



January 12, 2011

California Energy Commission  
EPS Compliance  
1516 Ninth Street  
Sacramento, CA 95814  
Attention: Compliance Filing

This is to inform you that the City of Glendale has passed an ordinance authorizing Glendale Water & Power to enter into a Power Sales Agreement with Southern California Public Power Authority for renewable energy on January 4, 2011. The contract information is as follows:

Through SCPPA, Glendale and other SCPPA members have negotiated a Power Purchase Agreement (La Paz PPA) with EnviroMission USA, Inc. (Seller). SCPPA participant members in the La Paz Solar Tower Project (Project) are expected to include Glendale, Burbank, Pasadena, Azusa, Anaheim, Riverside, and the Imperial Irrigation District (IID). Other non-SCPPA members are anticipated to participate in the Project for the available remaining capacity. Upon execution of the La Paz Solar Project Power Sales Agreements (PSAs) between SCPPA and all of its participant members, SCPPA will execute the La Paz PPA.

The Project, located in La Paz County, Arizona, will have a capacity of 200 MW, of which SCPPA's share will be 101 MW or 50.5% of the Project. Glendale's share of the facility is 6% or 12 MW. This first-time, full-scale Project is based on a prototype 50 MW unit, which has successfully operated in Spain for over eight (8) years. It is anticipated that the Project will be completed in June, 2014.

The La Paz PPA is structured for SCPPA to purchase solar energy from the Seller over a 30-year term. In addition, SCPPA has the option to purchase its share of the Project at Fair Market Value (FMV) prior to six (6) months of the tenth anniversary of the Commercial Operation Date (COD) of the Project. If SCPPA acquires ownership of the Project and after any Project bonds are paid off, SCPPA will transfer ownership of the Project to the participants, in accordance with their Project participant shares. It is anticipated that SCPPA's cost for energy from the Project over a 30-year period will approximate \$1.664 billion.

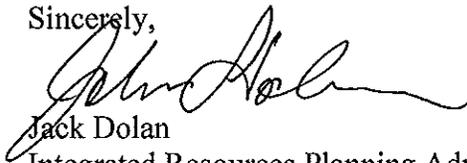
Glendale will pay SCPPA on a take-or-pay basis for its share of SCPPA's costs with respect to the Project (including debt service on SCPPA bonds if SCPPA should acquire an ownership interest in the Project), all in accordance with the terms of the PSA.

Glendale's share of the Project output will be delivered to the Delivery Point (Marketplace 500 kV Substation or McCullough 500 kV Substation located in the vicinity of Boulder City, Nevada). Glendale will utilize its entitlement in the Mead - Adelanto Transmission System, as well as other contracted transmission service rights with the Los Angeles Department of Water & Power (LADWP), for ultimate delivery to Glendale's electric system.

We are asking that the Commission find that this contract is compliant with the greenhouse gases emission performance standard set forth in Chapter 11 of Title 20 of the California Code of Regulations. Specifically, Glendale Water & Power asserts herein that the facility under contract is compliant pursuant to Section §2903(b) of the regulations, and that any substitute energy allowable under the contract meets the requirements of Section §2906.

Please contact me at 818--548-3247 or Valerie Puffer at 818-548-4096 if you have questions.

Sincerely,



Jack Dolan  
Integrated Resources Planning Administrator  
Glendale *Water & Power*