



**MINUTES
GLENDALE WATER & POWER COMMISSION**

**CITY HALL - COUNCIL CHAMBER
613 E. Broadway, 2nd Floor, Glendale, CA 91206**

Monday, October 2, 2023, 4:00 PM

1. ROLL CALL

The meeting was called to order at 4:02 p.m.

Present: President Jazmadarian, Commissioners Fay, Kedikian, Lowery, and Peterson
Absent: None

2. CONSENT ITEMS

a. Approval of the minutes for the following meetings:

▪ **August 7, 2023**

Moved by Commissioner Peterson, Seconded by Commissioner Kedikian.

The Commission unanimously approved the August 7, 2023 minutes as published.

3. GWP COMMISSION/STAFF COMMENTS

No comments from General Manager Mark Young or the commissioners.

4. REPORTS - INFORMATION

a. Water Capital Program Report

Mr. Richard Ruyle, Water Services Administrator, provided a report on the Water Capital Program.

Mr. Ruyle summarized the various Capital Improvement Categories (CIP) such as the Pipeline Management Projects (PMP) which consists of replacement of old cast iron pipes; Glendale Recycle Water Tank; Western Reservoir Wood Roof Replacement (extensive landscaping was done, and several options are being considered to replace aging wooden roofs); Glorietta Reservoir - West Cell; Glorietta Park Pump replacement; Foothill and UOC Wells, and the Brand Park Reservoir Slope Repair and New Erosion Project.

Mr. Ruyle responded to Commissioner's questions regarding infrastructure monitoring such as hacking risks; the revolving prioritization schedule for Pipeline Management Pump replacements; the risks associated with levee failures for reservoirs and whether there is a prevention and inspection program; the availability of sufficient relief funds for aging infrastructure such as pipes and their replacement, stormwater capture, and developing water sources such as water efficiency projects; the age of the oldest pipes in Glendale's water system, and the repurposing of UOC Wells to potable water and expected water quality.

Commissioner Kedikian suggested that, for future presentations, it would be beneficial to view the pumps and reservoirs on a map to see how and what communities are being served especially in terms of cost allocation.

b. Electric Capital Program Report

Mr. Daniel Scorza, P.E., Chief Assistant General Manager - Electric, provided a report on the Electric Capital Program

Mr. Scorza summarized the various Capital Improvement Categories (CIP) such as the Scholl Landfill Biogas Renewable Generation Project (with completion date scheduled for May of 2025); City Owned Solar Development Program – Phase 1 (which aligns with the City’s clean energy goals which were established by the City Council in August of 2022, with a completion date scheduled for 2024 for six sites); 12kV Feeder Reconstruction Project (conversion of 4kV to 12kV distribution feeders to improve system reliability and capacity), and the Fleet and Building Electrification Project which is beneficial especially in terms of EV chargers for City fleet (buses).

Mr. Scorza and General Manager Mark Young responded to questions raised by the Commissioners regarding investment for tax credit and whether Glendale will be able to take advantage of the ten percent bonus for low-income communities; whether solar facilities will be paired with energy storage equipment at the six solar development sites; whether there is a public transportation backup plan to be able to charge EV buses in case the grid goes down for an extended period of time, and whether the City’s emergency plan has been updated to deal with the increased electrical demand.

c. Renewable Portfolio Update (Chie Valdez)

Ms. Chie Valdez, Integrated Resource Planning Administrator, provided an update on the Renewable Portfolio Standard.

Ms. Valdez summarized the regulatory background and framework for the Renewables Portfolio Standard (RPS) Program which was established in 2002, managed by the California Energy Commission, and based on the percentage of retail electricity sales served by renewable resources.

Ms. Valdez compared the RPS Compliance Periods under the various Senate Bills (SB 1078), (SB 350), (SB 100), and (SB 1020). She discussed GWP’s recently submitted 2022 Power Source Disclosure, where the City reached the 35.2% of eligible renewable resources of which 59.9% of clean energy was supplied to GWP customers. She described GWP’s existing and proposed renewable and clean energy goals, explained the challenges, mitigation, and compliance strategies for meeting RPS and clean energy requirements, and gave updates on several of the City’s ongoing projects.

Ms. Valdez and General Manager Mark Young responded to the Commissioners’ questions regarding the local commercial solar Power Purchase Agreement (PPA); what energy resources (RPS) will look like in the future - in approximately 11 years - and described the Distributed Energy Resources (DERs) for the IRP.

d. Cost of Service Analysis (Dave Davis)

Dave Davis, Utility Finance Manager, gave a brief presentation as to how GWP will finance the Grayson Repowering and Scholl Canyon Biogas Projects, respectively. Mr. Davis discussed the electric cost of service and rate increases necessary to fund and meet the expenditures of the City’s Capital Improvement Projects; prospective bond scenarios and staff recommendations where rate increases will provide the

necessary cash reserves moving forward.

Mr. Davis introduced Mr. Tony Georgis of NewGen Strategies who is the City's Consultant for the Cost of Service Analysis (COSA) for the electric rates, to provide the COSA presentation. Mr. Georgis described the financial forecast analysis and optimization (identifying the optimal mix to meet GWP's goals), and what it will look like over the next five years; he described the rate study process (e.g., revenue requirement, cost allocation and rate design); explained the COSA results versus current revenues; base rates and GWP cost adjustment rates (recovery of the expected costs included in each COSA); and provided a comparison to the COSA results in 2021, and the financial forecast results for 2023.

Messrs. Davis, Young and Georgis responded to questions raised by the commissioners relating to base/rate adjustment – such as explaining that the base rates will go up and are aligned with COSA, but the customer's GWP bill will not; debt coverage and Glendale's rating which is AA; the interest rate on bonds that the City is paying; load growth (total cost and mitigating rate spikes), and the cost of delivery for business and residential customers.

Public Speaker(s)
Allen Dish

5. ORAL COMMUNICATIONS

Kevin Brady
Jack Walworth
Gustavo Moreno
Damien Sullivan

6. AGENDA FORECAST

Mr. Young and the Commissioners reviewed the agenda forecast for the November 6, 2023 Commission meeting.

Commissioner Peterson suggested moving a couple of items from November to December. General Manager Mark Young and Commissioner Fay concurred and moved the following item:

- The Electrification of Fleet (Electric Vehicles) - moved to the December 4, 2023

7. ADJOURNMENT

Motion to Adjourn:
Moved by: Commissioner Kedikian
Seconded by: Commissioner Peterson
Motion passed unanimously.

Meeting was adjourned at 7:03 p.m.