



**PURCHASE AND SALE AGREEMENT AND JOINT ESCROW
INSTRUCTIONS WITH SOUTHERN CALIFORNIA EDISON, COST
SHARING AGREEMENT FOR THE RIVERSIDE TRANSMISSION
RELIABILITY PROJECT, TOTAL REVENUE OF \$5,215,000**

COMMUNITY & ECONOMIC DEPARTMENT

CITY COUNCIL
October 11, 2022

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BACKGROUND

1. Riverside Transmission Reliability Project (RTRP)
 - a. Joint project with Southern California Edison (SCE) and Riverside Public Utilities (RPU)
 - b. Will provide Riverside with a critical second connection to the State electric transmission grid
 - c. Addresses the long-term capacity and reliability needs of the City's electric utility system
2. Project includes:
 - a. Construction of approximately nine miles of double circuit 230kV transmission lines
 - b. Installation of approximately 10 miles of 69kV sub-transmission lines within the city of Riverside
 - c. Construction of two new substations – Wildlife (SCE) and Wilderness (RPU)



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BACKGROUND - CONTINUED

3. November 2004
 - a. RPU Board authorized RPU to enter an agreement with SCE
 - b. Agreement to complete a System Impact and Facilities Studies to construct
 - Double-circuited 220KV transmission line into the City; and
 - 220-66 kV transmission substation
4. March 2009
 - a. City and SCE entered into a Letter Agreement
 - b. SCE to complete engineering design for the interconnection facilities
 - c. Agreement required the City to sell to SCE the land essential for the Wildlife Substation



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BACKGROUND - CONTINUED

5. February 5, 2013
 - a. City Council certified the Final Environmental Impact Report (FEIR) for the entire RTP Project in accordance with California Environmental Quality Act (CEQA)
6. March 12, 2020
 - a. SCE obtained California Public Utilities Commission (CPUC) approval of RTP
 - b. Granted a Certificate of Public Convenience and Necessity (CPCN)



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BACKGROUND - CONTINUED

7. August 24, 2020

- a. Board recommended that the City Council approve a supplemental appropriation of \$125,000,000 for Riverside Transmission Reliability Project
 - Construction of two new substations
 - Improve five existing substations
 - Reconfigure existing distribution lines
 - Install new telecommunication lines.
- b. Approved by Council on January 26, 2021



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DISCUSSION

1. City owned property
 - a. Proposed Wilderness Substation site
 - b. Northeasterly corner of Wilderness Avenue and Ed Perkie Street
2. RTRP project will divide RPU's electrical system into an East and West subsystems
 - a. East to be served by SCE's existing Vista Substation
 - b. West to be served by the proposed Wildlife Substation



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DISCUSSION - CONTINUED

3. The proposed acquisition involves the following APNs:
 - a. Parcel A
 - Fee acquisition of the south portion of APN 189-100-006
 - 8.76 acres
 - b. Parcel B
 - Ingress & egress easement
 - 0.60 acres - southwest portion of APN 189-100-006.
 - c. Parcel C
 - Ingress & egress easement
 - 0.66 acres - southeast portion of APNs 189-100-006 and east portion 189-090-002 & 189-090-010



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PROPERTY AERIAL MAP



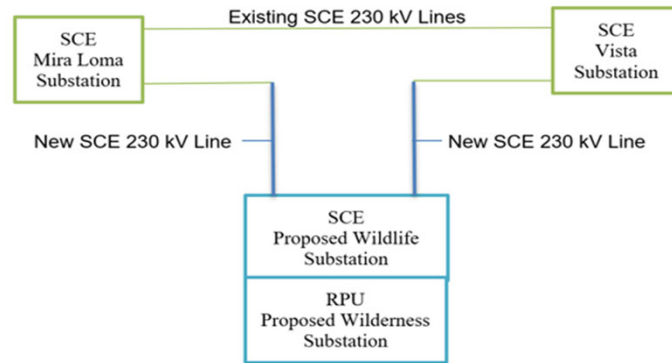
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SYSTEM CONNECTION



System Connections to Wildlife Substation

- Wildlife Substation connect to SCE system via a double circuit 230 kV transmission lines from Vista Substation and Mira Loma Substation and will feed RPU's proposed Wilderness Substation

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DISCUSSION - CONTINUED

- Assembly Bill 1486 (AB 1486) Requirement
 - September 30, 2019 – If Exclusive Negotiating Agreement in Place
 - Disposition must be completed by December 31, 2022
- Purchase and Sale Agreement and Joint Escrow Instructions:
 - Sale Price: \$5,215,000 (appraised value)
 - Close of Escrow: December 15, 2022 (prior to AB 1486 requirement)
 - SCE Due Diligence Period: 30-days
 - Cost Sharing Agreement

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DISCUSSION - CONTINUED

Cost Sharing Agreement

- a. Certain project components, such as site grading, site access, and street improvements overlap between RPU and SCE
- b. RPU and SCE have agreed RPU will take the lead on the common work and share the cost in accordance with an agreed Cost Sharing Agreement (CSA)
- c. Allows RPU and SCE to maintain control over overlapping and/or collaborative work
- d. Benefits of shared operating expenditures, improved efficiency, and reduced potential change orders during construction



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STRATEGIC PLAN ALIGNMENT

Strategic Priority No. 6

Infrastructure, Mobility & Connectivity

Goal No. 6.2

Cross-Cutting Threads



Community Trust



Fiscal Responsibility



Sustainability & Resiliency



Equity



Innovation



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RECOMMENDATIONS

That the City Council:

1. Declare a portion of vacant City-owned land bearing APN 189-100-006 as exempt surplus land;
2. Approve the Purchase & Sale Agreement and Joint Escrow Instructions with Southern California Edison for:
 - a. A portion of City-owned land (Assessor's Parcel Number 189-100-006)
 - b. Two easements (portions of Assessor's Parcel Numbers 189-100-006 & 189-090-002 & -010)
3. Approve the Cost Sharing Agreement with South California Edison for the Riverside Transmission Reliability Project;



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RECOMMENDATIONS

4. Authorize the City Manager, or his designee, to execute the Purchase & Sale Agreement and Joint Escrow Instructions, including making minor and non-substantive changes, and to sign all documents necessary to complete the transaction; and
5. Authorize the City Manager, or his designee, to execute the Cost Sharing Agreement with South California Edison for the Riverside Transmission Reliability Project, including making minor and non-substantive changes, and to sign all documents necessary.



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