



RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: MARCH 9, 2020

ITEM NO: 9

SUBJECT: SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY BI-ANNUAL EXPENDITURE REPORT FOR THE PERIOD OF JULY THROUGH DECEMBER 2019

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 December 2019.

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 through December 2019.

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 actual expenditures for Fiscal Year 2019-20 from July through December 2019, see table below.

SCPPA Category		Jul-Dec 2019
Joint Power Supply & Transmission	Generation Projects	\$ 1,415,667
Joint Power Supply & Transmission	Transmission Projects	5,444,952
Joint Power Supply & Transmission	Renewable Projects	2,980,929
Other Member Services	Energy Efficiency Programs	651,131
Other Member Services	Power Resources Grid Management	56,819
Other Member Services	Industry Association	8,889
Other Member Services	Training	20,974
Other Member Services	Legislation & Regulatory	28,868
Total Actual Expenditures		\$ 10,608,229

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. The amount paid for energy efficiency programs during this period comprised solely of the final invoices for services performed during Fiscal Year 2018-19. RPU did not renew any contracts for energy efficiency programs through SCPPA for Fiscal Year 2019-20 and is currently working on procuring services directly from energy efficiency program vendors. 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 2019 to December 2019. Timing of actual expenditures will depend on when services are incurred.

FISCAL IMPACT:

There is no fiscal impact associated with this Board action.

Prepared and 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: Brian Seinturier, Utilities Fiscal Manager

Attachment: Approved SCPPA Procurement Requests – 7/1/2019 through 12/31/2019