### INDUSTRY PUBLIC UTILITIES COMMISSION CITY OF INDUSTRY



REGULAR MEETING AGENDA DECEMBER 10, 2020 8:30 A.M.

President Cory C. Moss Commissioner Michael Greubel Commissioner Cathy Marcucci Commissioner Mark D. Radecki Commissioner Newell W. Ruggles



Location: City Council Chamber, 15651 East Stafford Street, City of Industry, California

Addressing the Commission:

#### **NOTICE OF TELEPHONIC MEETING:**

- Pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, the regular meeting of the IPUC shall be held telephonically. Members of the public shall be able to attend the meeting telephonically and offer public comment by calling the following conference call number: 657-204-3264 and entering the following Conference ID: 978-354-316#. Please be advised that pursuant to the Executive Order, and to ensure the health and safety of the public, Council Chambers will not be open for the meeting, and all public participation must occur by telephone at the number set forth above. Pursuant to the Executive Order, and in compliance with the Americans with Disabilities Act, if you need special assistance to participate in the IPUC meeting (including assisted listening devices), please contact the City Clerk's Office at (626) 333-2211 by 5:00 p.m. on Tuesday, December 8, 2020, to ensure that reasonable arrangements can be made to provide accessibility to the meeting.
- Agenda Items: Members of the public may address the Industry Public Utilities Commission on any matter listed on the Agenda. In order to conduct a timely meeting, there will be a three-minute time limit per person for any matter listed on the Agenda.
- Public Comments (Non-Agenda Items Only): Anyone wishing to address the Industry Public Utilities Commission on an item not on the Agenda may do so during the "Public Comments" period. In order to conduct a timely meeting, there will be a three-minute time limit per person for the Public Comments portion of the Agenda. State law prohibits the IPUC from taking action on a specific item unless it appears on the posted Agenda.

#### Agendas and other writings:

In compliance with Government Code Section 54957.5(b), staff reports and other public records permissible for disclosure related to open session agenda items are available at City Hall, 15625 East Stafford Street, Suite 100, City of Industry, California, at the office of the Secretary of the IPUC during regular business hours, Monday through Thursday, 8:00 a.m. to 5:00 p.m., Fridays 8:00 a.m. to 4:00 pm. City Hall doors open to the public Monday through Friday 9:00 a.m. to 11:30 a.m. and 1:30 p.m. to 3:30 p.m. Any person with a question concerning any agenda item may call the City Clerk's Office at (626) 333-2211

- 1. Call to Order
- 2. Flag Salute
- 3. Roll Call
- 4. Public Comment

#### 5. **CONSENT CALENDAR**

All matters listed under the Consent Calendar are considered to be routine and will be enacted by one vote. There will be no separate discussion of these items unless members of the Industry Public Utilities Commission (IPUC), the public, or staff request specific items be removed from the Consent Calendar for separate action.

5.1 Consideration of the Register of Demands for November 26, 2020

RECOMMENDED ACTION:

Ratify the Register of Demands.

5.2 Consideration of the Register of Demands for December 10, 2020

RECOMMENDED ACTION: Approve the Register of Demands and authorize the appropriate City Officials to pay the bills.

5.3 Consideration of the minutes of the October 8, 2020 regular meeting

RECOMMENDED ACTION:

Approve as submitted.

5.4 Consideration of Amendment No. 2 to Professional Services Agreement with POWER Engineers, Inc. for electrical consulting services, extending the term through December 31, 2021, and increasing compensation by \$25,000.00

RECOMMENDED ACTION:

Approve the Amendment.

5.5 Consideration of Change Order No. 3 in the amount of \$89,950.00, to the agreement with Pacific Utility Installation, Inc., for Installation of Distribution Feeder Cable and Pad Mounted Switches at IBC East and IBC West (Contract No. IPUC-0007)

RECOMMENDED ACTION: Approve Change Order No. 3 in the amount of \$89,950.00 and authorize the President to execute the Change Order.

#### 6. **BOARD MATTERS**

6.1 Consideration of Resolution No. IPUC 2020-05 A RESOLUTION OF THE INDUSTRY PUBLIC UTILITIES COMMISSION ADOPTING THE INDUSTRY PUBLIC UTILITIES RENEWABLE ENERGY RESOURCES PROCUREMENT PLAN, COMPLIANCE PERIOD 3 (2017-2020) PURSUANT TO PUBLIC UTILITIES CODE § 399.30(a) AND AUTHORIZING THE TAKING OF CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

RECOMMENDED ACTION: Adopt Resolution No. IPUC 2020-05.

6.2 Report from the General Manager for the La Puente Valley County Water District regarding the Industry Public Utilities Water Operations

RECOMMENDED ACTION: Receive and file the report.

7. Adjournment. Next regular meeting: Thursday, January 14, 2021 at 8:30 a.m.

#### INDUSTRY PUBLIC UTILITIES COMMISSION

ITEM NO. 5.1

#### **INDUSTRY PUBLIC UTILITIES COMMISSION**

### AUTHORIZATION FOR PAYMENT OF BILLS Board Meeting November 26, 2020

<u>FUND</u>	DESCRIPTION	DISBURSEMENTS
161	IPUC - ELECTRIC	70,330.80
BANK	DESCRIPTION	DISBURSEMENTS
WFBK	IPUC ELECTRIC WELLS FARGO CHK	70,330.80

**APPROVED PER CITY MANAGER** 

#### P. 1

# Industry Public Utilities Commission Wells Fargo Electric - Wire Transfer November 26, 2020

Check	Date		Payee Name		Check Amount
IPUCELEC	C.WF.CHK - IPUC Electric	Wells Fargo CHK			
WT100	10/23/2020		INDUSTRY PUBLIC	CUTILITIES	\$11,051.82
	Invoice	Date	Description	Amount	
	10/23/20	10/23/2020	TRANSFER-OCTOBER IMPUTED PUBLIC BENEFIT	\$11,051.82	

Check	Status	Count	Transaction Amount
	Total	1	\$11,051.82

#### Industry Public Utilities Commission Wells Fargo - Electric November 26, 2020

Check	Date	10-1	Payee Name		Check Amoun
IPUCELE	C.WF.CHK - IPUC Electric W	ells Fargo CHK			
10628	11/12/2020		FRONTIER		\$1,852.1
	Invoice	Date	Description	Amount	φ1,002.13
	2021-00000800	10/28/2020	10/28-11/27/20 SVC - EM-21912 GARCIA LN	\$74.39	
	2021-00000801	10/28/2020	10/28-11/27/20 SVC - EM-21700 BAKER PKY BLDG 23	\$56.74	
	2021-00000802	10/28/2020	10/28-11/27/20 SVC - EM-179 S. GRAND AVE	\$40.99	
	2021-00000803	10/25/2020	10/25-11/24/20 SVC - EM-21760 GARCIA LN	\$74.39	
	2021-00000804	10/25/2020	10/25-11/24/20 SVC - EM-21535 BAKER PKWY BLDG 20	\$56.74	•
	2021-00000805	11/01/2020	11/01-11/30/20 SVC - GS-21650 VALLEY BLVD	\$56.74	
	2021-0000806	11/01/2020	11/01-11/30/20 SVC - GS-21700 VALLEY BLVD	\$60.51	
	2021-00000807	11/01/2020	11/01-11/30/20 SVC - VARIOUS GENERATOR SITES	\$1,431.69	
10629	11/18/2020		FRONTIER		\$168.38
	Invoice	Date	Description	Amount	Ψ100.00
	2021-00000819	11/04/2020	11/04-12/03/20 SVC - EM-21858 GARCIA LN	\$74.39	
	2021-00000820	11/04/2020	11/04-12/03/20 SVC - GS-21620 VALLEY BLVD	\$60.51	
	2021-00000839	11/07/2020	11/07-12/06/20 SVC - GS-408 BREA CYN RD	\$33.48	
10630	11/18/2020		SO CALIFORNIA EDI	SON COMPANY	\$15,218.99
	Invoice	Date	Description	Amount	7.5,2.5.00
	2021-00000821	11/07/2020	10/01-11/01/20 SVC - 208 S WADDINGHAM WAY	\$15,218.99	
10631	11/18/2020		SOCALGAS	TARREST TO STATE OF THE STATE O	\$50.00
	Invoice	Date	Description	Amount	,
	2021-00000840	11/09/2020	10/01-11/01/20 SVC - 1 INDUSTRY HILLS PKWY UNIT B	\$50.00	
10632	11/18/2020		TPX COMMUNICATION	DNS	\$953.28
	Invoice	Date	Description	Amount	7.2.3120

#### Industry Public Utilities Commission Wells Fargo - Electric November 26, 2020

Check	Date			Payee Name	Check Amount
IPUCELE	C.WF.CHK - IPUC Electric \	Wells Fargo CHK			
	135836211-0	10/23/2020	INTERNET SVC-SUBSTATION	\$953.28	
10633	11/26/2020			APPLIED METERING TECHNOLOGIES	<b>60 727 6</b> 4
	Invoice	Date	Description	Amount	\$8,737.64
	6484	11/16/2020	UTILITY OPERATIONS-NOV 2020	\$8,737.64	
10634	11/26/2020			BUTSKO UTILITY DESIGN INC.	\$4,080.00
	Invoice	Date	Description	Amount	Ψ1,000.00
	185896	10/30/2020	UTILITY ENG SVC-SEP 2020	\$4,080.00	
10635	11/26/2020		W	CNC ENGINEERING	\$23,577.50
	Invoice	Date	Description	Amount	7=0,000
	501965	11/12/2020	CITY ELECTRICAL FACILITIES	\$7,975.00	
	501966	11/12/2020	66KV SUBSTATION	\$645.00	
	501968	11/12/2020	INSTALLATION OF DIST FEEDER CABLE	•	
	501967	11/12/2020	ELEC CAPITAL IMPROVEMENTS AT IBC	\$430.00	
10636	11/26/2020			PACIFIC UTILITY INSTALLATION	\$4,641.00
	Invoice	Date	Description	Amount	Ψ4,041.00
	22559	10/30/2020	SUBSTANTION MAINT	\$4,200.00	
	22560	10/30/2020	SUBSTATION MAINT	\$441.00	

Checks	Status	Count	Transaction Amount
	Total	9	\$59,278,98

#### INDUSTRY PUBLIC UTILITIES COMMISSION

ITEM NO. 5.2

#### **INDUSTRY PUBLIC UTILITIES COMMISSION**

### AUTHORIZATION FOR PAYMENT OF BILLS Board Meeting December 10, 2020

<u>FUND</u>	DESCRIPTION	DISBURSEMENTS
161 560	IPUC ELECTRIC FUND IPUC WATER FUND	342,182.56 17,139.15
TOTAL ALL FUND	os .	359,321.71
<u>BANK</u>	DESCRIPTION	DISBURSEMENTS
IPUCELEC.WF IPUC.CHK	IPUC ELECTRIC WELLS FARGO CKING IPUC WATER BOFA CKING	342,182.56 17,139.15
TOTAL ALL BANK	SS SS	359,321.71

#### **APPROVED PER CITY MANAGER**

#### Industry Public Utilities Commission Wells Fargo - Electric December 10, 2020

Check	Date		Payee Name		Check Amoun
IPUCELE	C.WF.CHK - IPUC Electric We	ells Fargo CHK			
10637	11/24/2020		11/30/2020 CALPINE ENERGY	SOLUTIONS LLC	\$94,740.73
	Invoice	Date	Description	Amount	Ψ54,740.73
	203280013656955	11/23/2020	WHOLESALE USE-OCT 2020	\$94,740.73	
10638	11/24/2020		FRONTIER		\$360.77
	Invoice	Date	Description	Amount	4000
	2021-00000845	11/10/2020	11/10-12/09/20 SVC - GS-747 S. ANAHEIM PUENTE RD	\$172.90	
	2021-00000846	11/10/2020	11/10-12/09/20 SVC - EM-21508 BAKER PKWY BLDG 22	\$56.74	
	2021-00000847	11/10/2020	11/10-12/09/20 SVC - GS-21640 VALLEY BLVD	\$56.74	
	2021-00000848	11/10/2020	11/10-12/09/20 SVC - EM-21808 GARCIA LN	\$74.39	
10639	11/24/2020		SO CALIFORNIA E	DISON COMPANY	\$11,154.88
	Invoice	Date	Description	Amount	, ,
	7501203294	11/19/2020	10/01-10/31/20 SVC - 745 ANAHEIM-PUENTE RD	\$1,027.46	
	7501203304	11/19/2020	10/01-10/31/20 SVC - 133 N. AZUSA AVE	\$1,860.71	
	7501203305	11/19/2020	10/01-10/31/20 SVC - 208 S. WADDINGHAM WAY	\$8,266.71	
10640	12/02/2020		FRONTIER		\$298.49
	Invoice	Date	Description	Amount	,
	2021-00000889	11/19/2020	11/19-12/18/20 SVC - EM-21415 BAKER PKWY	\$56.74	
	2021-00000890	11/16/2020	11/16-12/15/20 SVC - GS-208 OLD RANCH RD	\$53.88	
	2021-00000891	11/19/2020	11/19-12/18/20 SVC - EM-21438 BAKER PKWY BLDG 25	\$56.74	
	2021-00000911	11/25/2020	11/25-12/24/20 SVC - EM-21535 BAKER PKWY BLDG 20	\$56.74	
	2021-00000912	11/25/2020	11/25-12/24/20 SVC - EM-21760 GARCIA LN	\$74.39	
10641	12/10/2020		ASTRUM UTILITY S	SERVICES, LLC	\$15,100.00
	Invoice	Date	Description	Amount	+ .5, .55.00

#### Industry Public Utilities Commission Wells Fargo - Electric December 10, 2020

Check	Date		Payee Name		Check Amount
IPUCELEC	C.WF.CHK - IPUC Electric \	Wells Fargo CHK			
	112001	12/01/2020	CONSULTING FOR IPUC-NOV 2020	\$15,100.00	
10642	12/10/2020	Page Page Page Page Page Page Page Page	BUTSKO UTILITY	DESIGN INC.	\$3,460.00
	Invoice	Date	Description	Amount	72,
	188187	11/23/2020	UTILITY ENG SVC-OCT 2020	\$3,230.00	
	188189	11/23/2020	UTILITY ENG SVC-OCT 2020	\$230.00	
10643	12/10/2020		CNC ENGINEERIN	G	\$17,805.00
	Invoice	Date	Description	Amount	, ,
	502032	11/25/2020	INSTALLATION OF DIST FEEDER CABLE	\$8,905.00	
	502033	11/25/2020	CITY ELECTRICAL FACILIITES	\$8,900.00	
10644	12/10/2020		PACIFIC UTILITY I	NSTALLATION	\$198,942.01
	Invoice	Date	Description	Amount	, ,
	#7IPUC-007	11/01/2020	INSTALLATION OF DIST FEEDER CABLE-IBC EAST & W	\$209,412.64	
10645	12/10/2020		POWER ENGINEE	RS INCORPORATED	\$320.68
	Invoice	Date	Description	Amount	
	382178	11/18/2020	REMOTE MONITORING-WADDINGHAM STATION	\$320.68	

Checks	Status	Count	Transaction Amount
	Total	9	\$342,182.56

#### Industry Public Utilities Commission Bank of America - Water December 10, 2020

Check	Date		Payee Name		Check Amount
IPUC.CH	C - IPUC Water BofA Checkin	ng			
40478	11/18/2020		SO CALIFORN	IA EDISON COMPANY	\$14,792.92
	Invoice	Date	Description	Amount	
	2021-00000836	11/04/2020	10/01-10/30/20 SVC - 1991 WORKMAN MILL U	\$14,792.92	
40479	12/10/2020		ROWLAND WA	ATER DISTRICT	\$2,346.23
	Invoice	Date	Description	Amount .	
	I-10/31/2020-A	10/31/2020	CONTRACT SVC - OCTOBER 2020	\$1,712.45	
	I-10/31/2020-B	10/31/2020	CONTRACT SVC - OCTOBER 2020	\$633.78	

Checks	Status	Count	<b>Transaction Amount</b>
	Total	2	\$17,139.15

#### INDUSTRY PUBLIC UTILITIES COMMISSION

ITEM NO. 5.3

#### INDUSTRY PUBLIC UTILITIES COMMISSION REGULAR MEETING MINUTES CITY OF INDUSTRY, CALIFORNIA OCTOBER 8, 2020 PAGE 1

#### CALL TO ORDER

The Regular Meeting of the Industry Public Utilities Commission of the City of Industry, California, was called to order by President Cory C. Moss at 9:00 a.m., telephonically using Conference Call Number 657-204-3264, Conference ID: 696 813 255#.

#### **ROLL CALL**

PRESENT: Cory C. Moss, President

Michael Greubel, Commissioner Cathy Marcucci, Commissioner Mark D. Radecki, Commissioner Newell W. Ruggles, Commissioner

STAFF PRESENT: Bing Hyun, Assistant City Manager; Director of Public Works/City Engineer/Assistant City Manager, Josh Nelson; James M. Casso, General Counsel; and Julie Robles, Secretary.

#### **PUBLIC COMMENTS**

There were no public comments.

#### **CONSENT CALENDAR**

5.1 CONSIDERATION OF THE REGISTER OF DEMANDS FOR SEPTEMBER 24, 2020

RECOMMENDED ACTION:

Ratify the Register of Demands.

5.2 CONSIDERATION OF THE REGISTER OF DEMANDS FOR OCTOBER 8, 2020

RECOMMENDED ACTION: Approve the Register of Demands and authorize the appropriate City Officials to pay the bills.

5.3 CONSIDERATION OF THE MINUTES OF THE SEPTEMBER 10, 2020 REGULAR MEETING

RECOMMENDED ACTION:

Approve as submitted.

#### INDUSTRY PUBLIC UTILITIES COMMISSION REGULAR MEETING MINUTES CITY OF INDUSTRY, CALIFORNIA OCTOBER 8, 2020 PAGE 2

MOTION BY COMMISSIONER MARCUCCI, AND SECOND BY COMMISSIONER GREUBEL TO APPROVE THE CONSENT CALENDAR AS SUBMITTED. MOTION CARRIED 5-0, BY THE FOLLOWING VOTE:

AYES:

**COMMISSIONERS:** 

GREUBEL, MARCUCCI, RADECKI,

RUGGLES, P/MOSS

NOES:

COMMISSIONERS:

NONE NONE

ABSENT: ABSTAIN: COMMISSIONERS: COMMISSIONERS:

NONE

#### **BOARD MATTERS**

6.1 CONSIDERATION OF A PROFESSIONAL SERVICES AGREEMENT WITH THE TECHNOLOGY DEPOT INC., TO PROVIDE INFORMATION TECHNOLOGY SUPPORT ON THE REMOTE MONITORING OF WADDINGHAM SUBSTATION, IN AN AMOUNT NOT-TO-EXCEED \$30,000.00 THROUGH DECEMBER 31, 2021 (MP 02-05 #7)

RECOMMENDED ACTION:

Approve the Agreement.

Director of Public Works/City Engineer/Assistant City Manager, Josh Nelson provided a staff report and was available to answer any questions.

MOTION BY PRESIDENT MOSS, AND SECOND BY COMMISSIONER MARCUCCI TO APPROVE THE AGREEMENT. MOTION CARRIED 5-0, BY THE FOLLOWING VOTE:

AYES:

COMMISSIONERS:

GREUBEL, MARCUCCI, RADECKI,

**RUGGLES. P/MOSS** 

NOES:

**COMMISSIONERS:** 

NONE

ABSENT:

COMMISSIONERS:

NONE

ABSTAIN:

**COMMISSIONERS:** 

NONE

6.2 REPORT FROM THE GENERAL MANAGER FOR THE LA PUENTE VALLEY COUNTY WATER DISTRICT REGARDING THE INDUSTRY PUBLIC UTILITIES WATER OPERATIONS

RECOMMENDED ACTION:

Receive and file the report.

#### INDUSTRY PUBLIC UTILITIES COMMISSION REGULAR MEETING MINUTES CITY OF INDUSTRY, CALIFORNIA OCTOBER 8, 2020 PAGE 3

Greg Galindo, General Manager of the La Puente Valley County Water District, provided a staff report and was available to answer any questions. Mr. Galindo also announced that he will be retiring from the District and will be embarking on a new opportunity with a private water utility. Effective November 1, 2020 Mr. Roy Frausto, who is currently the District's Assistant General will assume the position of General Manager.

Mayor Moss thanked Mr. Galindo for all his service that was provided with great leadership, openness and thorough communication. Mayor Pro Tem Marcucci said Mr. Galindo would be very missed and was sorry we could not say good-bye in person due to COVID-19 and wished him well in the future.

MOTION BY COMMISSIONER RADECKI, AND SECOND BY COMMISSIONER MARCUCCI TO RECEIVE AND FILE THE REPORT. MOTION CARRIED 5-0, BY THE FOLLOWING VOTE:

AYES:

COMMISSIONERS:

GREUBEL, MARCUCCI, RADECKI,

RUGGLES, P/MOSS

NOES:

COMMISSIONERS:

NONE

ABSENT:

COMMISSIONERS:

NONE

ABSTAIN:

COMMISSIONERS:

NONE

#### **ADJOURNMENT**

**SECRETARY** 

There being no further business, the Industry Public Utilities Commission adjourned at 8:43 a.m.

	CORY C. MOSS PRESIDENT	
JULIE ROBLES		

#### INDUSTRY PUBLIC UTILITIES COMMISSION

ITEM NO. 5.4



## INDUSTRY PUBLIC UTILITIES COMMISSION

#### **MEMORANDUM**

TO:

Honorable President Moss and Commissioners

FROM:

Troy Helling, Public Utilities Director

STAFF:

Joshua Nelson, IPU Engineer

Dev Birla, Operations Manager, CNC Engineering

DATE:

December 10, 2020

SUBJECT:

Consideration of Amendment No. 2 to Professional Services Agreement with POWER Engineers, Inc. for electrical consulting services, extending the term through December 31, 2021, and increasing compensation by

\$25,000.00

#### Background:

On April 11, 2019, the Commission approved the Professional Services Agreement ("Agreement") with POWER Engineers, Inc. ("PEI") for electrical consulting services. The scope of work includes providing engineering support to enable remote monitoring of the Waddingham Substation, evaluation of the grounding grid, cyber security, ETAP system model and updating the Spill Prevention Control and Counter Measures ("SPCC") Plan. On October 10, 2019, the Commission approved Amendment No.1 to include travel and other reimbursable expenses.

To date, PEI has completed most of the engineering work and has submitted drawings to issue for construction, but there is still some work left and need to be completed. In the meantime, term of the Agreement expired on June 30, 2020 and only \$2,000 is left in the budget which will not cover the remaining work.

#### Discussion:

Staff is recommending Amendment No. 2 to the Agreement as several items in the scope of services are not yet completed. The scope of remaining services include the configuration of the SEL 3355 computer, SEL-RTAC and TEAMS/Meter Reports,

updating and upgrading of software and licenses of Citect-HMI and the firmware of the SEL-RTAC, including the final commissioning of all of this equipment. The term of the Agreement has expired and requires an extension to complete the remaining work, some items that have taken longer to complete than expected, and therefore increase compensation by \$25,000.00. The items took longer than expected include:

- Grounding Grid Report Soil Resistivity test data at substation and in its vicinity, running multiple contingency cases to ensure compliance with Institute of Electrical and Electronics Engineers 80 for safety of workers and public and guidance on substation fence isolation
- <u>Protection Coordination Report</u> Creating a comprehensive protection criteria to understand and explain the protection schemes at the substation and to determine gaps in the protection scheme and mitigate those gaps for safe operation of substation
- <u>Firewall and Network Criteria</u> Ongoing meetings and follow up with IPU staff and coordination with IPU's Consultant, the Technology Depot, to determine the correct devices and model numbers for firewall, Ethernet Switch and Network Video Recorder

#### Fiscal Impact:

The fiscal impact for Amendment No. 2 is \$25,000.00. In the Capital Improvement Project budget for fiscal year 2020-2021, \$70,000 was approved for the remote monitoring of Waddingham Substation (Account No.120-718-5205, MP 02-05#7).

#### Recommendation:

It is recommended that the Commission approve Amendment No. 2 to the Professional Services Agreement with POWER Engineers, Inc.

#### Exhibit:

A. Amendment No. 2 to the Professional Services Agreement with POWER Engineers, Inc., dated December 10, 2020

TH/JN/DB:jf

#### EXHIBIT A

Amendment No. 2 to the Professional Services Agreement with POWER Engineers, Inc., dated December 10, 2020

[Attached]

#### AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT WITH POWER ENGINEERS, INC.

This Amendment No. 2 to the Professional Services Agreement ("Agreement") is made and entered into this 10th day of December 2020, ("Effective Date") by and between the Industry Public Utilities, a public agency organized and existing under the laws of the State of California, ("IPU") and POWER Engineers, Incorporated an Idaho corporation, ("Consultant"). The IPU and Consultant are hereinafter collectively referred to as the "Parties."

#### **RECITALS**

WHEREAS, on or about April 11, 2019, the IPU and Consultant entered into the Agreement to provide engineering support to enable remote monitoring of Waddingham Substation, evaluation of grounding grid, cyber security, ETAP system model and update Spill Prevention Control and Counter Measures Plan; and

WHEREAS, on or about October 10, 2019, Amendment No. 1 was approved for Consultant to travel to the Waddingham Substation to verify the information on drawings to ensure the accuracy of the drawings, and to travel for site visits to the ENCO Facility in Hemet for the work on the interface for remote monitoring of Waddingham Substation; and

WHEREAS, the Agreement expired on June 30, 2020 and there are ongoing services the Consultant must complete, therefore the Parties desire to extend the term through December 31, 2021 and increase compensation by \$25,000.00; and

WHEREAS, for the reasons set forth herein, the IPU and Consultant desire to enter into this Amendment No. 2, as set forth below.

#### **AMENDMENT**

**NOW, THEREFORE,** in consideration of the mutual covenants, promises and agreements set forth herein, it is agreed the aforesaid Agreement, a copy of which is attached hereto and incorporated herein by reference, shall remain in full force and effect except as otherwise hereinafter provided:

As of April 11, 2019, all instances of the term "Industry Public Utilities Commission" shall mean "Industry Public Utilities".

#### 1. TERM

This Agreement shall commence on July 1, 2020, and shall remain and continue in effect until tasks described herein are completed, but in no event later than December 31, 2021 unless sooner terminated pursuant to the provisions of this Agreement.

#### 4. PAYMENT

Second sentence of Section 4(a) is hereby revised to read in its entirety as follows:

The total Agreement amount shall not exceed One Hundred Eighty Five Thousand Dollars (\$185,000.00) for the total Term of the Agreement unless additional payment is approved as provided in this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Amendment No. 2 to the Agreement as of the Effective Date.

"IPU" Industry Public Utilities	"CONSULTANT" POWER Engineers, Inc.
By:Troy Helling, Public Utilities Director	By: Greg Clark, Senior Project Manager
Attest:	
By:  Julie Gutierrez-Robles, Commission Secretary	_ /
APPROVED AS TO FORM	
By: James M. Casso, General Counsel	

#### **EXHIBIT A TO AMENDMENT NO. 2**

### PROFESSIONAL SERVICES AGREEMENT WITH POWER ENGINEERS, INC. DATED APRIL 11, 2019

### INDUSTRY PUBLIC UTILITIES COMMISSION PROFESSIONAL SERVICES AGREEMENT

This PROFESSIONAL SERVICES AGREEMENT ("Agreement"), is made and effective as of April 11, 2019 ("Effective Date"), between the Industry Public Utilities Commission ("IPUC") and POWER Engineers, Incorporated, an Idaho corporation, ("Consultant"). The IPUC and Consultant are hereinafter collectively referred to as the "Parties".

#### **RECITALS**

WHEREAS, IPUC desires to engage Consultant to perform the services described herein, and Consultant desires to perform such services in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, IPUC and Consultant agree as follows:

#### 1. TERM

This Agreement shall commence on the Effective Date, and shall remain and continue in effect until tasks described herein are completed, but in no event later than June 30, 2020, unless sooner terminated pursuant to the provisions of this Agreement.

#### 2. <u>SERVICES</u>

- (a) Consultant shall perform the tasks ("Services") described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full. ("Scope of Services"). Tasks other than those specifically described in the Scope of Services shall not be performed without prior written approval of the IPUC. The Services shall be performed by Consultant, unless prior written approval is first obtained from the IPUC. In the event of conflict or inconsistency between the terms of this Agreement and Exhibit A, the terms of this Agreement shall prevail.
- (b) IPUC shall have the right to request, in writing, changes to the Services. Any such changes mutually agreed upon by the Parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement.
- (c) Consultant shall perform all Services in a manner reasonably satisfactory to the IPUC and in a first-class manner in conformance with the standards of quality normally observed by an entity providing engineering consulting services, serving a municipal agency.
- (d) Consultant shall comply with all applicable federal, state, and local laws, regulations and ordinances in the performance of this Agreement, including but not limited to, the conflict of interest provisions of Government Code Section 1090 and the Political Reform Act (Government Code Section 81000 *et seq.*)). During the term of this Agreement, Consultant shall not perform any work for another person or entity for whom

Consultant was not working on the Effective Date if both (i) such work would require Consultant to abstain from a decision under this Agreement pursuant to a conflict of interest statute or law; and (ii) IPUC has not consented in writing to Consultant's performance of such work. No officer or employee of IPUC shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 et seq. Consultant hereby warrants that it is not now, nor has it been in the previous twelve (12) months, an employee, agent, appointee, or official of the IPUC. Consultant was an employee, agent, appointee, or official of the IPUC in the previous twelve (12) months, Consultant warrants that it did not participate in any manner in the forming of this Agreement. Consultant understands that, if this Agreement is made in violation of Government Code §1090 et. seq., the entire Agreement is void and Consultant will not be entitled to any compensation for Services performed pursuant to this Agreement, and Consultant will be required to reimburse the IPUC for any sums paid to the Consultant. Consultant understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code § 1090 and, if applicable, will be disqualified from holding public office in the State of California.

(e) Consultant represents that it has, or will secure at its own expense, all licensed personnel required to perform the Services. All Services shall be performed by Consultant or under its supervision, and all personnel engaged in the Services shall be qualified and licensed to perform such services.

#### 3. MANAGEMENT

IPUC's Public Utilities Director or his designee shall represent the IPUC in all matters pertaining to the administration of this Agreement, review and approval of all products submitted by Consultant, but shall have no authority to modify the Services or the compensation due to Consultant.

#### 4. PAYMENT

- (a) The IPUC agrees to pay Consultant monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit B ("Rate Schedule"), attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the above tasks. This amount shall not exceed One Hundred Sixty Thousand Dollars (\$160,000.00) for the total Term of the Agreement unless additional payment is approved as provided in this Agreement.
- (b) Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the IPUC. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by IPUC and Consultant at the time IPUC's written authorization is given to Consultant for the performance of said services.
- (c) Consultant shall submit invoices monthly for actual services performed. Invoices shall be submitted on or about the first business day of each month, or as soon thereafter as

practical, for services provided in the previous month. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the IPUC disputes any of Consultant's fees it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice. Any final payment under this Agreement shall be made within 45 days of receipt of an invoice therefore.

#### 5. SUSPENSION OR TERMINATION OF AGREEMENT

- (a) The IPUC may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the Consultant at least ten (10) days prior written notice. Upon receipt of said notice, the Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the IPUC suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.
- (b) In the event this Agreement is terminated pursuant to this Section, the IPUC shall pay to Consultant the actual value of the work performed up to the time of termination, provided that the work performed is of value to the IPUC. Upon termination of the Agreement pursuant to this Section, the Consultant shall submit an invoice to the IPUC pursuant to Section 5 of this Agreement.

#### 6. OWNERSHIP OF DOCUMENTS

- (a) Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by IPUC that relate to the performance of services under this Agreement. Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of IPUC or its designees at reasonable times to review such books and records; shall give IPUC the right to examine and audit said books and records; shall permit IPUC to make transcripts or copies therefrom as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.
- (b) Upon completion of, or in the event of termination or suspension of this Agreement, and upon final payment of all undisputed invoices, all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of the IPUC and may be used, reused, or otherwise disposed of by the IPUC without the permission of the Consultant. The IPUC shall not gain ownership of any intellectual property of Consultant that was used to create the services. With respect to computer files, Consultant shall make available to the IPUC, at the Consultant's office, and upon reasonable written request by the IPUC, the necessary computer software and hardware for purposes of accessing, compiling, transferring, copying and/or printing computer files. Consultant shall grants to IPUC a non-exclusive, perpetual,

royalty-free, world-wide, limited license under copyright to use all reports, documents, or other written material developed by Consultant in the performance of the Services pursuant to this Agreement, shall be and remain the property of the Consultant.

#### 7. INDEMNIFICATION

#### (a) Indemnity for professional liability

When the law establishes a professional standard of care for Consultant's Services, to the fullest extent permitted by law, Consultant shall indemnify, protect, defend and hold harmless the IPUC and any and all of its officials, and employees ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including legal counsel's fees and costs caused in whole or in part by any negligent or wrongful act, error or omission of Consultant, its officers, agents, employees or Subconsultants (or any agency or individual that Consultant shall bear the legal liability thereof) in the performance of professional services under this Agreement.

#### (b) Indemnity for other than professional liability

Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless IPUC, and any and all of its employees, and officials from and against any liability (including liability for claims, suits, actions, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including legal counsel fees and costs, court costs, interest, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the negligent\_performance of this Agreement by Consultant or by any individual or agency for which Consultant is legally liable, including but not limited to officers, agents, employees or subcontractors of Consultant.

(c) <u>DUTY</u>. In the event the IPUC, its officers, employees, and/or volunteers are made a party to any action, claim, lawsuit, or other adversarial proceeding arising from the comparatively negligent performance of the services encompassed by this Agreement, and upon demand by IPUC, Consultant shall have an immediate duty to mutually consult the IPUC at Consultant's cost or at IPUC's option, to reimburse the IPUC for its costs of defense, including reasonable attorney's fees and costs incurred in the defense of such matters to the extent that any liability arises out of the negligent acts or omissions of Consultant.

In the event of any dispute between Consultant and IPUC, as to whether liability arises from the sole negligence of the IPUC or its officers, employees, or agents, Consultant will be obligated to pay for IPUC's defense until such time as a final judgment has been entered adjudicating the IPUC as comparatively negligent. Consultant will entitled in the event of such a determination to any reimbursement of defense costs including but not limited to fees, expert fees and costs of litigation.

#### 8. INSURANCE

Consultant shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit C attached hereto and incorporated herein by reference.

#### 9. INDEPENDENT CONSULTANT

- (a) Consultant is and shall at all times remain as to the IPUC a wholly independent consultant and/or independent contractor. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultants exclusive direction and control. Neither IPUC nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the IPUC. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against the IPUC, or bind the IPUC in any manner.
- (b) No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, IPUC shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for IPUC. IPUC shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

#### 10. LEGAL RESPONSIBILITIES

The Consultant shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Consultant shall at all times observe and comply with all such laws and regulations. The IPUC, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this Section.

#### 11. UNDUE INFLUENCE

Consultant declares and warrants that no undue influence or pressure was used against or in concert with any officer or employee of the IPUC in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the IPUC has or will receive compensation, directly or indirectly, from Consultant, or from any officer, employee or agent of Consultant, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling the IPUC to any and all remedies at law or in equity.

#### 12. NO BENEFIT TO ARISE TO LOCAL OFFICERS AND EMPLOYEES

No member, officer, or employee of IPUC, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Project during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the Project performed under this Agreement.

#### 13. RELEASE OF INFORMATION/CONFLICTS OF INTEREST

(a) All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without IPUC's prior written authorization. Consultant, its officers, employees, agents, or subconsultants, shall not without written authorization from the IPUC, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within the IPUC, unless otherwise required by law or court order. Consultant shall promptly notify IPUC should Consultant, its officers, employees, agents, or subconsultants be served with any summons, complaint, subpoena, notice of deposition. request for documents, interrogatories, request for admissions, or other discovery request ("Discovery"), court order, or subpoena from any person or party regarding this Agreement and the work performed there under or with respect to any project or property located within the IPUC, unless Consultant is prohibited by law from informing the IPUC of such Discovery, court order or subpoena. IPUC retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding as allowed by law. Unless IPUC is a party to the lawsuit, mediation or administrative proceeding and is adverse to Consultant in such proceeding, Consultant agrees to cooperate fully with the IPUC and to provide the opportunity to review any response to discovery requests provided by Consultant. However, IPUC's right to review any such response does not imply or mean the right by IPUC to control, direct, or rewrite said response.

#### 14. NOTICES

Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice:

To IPUC:

Industry Public Utilities Commission 15625 E. Stafford, Suite 100 City of Industry, CA 91744

Attention: Troy Helling, Public Utilities Director

With a Copy to:

James M. Casso, Legal Counsel

Casso & Sparks, LLP

13200 Crossroads Parkway North, Suite 345

City of Industry, CA 91746

To Consultant:

POWER Engineers, Inc.

3944 Murphy Canyon Road, Suite 100

San Diego, CA 92123

Attention: Hector Esquer, PE, Project Manager

#### 15. ASSIGNMENT

The Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the IPUC.

Before retaining or contracting with any subconsultant for any services under this Agreement, Consultant shall provide IPUC with the identity of the proposed subconsultant, a copy of the proposed written contract between Consultant and such subconsultant which shall include and indemnity provision similar to the one provided herein and identifying IPUC as an indemnified party, or an incorporation of the indemnity provision provided herein, and proof that such proposed subconsultant carries insurance at least equal to that required by this Agreement or obtain a written waiver from the IPUC for such insurance.

Notwithstanding Consultant's use of any subconsultant, Consultant shall be responsible to the IPUC for the performance of its subconstultant as it would be if Consultant had performed the Services itself. Nothing in this Agreement shall be deemed or construed to create a contractual relationship between the IPUC and any subconsultant employed by Consultant. Consultant shall be solely responsible for payments to any subconsultants. Consultant shall indemnify, and hold harmless the Indemnified Parties for any claims arising from, or related to, the negligent services performed by a subconsultant under this Agreement.

#### 16. GOVERNING LAW/ATTORNEYS' FEES

The IPUC and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court in Los Angeles County, California. If any action at law or suit in equity is brought to enforce or interpret the provisions of this Agreement, or arising out of or relating to the Services provided by Consultant under this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and all related costs, including costs of expert witnesses and consultants, as well as costs on appeal, in addition to any other relief to which it may be entitled.

#### 17. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the Parties relating to the obligations of the Parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written and pertaining to the subject of this Agreement or with respect to the terms and conditions of this Agreement, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

#### 18. SEVERABILITY

If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to, the extent necessary to cure such invalidity or unenforceability, and in its amended form shall be enforceable. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

#### 19. COUNTERPARTS

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

#### 20. CAPTIONS

The captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and shall have no significance in the interpretation of this Agreement.

#### 21. WAIVER

The waiver by IPUC or Consultant of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or any other term, covenant or condition herein contained. No term, covenant or condition of this Agreement shall be deemed to have been waived by IPUC or Consultant unless in writing.

#### 22. REMEDIES

Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or

the forbearance of the exercise by any party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such party of any of all of such other rights, powers or remedies.

Any and all disputes, controversies or claims between the Parties to this Agreement, if not settled within twenty (20) days following written notice of such dispute, shall be referred to senior management of the Parties for resolution. In the event the Parties are unable to settle the dispute through senior management negotiations as set forth above, all remaining controversies or claims shall then be submitted to mediation within ten (10) days from written notice by either Party to the other of the conclusion of senior management negotiations. Mediation shall follow the Commercial Mediation Rules published by the American Arbitration Association. The Parties shall share equally the costs and fees of the mediator and each Party shall pay its own costs and attorneys' fees incurred in mediation or any subsequent litigation. Unless the Parties agree otherwise, mediation shall be held in Los Angeles County, California. This agreement to mediate and any other agreement or consent to mediate entered into in accordance with this Agreement shall be specifically enforceable under the prevailing law of any court having jurisdiction. In the event the dispute has not been resolved within thirty (30) days following mediation, or such longer period as the Parties may agree, either Party may initiate formal proceedings against the other Party.

Consultant and the IPUC waive, to the fullest extent permitted by law, any right they may have to receive damages from the other Party based on any theory of liability for any special, indirect, consequential (including lost profits), exemplary or punitive damages.

NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT TO THE CONTRARY, THE IPUC AGREES TO LIMIT THE CONSULTANT'S LIABILITY TO THE IPUC AND TO ALL PERSONS HAVING CONTRACTUAL RELATIONSHIPS WITH THE IPUC TO THE AMOUNT OF INSURANCE UNDER EXHIBIT C.

#### 23. <u>AUTHORITY TO EXECUTE THIS AGREEMENT</u>

The person or persons executing this Agreement on behalf of Consultant represents and warrants that he/she has the authority to execute this Agreement on behalf of the Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

#### 24. <u>LIMITATION OF LIABILITY</u>

NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT TO THE CONTRARY, THE IPUC AGREES TO LIMIT THE CONSULTANT'S LIABILITY TO THE IPUC AND TO ALL PERSONS HAVING CONTRACTUAL RELATIONSHIPS WITH THE IPUC TO THE AMOUNT OF INSURANCE UNDER EXHIBIT C.

#### 25. <u>MUTUAL WAIVER OF CONSEQUENTIAL DAMAGES</u>

Consultant and the IPUC waive, to the fullest extent permitted by law, any right they may have to receive damages from the other Party based on any theory of liability for any special, indirect, consequential (including lost profits), exemplary or punitive damages.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the Effective Date.

'IPUC"	"CONSULTANT"
ndustry Public Utilities Commission	POWER Engineers, Inc.

Ву	By Sherlah
Troy Helling, Public Utilities Director	Greg Clark, Sr. Project Manager

Approved as to form:

Attachments:

Attest

Exhibit A Scope of Services

Exhibit B Rate Schedule

Exhibit C Insurance Requirements

#### **EXHIBIT A**

#### SCOPE OF SERVICES

#### Consultant shall provide the following Services:

- 1. Remote monitoring of Waddingham substation, cyber security, grounding grid analysis and ETAP system model etc.
- Update substation drawings to include the following:
  - One (1) new SEL -3620 Ethernet Security Gateway
  - One (1) new SEL-2730 U 24-Port Ethernet Switch
  - Wiring of GPS clock IRIG-B signals to 66 kV relays and meters.
  - Update single-line- diagram with additions and corrections
- Develop Electric System Model in ETAP from SCE 66 kV power source through the 12 kV feeder breakers
- Perform load flow study (real and reactive power), short-circuit analysis, protective coordination and arc flash incident energy analysis
- Update relay settings based on protection coordination study
- Arc- flash analysis per IEEE Std. 1584 and provide arc flash labels for 12 kV switchgears
- Perform Soil Resistivity tests in the substation and develop a model in CDEGS software package. Using the CDEGS model analyze step and touch voltages within the substation and 3 feet beyond the swing of outward opening gate. Provide a summary grounding report with the required mitigations in the ground grid including the substation boundary fence grounding.
- Facilitate remote monitoring of substation. Define network criteria document and provide configuration for the SEL-3620 Ethernet Security Gateway. The configuration to include remote access to the existing two SEL RTACs, Citect HMI and two SEL 66 kV substation meters.
- As built points list for existing SEL RTACs configuration before any performing any
  modifications and then a recorded version of points list as record documentation after
  commissioning is completed.
- Modify existing Citect HMI one line diagram to include the addition of the 12 kV bypass breaker status, remote control of breakers and disconnects and 66 kV metering information IPUC requires to display.
- Provide remote web access to the CITECT HMI for monitoring the substation- specify the Web/Internet view only software and make it functional
- Add email notification functionality to provide notification on critical and non- critical alarms, equipment status changes and relay operations. Include battery and battery chargers alarms. Develop a point list of alarms and points and implement after IPUC approval.
- Purchase and configure three software SEL-5045 Team Event, TEAM Profile and SEL-5630 Meter Reports. Automate event report collection from relays, sequence of event data collection and notification via email or SMS text messages.
- Modify or configure two substation SEL 66 kV meters to allow hourly automated meter readings using SEL-5045 TEAM Profile software.
- Issue for construction (IFC) package for any new construction.
- Provide direction and supervision for any related field work done in the substation by IPUC's contractor

Any training related to TEAM and other functions

### 2. Update Spill Prevention Control and Counter Measures(SPCC) Plan for Waddingham Substation

- Review the existing SPCC Plan for the Waddingham 66 kV to 12 kV substation against the most recent amendments to the U.S. Environmental Protection Agency's oil pollution prevention regulations at Title 40 CFR Part 112 and California Aboveground Petroleum Storage Act.
- Kick-off meeting at IPUC office and site visit to Waddingham Substation
- Conduct Field Investigation and validate the data
- Identify instances of non- compliance and recommend solutions
- Update the SPCC Plan and conduct conference call with IPUC
- Develop final plan for IPUC approval
- Deliver signed and PE stamped final SPCC Plan

#### **EXHIBIT B**

#### RATE SCHEDULE

#### PERSONNEL CLASSIFICATION

\$283.00/hr. President

**Executive Vice President** Senior Project Manager IV

\$280.00/hr. Project Manager Director

Senior Project Manager III

\$265.00/hr. Senior Project Manager II

Senior Program Manager II

\$250.00/hr.

Senior Project Manager I Senior Program Manager I Senior Project Engineer III Strategic Consultant III

\$235.00/hr. Project Manager III

Project Lead IV

Senior Consultant III

Construction Manager III Senior Project Engineer II Strategic Consultant II

\$210.00/hr. Project Manager

Project Lead III Strategic Consultant I Senior Consultant II Project Engineer III Construction Manager II

Senior Project Engineer I

Engineer V

\$180.00/hr. Project Manager I

Project Lead II Construction Manager I Environmental

Specialist IV Project Engineer II

**Engineer IV** Designer V

Project Administrator III

Senior Consultant I

Consultant III

Project Lead I \$170.00/hr. Project Engineer I Engineer III Designer IV **Environmental Specialist III** Procurement Specialist III Scheduling Specialist III Project Administrator II Consultant II Engineer \$158.00/hr. Designer III Technician IV Environmental Specialist II Procurement Specialist II Scheduling Specialist II Project Administrator I Consultant I Engineer \$144.00/hr. Designer II Technician III Environmental Specialist I Procurement Specialist I Field Representative IV Scheduling Specialist | Project Managers Assistant III Designer I \$127.00/hr. Drafter III Technician II Administrative Assistant I Field Representative III Staff Assistant II Project Managers Assistant II Drafter Ш \$107.00/hr. Staff Assistant Field Representative II Project Manager Assistant I Drafter \$87.00/hr. General Office Assistant Field Representative I

#### SPECIAL APPLICATION SOFTWARE

Level I Software *	\$10.00/hr.
Level II Software **	\$20.00/hr.
Level III Software ***	\$35.00/hr
Level IV Software ****	\$60.00/hr

<sup>\*</sup> Level I Software includes, among others: Structural Design, Foundation Design, HVAC Design, Conveyor Design, and Rockwell RSView & RSLogix.

\*\*\*Level III Software includes, among others: CDEGS (RESAP/MALZ), GE PSLF, PSCAD (PSCAD/EMTDC), PTI PSS/E, WinIGS, Smart Plant 3D, PDS, ArcGis, Caesar II, and Electrocon CAPE.

#### REPRODUCTION

Drawings - Black & White	e	
Large Scale Drawings (C S	Size)	\$1.90/ea.
Large Scale Drawings (D S	Size)	\$3.30/ea.
Large Scale Drawings (E S	Size)	\$5.50/ea.
Drawings - Color		
Large Scale Drawings (C S	Size)	\$6.00/ea.
Large Scale Drawings (D S	Size)	\$10.90/ea.
Large Scale Drawings (E S	Size)	\$17.50/ea.
Documents - Black & Wh	nite	
Single-sided copies	8 x 11 \$0.11/ea.	11 x 17 \$0.17/ea.
Double-sided copies	8 x 11 \$0.22/ea.	11 x 17 \$0.34/ea.
Documents – Color		
Single-sided copies	8 x 11 \$0.50/ea.	11 x 17 \$1.00/ea.
Double-sided copies	8 x 11 \$1.00/ea.	
Spiral Comb		\$2.65/ea.
3 Ring Binder		Dependent on size
Special Copy Center Proje	cts (Labor)	\$45.00/hr.

<sup>\*\*</sup> Level II Software includes, among others: ASPEN OneLiner, ESA Easy Power, Milsoft Windmil, OSI ETAP, Pathloss, SKM PTW, SynerGEE, Smart Plant P&ID, Smart Plant Instrumentation, Autodesk Revit, Navisworks, PTW, Matlab, PLS-Cad, TL-PRO, AutoCAD, AutoCAD Plant, AutoCAD Civil 3D, MicroStation, and specialized estimating programs.

<sup>\*\*\*\*</sup>Level IV Software includes, among others: CDEGS, CDEGS (HiFREQ), Aspentech, and Autodesk 3D Max.

#### **SURVEY EQUIPMENT**

Survey Equipment to support field crew
GPS Equipment 2 Units
GPS Equipment 3 Units

\$70.00/day \$60.00/hour \$350.00/day \$80.00/hour \$450.00/day

Communication Charge - including but not limited to VOIP charges, file sharing cloud services, and web collaboration sites, charged at 1% of labor billing charges.

CAD Usage Charge – charged at 3% of labor billing charges.

\*This standard Rate Schedule is for professional services. Unless agreed otherwise, charges for work on continuing projects will be based on the then current Rate Schedule. A new Rate Schedule will be issued to be effective January 1 of each new year and as necessary on an intermediate basis to accommodate new items or revised charges. Invoices will be submitted monthly and/or upon completion of the work and will be due and payable when issued. All accounts not paid within thirty (30) days after Owner's receipt of the invoice will bear a **SERVICE CHARGE OF 1.0% PER MONTH** for each month the invoice is unpaid.

#### **EXHIBIT C**

#### INSURANCE REQUIREMENTS

Without limiting Consultant's indemnification of IPUC, and prior to commencement of the Services, Consultant shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to IPUC.

**General liability insurance.** Consultant shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$1,000,000.00 per occurrence, \$2,000,000.00 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

**Automobile liability insurance.** Consultant shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000.00 combined single limit for each accident.

**Professional liability (errors & omissions) insurance.** Consultant shall maintain professional liability insurance that covers the Services to be performed in connection with this Agreement, in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this agreement and Consultant agrees to maintain continuous coverage through a period no less than three years after completion of the services required by this agreement.

**Workers' compensation insurance.** Consultant shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000.00).

Consultant shall submit to IPUC, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of IPUC, its officers, agents, employees and volunteers.

**Proof of insurance.** Consultant shall provide certificates of insurance to IPUC as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsement must be approved by IPUC's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with IPUC at all times during the term of this contract. IPUC reserves the right to require complete, certified copies of all required insurance policies, at any time.

**Duration of coverage.** Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may

arise from or in connection with the performance of the Services hereunder by Consultant, his agents, representatives, employees or subconsultants.

**Primary/noncontributing.** Coverage provided by Consultant shall be primary and any insurance or self-insurance procured or maintained by IPUC shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of IPUC before the IPUC's own insurance or self-insurance shall be called upon to protect it as a named insured.

**IPUC's rights of enforcement.** In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, IPUC has the right but not the duty to obtain the insurance it deems necessary and any premium paid by IPUC will be promptly reimbursed by Consultant, or IPUC will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, IPUC may cancel this Agreement.

**Acceptable insurers.** All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VI (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the IPUC's Risk Manager.

**Waiver of subrogation.** All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against IPUC, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against IPUC, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

**Enforcement of contract provisions (non estoppel).** Consultant acknowledges and agrees that any actual or alleged failure on the part of the IPUC to inform Consultant of noncompliance with any requirement imposes no additional obligations on the IPUC nor does it waive any rights hereunder.

Requirements not limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Consultant maintains higher limits than the minimums shown above, the IPUC requires and shall be entitled to coverage for the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the IPUC.

Notice of cancellation. Consultant agrees to oblige its insurance agent or broker and insurers to provide to IPUC with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

Additional insured status. General liability policies shall provide or be endorsed to provide that IPUC and its officers, officials, employees, and agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess liability policies.

**Prohibition of undisclosed coverage limitations.** None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to IPUC and approved of in writing.

**Separation of Insureds.** A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

Pass Through Clause. Consultant agrees to ensure that its subconsultants, subcontractors, and any other party involved with the project who is brought onto or involved in the project by Consultant, provide the same minimum insurance coverage and endorsements required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with consultants, subcontractors, and others engaged in the project will be submitted to IPUC for review.

**IPUC's right to revise specifications.** The IPUC reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Consultant, the IPUC and Consultant may renegotiate Consultant's compensation.

**Self-insured retentions.** Any self-insured retentions must be declared to and approved by the IPUC. The IPUC reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by the IPUC.

**Timely notice of claims.** Consultant shall give the IPUC prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

**Additional insurance.** Consultant shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.

#### INDUSTRY PUBLIC UTILITIES COMMISSION

**ITEM NO. 5.5** 



# Industry Public Utilities Commission

#### **MEMORANDUM**

TO:

Honorable President Moss and Commissioners

FROM:

Troy Helling, Public Utilities Director

Joshua Nelson, IPU Engineer

STAFF:

Dev Birla, Operations Manager, CNC Engineering

Gerardo Perez, Construction Manager, CNC Engineering

DATE:

December 10, 2020

SUBJECT:

Consideration of Change Order No. 3, to the agreement with Pacific Utility

Installation, Inc., for Installation of Distribution Feeder Cable and Pad Mounted Switches at IBC East and IBC West (Contract No. IPUC-0007)

#### **Background:**

On February 13, 2020, the IPUC awarded Contract No. IPUC-0007, Installation of Distribution Feeder Cable and Pad Mounted Switches at IBC East and IBC West, to Pacific Utility Installation Inc., and appropriated \$3,702,704.50 for the project. The scope of work for this project includes furnishing and installing 48,735 circuit feet and three distribution feeders of 15 KV, 1000 MCM Aluminum, Ethylene Propylene Rubber distribution feeder cable, 18 pad mounted switches and 7 pad mounted as spares for INSERT WHAT IT'S FOR AND WHERE.

#### **Discussion:**

On April 8, 2020, the Public Utilities Director and the IPU Engineer, approved Change Order No. 1 in the amount of \$253,200.00.

• Change Order No. 1 – Costs in the amount of \$253,200.00 were approved to purchase 5 transformers to provide electrical services to Building 2 at IBC East and Buildings 11 and 12 at IBC West.

On October 26, 2020, the Public Utilities Director and the IPU Engineer, approved Change Order No. 2 in the amount of \$75,612.64.

• Change Order No. 2 – Costs in the amount of \$75,615.64 were approved to remove four existing submersible transformers and install four pad mounted transformers (two locations at Garcia Lane and two locations at Baker Parkway).

As of November 24, 2020, the IPU Engineer has reviewed the following change order for completeness and accuracy:

Change Order No. 3 – The contract plans and specifications did not include electrical services to any of the buildings under construction at the Industry Business Center development. In order to provide electrical service to the new buildings, it is necessary to install 12 KV cabling, pad mounted transformers and service cabling on-site to serve the new buildings. The cost to provide electrical service to Building 2 at IBC East and Buildings 11 and 12 at IBC West is \$89,950.00.

#### Fiscal Impact:

Table 1 - Summary of Project Costs

Contract Amount	\$3,366,095.00
Change Order No. 1	\$253,200.00
Change Order No. 2	\$75,612.64
Change Order No. 3	\$89,950.00
Revised Project Cost	\$3,784,857.64

Table 2 – Summary of Approved Construction Budget Amount

Base Bid (Pacific Utility Installation, Inc.)	\$3,366,095.00
Contingency Allowance	\$336,609.50
Total Original Project Budget	\$3,702,704.50

The revised contract amount including Change Orders Nos. 1 through 3 totals \$3,784,857.64. On February 13, 2020, the IPUC appropriated \$3,702,704.50 from monies received from the Successor Agency to the Industry Urban-Development Agency (Account No. 161-2065.01). An additional appropriation in the amount of \$82,153.14 is required.

#### **Recommendations:**

- 1.) Approve Change Order No. 3 in the amount of \$89,950.00 and authorize the President or her designee to execute the approved change order; and
- 2.) Approve an additional appropriation in the amount of \$82,153.14 from the Successor Agency to the Industry Urban-Development Agency (Account No. 161-2065.01).

#### Exhibit:

A. Change Order No. 3 dated December 10, 2020

#### **EXHIBIT A**

Change Order No. 3 dated, December 10, 2020

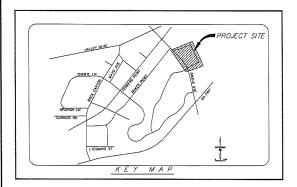
[Attached]

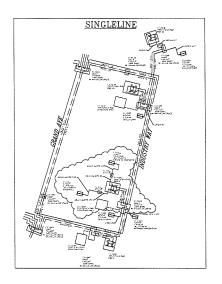
#### CITY OF INDUSTRY

#### CHANGE ORDER

15651 E. Stafford St. City of Industry, CA 91744 (626)333-2211

(626)333-2	2211					Change	e Order No	3	
Project	Installation of Distribu	tion Feeder Cable	Contract No	)	IPUC-007		Date	12/10/20	
Type Project	Electrical Cabling		Contracto	r <u>Paci</u>	fic Utility Instal	lation, Inc.			
Evalana	tions		Location	n <u>Indu</u>	stry Business F	Parkway Develo	opment		
Explana									
	Provide electrical service	e to Buildings 2, 11 a	nd 12 at the IB	C deve	lopment. The w	ork will include b	uilding onsite i	nstallation of	12kV
	cabling, pad mounted tra	ansformers and servi	ce cabling to th	e buildi	ng.				
	Extra Work by:				X				
	Extra Work by:	Contract Items		1	Vegotiated			T & M	
The contra	ctor is hereby directed to per	form all labor and to pr	ovide all materia	ls neces	sary to carry out t	he work described	below:		
ITEM					UNIT		TOTALS (	\$)	
NO.	ITEN	1	QUANTITY		PRICE	+		-	(C) 70 (B)
1	Install cabling and tran	sformers to	1	\$	89,950.00	\$ 89,95	50.00		
	Buildings Nos. 2, 11 a	nd 12							
					TOTAL COST	000 050 0			
					TOTAL COST	\$89,950.00			
T & M St	JMMARY								
Labor Cos					abor per Day				The state of
Equipment Material Co		e attached breakdown)		-	quipment per Day	/	\$		( ) ( ) ( ) ( ) ( ) ( ) ( ) ( )
	eakdown of labor, equipment	and materials)		Sub-T	otai		· · · · · · · · · · · · · · · · · · ·		
Mary May 12	ORDER SUMMARY		% of Contract Amount	Other /	Additive (Profit & E	Bond Fee)			
Original Co.	ntract Amount \$	3,366,095.00		Total 7	7 & M		9		-
Fotal Previo	ous Change Orders \$	328,812.64	9.768%					the same of	
Fotal Chan	ge Orders \$			Pay Th	is GE ORDER	\$89,950.00	)		2.67%
						A.			
Authorize	а ву		Addii	lional	Contract Days	10			
o the best	ertify that the quantities sh of my knowledge and the ost includes compensatio	total cost shown ab	ove shall be co	nsidere	d final payment	for the work spe	cified by this cl		
Contractor F	Representative	Date		Troy He	elling - Public Utilit erardo F	jes Director	11/3	80/2020	Date
oshua Nels	son - IPU Engineer	Date		Gelard	o Perez - Constru	ction Manager			Date





#### GENERAL NOTES

- INVESS OTHERWISE NOTED, ALL WORK SHALL BE DONE IN ACCORDANCE
  WHI BRE STANDARD SPECIFICATIONS FOR PUBLIC WORKS CONSTRUCTION
  CLARECT LETTER WHITE ALL CLARECTS LETTER/LIFECTS. PRESIDED BY
  REALDER SHEW MC. LOCATID AT 1812 S. LEDENBAS STREET, MARHINE CA.
  AND APPROPRIATE STANDARD DRAWINGS.
- PRIOR TO SECREDIC ANY WORK, THE CONTRACTOR SHALL OBTAIN A PORMIT FROM THE CITY OF INDUSTRY, INCOMERNING OFFICE, 755 M. HACERIDA SLYD., SATE 222, CITY OF INDUSTRY CA 81744, (\$26) 323-6326. ALL WIDEX CONFIRED BY THIS PLAN SHALL BE INSPECTED BY THE CITY DECIMER REQUEST FOR INSPECTION SERVICE SHALL BE MADE 24-HOURS IN ADVANCE AT (SEE) 2131-2138.
- THE CONTRACTOR SHALL HOTEY THE LOS ANCELES COUNTY FIRE GEPARTMENT (623) 963—247 AGO DE LOS ANCELES SHOWN DEPARTMENT (626) 330—3322 AT THE LOT OF NOWSHIT SUBSTANDA A LICAST 40-MORE PRIOR TO STANI OF WORK
- & 48-HOURS PRIOR TO ANY WORK, THE CONTRACTOR SHALL CALL THE UNDERCOUND SCRNDT ALTH AT 1 (800) 4ZZ-4133 AND CETAIN AN INQUIRT DIGHT PLANTING AND THE CONTRACTOR OF THE CONTRACT
- ALL MANHOLES SHALL BE ADJUSTED TO FINISHED CRADE IN ACCORDANCE WITH SECTION JOIL-18 OF THE STANDARD SPECIFICATIONS FOR PUBLIC WORLD COMPUTED TO THE STANDARD SPECIFICATIONS FOR PUBLIC
- THE CONTRACTOR SHALL PROTECT AND RESTORE EXISTING LITELITES AND IMPROVEMENTS AS PER SECTION S-1, S-2, AND 7-9 OF THE STANDARD SPECIFICATIONS FOR PUBLIC WORKS CONSTRUCTOR. A IT SHALL HE THE RESPONSIBILITY OF THE CONTRACTOR TO LOCATE ALL URLIES OF SHARL WHERE WEIGHT SHALL BEAR DE TOTAL CHARGE THEN FROM DAMAGE, THE CONTRACTOR SHALL BEAR DE TOTAL CHARGE OF REPAIR OF REPLICIONED IN SUB-URLIES DAMAGE BY OF DAMAGES OF REPAIR TOTAL THE DESCRIPTION OF THE PROPERTY OF THE PROPER

#### CONSTRUCTION NOTES:

UNLIS OMERIC STICTES OF THE WINNER SHAME MIGHT FOM A PART OF THE STICTUTION, THE CHEMICAS PROLIFORS SHALL DISCRETE THE STICTUTION OF THE ACCOUNT FACE USING YEAR OF THE STICTUTION OF THE STICT

- SOUTH AND STATE OF PROPERTY SERVICE SERVICES OF SERVIC

- E. Y. GIFF ON FORCES COMES

  TO FIGHT ON FORCES

  TO FIGH ON FORCES

  TO FIGHT ON FORCES

  TO FIGHT ON FORCES

  TO FIGHT ON FIGHT ON FORCES

  TO FIGH ON FORCES

- 4. PAINCE. INPARIC, MERE RICURED, SHALL EF PLACED IN SUCH A WARRER BILT INTERFERENCE MINI TRAFFIC, INCLINON. FRESTRAM WARFE, ML, SE KEPT IN A LANGAL. THE COMMANDER SHALL ESTABLIST A PRICIABLE OF REVAING ACCEPTABLE TO THE MINISTPALITY, COUNTY, OR SHARE AUTHORITY HAVING LIRECTION AND WHICH IS ACCEPTABLE TO ACCIOCY.

- 6. RETAINED WHALE.

  6. RET
- 7. PERMITS:
  ALL PERMITS NECESSARY FOR EXCAVATION SHALL BE PROMISED BY THE CONTRACTOR.
- B. ACCESS.

  NEW TRICK ACCESS SHALL BE MANUACHE TO COMPACE! LOCATIONS. STRUCTURES MOST BE CLEAR OF ALL APPRIEDUNCES THAT MOULD DESTRUCT THE LOCATIO OR INCOADING OF EDURATION.
- 2. Schools: A metric and schools shall comply with arincy sensors regardadats. B. Whose wist be in accordance with applicable loca, ordinanels and approved by local inspection authorities.
- TO LOCATION:
  A THE LOCATION OF DEDANGES AND STRUCTURES FOR ACIDIC SHALL OF AS SHOWN OF THE MONITOR SHAWAR. HIS QUALITON FROM THE PLANNED LOCATIONS WILL SE PERSETTED WILLSS APPROXICE OF THE PLUE REPORTED.

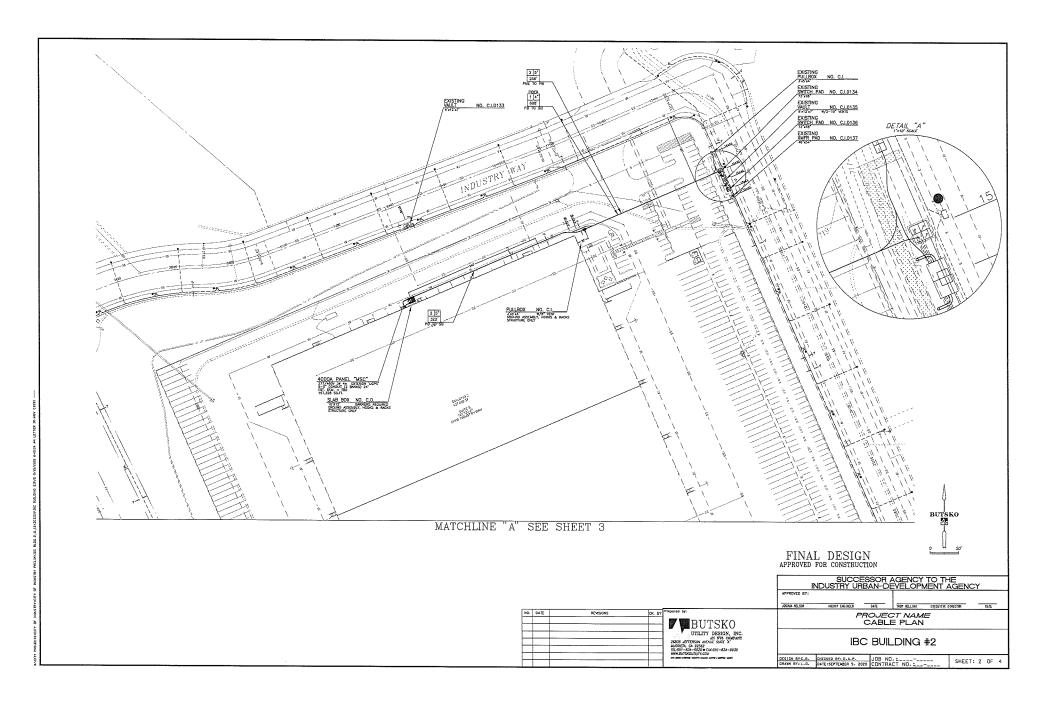
  A CITUAL LOCATION OF OSCIPLICIONS, STORM DRANCE, AND/OR ORDER FOREIGN UNBILLS TO BE THE RESPONSIBILITY OF THE CHARACTERS.
- 11, CONTRACTOR IS TO VERFY LOCATION AND WIDTHS OF ALL SEEWALES AND DRINCWAYS PRIOR TO STREET USHT INSTALLARION, MINI THE APPROVED STREET INPROVEMENT PLANS, APPROVED STREET LIGHT PLANS AND THE ACTUAL FIELD CONDITIONS.
- 12. SUNCY.

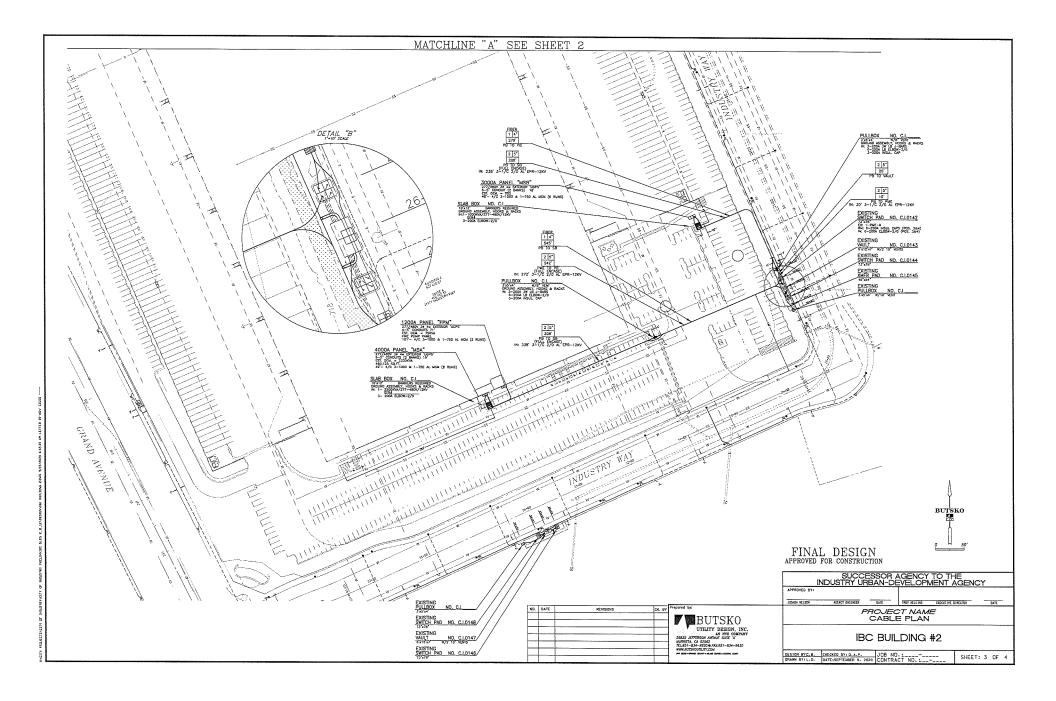
  MINEYWO OF STREET IMPROCEDURE, PROPERTY COPROSES, LOS LIMES, RANDOS DILLOS, LEES, MESESSAFT FOR THE WESTLAND OF DESCRIBING OF ACTUAL MANY OF CONTROL AND ACCOUNTY OF ACCOUNTY
- COORDINATION AND SIPPLYMBERS
   CHIRACUS SHALL REPORT CHIRACOL OVER AND COORDINATION AND IN THE VARIOUS CONTINUEDES TORONG WHICH THE ADDRESS AND THE VARIOUS CONTINUEDES TO PROVIDE THE ADDRESS AND THE VARIOUS CONTINUED TO PROVIDE PROVIDED TO PROVIDE ADDRESS AND ADDRESS AND THE VARIOUS CONTINUED AND THE VARIOUS SHALL TO PROVIDE SUPPLYMENT OF TO TO TOTAL CONTINUED AND THE VARIOUS SHALL TO PROVIDE SUPPLYMENT OF TO TO TOTAL CONTINUED AND THE VARIOUS TO THE VARIOUS
- TELEPHONE AND ORDER UTILITY REQUIREMENTS.
  THE GRAWNIC PREPARED FOR THE JOB WAY ALSO COMER THE CONTINUE TO BE INSTALLED FOR THE TELEPHONE COMPANY AND/ORD ORDER UTILITY. AND CONTINUE CENTRICS OF THEM RESILIATION SHOULD BE RETURNED TO THE COMPANY.
- NAMESTY OF THE PROPERTY APPECTAT AND NATIONAL THAT ALL YOUR PROPERTY AND ALL NATIONAL COLD IN NATIONAL CONTRICTOR OF A DESCRIPTION AND AND ALL OF AN ARCHITECTURAL COLD IN NATIONAL COLD IN NATIO
- ADSCRIPTION IN STREET BUSINESS SE CONSTRUCTION PERSON. A 49 HIGH ADVANCE ABBIT OF MEDIT ID START CONSTRUCTION IS RESUMED FROM THE CONTRACTION TO THE MIGHISTRY URBAN DEVELOPMENT PRIC. PRIORS: (225)333-0336.

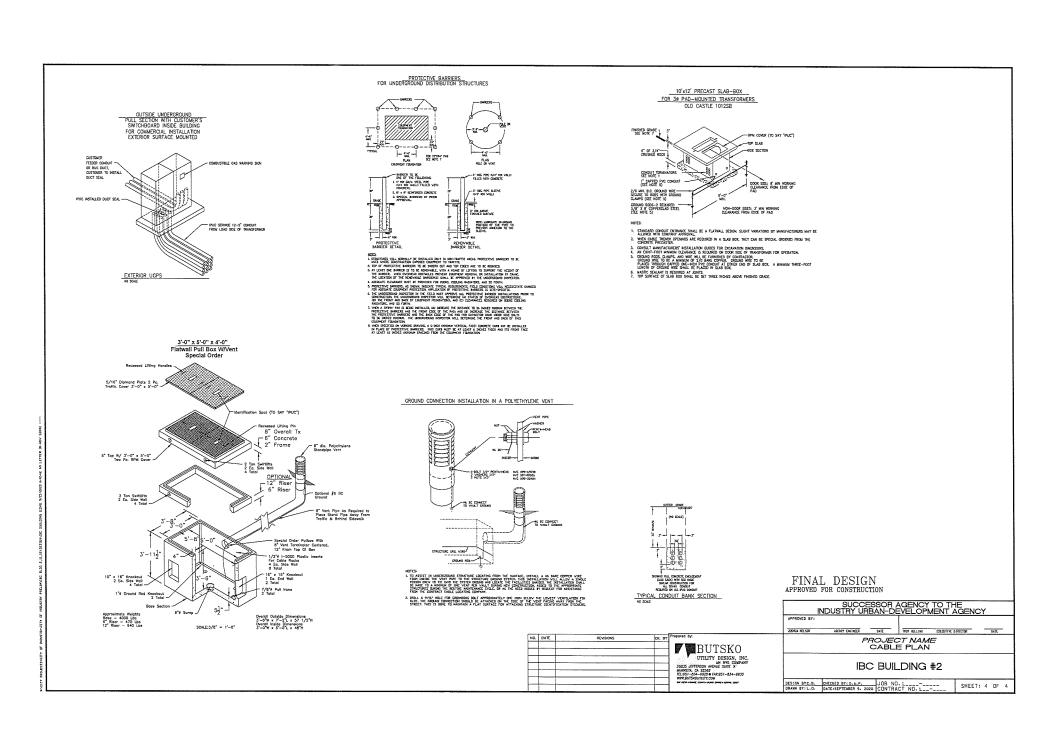
OUGOFFOOD A OFNOV TO THE

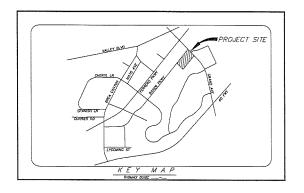
FINAL DESIGN APPROVED FOR CONSTRUCTION

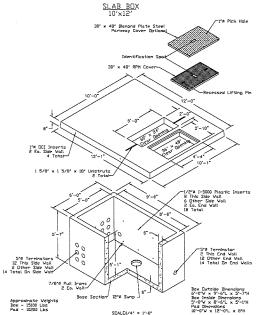
				INDUSTRY URBAN-DEVELOPMENT AGENCY			
				APPROVED BY:			
				JOSHUA HELSON AGENCY ENGINEER DATE TROY HELLING EXCENTIVE DISECTOR DATE			
NO.	DATE	REVISIONS CX. BY	Prepared by:	PROJECT NAME			
_			BUTSKO	CABLE PLAN			
1							
П			UTILITY DESIGN, INC.				
			2683S JEFFERSON AVENUE SUITE "A"	BC BUILDING #2			
			HURRIETA, CA 92562 TTL-951-834-9920 @ FAX:951-834-9930 WWW.RURXSCOURT DT-COM				
-	-		204 SEEDS-PORNING SCIENTS-RAND DAMES EDILLING SCHOOL SCHOO	DESIGN BYC.B. CHECKED BY: D.A.P. JOB NO.: SHEET: 1 DF 4			

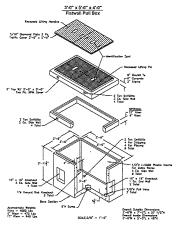








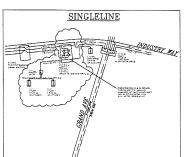




#### GENERAL NOTES

#### IMPLESS OTHERWISE NOTED, ALL WORK SMALL BY DONE IN ACCURATIONS WITH THE STANDARD SPECIFICATIONS FOR FRIENCY WORKS CONSTRUCTION COMPANY TO THE OWNERS AND APPROPRIENCY REPORTS OF THE SPECIFIC PROPERTY OF THE SPECIFIC PROPERTY OF THE SPECIFIC PROPERTY OF THE SPECIFIC PROPERTY STANDARD PROMINES STREET, AMARIEM CA. MOX APPROPRIATE STANDARD PROMINES.

- 2. PRICE TO BECHNING ANY MORE THE CONTRACTOR SHALL OFFICE A PETRAT FROM THE CITY OF INDUSTRY, ENCINEERING OFFICE, 255 N. HACHNOA BLVD., SAITE 272, CITY OF INDUSTRY CA 21744, (\$25) 233-0336.
- A ALL NORK COVERED BY THIS PLAN SHALL BE INSPECTED BY THE CITY ORGERER REQUEST FOR INSPECTED SERVICE SHALL BE MADE 74-HOURS IN ADVANCE AT (829) 333-0338,
- 4. THE CONTRACTOR SHALL HOTEY THE LOS ANGELES COLARTY FIRE DEPARTMENT (100) 935-2447 MO THE LOS ANGELES SHIRTY CIPARTMENT (100) 130-3327 AT THE DIT OF MOLISTRY SUBSTRIANS AT LIAST 48-40478 FROM TO STANT OF WORK.
- 5. 48-HOURS PRIOR TO ANY WORK, THE CONTRACTOR SHALL CALL THE LINSERCOUND SERVICE ALER! AT 1 (800) 422-4133 AND OBTAIN AN INCLURY IDENTIFICATION NUMBER.
- 6. ALL MANNOLES SHALL RE ADJUSTED TO PHISNED CRADE IN ACCORDANCE WITH SECTION 301-1.8 OF THE STANDARD SPECIFICATIONS FOR PUBLIC WORKS CONSTRUCTION.
- The contractor shall protect and sestine desting utilities and approximates as per section 5-1, 5-2, and 7-9 of the standard specifications for public works construction.
- IT SHALL BE THE RESPONSEBUTY OF THE CONTRACTOR TO LOCATE AN URLIES OF EVERT NATURE, WHETHER SHOWN HEREON OR NOT, BY HEATE THEN THAN DAMAGE, WHE CONTRACTOR SHALL BEEN THE STOLL EXPONS OF REPAR OR REPLACEMENT OF SHOW URLIES DAMAGED BY CHERATICA IN CONVICTION WITH DUE DESISTEDING OF THE WAY.



BUTSKO
UTILITY DESIGN, INC.
26435 SEPTESON OF THE SAID ANY
MINISTA, CA 25550 FAMES SAID A
MINISTA, CA 25550 FAMES SAID A
MINISTA, CONTROL OF THE SAID A
MINISTAL OF THE SAID APPLIES A
MINISTAL OF THE SAID APPLIES
MINISTA

TYPICAL CONDUIT BANK SECTION

NO. DATE

#### CONSTRUCTION NOTES:

DRIES DARNET SECTION ON HE KNOWN SEARCH HOS FORCE, A PAST OF THE STEDICHEM, BIT COMMUNITY/SOLDING
THE COMMUNITY OF THE COMMUNITY OF THE COMMUNITY COMMUNITY

- PER PER UCS-160, 161, 162, AND 170. E CONDUITS PER UCS-148 AND SERVICE CONDUITS PER UCS-150. PRINTING PERES IN ALL CERCITIS SOMMATING INTO VALITS, MANDRESS, PARES, SOC'S & ALL CAP LOCATIONS,
- BOULD ELEMAN CONTROL THAT IT REAL PRESENT AMERICAN THAT IS THE TO THE THAT IS THE THAT IS
- OUT MADES RECORDED/OTE:

  A PER MANUE ARREST FOR EXCEPT OF SHALLON ALTER ARE THE PROPERTY AND ARE THE OFFICE AND ARREST OF SHALLON ALTER ARE THE OFFICE AND AREA OF THE OFFICE ARE THE OFFICE ARE THE OFFICE AREA O

- B IN COMMAN MONTE FOR ALL DESIGNS OF ALL MANAGE CHANNES OF THE (MANTE NEED INCREMENT).

  CONTROL AND BLOCKING CHANNES OF A STORE FOR ANGES OF THAT, DIVER THE THE STORE AND ANGES OF THAT THE STORE AND ANGES OF THAT THE STORE AND ANGES OF THAT THE STORE AND ANGES OF THE STORE ANGES OF THE STORE AND ANGES OF THE STORE ANGES OF T

- NC.
  SPANNO, MERE RICURED, SHALL BE PLACED IN SUCH A MARKER THAT INTERTEREE WITH THAFFIC, INCLUDING
  PRESSION BUSING HALL BE KEPT TO A URBAIN. THE CONTRACTOR SHALL ESTABLES A PRODUCE OF REPAIRS ACCEPTABLE
  TO THE MURROUPHUT, COUNTY, OF ORDER AUTHORITY NAMED, ARRESTORD AND MINIST IS ACCEPTABLE TO ACCEPT.

- NOT PALLED REPORT WILL STAND FOR STAND BY THE CHRISTIAN WAS ARE RECORD MODERN EXPENDED FOR THE FORCE WAS ARE RECORD MODERN STANDARD FOR THE FOREST STANDARD FOR THE STANDARD FOR
- ss: Heamy from access shall be warnamed to exception locations. Structures wast be clear of all apparenances that would construct the loading of unlawing of education.

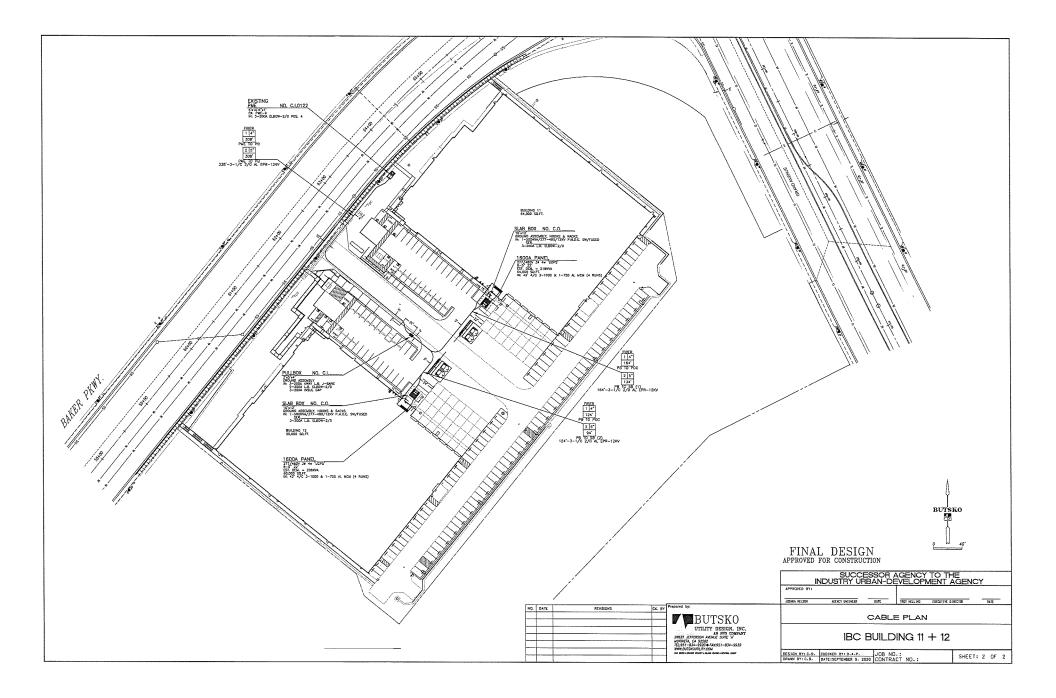
- 11. CONTRACTOR IS TO VERFY LOCATION AND MOTHS OF ALL SOCIALIZES AND DRIVENAYS PRIOR TO STREET LICHT INSTALLATION,
  MIN THE APPROVED STREET IMPROVEDENT PLANS, APPROVED STREET LICHT PLANS AND THE ACTUAL FIELD CONDITIONS.
- 12. SAFETY.
  13. SAFETY.
  14. SAFETY.
  15. SAFETY.
  16. SAFETY
- PACE DUEL NO INVESTIGATION OF THE CONTROL OF THE WAY OF
- 14. BELEPHONE AND OTHER UTILITY RECORRESIONS: THE FRANKING PREVAILE FOR THIS JOS MAY ALSO COMER THE FACULTES TO BE INSTALLED FOR THE TELEPHONE COMPANY AND/OR DIRECULTURY. AND CONSTRUCTIONS (EXCLAS OF THEIR METILLARDS) SHOULD BE RETURNED TO THE COMPANY.
- 17. ASPECTION.

  ASPECTION IS REQUIRED MARKED THE CONSTRUCTION FERED. A 48 HOUR ADVANCE MODEL OF WITHIN TO START CONSTRUCTION
  OF RECORD FROM THE CONTRACTION TO THE MODELTRY UNBANN ESPECIALSTHUM, PROMISE (2023)233—2026.

FINAL DESIGN
APPROVED FOR CONSTRUCTION

	SUCCE IDUSTRY UF	ESSOR BAN-D	AGENCY EVELOPI	TO THE MENT AGENO	CY
JOSHU HILSON	AGENCY ENGINEER	DATE	TROT HELLING	EXECUTIVE DIRECTOR	DATE
******		CABL	E PLAN	I	
	IBC	BIII F	ING 11	<b>+</b> 12	

DESIGN BY: C.B. CHECKED BY: D.A.P. JOB NO.:\_\_\_\_
DRAWN BY: C.B. DATE:SEPTEMBER 9. 2020 CONTRACT NO.:\_\_\_ SHEET: 1 OF 2



#### IPUC Cabling Building 11 12 On-Site

ELECTRIC CABLING & EQUIPMENT - Building 11 &12 (On-Site Cabling)	QTY		UNIT PRICE	TOTAL
(Includes all necessary traffic control per City requirements, switching, testing, and energizing per IPUC requirements.)		14番		
Labor & Equipment to install: Padmounted Transformer (500 KVA)	2	EA	\$ 2.650.00	\$ 5,300.00
Labor & Equipment to install: 3/C 2/0 EPR Cable, 15KV	640	LF	\$ 9.00	\$ 5,760.00
200A Loadbreak Elbows, 15 KV with Test Points	18	EΑ	\$ 200.00	\$ 3,600.00
200A Load Break Junction Bars (4 Way), 15 KV	3	EΑ	\$ 200.00	
200A Insulating Caps, 15 KV	3	EA	\$ 200.00	
Ground Assembly, Hooks, & Racking (at each new structure)	3	EΑ	\$ 750.00	
4/C 3-1,000 & 1-750 AL CLP, 600V (with connections). Service: 4 runs @ 50' each with tails. Building #11 Service.	200	LF	\$ 35,00	
4/C 3-1,000 & 1-750 AL CLP, 600V (with connections). Service: 4 runs @ 50' each with tails. Building #11 Service.	200	LF	\$ 35.00	

TOTAL BID PRICE \$ 32,110.00

#### IPUC Cabling IBC Building 2 On-Site

ELECTRIC CABLING & EQUIPMENT - IBC Building 2 (On-Site Cabling)	QTY		UNIT PRICE	TOTAL
(Includes all necessary traffic control per City requirements, switching, testing, and	Alle Filter Leiter Different	27		a ASS regress of a
energizing per IPUC requirements.)		15.0		[경기 전 기 기 기 기 기 기 기 기 기 기 기 기 기 기 기 기 기 기
Labor & Equipment to install: Padmounted Transformer (1,000 KVA or 2,500 KVA)	2	EΑ	\$ 2,650.00	\$ 5,300.00
Labor & Equipment to install: 3/C 2/0 EPR Cable, 15KV	910	LF	\$ 9.00	\$ 8,190.00
200A Loadbreak Elbows, 15 KV with Test Points	24	EA	\$ 200.00	
200A Load Break Junction Bars (3 Way), 15 KV	6	EA	\$ 200.00	\$ 1,200.00
Ground Assembly, Hooks, & Racking (at each new structure)	4	EA	\$ 750.00	
4/C 3-1,000 & 1-750 AL CLP 600V (with connections). Service: 8 runs @ 55' each with tails.				,
Service #1 (Main Service).	440	LF	\$ 35.00	\$ 15,400.00
4/C 3-1,000 & 1-750 AL CLP 600V (with connections). Service: 2 runs @ 105' each with				
tails. Service #2 (Fire Pump Service).	210	LF	\$ 35.00	\$ 7,350.00
4/C 3-1,000 & 1-750 AL CLP 600V (with connections). Service: 6 runs @ 60' each with tails.				
Service #3 (Future EV Service).	360	LF	\$ 35.00	\$ 12,600.00

TOTAL BID PRICE \$ 57,840.00

#### INDUSTRY PUBLIC UTILITIES COMMISSION

**ITEM NO. 6.1** 



# INDUSTRY PUBLIC UTILITIES COMMISSION

#### **MEMORANDUM**

TO:

Honorable President Moss and Commissioners

FROM:

Troy Helling, Public Utilities Director

STAFF:

Joshua Nelson, IPU Engineer

Dev Birla, Operations Manager, CNC Engineering

DATE:

December 10, 2020

SUBJECT:

Consideration of Resolution No. IPUC 2020-05 A RESOLUTION OF THE INDUSTRY PUBLIC UTILITIES COMMISSION **ADOPTING** INDUSTRY PUBLIC UTILITIES RENEWABLE ENERGY RESOURCES **PROCUREMENT** PLAN, COMPLIANCE PERIOD 3 (2017-2020)PURSUANT TO PUBLIC UTILITIES CODE § 399.30(a) AND AUTHORIZING THE TAKING OF CERTAIN OTHER ACTIONS IN

**CONNECTION THEREWITH** 

#### **Background:**

California Public Utilities Code § 399.30(a) requires all publicly owned electric utilities ("POU"), to "adopt and implement a renewable energy resources procurement plan" that requires the POU to procure a minimum quantity of electricity and/or renewable energy credits ("RECs") from eligible renewable energy resources, as a percentage of total retail sales.

As directed by Public Utilities Code § 399.30(e), the City Council acting in its capacity as the Industry Public Utilities Commission ("IPUC") adopted the Renewable Energy Resources Enforcement Program ("RPS Enforcement Program") on July 11, 2013. See attached Exhibit B. Through the RPS Enforcement Program, the City Council established the initial compliance periods, adopted RPS-eligible procurement targets, and described the framework for how the Industry Public Utilities ("IPU") would implement its RPS program. Section 2.8 of the RPS Enforcement Program directed the Public Utilities Director to develop and present a Renewable Energy Resources Procurement Plan ("RPS Procurement Plan") to the City Council.

On October 7, 2015, Governor Brown signed SB 350 into law, adopting an RPS procurement target of 50 percent by 2030, and making various other changes to the RPS Program. On September 10, 2018, Governor Brown signed SB 100 into law, which

increased the 2030 RPS target to 60 percent, and set a statewide goal of meeting all electric load with carbon free resources by 2045. The specific RPS procurement targets set by SB 100 are the following: at least 44 percent by December 31, 2024, 52 percent by December 31, 2027, and 60 percent by December 31, 2030.

Public Utilities Code § 399.30(d)(2)(B) gives the governing board of each POU the authority to establish a cost limitation, which serves as an alternative mechanism for complying with the RPS procurement requirements. Pursuant to this authority, the POU governing board can set a dollar amount limit on RPS procurement expenditures that is set at a level that prevents disproportionate rate impacts for the POU's customers. For a POU that sets a cost limitation, once that POU has spent the amount of the cost limitation, the POU is in compliance with the RPS program.

#### Discussion:

RPS Procurement Plan Enforcement Program, adopted by the City Council acting in its capacity as IPUC on July 11, 2013, will cover the compliance with Compliance Period 1 (2011- 2013). On September 4, 2020, California Energy Commission ("CEC") confirmed via a letter to Troy Helling, Public Utilities Director, that the IPU has complied with the RPS Procurement Requirement for Compliance Period 2 (2014-2016).

The attached IPU RPS Procurement Plan for compliance period 3 adopts procurement requirements consistent with SB 350 and SB 100, provides more recent forecast data, and updates the description of IPU's intended strategy to comply with the RPS Program requirements. This RPS Procurement Plan also provides a methodology for determining a cost limitation and specifies the dollar amount IPU's cost limitation for the third compliance period.

For the third compliance period, IPU will apply a cost limitation, as described in Section 10 of the RPS Procurement Plan. To avoid disproportionate rate impacts for the third compliance period, during the annual budget approval process, IPU will calculate the revenues less expenses (before the incremental cost of procuring electricity products to satisfy the RPS requirements) and identify the funds available from such amount, in addition to funding available from the Public Benefit Programs and California Air Resources Board Emission Trading Program, to concurrently satisfy the applicable RPS requirement and maintain prudent reserves (Cost Limitation Guideline). IPU will not be obligated to expend funds on RPS procurement greater than the Cost Limitation Guideline or RPS procurement targets.

Pursuant to Section 399.30(e) of the Public Utilities Code, the public must be provided with at least 10 days of notice before any meeting is held to make a substantive change to the RPS Enforcement Program. On November 25, 2020, public meeting notice was posted at City Hall, on the IPU's website, and was also published in the San Gabriel Valley Tribune on December 1, 2020.

#### Fiscal Impact:

There was sufficient funding available from the Public Benefit Programs and California Air Resources Board Emission Trading Program to offset the current year decrease in the fund balance of \$112,300.00 and satisfy the RPS requirements of \$575,566.00 (Account No. 300-161-6414); the cost limitation for Compliance Period 3 is determined to be \$576,566.00.

#### Recommendation:

Staff recommends that the Industry Public Utilities Commission adopt Resolution No. IPUC 2020-05.

#### Exhibits:

- A. Resolution No. IPUC 2020-05
- B. RPS Procurement Plan Enforcement, dated July 11, 2013

TH/JN/DB:jf

#### EXHIBIT A

Resolution No. IPUC 2020-05

#### **RESOLUTION NO. IPUC 2020-05**

A RESOLUTION OF THE INDUSTRY PUBLIC UTILITIES COMMISSION, ADOPTING THE INDUSTRY PUBLIC UTILITIES RENEWABLE ENERGY RESOURCES PROCUREMENT PLAN, COMPLIANCE PERIOD 3 (2017-2020) PURSUANT TO PUBLIC UTILITIES CODE § 399.30(a) AND AUTHORIZING THE TAKING OF CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, the City of Industry ("City"), a municipal corporation, is authorized under various provisions of the California Constitution and the general laws of California (including, specifically, Article XI, § 9(a) of the California Constitution, Public Utilities Code § 10004, and Government Code § 39732(a) to establish, purchase, and operate a public utility to furnish its inhabitants with, among other things, electricity; and

**WHEREAS**, the City operates a municipal electric utility ("Industry Public Utilities" or "IPU"); and

WHEREAS, the Industry Public Utilities Commission ("IPUC") is the Governing Board for IPU; and

**WHEREAS**, as a municipal electric utility, IPU is generally subject to the legislative and regulatory requirement applicable to local publicly owned electric utilities ("POUs"); and

WHEREAS, in 2011, the State Legislature passed SBX1-2, effective as of December 10, 2011, requiring governing boards of POUs to adopt and implement, among other things, a renewable energy resources enforcement program that requires POUs, like IPU, to procure a minimum quantity of eligible renewable energy resources over certain periods, subject to cost limitation and other flexible compliance measures adopted by the POUs' respective governing boards; and

WHEREAS, the California Energy Commission adopted regulations specifying procedures for the enforcement of the requirements of SBX1-2 on June 12, 2013, which became effective on October 1, 2013; and

WHEREAS, on October 7, 2015, Governor Brown signed the Clean Energy and Pollution Reduction Act of 2015 (Senate Bill 350 (De Leon) ("SB 350")), with an effective date of January 1, 2016; and

WHEREAS, on September 10, 2018, Governor Brown signed Senate Bill 100 (De Leon) ("SB 100"), with an effective date of January 1, 2019; and

WHEREAS, SBX1-2, SB 350, and SB 100 require the IPUC to ensure that the amount of eligible renewable energy resources that was procured by IPU for the period

from January 1, 2011 to December 31, 2013 was equal to an average of 20 percent of retail sales; and that IPU must make reasonable progress to ensure that the procurement of eligible renewable energy resources achieves 25 percent of retail sales by December 31, 2016, 33 percent of retail sales by December 31, 2020, 44 percent by December 31, 2024, 52 percent by December 31, 2027, and 60 percent by December 31, 2030; and

WHEREAS, Public Utilities Code § 399.30(a) requires California's POUs to adopt a Renewable Energy Resources Procurement Plan ("RPS Procurement Plan"), and further, Public Utilities Code § 399.30(e) requires POUs to adopt and implement a Renewable Energy Resources Enforcement Program ("RPS Enforcement Program") to enforce the implementation of a POU's RPS Procurement Plan; and

WHEREAS, in accordance with Public Utilities Code § 399.30(e), on July11, 2013, the City Council, acting in the capacity as IPUC established an RPS Enforcement Program (which established compliance periods, adopted RPS procurement targets, authorized IPU to establish cost limitations on procurement expenditures, and directed the Public Utilities Director to develop and present to the City Council an RPS Procurement Plan); and Renewable Energy Resources Procurement Plan (which established specific procurement targets for each of the compliance periods, specified portfolio balance requirements consistent with Public Utilities Code § 399.16, described IPU's existing and planned procurement activities, forecasted the IPU's retail sales and RPS obligations, adopted rules for excess procurement, and adopted a cost limitation methodology and cost limitation amount); and

WHEREAS, as RPS Procurement Plan Enforcement Program adopted by the City Council acting in its capacity as IPUC on July 11, 2013 will cover the compliance with the Compliance Period 1(2011- 2013), on September 4, 2020 California Energy Commission("CEC") confirmed via a letter to Troy Helling, Public Utilities Director that the IPU has complied with the RPS Procurement Requirements for Compliance Period 2(2014- 2016), its staff has prepared an RPS Procurement Plan for the third compliance period (2017-2020) updating the forecasted retail sales and RPS procurement requirements, providing an updated description of IPU's existing and planned RPS procurement activities, adopting new procurement targets for the fourth, fifth, and sixth compliance periods consistent with SB 350 and SB 100, and revising the information and methodology used for establishing a cost limitation for the third compliance period; and

WHEREAS, Pursuant to Section 399.30(e) of the Public Utilities Code, the public must be provided with at least 10 days of notice before any meeting is held to make a substantive change to the RPS Enforcement Program. On November 25, 2020, public notice was posted at City Hall, on the IPU's website, and was also published in the San Gabriel Valley Tribune on December 1, 2020

NOW, THEREFORE, THE INDUSTRY PUBLIC UTLITIES COMMISSON DOES HEREBY RESOLVE, DETERMINE, FIND AND ORDER AS FOLLOWS:

<u>Section 1</u>. The above recitals are true and correct and are incorporated herein by reference.

<u>Section 2.</u> The Industry Public Utilities Commission hereby approves and adopts the RPS Procurement Plan, Compliance Period 3 (2017-2020), attached hereto in Exhibit A, and incorporated herein by reference.

Section 3. As authorized by Public Utilities Code § 399.30(d)(2)(B), a cost limitation for procurement expenditures by IPU is hereby approved and adopted, as set forth in Section 10 of the RPS Procurement Plan.

<u>Section 4.</u> Except as to matters specifically reserved for the IPU, the Public Utilities Director or his or her designee is authorized and directed to implement the Industry Public Utilities RPS Procurement Plan, Compliance Period 3 (2017-2020), and to periodically report to the IPUC.

<u>Section 5.</u> The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

Section 6: The Commission Secretary shall certify to the adoption of this Resolution and the same shall be in full force and effect.

<u>PASSED, APPROVED AND ADOPTED</u> by the Industry Public Utilities Commission at a regular meeting held on December 10, 2020, by the following vote:

Julie Gutierre	ez-Robles, Commission Secretary	
ATTEST:		
		Cory C. Moss, President
ABSTAIN:	COMMISSIONER:	
ABSENT:	COMMISSIONER:	
NOES:	COMMISSIONER:	
AYES:	COMMISSIONER:	
Commission	at a regular meeting held on Decemb	per 10, 2020, by the following vote:

#### EXHIBIT A

IPU Renewable Energy Resources Procurement Plan, Compliance Period 3 (2017-2020)

# INDUSTRY PUBLIC UTILITIES (IPU) RENEWABLE ENERGY RESOURCES PROCUREMENT PLAN

*Compliance Period 3 (2017-2020)* 

December 10, 2020

## TABLE OF CONTENTS

Section 1.	Policy Statement	3
	Definitions	
	RPS Enforcement Program	
Section 4.		
Section 5.	RPS Procurement Requirements	
	RPS Procurement	
Section 7.	Forecast of Retail Sales and RPS Compliance Obligations	7
	Excess Procurement Rules	
	Delay of Timely Compliance Rules	
	Cost Limitation	

#### Section 1. POLICY STATEMENT

California Public Utilities Code § 399.30(a) requires all publicly owned electric utilities ("POUs"), including the Industry Public Utilities or "IPU"), to "adopt and implement a renewable energy resources procurement plan" that requires the POU to procure a minimum quantity of electricity and/or renewable energy credits ("RECs") from eligible renewable energy resources, as a percentage of total retail sales. This document comprises IPU's renewable energy resources procurement plan ("RPS Procurement Plan"). This RPS Procurement Plan describes how IPU will achieve its RPS procurement requirements in each compliance period.

#### Section 2. DEFINITIONS

The definitions set forth in Public Resources Code ("PRC") § 25741 and Public Utilities Code ("PUC") § 399.12 are incorporated herein. Capitalized terms in this RPS Procurement Plan, as first identified in parentheses, shall have the meaning given to such term in the body of this RPS Procurement Plan.

#### Section 3. RPS ENFORCEMENT PROGRAM

As required by PUC § 399.30, the IPU Governing Board adopted the Renewable Energy Resources Program Plan and Enforcement Program ("RPS Enforcement Program") on May 1, 2013. The RPS Enforcement Program established compliance periods, adopted RPS-eligible procurement targets, and described the framework for how IPU would implement its RPS program. Section 2.6 of the RPS Enforcement Program directed IPU to provide the IPU Governing Board with an updated "Resource Procurement Plan". Attached hereto is a copy of the RPS Enforcement Program.

#### Section 4. Specified RPS Procurement Targets

The RPS Enforcement Program, has general RPS procurement targets for each of the initial three compliance periods. Pursuant to PUC § 399.30(b) and (c), the IPUC adopts and further specifies the RPS procurement targets for Compliance Periods 3, 4, 5, 6, and all subsequent periods as follows:

#### Compliance Period 3

For the four-year period beginning January 1, 2017 and ending December 31, 2020, IPU shall procure sufficient RPS-eligible resources to equal the sum of the following: (27 percent of 2017 retail sales) + (29 percent of 2018 retail sales) + (31 percent of 2019 retail sales) + (33 percent of 2020 retail sales). IPU shall not be required to procure a specific quantity of RPS-eligible resources in any individual year during this compliance period.

#### Compliance Period 4

For the four-year period beginning January 1, 2021 and ending December 31, 2024, IPU shall procure sufficient RPS-eligible resources to equal the sum of the following: (35.75 percent of 2021 retail sales) + (38.5 percent of 2022 retail sales) + (41.25 percent of 2023 retail sales) + (44 percent of 2024 retail sales). IPU shall not be required to procure a specific quantity of RPS-eligible resources in any individual year during this compliance period.

#### Compliance Period 5

For the three-year period beginning January 1, 2025 and ending December 31, 2027, IPU shall procure sufficient RPS-eligible resources to equal the sum of the following: (46 percent of 2025 retail sales) + (50 percent of 2026 retail sales) + (52 percent of 2027 retail sales). IPU shall not be required to procure a specific quantity of RPS-eligible resources in any individual year during this compliance period.

#### Compliance Period 6

For the three-year period beginning January 1, 2028 and ending December 31, 2030, IPU shall procure sufficient RPS-eligible resources to equal the sum of the following: (54.67 percent of 2028 retail sales) + (57.33 percent of 2029 retail sales) + (60 percent of 2030 retail sales). IPU shall not be required to procure a specific quantity of RPS-eligible resources in any individual year during this compliance period.

#### Subsequent Compliance Periods

For each subsequent compliance period, IPU shall procure sufficient RPS-eligible resources to equal an average of 60 percent of retail sales.

#### Section 5. RPS PROCUREMENT REQUIREMENTS

PUC § 399.30(c)(3), consistent with PUC § 399.16, as implemented by the Energy Commission's RPS Regulations specifies certain procurement requirements that are applicable to "electricity products," which refers to either: (1) electricity and the associated renewable energy credit ("REC") generated by an eligible renewable energy resource; or (2) an unbundled REC.

#### A. Procurement Associated with Pre-June 2010 Contracts and Ownership Agreements

Pursuant to PUC § 399.16(d), electricity products associated with contracts or ownership agreements that were executed prior to June 1, 2010 and which met certain specified eligibility requirements, must count toward the POU's RPS Procurement Targets without regard to the portfolio content categories ("PCCs").

#### B. Procurement Associated with Post June 2010 Contracts and Ownership Agreements

Pursuant to PUC § 399.16(b)-(c), as implemented by the Energy Commission's RPS Regulations, electricity products associated with contracts or ownership agreements that were executed after June 1, 2010 must be classified into the following three PCCs:

PCC1: Electricity products that are procured as bundled and that are associated with an eligible renewable energy resource that either: (1) has its first point on interconnection within a California balancing authority ("BA"); (2) has its first point of interconnection to a distribution system used to serve end users within a California BA; (3) is scheduled into a California BA without substituting electricity from another source; or (4) is dynamically transferred into a California BA.

PCC2: Electricity products that are procured as bundled and that are associated with an eligible renewable energy resource that is located within the WECC but outside of a California BA, and for which the renewable energy is matched with an equal amount of incremental energy that is scheduled into a California BA.

<u>PCC3</u>: All electricity products that are associated with eligible renewable energy resources, but that do not meet the definition of PCC1 or PCC2.

# C. <u>Portfolio Balance Requirements Applicable to Procurement Associated with Post June 1, 2010 Contracts and Ownership Agreements</u>

Pursuant to PUC § 399.16(c), as implemented by the Energy Commission's RPS Regulations, the following portfolio balance requirements are applicable to all electricity products that are credited towards the RPS Procurement Quantity Requirements that are associated with contracts or ownership agreements executed after June 1, 2010:

	Compliance Period 3 and All Subsequent Compliance Periods
PCC1	≥ 75%
PCC2	No Limitation
PCC3	≤10%

#### Section 6. RPS PROCUREMENT

#### A. RPS Contracts Executed Prior to June 1, 2010

None.

#### B. RPS Procurement Acquired After June 1, 2010

The City developed a 2-megawatt solar carport and electric vehicle charging facility at the Industry MetroLink station. The City entered into a 20-year power purchase agreement ("PPA") and beginning in March 2012, Southern California Edison purchased the entire solar output.

IPU had sufficient funding available from the Public Benefit Programs and California Air Resources Board Emission Trading Program to purchase PCC1, PCC2 and PCC3 electricity products to comply with the CP2 and CP3 RPS requirements.

IPU signed a 25-year PPA with AM Wind Repower LLC for the procurement of renewable energy from the Alta Mesa RP27 Wind Energy Center located in Riverside County. The scheduled "Commercial Operation Date" is January 1, 2022, and will interconnect to the California Independent System Operator ("CAISO") grid as a Full Capacity Deliverability Status resource. The PPA also provides for the option of battery storage at the site. The forecasted first year generation of 18,809 megawatt-hours is 99.3% of the forecasted PCC 1 requirements in Compliance Period 4.

#### C. Planned RPS Procurement

IPU is currently negotiating a 7 MW photovoltaic PPA. The forecasted first year generation is 17,750 megawatt-hours of renewable energy. The expected "Commercial Operation Date" is December 31, 2022.

### Section 7. FORECAST OF RETAIL SALES AND RPS COMPLIANCE OBLIGATIONS

	Compliance Period 3									
Year	2017 Actual	2018 Actual	2019 Actual	2020 Forecast	2017-2020					
Retail Sales (MWh)	39,454	38,611	38,714	35,862	152,641					
RPS %	27%	29%	31%	33%						
RPS Procurement Requirement (MWh)	10,653	11,197	12,001	11,834	45,685					

	Compliance Period 4				Compliance Period 5			Compliance Period 6					
Year	2021 Forecast	2022 Forecast	2023 Forecast	2024 Forecast	2021- 2024	2025 Forecast	2026 Forecast	2027 Forecast	2025- 2027	2028 Forecast	2029 Forecast	2030 Forecast	2028-2030
Retail Sales (MWH)	39,454	49,823	49,823	49,823	188,923	49,823	49,823	49,823	149,469	49,823	49,823	49,823	149,469
RPS %	35.75%	38.5%	41.25%	44%		46%	50%	52%		54.67%	57.33%	60%	
RPS Procurement Requirement (MWh)	14,105	19,182	20,552	21,922	75,761	22,919	24,912	25,908	73,739	27,238	28,564	29,894	85,696

#### Notes:

<sup>\*</sup> Individual year targets are for planning purposes only.

# Section 8. EXCESS PROCUREMENT RULES

- A. The following rules for excess procurement shall apply for Compliance Period 3:
  - 1. IPU may apply excess procurement in one compliance period to a subsequent compliance period, subject to the following limitations:
    - (a) Electricity products that exceed the maximum limit for PCC3, as specified in PUC § 399.16(c), must be subtracted from the calculation of excess procurement.
    - (b) Electricity products procured under contracts of less than 10 years in duration shall be subtracted from the calculation of excess procurement, unless the electricity product meets the grandfathering requirements of PUC § 399.16(d).
  - 2. IPU may begin accruing excess procurement as of January 1, 2011.
  - 3. Excess procurement meeting these requirements may be applied to any future compliance period and shall not expire, subject to the limitation in the following paragraph.
  - 4. Excess procurement that is classified as PCC2 must be used for compliance by no later than Compliance Period 5. Starting in Compliance Period 6, any previously accumulated excess procurement classified as PCC2 will no longer be eligible to count towards the RPS procurement requirements.
- B. The following rules for excess procurement shall apply for Compliance Period 4 and all subsequent Compliance Periods:
  - 1. IPU may apply excess procurement in one compliance period to a subsequent compliance period, subject to the following limitations:
    - (a) Electricity products that are classified as PCC2 or PCC3 may not be counted as excess procurement.
    - (b) Electricity products that exceed the maximum limit for PCC3, as specified in PUC § 399.16(c), must be subtracted from the calculation of excess procurement.
  - 2. Excess procurement meeting these requirements may be applied to any future compliance period and shall not expire.

# Section 9. DELAY OF TIMELY COMPLIANCE RULES

# A. <u>Delay of Timely Compliance Rule</u>

Pursuant to PUC § 399.30(d)(2)(A), and consistent with Section 7 of the RPS Enforcement Program, the IPUC may adopt measures permitting IPU to delay timely compliance with the RPS procurement requirements. IPUC adopts the following delay of timely compliance rules.

If any of the conditions listed below occurs and is beyond the control of IPU and causes IPU to not be reasonably able to comply with the RPS procurement requirements, IPU may delay timely compliance with the RPS procurement requirements.

### 1. Transmission Constraints

There is inadequate transmission capacity to allow sufficient electricity to be delivered from eligible renewable energy resources, or proposed eligible renewable energy resource projects, to the extent applicable, using the current operational protocols of the BA in which the IPU operates. If IPU owns transmission or has transmission rights, then IPU shall demonstrate that:

- IPU undertook all reasonable measures under its control and consistent with its
  obligations under local, state, and federal laws and regulations to develop and construct
  new transmission lines or upgrades to existing lines intended to transmit electricity
  generated by eligible renewable energy resources, in light of its expectation for cost
  recovery.
- IPU took all reasonable operational measures to maximize cost-effective purchases of electricity from eligible renewable energy resources in advance of transmission availability.

### 2. Permitting, Interconnection, or Other Circumstances

Permitting, interconnection, or other circumstance have delayed the procurement of eligible renewable energy resource projects, or there is an insufficient supply of eligible renewable energy resources available to IPU. To utilize this condition, IPU must show that the permitting, interconnection, or other circumstance caused the delay or insufficient supply and that:

- IPU prudently managed portfolio risks, including, but not limited to, holding solicitations for RPS-eligible resources with outreach to market participants and relying on a sufficient number of viable projects to achieve RPS procurement requirements.
- IPU sought to develop either its own eligible renewable energy resources, transmission to interconnect to eligible renewable energy resources, or energy storage used to integrate eligible renewable energy resources.

- If the cause for delay or insufficient supply was foreseeable, IPU procured an appropriate minimum margin of procurement above the level necessary to comply with the RPS to compensate for foreseeable delays or insufficient supply.
- IPU took reasonable measures to procure cost-effective distributed generation and allowable unbundled RECs.

### 3. Unanticipated Curtailment

Unanticipated curtailment of eligible renewable energy resources, if the delay of timely compliance would not result in an increase in greenhouse gas emissions.

# 4. Transportation Electrification

Unanticipated increase in retail sales due to transportation electrification. To utilize this condition, IPU must consider whether transportation electrification significantly exceeded forecasts in IPU's service territory based on the best and most recently available information available to IPU. Further, IPU must take reasonable measures to procure sufficient resources to account for unanticipated increases in retail sales due to transportation electrification.

# Section 10. COST LIMITATION

#### A. Cost Limitation Rule

Pursuant to PUC § 399.30(d)(2)(B), and consistent with Section 2.8 of the RPS Enforcement Program, the IPUC shall rely on the following information to establish a limitation on the procurement expenditures for all RPS-eligible resources:

- 1. The information contained in this RPS Procurement Plan.
- 2. Procurement expenditures that approximate the expected cost of building, owning, and operating eligible renewable energy resources.
- 3. The potential that some planned resource additions may be delayed or canceled.

In developing the cost limitation, the IPUC shall ensure that:

- 1. The limitation is set at a level that prevents disproportionate rate impacts.
- 2. The costs of all procurement credited toward achieving the renewables portfolio standard are counted towards the limitation.

3. Procurement expenditures do not include any indirect expenses, including imbalance energy charges, sale of excess energy, decreased generation from existing resources, transmission upgrades, or the costs associated with relicensing any utility-owned hydroelectric facilities.

If the cost limitation is insufficient to support the projected costs of meeting IPU's RPS targets, as specified above, IPU may refrain from executing any further contracts for eligible renewable energy resources, beyond what can be procured within the cost limitation.

### B. Relevant Factors and Findings

To determine what cost limitation is necessary to prevent disproportionate rate impacts, the IPUC has considered the following factors and made the following findings:

### 1. Economic Conditions

IPU stimulates the local economy by providing cost-effective rates to local businesses. The sales tax receipts from these local businesses fund essential City services. The COVID-19 pandemic has had negative consequences to the local economy, and lower sales tax receipts.

**Finding:** The IPUC finds that IPU's cost limitation must be structured and set at a level that avoids further harm to the local economy and limits impacts on local businesses.

# 2. Unemployment

IPU was established to offer competitive electric rates that would attract businesses and employment opportunities for the surrounding communities. State of California Labor Market Information Data Library lists a preliminary 15.1% unemployment rate in the County of Los Angeles as of September 30, 2020.

Competitive electric rates attract new customers and encourage existing customers to remain and expand their facilities. IPU works with businesses to make sure rates are kept at a level that helps them remain competitive.

**Finding:** The IPUC finds that IPU's cost limitation must be set at a level that does not negatively impact local employment rates.

### 3. Customer Make-up

IPU's customers include hospitality, wholesale, retail, manufacturing and warehouse facilities. Because IPU has a relatively small number of large customers, the loss of any individual customer would result in increases in the cost burden to the remaining customers. This can result from the costs associated with stranded investments, such as long-term contracts for load that no longer exists. Three of IPU's customers consume 38% of retail sales. To the extent that any one of these customers ceases to operate or relocates, IPU's remaining customers would bear the costs of any

stranded investments. Shifting these costs to other customers could have cascading consequences by threatening the viability of other customers.

**Finding:** The IPUC finds that IPU's cost limitation must be designed so that it does not overly burden any individual customer class and it protects against rate increases that would threaten the viability of any individual customer.

# C. <u>Cost of Full Compliance</u>

The cost of full compliance for Compliance Period 3, reflects completed transactions. The cost of the electricity product for: PCC1 was \$15.50/MWh; PCC3 was \$0.95; and PCC2 was \$6.00. The following table shows the cost of full compliance.

Year	PCC	Formula to Calculate Cost	Compliance Cost
2017	PCC1	10,653 PCC1 RECS x 75% x \$15.50/PCC1 REC	\$123,845
	PCC3	10,653 PCC3 RECS x 10% x \$0.95/PCC3 REC	\$1,012
	PCC2	10,653 PCC2 RECS x 15% x \$6.00/PCC2 REC	\$9,588
2018	PCC1	11,197 PCC1 RECS x 75% x \$15.50/PCC1 REC	\$130,169
	PCC3	11,197 PCC3 RECS x 10% x \$0.95/PCC3 REC	\$1,064
	PCC2	11,197 PCC2 RECS x 15% x \$6.00/PCC2 REC	\$10,080
2019	PCC1	12,001 PCC1 RECS x 75% x \$15.50/PCC1 REC	\$139,516
	PCC3	12,001 PCC3 RECS x 10% x \$0.95/PCC3 REC	\$1,140
	PCC2	12,001 PCC2 RECS x 15% x \$6.00/PCC2 REC	\$10,800
2020	PCC1	11,834 PCC1 RECS x 75% x \$15.50/PCC1 REC	\$137,578
	PCC3	11,834 PCC3 RECS x 10% x \$0.95/PCC3 REC	\$1,124
	PCC2	11,834 PCC2 RECS x 15% x \$6.00/PCC3 REC	\$10,650
Total	And address of the second section of the section of the second section of the se		\$576,566

Therefore, the estimated cost of full compliance with the Compliance Period 3 RPS Procurement Requirements is \$576,566.00.

# D. Expenditures that Will Count Toward the IPU's Cost Limitation

To determine if IPU's expenditures have met or exceeded the cost limitation established in this RPS Procurement Plan, IPU will include all direct costs associated with procurement from executed contracts and owned resources. Where applicable, this will include the contract price

multiplied by electricity products delivered during the Compliance Period. For any contract where the associated electricity is resold, IPU will still count towards its Cost Limitation the total cost of the combined electricity and REC.

# E. <u>Explanation of How IPU Developed a Cost Limitation Methodology and How Such Cost Limitation Prevents Disproportionate Rate Impacts.</u>

In developing its Cost Limitation methodology, IPU has reviewed the impacts of the factors, findings, and considerations described above. Specifically, IPU has evaluated what the results of IPU incurring the full cost of compliance and the impacts to customers on a rate basis and total bill basis under different scenarios.

To offer competitive electric rates that would attract businesses and employment opportunities for the surrounding communities IPU has limited ability to raise rates. Before raising rates, IPU staff would review the competitiveness of its rates and the rate impact on its customers.

IPU staff has determined that setting the Cost Limitation using the methodology described below is necessary to ensure that IPU can retain existing and attract new customers.

# F. Adoption of Methodology for Calculating Cost Limitation for Compliance Period.

To avoid disproportionate rate impacts for Compliance Period 3, the IPUC will require that during the annual budget approval process, IPU will calculate the revenues less expenses (before the incremental cost of procuring electricity products to satisfy the RPS requirements) and identify the funds available from such amount, in addition to funding available from the Public Benefit Programs and California Air Resources Board Emission Trading Program, to concurrently satisfy the applicable RPS requirement and maintain prudent reserves (Cost Limitation Guideline). IPU shall not be obligated to expend funds on RPS procurement greater than the Cost Limitation Guideline or RPS procurement targets.

# G. Adoption of Cost Limitation for Compliance Period 3

Pursuant to the methodology for calculating the cost limitation for Compliance Period 3, established above, there was sufficient funding available from the Public Benefit Programs and California Air Resources Board Emission Trading Program, to offset the current year decrease in the fund balance of \$112,300.00 and satisfy the RPS requirements of \$575,566.00; the cost limitation for Compliance Period 3 is determined to be \$576,566.00.

# EXHIBIT B

RPS Procurement Plan Enforcement, dated July 11, 2013



PUBLIC UTILITY COMMISSION (IPUC)
RPS PROCUREMENT & COMPLIANCE PLAN (SBX1 2)

# CITY OF INDUSTRY RENEWABLE ENERGY RESOURCES PROCUREMENT PLAN & ENFORCEMENT PROGRAM (SBX1 2)

# 1. POLICY STATEMENT

California's Renewable Portfolio Standard (RPS) requirements for publically owned utilities (POU) such as the City of Industry (the "City" or "COI"), has been established through dynamic and meaningful legislative and regulatory change over the past ten years. The current law, the California Renewable Energy Resources Act, Senate Bill 2 1st Ex Session ("SBX1 2") requires utilities to achieve 33% RPS by 2020, with interim targets of an average of 20% through 2011-2013 and 25% by 2016 and 33% by 2020. SBX1 2 requires POUs to prepare a renewable energy resources procurement plan and gives the California Energy Commission (CEC) new oversight responsibilities with respect to POUs.

The City of Industry shall work with the CEC to develop a renewable energy resources procurement plan that meets California's legislative intent while taking into consideration the burdensome changes imposed by the most recent legislation, market limitations for small utilities, the impact of RPS on rates and COI's financial resources. The City shall comply with the intent of the statute, some of which are open to interpretation in order to help POUs address their unique circumstances. The governing board's reasonable interpretation of the statute is provided herein. As long as COI's electric utility ("IPUC") acts in accordance with its governing board's reasonable interpretation, CEC should hold IPUC in compliance with SBX1 2.

This document describes IPUC's renewable energy resources procurement plan and enforcement program as required by PUC §399.30(e). The City Council is IPUC's governing board, responsible for adopting, implementing and enforcing the renewable energy resources plan and enforcement program.



# 2. IPUC RENEWABLE ENERGY RESOUCES PROCUREMENT PLAN

# 2.1 Renewable Portfolio Standard (RPS) Minimum Targets

Pursuant to SBX1 2 and codified under PUC §399.30, IPUC shall adopt and implement a renewable energy resources procurement plan to procure a minimum quantity of electricity products from eligible renewable energy resources, including renewable energy credits or RECs. The City Council requires IPUC to meet the overall RPS compliance targets specified under PUC §399.30(c)(1&2) for each compliance period. In meeting the targets, IPUC will contract for eligible renewable energy resources on a least cost, best fit basis that takes into account availability of resources, financial feasibility, transmission availability, competitive market availability and other relevant considerations.

IPUC has taken proactive steps to achieve and maintain RPS targets established by prior legislation SB1078 and SB 107. Due to the change in the eligibility of renewable energy caused by SBX1 2, IPUC shall be exempt from the specific portfolio content category percentages defined by PUC §399.16(c) for Compliance Period 1. Consistent with PUC §399.15(b)(5), the legislation authorizes IPUC's governing board, the City Council, to waive specific compliance requirements caused by conditions beyond the control of IPUC. IPUC will however, be required to attain its RPS minimum targets with reasonable progress which IPUC interprets as taking proactive steps in achieving and maintaining the RPS percentage targets required under SBX1 2.

# 2.2 Reasonable Progress in Renewable Energy Resources Procurement

The original 2002 RPS legislation gave POUs broad flexibility with RPS. Since 2005, the City has initiated broad efforts to procure renewable energy resources including acquiring an ownership interest and developing California based renewable energy resources.

- In December 2005, the City entered into an MOU to acquire a 2 MW interest in a Tehachepi wind energy resource from an independent power producer (IPP). The 2 MW wind resource could meet 20% of IPUC's retail sales. The City was unable to procure the resource due to interconnection issues, inadequate transmission capacity and inability to dynamically schedule 2 MW from an intermittent resource within the CAISO to the City's Point of Receipt.
- In 2009, the City began development of a 2 MW solar carport and electric vehicle (EV) charging project at the Industry MetroLink station. The renewable resource was planned to interconnect within the City's electric distribution system.
- On January 1, 2010, IPUC entered into a 5-year contract with Shell Energy Trading.
   The power content label of the Shell power supply contains 20% "Eligible Renewable" energy resources, 19% from wind and 1% from small hydroelectric. For



- a small utility such as the City whose peak load is approximately 8 MW, the integration of renewable resources within its wholesale power block was the most feasible RPS resource procurement option.
- Because the City had already contracted for 20% of its renewable requirement in its 5-year wholesale contract, on July 26, 2010, the City entered into a 20-year PPA with SCE (RAP ID# 5371) and began selling 100% of the 2 MW solar output to SCE beginning March 2012. At the end of contract term, the IPUC will take the 3,000 MWh/yr RPS supply. The project's EV Charging facilities are energized and an EV Lease Program for commuters shall commence in 2013. Given the explicit flexibility provided by RPS legislation prior to SB 2 (1X), the City's strategy is to reduce its carbon footprint by promoting EV transportation and has invested significant financial resources to install an EV charging infrastructure at MetroLink.

# 2.3 Grandfathering of Resource

By contracting for "eligible renewable" resources integrated as part of IPUC's power supply until 2015, the City procured the least-cost and best-fit electricity product consistent with PUC§399.16(b). The contracts are renewable and deemed to be eligible for grandfathering. As the grandfathered resources count toward IPUC's RPS targets, they do not need to be consistent with the portfolio content category percentages described in Section 2.4. As content categories had been established after IPUC had contracted for its RPS resources through 2015, for Compliance Period 1, IPUC's RPS procurement is exempt from portfolio content category percentages in Compliance Period 1 consistent with noncompliance waivers set forth in Section 3.2. IPUC must however procure the minimum quantity of eligible renewable energy resources for each compliance period as set forth in PUC §399.15(b)(2)(B). Eligible Renewable Energy Resources ("ERR") shall be certified by the CEC and are defined in PUC §399.12. IPUC must also participate in and comply with the verification and audit process administered by the Energy Commission PUC §399.30(i)(2).

### 2.4 Portfolio Content Categories ("Buckets")

SB 2 (1X) imposes a "loading order" that requires each provider to acquire a portfolio of renewables comprised of three categories. The three categories of renewable resources (referred to as "buckets") are defined in PUC §399.16(c). The City is a uniquely small POU who cannot access all three categories. To accommodate its market limitations, for the purposes of compliance, the portfolio content categories are defined as follows:

- i) <u>Category 1</u> Direct connection to a California balancing authority, scheduling without substitution and dynamically transferred energy. "California Content" (ex. MetroLink PV delivering to CAISO grid at SCE's Walnut substation, scheduled by SCE and integrated in the CAISO markets.)
- ii) Category 2 Firmed and shaped energy or RECs from eligible resources providing



incremental electricity and scheduled into a CA balancing authority. (ex. Northwest wind power shaped by Bonneville Power Administration delivered to CAISO grid at the California Oregon Border or COB)<sup>1</sup>.

iii) <u>Category 3</u> — All other renewable resources including unbundled renewable energy credits (RECs) referred to as the "REC Content".

### 2.5 Compliance Requirements [PUC§399.30]

IPUC does not establish annual compliance obligations for any specific year within Compliance Periods 1, 2 and 3. However, IPUC has set annual procurement targets that will be used to determine the total Compliance Period Requirements for each Compliance Period. Consistent with PUC §399.30(c)(1&2), IPUC's RPS procurement requirements for each compliance period are summarized as follows:

### 2.5.1 Total Compliance Period Requirements

- Compliance Period 1: January 1, 2011 through December 31, 2013. Required to procure 20% of average retail sales throughout the period from eligible renewable energy resources without regard to the categories defined by PUC §399.16(c) and described in Section 2.4 herein.
- Compliance Period 2: January 1, 2014 through December 31, 2016. Required to procure 25% of average retail sales from eligible renewable energy resources by December 31, 2016.
- Compliance Period 3: January 1, 2017 through December 31, 2020. Required to procure 33% of average retail sales from eligible renewable energy resources by December 31, 2020.

### 2.5.2 Portfolio Content Category Compliance Requirements

IPUC has defined the portfolio content categories specified in PUC §399.16(c) in Section 2.4 of the enclosed Renewable Energy Resources Procurement Plan. Subject to Section 2.4 herein, IPUC shall meet the limits on procurement for the portfolio content categories as described in the table below. IPUC's governing board may adjust the percentage limitations specified in PUC §399.16(c) for procurement in each category in order to comply with the obligation for a compliance period in which the conditions for waiving compliance established in Section 3.1 would otherwise be invoked. Additionally, IPUC shall determine to which category each procured resource belongs.

<sup>&</sup>lt;sup>1</sup> BPA integrates highly variable wind energy generated from Northwest wind resources into its Federal Columbia River Hydroelectric System so that a firm, shaped power supply (ex. constant 25 MW power supplied for 16 On-Peak hours per day) can be scheduled in advance and delivered to COB. Here a buyer can procure in advance a firm block of wind energy, despite the highly variable manner that wind energy is actually generated.



IPUC RPS	Compliance	Requirements
----------	------------	--------------

Compl. Period	% Retail Sales	Category 1	Category 2	Category 3
2011 - 2013	20% average	(see §2.3)	25%	75%
2014 - 2016	25% at YE16	≥ 65% <sup>1</sup>	≤20%	≤15%
2017 - 2020	33% at YE20	≥ 75% <sup>1</sup>	≤15%	≤10%

<sup>&</sup>lt;sup>1</sup> IPUC initial Category 1 RPS Compliance Requirement set equal to Category 1 content requirement set forth in PUC §399.16(c)(1).

### 2.6 IPUC RPS Procurement Plan Elements

To comply with PUC §399.30(c)(2), IPUC intends to demonstrate reasonable progress in attaining the goals of SBX1 2. IPUC has and will continue its extensive efforts to procure or develop renewable resources. When reviewing its RPS procurement needs, IPUC conducts an assessment of its supply and demand. Each year, IPUC prepares a Power Supply Forecast, which is a forward projection of supply and demand. IPUC's RPS procurement requirements are estimated from the Power Supply Forecast and are summarized in the follow table:

**Table 1: IPUC RPS Procurement Requirements** 

		Peak	Retail		
Compl.		Demand	Sales	<b>RPS Target</b>	
Period	Year	MW	MWHs	MWHs	Note
	2010	7.20	27,306		
1	2011	7.26	27,679		3-yr total
	2012	7.32	27,304	16,512	
	2013	7.39	27,577	_	
2	2014	7.46	27,853	6,963	
	2015	7.54	28,131	7,033	
	2016	7.61	28,413	7,103	YE-2016
3	2017	7.69	28,697	9,470	
	2018	7.77	28,984	9,565	
	2019	7.84	29,274	9,660	
	2020	7.92	29,566	9,757	YE-2020

IPUC's RPS procurement is calculated on a calendar year basis. The RPS percent is calculated based on the total MWHs of renewable resources (procured, contracted or in development) for a calendar year divided by calendar year retail sales. As shown in the above table, the RPS Target for Compliance Period 1 is calculated using the summation of 2011, 2012 and 2013 forecasted retail sales, while the RPS Target for Compliance Period 2 & 3 is calculated annually based on forecasted retail sales.



Attached below is IPUC's most recent "Resource Procurement Plan". Pursuant to §399.30(g), IPUC will provide the City Council with an updated "Resource Procurement Plan," annually.

Non RPS **Retail Sales Purchases RPS Target** Pk Dmd MWHs per Yr MWHs per Yr Energy MW **MWHs** Cat 2 Cat 3 Period Year **Forward** Spot Cat 1 15,000 1 2013 7.39 27,577 14,750 12,827 2014 7.46 27,853 14,750 8,577 4,526 1,393 1,044 2 2015 7.54 28,131 14,750 8,810 4,571 1,407 1,055 7.61 28,413 12,500 11,296 4,617 1,421 1,065 2016 7.69 28,697 12,500 10,905 5,292 1,420 2,757 2017 7.77 28,984 12,500 10,516 5,967 1,435 2,163 2018 3 2019 7.84 29,274 12,500 10,131 6,643 1,449 1,569 9,749 976 2020 7.92 29,566 12,500 7,318 1,464

**Table 2: IPUC Resource Procurement Plan Summary** 

IPUC has comprehensively reviewed options to meet its RPS targets. For Compliance Period 1, IPUC's options to procure renewable resources have been limited. Procuring Category 1 ("Cat 1") renewable resources has been particularly problematic due to the small quantities required by IPUC, the dynamic scheduling requirement and regulatory uncertainty in characterizing specifications for Category 1 & 2. In Compliance Period 1 the minimum purchase volume for Cat 1 was found to be 25,000 MWHs, 3 times greater than IPUC's aggregate Cat 1 RPS target for years 2011-13. Contracting for Category 1 resources in the emerging renewable market of Compliance Period 1 has been prohibitively expensive, and would negatively impact rate payers. Similarly, IPUC had contracted to competitively procure Category 2, but the supplier cancelled the supplies negotiated in a term sheet, citing regulatory uncertainty. Category 3 renewable resources are currently available for the small quantities required by IPUC and their pricing is such that they are currently financially viable for the City's rate payers. Consistent with the noncompliance provisions set forth in §3.2 of this Plan, IPUC has met its RPS Target via Cat 3 purchases for Compliance Period 1 as provided in Table 2.

Looking ahead to Compliance Periods 2 & 3, IPUC believes that it has sufficient time to procure its RPS content category amounts as set forth in PUC §399.16(c). To address its small quantities, IPUC is currently negotiating the procurement for its full period compliance volume, which are closer to minimum RPS transaction volumes required in the marketplace. Concurrent with IPUC's ongoing solicitation for Category 1, Category 2 and Category 3 renewable resources, IPUC shall work closely with the Southern California Public Power Authority (SCPPA) Renewable Resources Working Group in their



bid solicitation (RFP) process for securing renewable resources. Several times a year, The SCPPA Renewable Resources Working Group sends out RFPs for long term renewable resources. One of the potential SCPPA projects is the development of Tehachapi wind assets, which the City has already initiated discussions and has completed a preliminary review of. IPUC has also initiated efforts to develop rooftop PV on buildings within its service territory and a ground mount PV project located on a parcel that could be interconnected directly with the City's distribution facilities. All PV projects would deliver energy directly to IPUC's distribution facilities.

IPUC shall continue to conduct a thorough analysis of the risk of delay or failure associated with renewable resources contracted or projects under development. Its integrated resource planning (IRP) group shall discuss on a regular basis the viability of contracts or projects.

### 2.7 Reporting Requirements

Per SBX1 2, IPUC will provide the CEC documentation and reports, as required in PUC §399.30(g) and PUC §399.30(i).

### 2.8 Banking

Due to minimum RPS contract sizes in the current market relative to IPUC's RPS requirements, IPUC shall likely procure excess RPS resources in order to comply within a particular compliance period. Pursuant to PUC §399.13(a)(4)(B), IPUC can accumulate excess procurement of eligible resources in one compliance period to be applied to any subsequent compliance period.

### 2.8 Cost Limitations and Constraints [PUC§399.30(d)(3)]

IPUC shall establish specific cost limitations on procurement to ensure that compliance with the RPS standards does not materially increase rates as IPUC has limited ability to raise rates. Before raising rates, IPUC staff reviews the competitiveness of its rates, the rate impact on its customers and obtains input from the public (via sufficient public notice and rate workshops). Only the City Council is authorized to raise rates, who, consistent with PUC §399.15(c), may establish cost limitations for procurement expenditures.



# 3. ENFORCEMENT PROGRAM

### 3.1 Enforcement Action

Subject to the conditions for waiving compliance, the City Council may take enforcement action if IPUC fails to meet the compliance obligation for a compliance period as set forth in Section 2.5. In the event that an enforcement action is required, the City Council shall direct the City Engineer to develop and present a plan within 6 months to bring IPUC into compliance.

# 3.2 Waiver for Noncompliance

IPUC's Governing Board may waive enforcement of a Compliance Period Requirements for a particular compliance period if any of the following conditions occur that prevent compliance and it is demonstrated that IPUC took reasonable actions to comply and the conditions were beyond the control of IPUC:

- Legislative or regulatory actions that change the eligibility of energy already procured or contracted for;
- Permitting, interconnection, or other circumstances that delay procured eligible renewable energy resource projects;
- Inadequate transmission capacity to allow for sufficient electricity to be delivered;
- Unanticipated curtailment of eligible renewable energy resources that limit renewable energy deliveries to IPUC;
- Contract failures or other circumstances that delay procured eligible renewable energy resource projects.
- An insufficient supply of eligible renewable energy available within the cost limitations set forth in Section 2.8.

IPUC intends to comply with SBX1 2. However, as listed above, there may be circumstances that will prohibit IPUC from procuring renewable resources to meet the targets in SBX1 2. In such an instance, IPOUC will request the City Council authority to approve a waiver of compliance, consistent with PUC §399.15(b)(5).