

RESOLUTION NO. 2001-18

RESOLUTION OF THE SOUTHERN CALIFORNIA PUBLIC POWER
AUTHORITY
AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN AGREEMENT
WITH THE WESTERN AREA POWER ADMINISTRATION
TO ESTABLISH DYNAMIC SCHEDULING CAPABILITY

AND PROVIDING FOR AN ADDITIONAL CONTRIBUTION TO THE
AUTHORITY'S REVOLVING GENERAL FUND, AND TAKING CERTAIN
RELATED ACTION
(HOOVER AGC COSTS)

WHEREAS, the Western Area Power Administration is able to establish the ability to dynamically schedule individual Hoover entitlements into the California ISO control area for Automatic Generation Control (AGC); and

WHEREAS, this ability will greatly benefit certain SCPPA Members who have Hoover entitlements; and

WHEREAS, certain SCPPA Members who are not participants in the SCPPA Hoover Upgrading Project will also receive a benefit from the establishment of this ability and wish to contribute to the costs of such work;

WHEREAS, the Board of Directors of the Southern California Public Power Authority (the "Authority"), in its Resolution No. 1990-15, established a revolving general fund (the "General Fund") for the payment of costs and expenses incurred by the Authority from time to time in carrying out its purposes;

WHEREAS, the Board of Directors of the Authority, in its Resolution No. 1992-1, provided for the continuation of the General Fund and established a procedure to be followed with respect to additional contributions to the General Fund;

WHEREAS, the Board of Directors of the Authority wishes to provide for an additional contribution to the General Fund, and Members of the Authority are willing to make such additional contribution; and

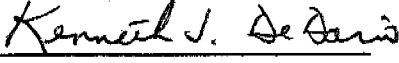
WHEREAS, the Board of Directors of the Authority wishes to contract with the Western Area Power Administration to provide dynamic scheduling capability for individual Hoover entitlements, and to provide for the sharing of costs.

BE IT RESOLVED by the Board of Directors as follows:

1. The Board of Directors hereby authorizes and directs the Executive Director to execute the attached contract with the Western Area Power Administration, and to pay initial and ongoing costs.
2. The Board of Directors hereby provides for an additional contribution to the General Fund. Such additional contribution,
 - a. shall be solely for the purpose of paying a share of costs and expenses incurred by the Authority for the Hoover AGC, and pending application for such purpose the contribution shall not be expended to pay costs or expenses properly allocable to one or more projects as provided in Section 3 of Resolution No. 1992-1;
 - b. shall be in the aggregate amount of 50% of any such costs, with the portion thereof to be contributed by each Member to be the amount set forth with respect to it on Exhibit A to this Resolution;
 - c. shall be billed and collected by adding to the Authority's monthly Palo Verde Project billings to Burbank, Glendale Pasadena, and Vernon, the percentage of such costs set forth with respect to each of them in Exhibit A to this Resolution, with such amount designated as "Resolution No. 2001-18 Charge";
 - d. Shall be transferred upon receipt to the Hoover Operating Fund as reimbursement for a share of costs expended for Hoover AGC.

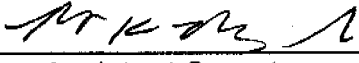
3. Amounts contributed to and held in the General Fund pursuant to this Resolution will not be contributed or held for the purposes of any project (other than Hoover) for which the Authority has obtained any form of external financing. Such amounts shall not constitute (a) Revenues, or (b) revenues, income, rents or receipts derived by the Authority from or attributable to Authority Capacity (or to the payment of the costs thereof) or the ownership or operation of any Project. As used herein, "Revenues", "Authority Capacity" and "Project" shall have the respective meanings set forth in the indentures of trust and other instruments governing the external financing arrangements entered into from time to time by the Authority.
4. The President, Vice President, Secretary, any Assistant Secretary, Executive Director and any other officer of the Authority are each hereby authorized to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution.
5. This Resolution shall become effective immediately.

THE FOREGOING RESOLUTION is approved and adopted by the Authority, this 17th day of May, 2001.



President
Southern California Public
Power Authority

ATTEST:



Assistant Secretary
Southern California Public
Power Authority

SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY
RESOLUTION NO. 2001-18
ALLOCATION AMONG MEMBERS

EXHIBIT A

PERCENTAGE OF TOTAL
HOOVER AGC COSTS

BURBANK	5%
GLENDALE	18%
PASADENA	16%
VERNON	<u>11%</u>
	50%

WORKSHEET

HOOVER ACG COST RESPONSIBILITY (W/O DWP)

	Capacity MWs	% of Total Members		MWH Energy	% of Total Members		Combined % of SCPPA Members	Share
		Capacity	Energy		Members	Energy		
Anaheim (SCPPA)	40	24.8254%	17.9210%	52,000	21.3732%		\$ 12,823.95	
Azusa (SCPPA)	4	2.4825%	1.7232%	5,000	2.1029%		\$ 1,261.72	
Banning (SCPPA)	2	1.2413%	0.6893%	2,000	0.9653%		\$ 579.16	
Burbank (SCPPA)	15	9.3095%	1.8755%	5,442	5.5925%			
Burbank A	5,125	3.1808%	7.2918%	21,158	5.2363%			
Burbank Total	20,125	12.4903%	9.1673%	26,600	10.8288%		\$ 6,497.28	
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Glendale A	18	11.1715%	23.3356%	67,711	17.2535%			
Glendale B	2	1.2413%	1.4306%	4,151	1.3359%			
Glendale Total	20	12.4127%	24.7662%	71,862	18.5894%		\$ 11,153.67	
Pasadena A	11	6.8270%	20.0161%	58,079	13.4215%			
Pasadena B	9	5.5857%	1.2479%	3,621	3.4168%			
Pasadena Total	20	12.4127%	21.2640%	61,700	16.8384%		\$ 10,103.01	
Riverside (SCPPA)	30	18.6191%	13.4408%	39,000	16.0299%		\$ 9,617.96	
Vernon B	22	13.6540%	9.6498%	28,000	11.6519%		\$ 6,991.13	
Total SCPPA Members	161,125	100.0000%	100.0000%	290,162	100.0000%		\$ 60,000.00	



Department of Energy
Western Area Power Administration
Desert Southwest Customer Service Region
P.O. Box 6457
Phoenix, AZ 85005-6457

APR 26 2001

Letter Agreement
No. 01-DSR-11253
SOUTHERN CALIFORNIA
PUBLIC POWER AUTHORITY

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Bill Carnahan
Executive Director
Southern California Public Power Authority
225 South Lake Avenue, Suite 1410
Pasadena, CA 91101

Dear Mr. Carnahan:

By your letter dated December 14, 2000, the Western Area Power Administration (Western) was informed of the Southern California Public Power Authority's (SCPPA) willingness to act as the contracting and funding entity in connection with the effort of certain of its members to establish the ability to dynamically schedule their Boulder Canyon Project (BCP) entitlements into the California Independent System Operator (CAISO) control area. Western is aware that SCPPA members have been working with CAISO as well as with Western to evaluate the feasibility of dynamically scheduling their respective BCP entitlements and enters into this Letter Agreement (Agreement) to facilitate such scheduling¹. It is our understanding that, for the purposes of this Agreement, the SCPPA members/contractors desiring to dynamically schedule their BCP entitlements are the cities of Anaheim, Azusa, Banning, Burbank, Colton, Glendale, Pasadena, Riverside, and Vernon.

Western and SCPPA are each hereinafter referred to individually as a Party, and collectively as the Parties.

¹ Entering into this Letter Agreement shall not obligate Western to modify its SCADA, Automatic Generation Control (AGC), or power accounting software to accommodate future requirements of the CAISO applicable to dynamic imports of power. Western reserves the right to review any such future requirements and to make its own determination as to the acceptability of those requirements to Western.

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Agreement: In accordance with and subject to the above and the following provisions of this Agreement, the Parties agree as follows:

1. **Term of the Agreement:** This Agreement shall become effective upon execution, and shall remain in effect for a period of one (1) year, unless terminated earlier by: (1) written notice of completion of the work itemized in Sections 2 & 3 of this Agreement; or (2) thirty (30) days written notice by either Party. Obligations incurred hereunder but not satisfied prior to the date of termination shall survive until satisfied by the obligated Party.
2. **Western, at the sole expense of SCPA, shall with regard to:**
 - 2.1 **Automatic Generation Control (AGC) System Modifications:**
 - 2.1.1 Coordinate with its CAISO counterparts to establish the data exchange protocol to be used.
 - 2.1.2 Modify AGC software to process additional dynamic schedules and to transfer the necessary data to the Interchange Scheduling and Accounting System.
 - 2.1.3 Modify or create Western's AGC real time displays to include the aggregate of the individual SCPA members' BCP dynamic control values while providing for individual dynamic schedules from the CAISO for each of the SCPA members participating in this effort.
 - 2.1.4 Create new entries in the database for each SCPA member to accommodate data exchange and dynamic schedule processing.
 - 2.1.5 Perform operability tests of each dynamic schedule's request and response to assure the AGC control is functional on both T-1 communication links with the CAISO.
 - 2.1.6 Review with SCPA, the methodology used by the CAISO to determine dynamic load following information.
 - 2.2 **T-1 Installation:**
 - 2.2.1 Assist in the interfacing of two separate T-1 lines between the CAISO and Western using standard Inter Control Center Protocols (ICCP).

- 2.2.3 Complete and test the dynamic 4-second data transmission between the CAISO and Western to assure reliable and adequate performance prior to acceptance by the CAISO and the Western Area Lower Colorado Control Area (WALC) power operations group.
- 2.2.4 Coordinate with the CAISO to assure all dynamic schedule data is transmitted successfully prior to releasing the T-1 primary and back-up channels for commercial service.
- 2.3 Interchange Scheduling and Accounting (ISA) Database Modifications:
 - 2.3.1 Perform ISA database modifications.
 - 2.3.2 Implement after-the-fact accounting for the dynamic schedules associated with the involved SCPPA members.
 - 2.3.3 Modify ISA calculations to coordinate with Western's BCP power Accounting Database System (ADS) data transfers.
 - 2.3.4 Provide training to Western's pre-scheduling, real time, and postscheduling personnel on implementation of the added dynamic schedules.
- 2.4 BCP Power ADS Modifications:
 - 2.4.1 Perform modifications and reporting changes in the BCP power ADS to accommodate individual dynamic schedules for each of the participating SCPPA members.
 - 2.4.2 Perform tests of the ADS database modifications and monthly accounting reports prior to releasing a program for commercial service.
- 2.5 Perform its responsibilities under this Agreement in accord with the provisions of the Interconnected Control Area Operating Agreement between Western and the CAISO.
- 2.6 Furnish all necessary personnel, material, and equipment to accomplish the tasks set forth in this Agreement.
- 2.7 Coordinate with SCPPA to schedule work, at mutually acceptable times.

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SOUTHERN CALIFORNIA
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2.8 Prepare this Agreement and any other documents, correspondence, and related work as appropriate.

3. **SCPPA at its sole expense, shall:**

3.1 Initiate the installation order for two separate T-1 lines between the CAISO and Western using standard ICCP.

3.2 Coordinate and cooperate with Western to accomplish the work specified herein.

3.3 Ensure that all activities of SCPPA will be performed so as to eliminate or minimize any interference with the operation and maintenance of Western's facilities.

4. **License:** Western, under the terms and conditions specified in this Agreement, grants to SCPPA, its employees, agents, and contractors, a license to enter Western's Desert Southwest Regional Office grounds and associated microwave facilities to accomplish the work described herein, Provided, That advance arrangements are made with Western.

5. **Compensation:** The estimated cost for the work described in Section 2 is Sixty Thousand Dollars (\$60,000.00), including allocable expenses. SCPPA shall, upon signing this Agreement, advance to Western the sum of Sixty Thousand Dollars (\$60,000.00), which shall be applied to the cost of performing the work described above.

In the event the funds advanced by SCPPA are insufficient and SCPPA desires that Western continue performing the activities described herein, SCPPA shall, as soon as is practicable after receipt of written notice by Western, advance such additional funds as are requested by Western. Western shall not be required to perform any work pursuant this Agreement until the additional funds have been received by Western.

Any funds advanced by SCPPA in excess of the costs incurred by Western shall be returned to SCPPA, without any interest whatsoever, as soon as practicable. Western shall be under no obligation to return to SCPPA any funds advanced which are expended for the purpose of this Agreement. All costs for the work performed by Western will be conclusively determined by Western.

Please forward the funds to be advanced, along with the enclosed Bill for Collection, to the following address:

Letter Agreement
No. 01-DSR-11253
SOUTHERN CALIFORNIA
PUBLIC POWER AUTHORITY

Western Area Power Administration
Department of Energy
File No. 51587
P.O. Box 60000
San Francisco, CA 94160-1587.

Western will proceed with the work described in Section 2 in accordance with the principles set forth in this Agreement when notified by our Collection Office that the funds have been received.

6. **Contingent Upon Authorization:** Continued expenditures by the United States are contingent upon Congress making the necessary authorization required for the continued performance of the United States' obligations under this agreement. In case such authorization is not made, SCPA hereby releases the United States from its contractual obligations and from all liability due to the failure of Congress to make such authorization.
7. **Electric Service Contracts:** This Agreement is entered into consistent with and pursuant to the terms of the Electric Service Contracts (ESC) between Western and each of the SCPA members referred to above. The terms of each SCPA member's ESC are hereby incorporated by reference; Provided, That if any SCPA member ESC is in conflict with this Agreement, the provisions of the ESC shall control.
8. **Points of Contact:** Technical questions related to the work to be performed under this Agreement should be directed to Mr. John Dake at (602) 352-2751. Contract issues should be directed to Ms. Linda M. Lazzarino at (602) 352-2652.
9. **Authority To Execute:** Each individual executing this Agreement on behalf of a Party certifies that the Party represented has duly authorized such individual to enter into this Agreement and to bind the Party represented.

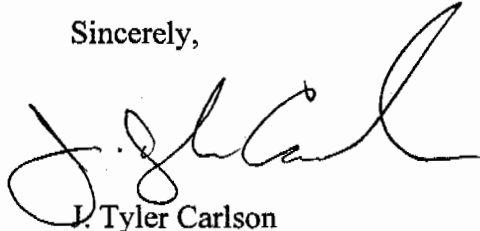
If the above provisions meet with your approval, please sign this Agreement and return one signed original to:

Western Area Power Administration
Desert Southwest Regional Office
ATTN: G6213
P.O. Box 6457
Phoenix, AZ 85005-6457.

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SOUTHERN CALIFORNIA
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The signed original should be returned within fifteen (15) days of the date written above. If this Agreement is not signed within fifteen (15) days, Western may rescind the proposal offered under this Agreement.

Sincerely,




J. Tyler Carlson
Regional Manager

Enclosure

IN DUPLICATE

Accepted and agreed to this 17th day of May, 2001.

SOUTHERN CALIFORNIA
PUBLIC POWER AUTHORITY

By 

Bill Carnahan

Title Executive Direction

RESOLUTION NO. 2001-18

RESOLUTION OF THE SOUTHERN CALIFORNIA PUBLIC POWER
AUTHORITY
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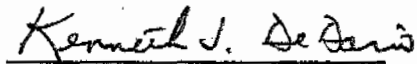
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 - b. shall be in the aggregate amount of 50% of any such costs, with the portion thereof to be contributed by each Member to be the amount set forth with respect to it on Exhibit A to this Resolution;
 - c. shall be billed and collected by adding to the Authority's monthly Palo Verde Project billings to Burbank, Glendale Pasadena, and Vernon, the percentage of such costs set forth with respect to each of them in Exhibit A to this Resolution, with such amount designated as "Resolution No. 2001-18 Charge";
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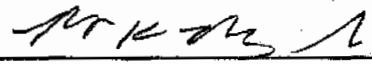
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ATTEST:



Assistant Secretary
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ALLOCATION AMONG MEMBERS

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HOOVER AGC COSTS

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