



RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: FEBRUARY 25, 2019

ITEM NO: 5

SUBJECT: SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY BI-ANNUAL EXPENDITURE REPORT FOR THE PERIOD OF JULY THROUGH DECEMBER 2018

ISSUE:

Recommend that the City Council receive and file this Southern California Public Power Authority bi-annual expenditure report for the period of July through 2018 December 2018.

RECOMMENDATION:

That the Board of Public Utilities recommend that the City Council receive and file this Southern California Public Power Authority bi-annual expenditure report for the period of July 2018 through December 2018.

BACKGROUND:

Riverside Public Utilities (RPU) is a member of the Southern California Public Power Authority (SCPPA), a joint powers authority, formed to capture the economies of scale by collectively working with 12 local publicly owned utilities.

RPU's participation in SCPPA activities is voluntary and undertaken only when participating through SCPPA is expected to add value in the form of: 1) cost savings as compared to Riverside acting individually, and/or 2) staff savings achieved by collaborating on common issues and avoiding the duplication of effort at each utility.

The majority of RPU's expenditures associated with SCPPA relate directly to its participation in the generation, transmission, and renewable projects where there is joint interest by other utilities. RPU also participates in other joint member utility services such as energy efficiency programs, training, association dues, and legislative or regulatory advocacy where services are procured using economies-of-scale pricing from the collective buying power of SCPPA members, resulting in significant ratepayer savings.

On February 21, 2017, the City Council received an update on RPU's participation and involvement in SCPPA. City Council directed staff to provide a bi-annual report to the Board of Public Utilities (Board) and the City Council on expenditures. City Council also directed staff to seek Board and City Council approval for services procured through SCPPA over \$50,000. Consistent with the City's procurement process, services between \$25,000 and \$50,000 are approved by the City Manager and services up to \$25,000 are approved by the RPU General Manager.

DISCUSSION:

This SCPPA bi-annual expenditure report covers the first six (6) months of Fiscal Year 2018-19.

The following expenditures were paid through SCPPA by the Electric Utility for the period of July 2018 through December 2018:

SCPPA Category		Jul-Dec 2018	Fiscal Year To Date
Joint Power Supply & Transmission	Generation Projects	\$ 1,458,577	\$ 1,458,577
Joint Power Supply & Transmission	Transmission Projects	7,294,061	7,294,061
Joint Power Supply & Transmission	Renewable Projects	3,719,803	3,719,803
Other Member Services	Energy Efficiency Programs	764,625	764,625
Other Member Services	Power Resources Grid Management	12,581	12,581
Other Member Services	Energy Efficiency Programs Support	32,124	32,124
Other Member Services	Industry Association	73,535	73,535
Other Member Services	Training	19,167	19,167
Other Member Services	Legislation & Regulatory	22,354	22,354
Total		\$ 13,396,827	\$ 13,396,827

Existing joint generation, transmission, and renewable project agreements approved by the Board and City Council represent approximately 93% of SCPPA expenditures. The remaining 7% are comprised of energy efficiency programs and other member services. All expenditures were included in the Electric Utility's biennial budget and approved by the Board and City Council as part of the budget process.

In addition, all approved SCPPA procurement requests are tracked and monitored by RPU staff. The attachment lists the SCPPA procurement requests that were approved from July 2018 through December 2018. Timing of actual expenditures will depend on when services are incurred.

FISCAL IMPACT:

There is no fiscal impact associated with this Board action.

Prepared by: Aileen Ma, Interim Utilities Assistant General Manager/Finance & Administration
 Approved by: Todd M. Corbin, Utilities General Manager
 Approved by: Al Zelinka, FAICP, City Manager
 Approved as to form: Gary G. Geuss, City Attorney

Certifies availability of funds: Aileen Ma, Interim Utilities Assistant General Manager/Finance & Administration

Attachment: Approved SCPPA Procurement Requests – 7/1/2018 through 12/31/2018