



OPERATIONS COMMITTEE

Agenda Report

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File #: 2025-4445

Agenda Date: 9/3/2025

Agenda Item No: 10.

FROM: Robert Thompson, General Manager
Originator: Riaz Moinuddin, Director of Operations & Maintenance

SUBJECT:

SOUTHERN CALIFORNIA EDISON GENERATOR INTERCONNECTION AGREEMENT FOR PLANT NO. 2

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

Approve a Generator Interconnection Agreement with Southern California Edison Company for a period of twenty (20) years from the Effective Date.

BACKGROUND

Orange County Sanitation District (OC San) operates five Central Generation (CenGen) engines and a steam turbine at Plant No. 2. The engines and steam turbine normally generate 100% of the power demand at Plant No. 2 and a nominal amount that is exported.

OC San and Southern California Edison (SCE) entered into a Power Purchase Agreement (PPA) on September 9, 1991. OC San has applied for the Wholesale Distribution Access Tariff (WDAT) with SCE which will allow OC San to sell exported power to an eligible purchaser. A condition of the WDAT application is to have a Generator Interconnection Agreement (GIA) in place with SCE.

RELEVANT STANDARDS

- Ensure the public's money is wisely spent
- Maintain a culture of improving efficiency to reduce the cost to provide the current service level or standard

PROBLEM

OC San's WDAT application is dependent on the execution of a GIA with SCE. If the GIA is not approved by October 31, 2025, SCE will deem OC San's WDAT application withdrawn.

PROPOSED SOLUTION

Approve the GIA with SCE to continue processing OC San's WDAT application for the ability to sell exported power.

TIMING CONCERNS

If the GIA is not approved by October 31, 2025, SCE will deem OC San's WDAT application withdrawn.

RAMIFICATIONS OF NOT TAKING ACTION

Without this agreement, SCE will deem OC San's WDAT application withdrawn and OC San will not have the ability to sell exported power to eligible purchasers.

PRIOR COMMITTEE/BOARD ACTIONS

November 2024 - Approved and authorize the Board Chairman to execute Amendment No. 5 to the Power Purchase Agreement (QFID-05) with Southern California Edison (SCE) Company and Orange County Sanitation District (OC San), to allow for the extension of the term and to adjust the price for all energy delivered to SCE during the extension period.

September 2024 - Approved the Net Energy Metering Interconnection Agreement (NST-497000) and Affidavit with Southern California Edison (SCE) Company and Orange County Sanitation District (OC San) to allow service under the Net Energy Metering (NEM-ST) tariff.

July 2023 - Approved and Authorized the Board Chairman to execute Amendment No. 4 to the Power Purchase Agreement (QFID-04) with Southern California Edison (SCE) Company and Orange County Sanitation District, to allow for the extension of the term and to adjust the price for all energy delivered to SCE during the extension period.

November 2018 - Approved Amendment No. 3 to the As-Available Capacity and Energy Power Purchase Agreement with Southern California Edison Company, to allow the Orange County Sanitation District to receive monthly sale statements from Southern California Edison Company through the electronic mail system.

September 2005 - Authorized the General Manager to approve Amendment No. 2 to the Power Purchase Agreement (QF 1098) with Southern California Edison Company, changing the type of the Plant 2 power generating facility from small power producer to co-generator facility.

February 2002 - Authorized the General Manager to execute contract amendments to the existing "As Available Capacity and Energy Power Purchase Agreements" with Southern California Edison, as follows, providing for the method of payment by Edison of money owed to the District for power sold to Edison from November 2000 through March 2001, in a form approved by General Counsel: Amendment No. 1 to Agreement Implementing Section 4.4 of Amendment No. 1 to the Power Purchase Agreement - QFID 2640 (for Plant 1), including Conditional Release and Waiver; and Amendment No. 1 to Agreement Implementing Section 4.4 of Amendment No. 1 to the Power Purchase Agreement - QFID 1098 (for Plant 2), including Conditional Release and Waiver.

August 2001 - Authorized the General Manager to execute contract amendments to the existing "As Available Capacity and Energy Power Purchase Agreements" with Southern California Edison, as follows, in a form approved by General Counsel: Amendment No. 1 To Power Purchase Agreement -

QFID 2640 (for Plant 1); Agreement Amending Amendment No. 1 To Power Purchase Agreement - QFID 2640 (for Plant 1); Amendment No. 1 To Power Purchase Agreement - QFID 1098 (for Plant 2); and Agreement Amending Amendment No. 1 To Power Purchase Agreement - QFID 1098 (for Plant 2).

May 1991 - Approved documents relative to necessary arrangements with Southern California Edison Company for parallel operation of power generating facilities and for purchase and sale of excess power in connection with the Districts' new Central Power Generation System at Treatment Plant No. 2.

ADDITIONAL INFORMATION

N/A

CEQA

N/A

FINANCIAL CONSIDERATIONS

N/A

ATTACHMENT

The following attachment(s) may be viewed on-line at the OC San website (www.ocsan.gov) with the complete agenda package:

- Draft Generator Interconnection Agreement