professional services and training for ongoing development, upgrading, and maintenance of its proprietary software.

FINANCIAL INFORMATION

The Amendment will increase the not-to-exceed amount of \$697,000 by \$603,000 for a new not-to-exceed amount of \$1,300,000 and extend the term by 5 additional years for a total of ten years.

The not-to-exceed limit is calculated as follows:

| | Original Maximum Amount | Requested Amount | Amended Maximum Amount |
|-----------------------------|-------------------------------|---------------------|------------------------------|
| Original Term (3 Years): | \$550,000 | - | \$550,000 |
| Amendment No. 1 (2 years): | \$147,000 | - | \$147,000 |
| Amendment No. 2 (5 years): | - | \$603,000 | \$603,000 |
| Total Not-to-Exceed Amount: | \$697,000 | \$603,000 | 1,300,000 |

BACKGROUND

NERC CIP Reliability Standards are mandatory cyber security standards that apply to electric utilities that own or manage facilities that are part of the BES and established crucial reliability requirements to safeguard the North American electric grid from cyber and physical security threats.

NERC CIP Reliability Standards were initially approved by the Federal Energy Regulatory Commission (FERC) in 2008. On November 22, 2013, FERC approved Version 5 of the CIP Reliability Standards, which was a significant evolution and progress in mitigating cyber risks to BES. The new version of the standard adopted new complex cyber security controls and extended the scope of the systems protected by the previous version of the standards. The updated requirements became mandatory on July 1, 2016.

Since 2010, LADWP is using Tripwire's proprietary software on a day-to-day basis for monitoring and managing cyber security for LADWP's BES Cyber Assets and

associated devices. These assets are critical electronic components to LADWP's power system. The current implementation of the Tripwire system at LADWP is the product of a continuing evolution and collaboration with Tripwire to address the cyber security controls required by the NERC CIP Standards.

On September 8, 2020, the Board approved Resolution 021-030, thereby approving Agreement No. 47622 for professional services and training for the Tripwire proprietary software. The Agreement was awarded for a term of three years, for an amount not to exceed \$550,000.

On August 15, 2023, the Board approved Resolution 024-024, thereby approving Amendment No. 1 to the Agreement. Amendment No. 1 extended the contract period from September 25, 2023, to September 24, 2025, and increased the Agreement not to exceed to \$697,000.

Amendment No. 2 to the Agreement provides LADWP for professional services and training required for supporting the maintenance of the system configuration at LADWP, as well as to support system changes associated with regulatory change, or as related to best industry standards and practices.

Tripwire has performed satisfactorily on previous and current contracts.

In accordance with the Mayor's Executive Directive No. 4, the City Administrative Officer's (CAO) Report was approved on August 25, 2025.

ENVIRONMENTAL DETERMINATION

Determine item is exempt pursuant to California Environmental Quality Act (CEQA) Guideline 15060(c)(3). In accordance with this section, an activity is not subject to CEQA if it does not meet the definition of a project. Section 15378(b)(4) states that government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment do not meet that definition. Therefore, the amendment of a contract to increase funds for Tripwire software professional services and training is not subject to CEQA.

ATTACHMENTS

- Procurement Summary
- Resolution
- Amendment No. 2
- CAO Report

PROCUREMENT SUMMARY

| | |
|----|--|
| 1. | Vendor: Tripwire, Inc. |
| 2. | Procurement Type: Sole Source |
| 3. | Procurement Details: A. Contract Status: Amendment No. 2 to Agreement No. 47622 B. Bid Advertisement Date: N/A C. Pre-Bid Conference Date: N/A D. Bid/Proposal Due Date: N/A E. Number of Downloads of Solicitation: N/A F. Number of Bids/Proposals Received: N/A G. Protest Received: N/A |
| 4. | Buyer Assigned: Carlos Aguilar |
| 5. | Contract Administrator: Mauricio Guardado |
| 6. | LADWP System/Division: Power System/Power Supply Operations |
| 7. | Contact Person for Item: Robert P. Gonzalez |

A. Summary of Bids Received/Evaluation Rating Summary of Proposals

Not applicable to the Amendment.

B. Evaluation of Proposal

Pricing for Years 4 and 5 are extended to apply to Years 6 through 10. Therefore, pricing is deemed fair and reasonable.

C. Procurement History

| Service/Item History and Vendor Experience– Number of Times Item or Service has been Procured | | | | | |
|---|----------------|----------------------|------------|----------------|--------------------|
| Contract/ PO No. | Contractor | Term of Contract | Start Date | Ending Date | Contract Amount |
| 47622 | Tripwire, Inc. | 5 years | 09/25/2020 | 09/24/2025 | \$697,000 |
| 49458 | Tripwire, Inc. | 3 months | 05/15/2018 | 08/31/2018 | \$19,105 |
| 29660 | Tripwire, Inc. | One Time Purchase | 04/20/2017 | 04/20/2017 | \$24,955 |
| 47479 | Tripwire, Inc. | 1 year | 03/21/2018 | 03/20/2019 | \$140,000 |
| 49397 | Tripwire, Inc. | 1 year | 03/21/2017 | 03/20/2018 | \$150,000 |
| 49282 | Tripwire, Inc. | 1 year | 12/30/2014 | 12/29/2015 | \$150,000 |

D. Local Business Preference Program (LBPP)

Not applicable to the Amendment.

E. Additional Outreach Efforts Taken

Not applicable to the Amendment.

F. Small Business Enterprises (SBE)/Disabled Veterans Business Enterprises (DVBE)/Minority Business Enterprises (MBE)/Women Business Enterprises (WBE)/Other Business Enterprises (OBE) Participation

Not applicable to the Amendment.