

Southern California Public Power Authority (SCPPA)

Public Utilities Department

Utility Services/Land Use/Energy Development Committee
December 10, 2018

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Purpose of Presentation



SCPPA Overview

- a. Governance
- b. Projects
- c. RPU Expenditures
- d. Value

Council Questions

- a. Appropriate Uses under Joint Powers Agreement
- b. Purchasing Controls
- c. Council/Board Oversight

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Joint Powers Authority



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SCPPA Joint Powers Agreement Provisions



Creation of SCPPA under California Joint Exercise of Power Act

Membership

Governance

Powers

Finances & Reports

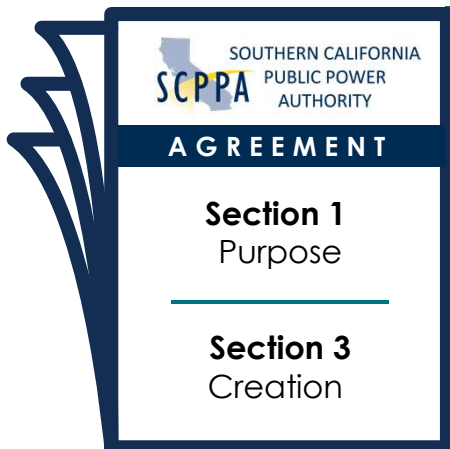
Term & Amendments



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Joint Exercise of Power Act



Separate Public Entity Formed by Agreement of 2+ Public Agencies

August 26, 1980:

Riverside City Council approved participation in SCPPA under Joint Powers Agreement

November 1, 1980:

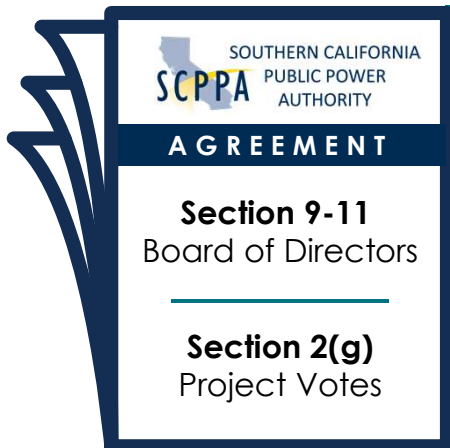
SCPPA created after receiving approvals by **all members' governing bodies**



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Governance



Board of Directors

Board is comprised of:

Chief Executive Officer or General Manager of Member Electric Utilities
as part of the Joint Powers Agreement approved by Riverside City Council












Votes on Projects are Proportional to Each Members' Investment in the Project



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SCPPA Powers

 <p>Projects To plan, develop, own, operate, manage or own capacity right in generation and transmission projects</p>	 <p>Contracts To make and enter into contracts for purchase, sale or transmission of electricity, or of any other kind</p>	
 <p>Property To acquire, hold, lease, sell, and dispose real or personal property</p>	 Hire To hire employees and consultants	 Debt To incur debt and liabilities
 Sue To sue and be sued in its own name		 <p>To exercise any other power permitted by the Joint Exercise of Power Act</p>
 <p>To form committees to manage projects and contracts</p>		

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Term and Amendments



AGREEMENT

- Section 4**
Term
- Section 8**
Termination
- Section 14**
Withdrawal
- Section 18**
Amendments


50 Year Term



Members May Withdraw Individually


Amendments Require Unanimous Approval

<p>Amendment 1 (1981)</p> <p>Section 7. Limitations and Contributions</p>	<p>Amendment 2 (1983)</p> <p>Section 6. Bonds and Notes</p>
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SCPPA Projects




Traditional Generation




Transmission




Renewable Generation




Energy Efficiency




Legislative and Regulatory Support



Training and Working Groups

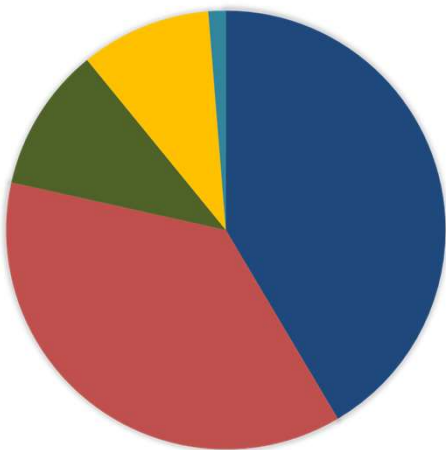


Energy Project Planning


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SCPPA Expenditures – Overview



- **Transmission Projects**
 41% - \$14.3 M
- **Renewable Projects**
 37% - \$13.1 M
- **Generation Projects**
 11% - \$3.7 M
- **Energy Efficiency Projects**
 10% - \$3.4 M
- **Other SCPPA Member Services**
 1% - \$0.4 M

TOTAL SCPPA BUDGET FOR 2018/19


\$34.9 M


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SCPPA Value


	Economies-of-Scale Pricing	Energy Generation: >5% savings \$667,000 per year	Energy Efficiency: 4-35% savings \$500,000 per year
	Enhanced Utility/City Revenues	Transmission Revenue Requirement: \$37M per year (IPP)	General Fund Transfer: \$4.3M per year (11.5%)
	Subject Matter Support and Expertise	Staff Extension, Development, Training, Sharing Knowledge	Stronger Legislative/Regulatory Presence


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Utility of the Past

GENERATION


HYDRO



WIND / SOLAR


NUCLEAR


FOSSIL FUEL

↓



TRANSMISSION




THE GRID

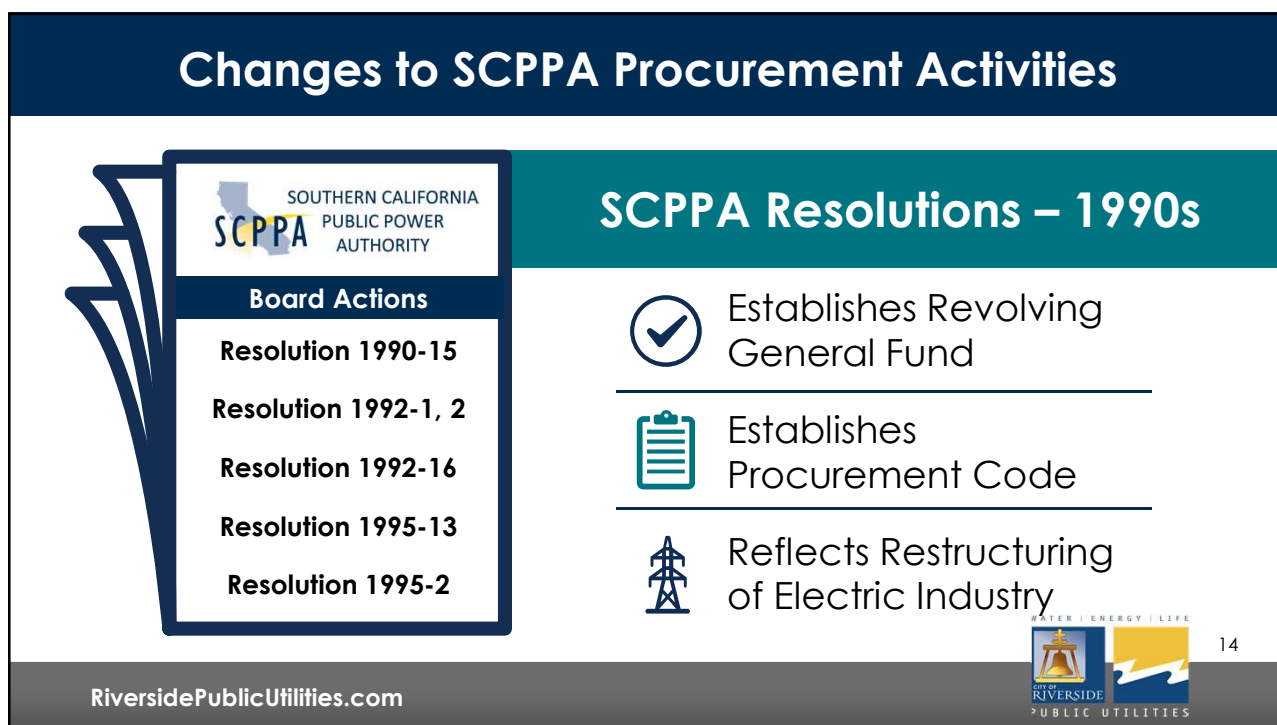
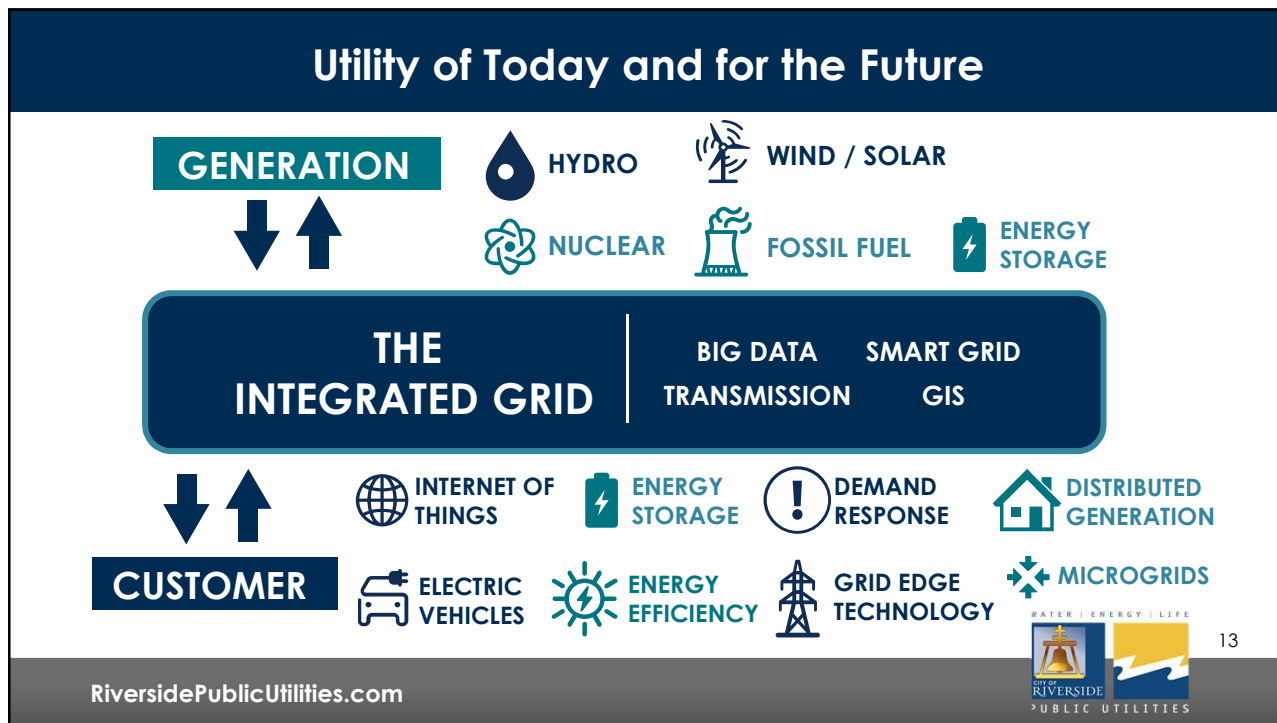
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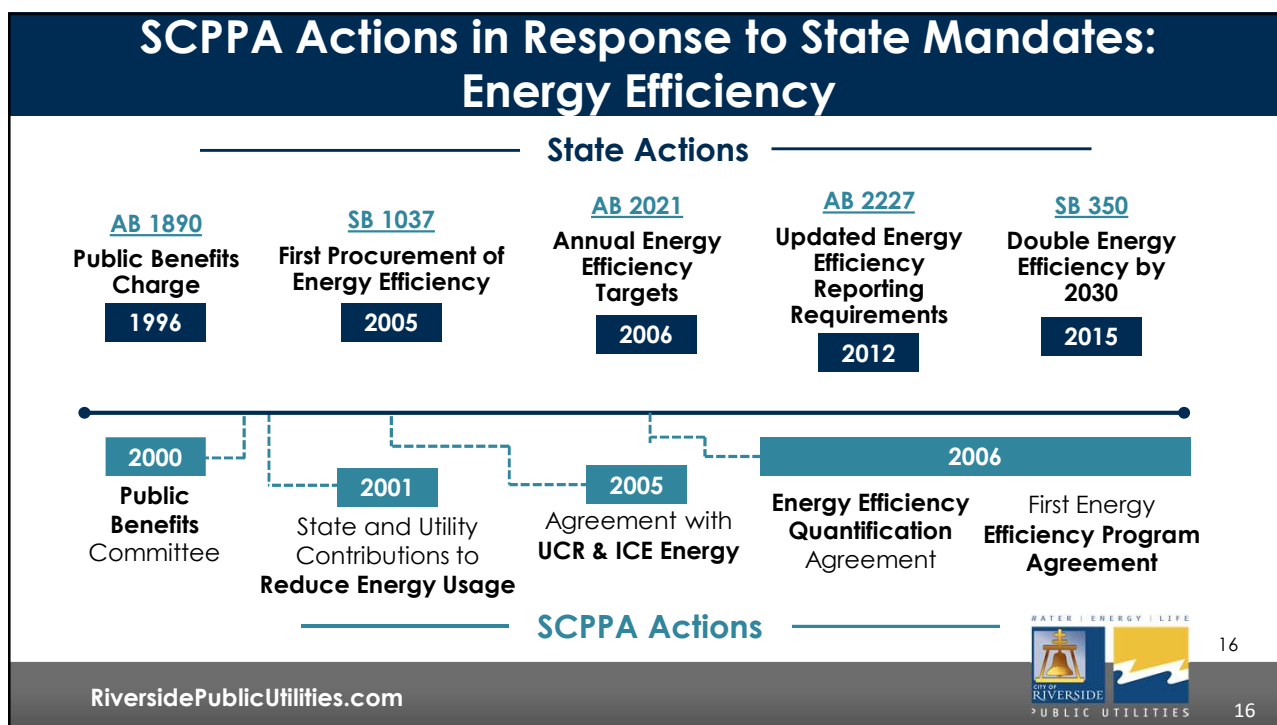
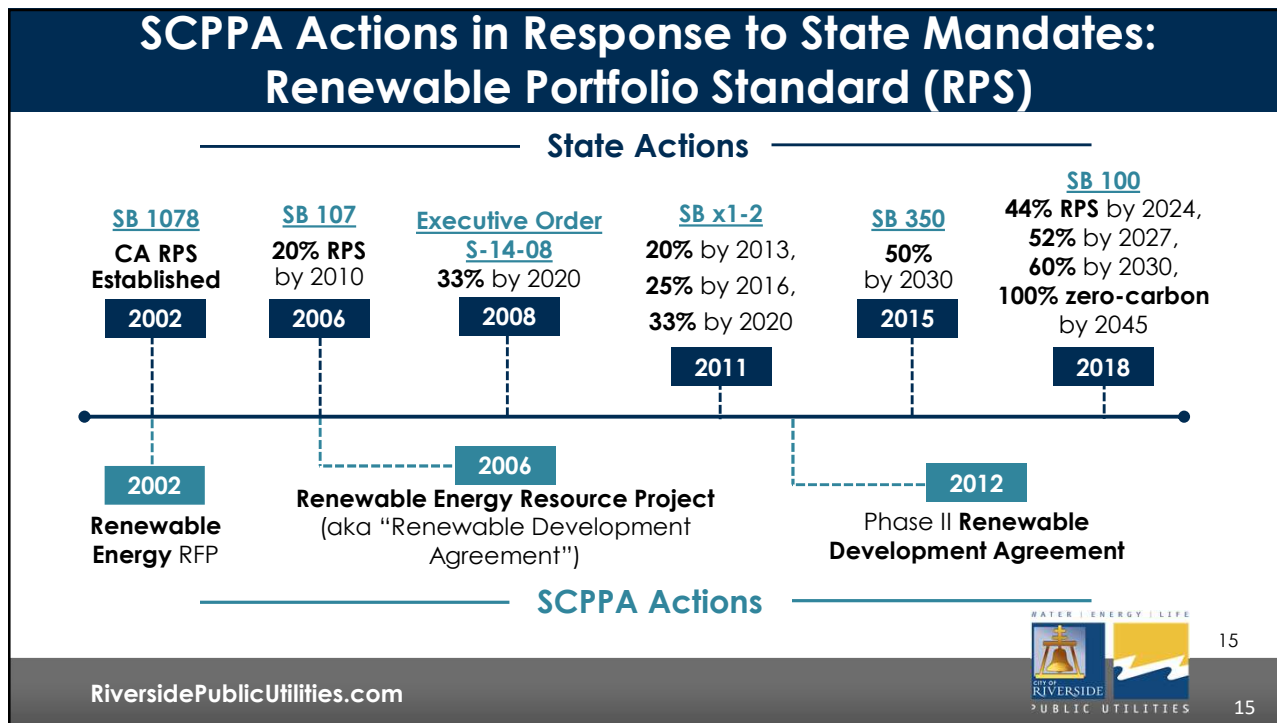
CUSTOMER

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Energy Efficiency Procurement

STATE LAW

SB 1037 (2005)
Added **Section 9615** to the Public Utilities Code

SB 350 (2015)
Amended **Section 25310** of the Public Resources Code

Public Utilities Code 9615(a)

"Each local publicly owned electric utility, in procuring energy, shall first acquire all available energy efficiency and demand reduction resources that are cost effective, reliable, and feasible."

Public Utilities Code 25310(a)

Requires the state to double statewide energy efficiency savings by 2030

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Energy Efficiency Procurement

LOADING ORDER FOR RESOURCE PROCUREMENT

- 

1. Energy Efficiency Resources
- 

2. Renewable Resources
- 

3. Fossil Fuel Resources

CITY ATTORNEY'S OFFICE

- Required by State law to procure energy efficiency resources first
- Joint Powers Agreement must be interpreted consistent with State law
- Energy efficiency is a generation resource
- Energy efficiency projects consistent with SCPPA Joint Powers Agreement

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Appropriate Use – Additional Member Services



**Legislative and
Regulatory
Support**



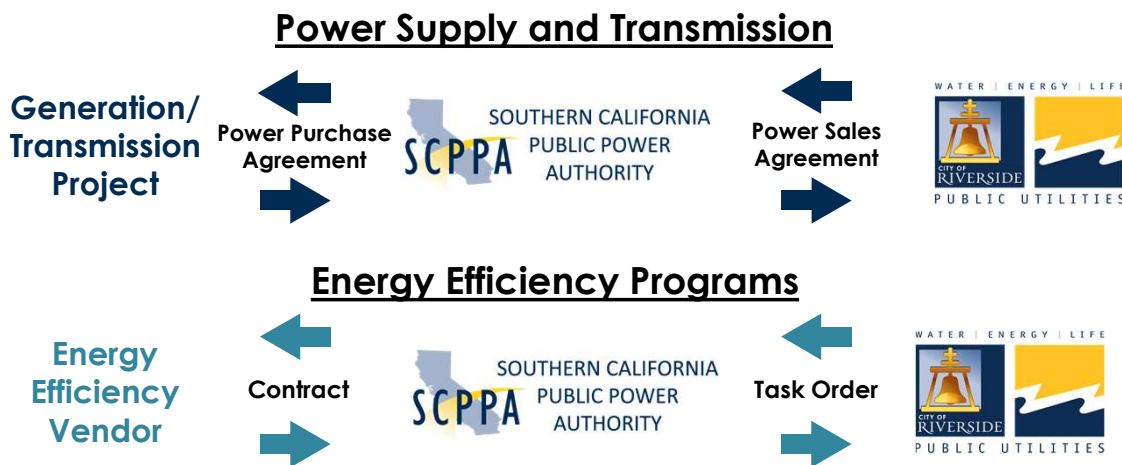
**Training and
Working
Groups**









Planning




SCPPA Purchasing – Contract Process



SCPPA Purchasing – Accountability


		<u>Board/Council Approval</u>
	<p>Power Supply and Transmission Initial power purchase agreement Ongoing expenditures (biennial budgets)</p>	
	<p>Energy Efficiency Programs Initial program task order Annual task orders (over \$50,000)</p>	
	<p>Other Member Services Annual expenditures (biennial budgets)</p>	

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Recommendation

That the Utility Services/Land Use/Energy Development Committee



**Receive and file
this report**

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