



Intermountain Power Project Repower Project- Update on Riverside's Procurement of Energy and Transmission

Public Utilities Department

City Council
March 28, 2017

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INTERMOUNTAIN POWER PROJECT (IPP) BACKGROUND

Current Project - Coal Plant

1. Located near Delta, Utah
2. 36 Participants (6- California, 30 Utah)
3. Two 900 MW Units- Total 1800 MW
4. Contract expires June 15, 2027



2



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IPP REPOWER PROJECT

Repower Project – Natural Gas Combined Cycle

1. Two 600 MW Units - Total 1,200 MW
2. July 1, 2025- Anticipated Commercial Operation Date



IPP Coal Plant
(Approx. 2,000lbs CO₂/MWh)



Natural Gas Plant
(Proposed: Approx. 800lbs CO₂/MWh)

3



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PRIOR CITY COUNCIL ACTION

On June 16, 2015, City Council authorized the City Manager or his designee to:

1. Participate in the IPP Repower Project for up to 5% in generation capacity or 60 MW
2. Execute any documents necessary to administer the Renewal Power Sales Contract
3. Report back to the Board and Council on the final subscription results of the IPP Repower Project

4



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RENEWAL SUBSCRIPTION PROCESS

1. March 18, 2016 – Intermountain Power Agency (IPA) issued renewal offers in the IPP Repower Project to all IPP participants
2. Renewal subscription process consists of three possible rounds
3. Participant's percentage election is a binding commitment



5

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SB 1368 COMPLIANCE FILING

1. Prior to accepting the offer, Riverside must first obtain all required regulatory approvals
2. November 1, 2016 - SB1368 EPS Compliance Filing was approved by City Council
3. November 2, 2016 – Compliance Filing submitted
4. December 14, 2016 - Compliance Filing approved by California Energy Commission



6

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RIVERSIDE'S ENTITLEMENT SHARE

1. January 5, 2017- RPU's General Manager executed the Renewal Power Sales Contract
2. Riverside's entitlement share – Current vs Repower Project

Component	Current IPP Contract		IPP Repower Project	
Generation	7.617%	136 MW	4.167%	50 MW
STS	10.164%	244 MW	5.278%	127 MW



7

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RIVERSIDE'S EXIT OPTION

1. California participants (except Los Angeles) have the right, but not the obligation, to exit completely or reduce their entitlement share by up to 20%
2. Exit option must be exercised prior to November 1, 2019
3. Upon exit- No cost responsibilities, including decommissioning



8

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FINAL RESULTS

IPP RENEWAL SUBSCRIPTION PROCESS

Repower Project subscription process was completed on January 17, 2017- fully subscribed

Participants	Generation Entitlement	STS Transmission Entitlement
Burbank Water & Power	4.167%	5.278%
Glendale Water & Power	4.167%	5.278%
Los Angeles Dept. of Water & Power	64.775%	82.053%
Pasadena Water & Power	1.667%	2.112%
Riverside Public Utilities	4.167%	5.278%
Utah Purchasers	21.057%	0.000%
Total	100.000%	100.000%

9



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UTILITY 2.0- MAINTAIN FLEXIBILITY

1. Having generation entitlement of 50 MW in the IPP Repower Project will allow Riverside to maintain flexibility in RPU's future procurement planning process
2. Option to exit the Repower Project completely or reduce entitlement share by up to 20% before November 1, 2019
3. Consistent with RPU's Utility 2.0 framework

10



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RECOMMENDATIONS

That the City Council receive, review and file this update on the City of Riverside's procurement of energy and transmission from the Intermountain Power Project (IPP) Repower Project.



11

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