



CITY OF GLENDALE, CALIFORNIA REPORT TO THE CITY COUNCIL

AGENDA ITEM

Report: Amendment to the Professional Services Agreement with Ascend Analytics, LLC to Assist Glendale Water and Power with the Development of the City of Glendale 2024 Integrated Resource Plan.

1. Motion authorizing the City Manager, or his designee, to execute Amendment No. 2 to the existing Professional Services Agreement (Contract No. 8002134) with Ascend Analytics, LLC to increase the contract amount by \$40,000, to a new not-to-exceed amount of \$320,000.

COUNCIL ACTION

Item Type: Consent Calendar

Approved for February 6, 2024 **calendar**

EXECUTIVE SUMMARY

City of Glendale has an existing Professional Services Agreement (PSA) with Ascend Analytics, LLC ("Ascend") to assist Glendale Water and Power ("GWP") with the development of the City's 2024 Integrated Resource Plan (IRP) in compliance with SB 350 IRP requirements. The City Council authorized this contract for a not-to-exceed amount of \$245,000 plus a fifteen percent contingency in the amount of \$36,750, for a contract grand total of \$281,750.

In July of 2023, the City executed Amendment No. 1 to the said PSA, increasing the contract within the approved contingency by \$35,000, for a new not-to-exceed amount of \$280,000. This amendment covered the cost associated with the additional in-person stakeholder engagement sessions.

GWP completed the development of the IRP and presented the report to the City Council in December 2023 with "Scenario 1" as the recommended pathway. The City Council rejected Staff's recommendation and chose to adopt the IRP subject to incorporating "Scenario 4" as the preferred resource portfolio.

To ensure the accurate reflection of City Council's preferences in the IRP Report, Staff requests approval for an amendment to the PSA with Ascend, seeking additional funds of \$40,000 to implement the directives.

RECOMMENDATION

Authorize the City Manager to execute Amendment No. 2 to the Professional Services Agreement with Ascend in the amount of \$40,000, for a new not-to-exceed amount of \$320,000.

ANALYSIS

The IRP is GWP's energy roadmap that aids in identifying challenges and highlights opportunities to ensure low-cost, reliable, and environmentally responsible energy is supplied to City of Glendale customers. In compliance with statutory requirements of Senate Bill 350 (SB 350) and to meet the California Energy Commission's (CEC) deadline of January 1, 2024, GWP contracted with Ascend to assist with the development of City's IRP for a planning horizon starting 2024 through 2045.

The preparation of the 2024 IRP involved creating complex data models for Resource Adequacy, Capacity Expansion, and Production Cost. In addition, GWP conducted six Stakeholder Technical Advisory Group (STAG) meetings and four Community Townhall sessions to effectively engage with a reasonable cross-sectional representation of the City in its decision-making process. Led by Ascend and Strategen staff, these meetings were integral to the comprehensive preparation of the 2024 IRP.

GWP modeled the following six Scenarios, and their corresponding results:

- Scenario 1: *CA Policy* – Meets the SB 100 target of 60% RPS by 2030 and 100% zero carbon resources by 2045, including SB 1020 interim targets of 90% by 2035, and 95% by 2040.
- Scenario 2: *Zero-Carbon Emissions by 2035*
- Scenario 3: *Clean by 2045 with REC Purchases for Offsets*
- Scenario 4: *High local resources + accelerated electrification by 2035.*
- Scenario 5: *Moderate local resources + long-duration energy storage by 2042.*
- Scenario 6: *Moderate local resources by 2040.*

On December 12, 2023, GWP presented the 2024 Draft IRP report to City Council for adoption. The report emphasized GWP's preferred pathway (*Scenario 1: CA Policy*) for achieving goals related to system resiliency, increased renewable resource integration, and emission reduction. This approach focused on balancing reliability, affordability, and environmental sustainability, ensuring a strategic and viable trajectory for the utility's future energy initiatives. There was a divergence of opinions on the proposed preferred pathway. Ultimately, the Council rejected Scenario 1 and, as an alternative, adopted the 2024 IRP, *subject to revision*. Council directed staff and Ascend to revise the IRP to incorporate the IRP's Scenario 4 as the Preferred Resource Portfolio, and to make other necessary revisions consistent with Scenario 4 as the Preferred Resource Portfolio.

Consistent with the resolution, the draft 2024 IRP will be modified to ensure it reflects Council's preferred portfolio: *High local resources +accelerated electrification by 2035* (Scenario 4). This Scenario assumes a considerable amount of local solar PV resources by 2027, distributed energy resources (DER), addition of long duration storage (multi-

day), transitioning natural gas generations to green hydrogen, and accelerating the target for 100% clean energy by 2035.

Incorporating Scenario 4 as the preferred pathway requires a comprehensive revision to the IRP, necessitating additional funds to cover essential tasks, including changing the report narrative, charts, CEC Standardized Reporting Tables data, references, and providing assistance for any IRP related inquiries during the CEC review period.

GWP requests an additional \$40,000 to continue the related services with key project deliverables on time and material basis. The approval of Amendment No. 2 will enable GWP to efficiently address the Council's directed revisions and file the IRP to the CEC within the requested 90-day extension (by April 1, 2024).

STAKEHOLDERS/OUTREACH

Not applicable.

FISCAL IMPACT

Amendment No. 2 increases the contract amount by \$40,000, to a new not-to-exceed amount of \$320,000. The GWP Department can fully absorb this cost. Funds associated with this amendment is available in Fiscal Year 2023-24 budget, as outlined below:

Existing Appropriation		
Amount	Account String	Funding Source
\$40,000	GL: 43110-5820-GWP-4680-P0000-	Electric Works Revenue Fund

ENVIRONMENTAL REVIEW (CEQA/NEPA)

The action herein is not a project and as such the California Environmental Quality Act (CEQA) is not applicable.

CAMPAIGN DISCLOSURE

In accordance with the City Campaign Finance Ordinance No. 5744, the following are the names and business addresses of the members of the board of directors, the chairperson, CEO, COO, CEO, subcontractors, and any person or entity with more than ten percent interest in the company proposed for contract in this agenda item report:

Officers of **Ascend Analytics, LLC**

Full Name	Title	Business Address	City	State	Zip
Gary Dorris	CEO	1877 Broadway, Suite 706	Boulder	CO	80302

Ownership Interest in more than ten percent (10%) in **Ascend Analytics, LLC**

Full Name	Title	Business Address	City	State	Zip
Sean Burrows	CFO	222 E. Main Street, Suite 201	Bozeman	MT	59715

Vena Kostroun	VP Development	440 Grand Avenue, Suite 420	Oakland	CA	94610
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ALTERNATIVES TO STAFF RECOMMENDATION

Alternative 1: Decline to approve Amendment No. 2 to the existing Professional Services Agreement with Ascend to increase the contract amount by \$40,000. Not approving the amendment will delay the comprehensive revisions required to incorporate the IRP's "Scenario 4" as the Preferred Resource Portfolio and make other necessary revisions to the IRP consistent with Scenario 4 within the 90-day extension (by April 1, 2024).

Alternative 2: Consider any other alternative not proposed by staff.

ADMINISTRATIVE ACTION

Submitted by:

Mark Young, General Manager - Glendale Water and Power

Prepared by:

Scott K. Mellon, Assistant General Manager - Power Management
Chie Valdez, Integrated Resource Planning Administrator

Approved by:

Roubik R. Golanian, P.E., City Manager

EXHIBITS/ATTACHMENTS

None.