



RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: MAY 23, 2016

ITEM NO: 10
File 16-1581

SUBJECT: **PROFESSIONAL SERVICES AGREEMENT WITH UTILITY SYSTEM EFFICIENCIES, INC. FOR RFP 1557 - RIVERSIDE TRANSMISSION RELIABILITY PROJECT – IN THE AMOUNT OF \$160,680**

ISSUE:

The issue for Board of Public Utilities consideration is approval of a Professional Services Agreement and purchase order with Utility System Efficiencies, Inc., Carmichael, CA, for strategic planning and evaluation of alternatives for the Riverside Transmission Reliability Project (RTRP).

RECOMMENDATION:

That the Board of Public Utilities:

1. Approve a professional services agreement with Utility System Efficiencies, Inc. for strategic planning and evaluation of alternatives for the Riverside Transmission Reliability Project (RTRP) in the amount of \$160,680.

BACKGROUND:

The Riverside Transmission Reliability Project (RTRP) is a joint project with Southern California Edison (SCE) providing Riverside Public Utilities (RPU) with a second connection to the state electric transmission grid to address long-term capacity and reliability needs of the City's electric utility system.

On February 5, 2013, City Council certified the Final Environmental Impact Report (EIR) for RTRP. Since that date, there have been several legal challenges to the Council's certification of the Final EIR. On November 6, 2015, the Court of Appeals ruled in the City of Riverside's favor and upheld the City Council's certification of the Final EIR for the RTRP project. SCE submitted their application for a Certificate of Public Convenience and Necessity (CPCN) for the 230kV portion of the RTRP to the California Public Utilities Commission on April 15, 2015, and is currently awaiting approval.

As RPU waits for the CPUC's determination, the demand for electricity in Riverside continues to rise. In 2014, the City of Riverside's peak electrical load was 612 megawatts. RPU issued Request for Proposal No. 1557 on October 15, 2015, with the intent to hire a firm for RTRP Management Consulting and Strategic Planning Services. After review of their proposal, formal interviews were held with Utility System Efficiencies, Inc. (USE) to present strategies relative to project needs. The consultant scope of work for RTRP is to provide management consulting and strategic planning services to help RPU navigate the processes and proceedings at the CPUC, to assist in interfacing with the California Independent System Operator, and assist in the development of cost recovery options and alternatives.

FISCAL IMPACT:

The total estimated cost for the Project work is \$160,680. Sufficient funds are available in Public Utilities Account 6130000 – 470685.

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Approved by: John A. Russo, City Manager
Approved as to form: Gary G. Geuss, City Attorney

Certifies availability
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Attachment: Professional Services Agreement with Utility Systems Efficiencies, Inc.