



Los Angeles
Department of
Water & Power



LOS ANGELES DEPARTMENT OF WATER & POWER (LADWP)

Energy Development Challenges and Opportunities with Tribes

WAPA Webinar August 2011





- RPS
 - LADWP Portfolio
- RPS – The Future
 - SBx1-2 / SB-23 Overview – Future RPS Targets
 - Project Evaluation Principles
- RPS Future Opportunities / Challenges



Renewable Projects Regional Map

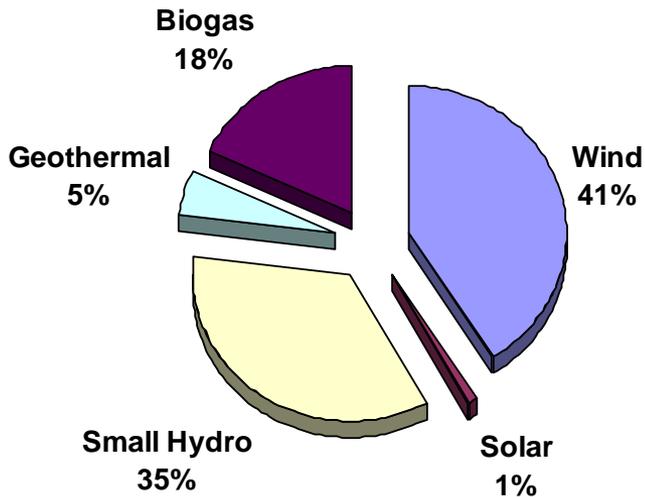


Renewable Resource Portfolio - 2010

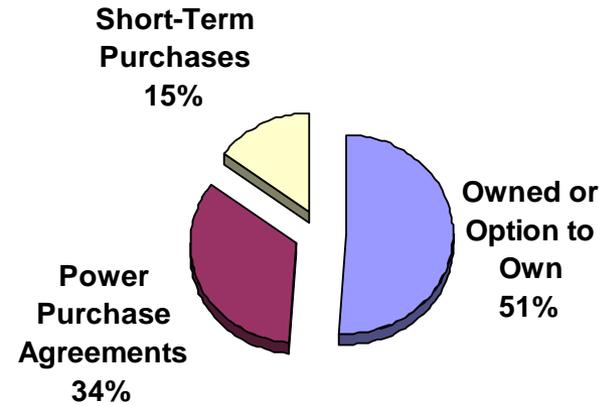
Type of Resource

Ownership Options

RPS 2010 Percentages



Type of Ownership



*Power Purchase Agreements (PPA) expire between 2015 and 2025.



Windy Point / Linden – Washington



Pine Tree - California



Milford Phase 1 & 2 - Utah



The RPS Future: SBx1-2 RPS Targets and “Bucket” OVERVIEW

Utilities can procure RPS energy under three different procurement classifications (commonly referred to as “buckets”) for those agreements executed on or after June 1, 2010.

Agreements entered into prior to this date are “grandfathered” as eligible.

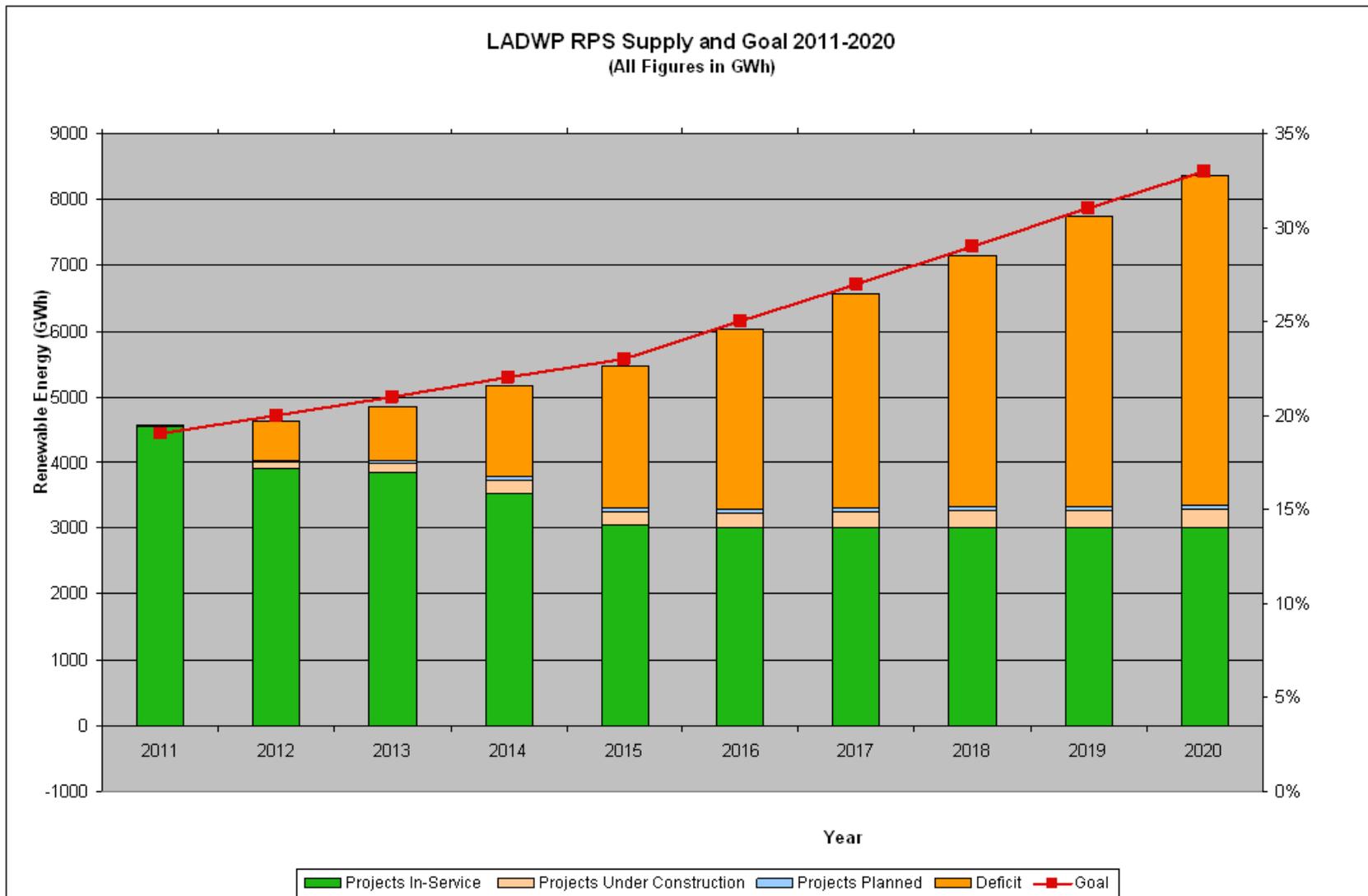
- Bucket 1: In-state projects or directly connected to DWP
- Bucket 2: Firmed & Shaped products delivered through other systems
- Bucket 3: Unbundled/REC-Only deals

There are varying thresholds for each of the “buckets:”

Compliance Period	Minimum % for Bucket 1	Maximum % for Bucket 3
Jan 1, 2011 – Dec 31, 2013 (RPS Target: 20%)	50%	25%
Jan 1, 2014 – Dec 31, 2016 “Reasonable progress” to ensure 25% renewable energy by the <i>end</i> of this period	65%	15%
Jan 1, 2017 - Dec 31, 2020 “Reasonable progress” to ensure 33% renewable energy by the <i>end</i> of this period	75%	10%

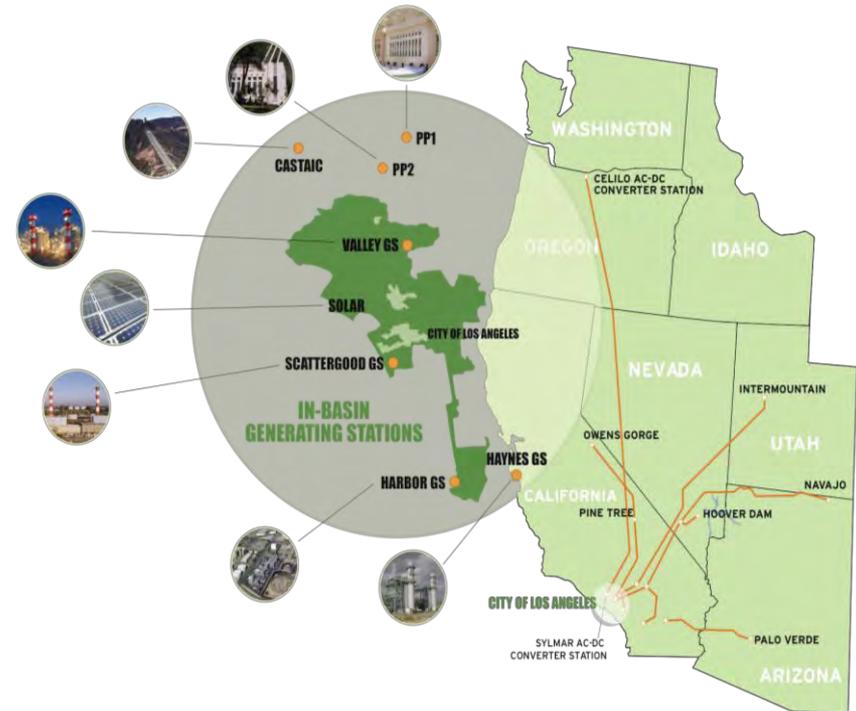
These additional “buckets” and the associated limitations will impact the market availability of RPS projects.

RPS Strategy & Goals



RPS Development Principles

1. Geographic Diversity of projects is important
2. Maximize use of existing LADWP transmission & land
3. Maintain options/flexibility
4. Regionally “cluster” renewable projects to achieve operation and main
5. Ownership of projects using proven technology is part of the current RPS Policy





RPS Gates includes:

- Resource Diversity
- Ownership Options
- Project Size
- Utility Scale Project Experience

A project under evaluation needs to pass through these gates, before consideration for full scoring and short listing.

RPS Scoring Criteria includes:

- Geographic Diversity
- Experience/Completion/Compliance Confidence
- Delivery at LADWP Balancing Authority / Project Clustering
- Labor
- SBx1-2 / SB23 RPS Bucket Allocation
- Firm Transmission Rights or Availability
- Pricing



- Each proposal will be given a total score based on the evaluation by the review team
- The total score will be split into price and non-price issues:
 - Economic factors
 - Technical and commercial (non-price) factors
- **Breakdown of Technical and Commercial factors:**

Project Viability Factors

Technical Information
Degree of Site Control
Environmental Compliance Plan
Dependence on Govt. Subsidies
Certainty of Renewable Resource
Operation and Maintenance Plan
Project Schedule
Strength of Financing Plan
Bidder Qualifications and Experience

LADWP Preference Factors

Project Ownership Arrangement
Project Location
Arrangements for Delivery of Power
Product Type
Offers to Other Parties