



Pasadena Water and Power

Authorization to enter into a contract with ACES LLC for Modeling and Consulting Services for the 2023 Integrated Resource Plan

City Council

September 19, 2022

Item #19





What is an IRP?

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- IRPs are electricity system planning documents that ensure publicly owned utilities (POUs) lay out their resource needs, policy goals, physical and operational constraints, and proposed resource choices (including customer-side preferred resources).
 - Public participation and feedback are valuable components of the planning process.
- The IRP serves as a blueprint for PWP to deliver reliable, environmentally responsible electricity service at competitive rates over a 25-year planning period.

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Why do we do an IRP?

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- The goal of an IRP is to find a balance among
 - Reliability
 - Cost
 - Environment
- The California Energy Commission (CEC) requires POU's to update their IRP every five years, per SB 350

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2023 PWP IRP Objectives

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- Preserve System Reliability
- Maintain Fiscal Responsibility
- Provide Environmental Stewardship
- Meet Regulatory Mandates

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Strategy for 2023 IRP

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- Have a contractor perform the Production Cost Modeling analysis and prepare the IRP document, with oversight and involvement by PWP staff
- Retain a consultant to support PWP staff in this effort, including
 - > presentations at public meetings led by PWP
 - > presentations to the Stakeholder Technical Advisory Group (STAG)
 - > extracting IRP modeling results to create reports to the CEC

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Actions Taken to Date

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- Issued a two-pronged RFP (for IRP modeling/creation, and for IRP consulting)
- Formed an in-house evaluation team (within PWP Resource Planning); used evaluation criteria in the RFP; each member independently evaluated all proposals
- Appointed a separate PWP employee (outside Resource Planning) to review proposal prices for scope parity and to perform QA on the overall evaluation process
- After the first round, interviewed the top three ranked proposers in each category to clarify their proposals; modified scores where warranted

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RFP Evaluation Results

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- Six firms sent in proposals – three for both scope categories (modeling/IRP creation, and consulting)
- None of the Proposers is a Pasadena-based or registered Small/Micro Business
- Top ranked modeling/IRP creation proposal: ACES LLC
- Top ranked consulting proposal: ACES LLC

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Municipal Services Committee Recommendations (9/13/2022)

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- Enter into a contract with ACES LLC
 - > For IRP modeling/report preparation
 - > For related consulting services
- Direct PWP staff
 - > to manage outreach throughout the IRP process, and
 - > to look into using local vendors as needed to supplement PWP's in-house resources to provide such outreach services
- Upon completion of the IRP study, have PWP staff present, for the City Council's consideration and approval, any and all proposed City policy on energy resources

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Useful reference links

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- **CEC:**

- <https://www.energy.ca.gov/rules-and-regulations/energy-suppliers-reporting/clean-energy-and-pollution-reduction-act-sb-350-1>
- <https://www.energy.ca.gov/sb100>

- **PWP:**

- <https://ww5.cityofpasadena.net/water-and-power/2018powerirpgoals/>
- <https://ww5.cityofpasadena.net/water-and-power/powerirp/>

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