



## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Melissa Walker, Public Works Director/City Engineer

**AGENDA DATE:** October 15, 2024

**TITLE:** **WHOLESALE DISTRIBUTION SERVICE BETWEEN THE CITY OF MORENO VALLEY AND SOUTHERN CALIFORNIA EDISON (REPORT OF: PUBLIC WORKS)**

**TITLE SUMMARY:** Approve an Amendment to the Interconnection Facilities Agreement and Service Agreement for Wholesale Distribution Service Between the City of Moreno Valley and Southern California Edison Company

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### **Recommendation(s)**

That the City Council:

1. Approve an amendment to the Interconnection Facilities Agreement and Service Agreement for Wholesale Distribution Service Between the City of Moreno Valley and Southern California Edison Company.
2. Authorize the City Manager to execute any subsequent Amendments to the Interconnection Facilities Agreement and Service Agreement for Wholesale Distribution Service Between the City of Moreno Valley and Southern California Edison Company in accordance with the terms of the Agreement, subject to the approval of the City Attorney

### **SUMMARY**

Moreno Valley Utility (MVU) uses a portion of Southern California Edison Company's (SCE) transmission and distribution system to bring power to and serve MVU customers. The Interconnection Facilities Agreement and Service Agreement for Wholesale Distribution Service describes the terms and conditions under which MVU can connect to SCE's system. An approved Agreement is required at each point that MVU's system connects to SCE's system. MVU is currently connected to SCE at multiple locations in

the City; this Agreement is for the Moreno Valley Substation, located in the east portion of the City. This report recommends approval of the Amendment to the Service Agreement for Wholesale Distribution Service.

## **DISCUSSION**

The rapid growth of large commercial projects in the eastern area of the City and residential projects throughout the City has created the need to expand capacity by constructing an expansion to the existing 115kV Moreno Valley Substation. The Moreno Valley Upgrade Project was approved by the City Council in the FY2023/24 and FY2024/25 Capital Improvement Plan. The Moreno Valley Substation Expansion is funded through MVU's capital budget.

MVU applied for increased capacity at its 115kV interconnection to SCE's system at the Moreno Valley Substation on September 2, 2023. Two agreements with SCE are required to complete an interconnection to SCE's system - an Interconnection Facilities Agreement (IFA) and a Service Agreement (SA) for Wholesale Distribution Service. The Agreements are prepared after a study is completed by SCE that analyzes the impact of an interconnection on their system. The IFA provides the terms and conditions for SCE to design, purchase, construct, own, operate, and maintain the facilities necessary for MVU to connect to SCE's system.

The Service Agreement for Wholesale Distribution Service describes the terms and conditions to allow MVU to connect to SCE's system at 115kV.

## **ALTERNATIVES**

1. Approve and authorize the recommended action as presented in this staff report. *This alternative will provide for the necessary capacity to energize the new expansion of the Moreno Valley Substation and is critical to meet projected electrical demand in the eastern half of the City.*
2. Do not approve and authorize the recommended actions as presented in this staff report. *This alternative will impair the utility's ability to efficiently and reliably serve customers in the eastern half of the City.*

## **FISCAL IMPACT**

Funds in the amount of \$1,000,000 are available in account 6010-70-80-45510-710114 for the monthly charge, which is anticipated to begin in October 2024. There is no impact to the general fund.

## **NOTIFICATION**

Publication of the Agenda

## **PREPARATION OF STAFF REPORT**

Prepared By:

Department Head Approval:

Kamran Aladross, P.E.  
Electric Utility Assistant Manager

Melissa Walker, P.E.  
Public Works Director/City Engineer

Concurred By:  
Jason Niccoli, P.E.  
Electric Utility Division Manager

## **CITY COUNCIL GOALS**

Public Facilities and Capital Projects: Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

## **CITY COUNCIL STRATEGIC PRIORITIES**

- 1. Economic Development**
- 2. Public Safety**
- 3. Library**
- 4. Infrastructure**
- 5. Beautification, Community Engagement, and Quality of Life**
- 6. Youth Programs**

Objective 1.1: Proactively attract high-quality businesses.

Objective 1.4: Promote the development of the Medical Corridor along Nason Street to meet health care demands for residents of Moreno Valley and the region, bring quality jobs, and create business opportunities for ancillary support businesses in the health care industry.

Objective 1.6: Establish Moreno Valley as the worldwide model in logistics development.

## Report Approval Details

Document Title:	STAFFREPORT_24-0593_PW_MVU_WDAT.docx
Attachments:	- Agreement Amendment (ALA).pdf
Final Approval Date:	Oct 8, 2024

This report and all of its attachments were approved and signed as outlined below:

Melissa Walker

Sean Kelleher

Natalia Lopez

Launa Jimenez

Brian Mohan

Mike Lee

Patty Rodriguez