

# A MEASURED RESPONSE TO MEASURE B

Los Angeles County, CA  
March 3, 2009 Election  
**Charter Amendment LA-B**  
Green Energy and Good Jobs  
for Los Angeles Program  
City of Los Angeles  
Charter Amendment &  
Ordinance

Shall the Charter and Administrative Code be amended to authorize creation of a Los Angeles Department of Water and Power program to require production of at least 400 megawatts of solar power energy by 2014; provide for voluntary participation in the program by commercial, industrial, and institutional customers to allow installation of solar power systems on their property which would be operated and maintained by the Department in exchange for potential incentives; establish a jobs program and training academy to meet program participation demand; provide contract bid preferences for local solar power equipment manufacturers; require quarterly oversight committee reports and annual City Controller audit; and utilize a variety of funding mechanisms?



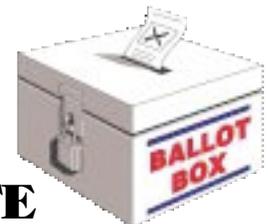
By  
John W. Schumann

Proposed Measure B has been the subject of several news articles, editorials, opinion pieces and other media reports concerning DWP's proposed Charter amendment that mandates installation of 400 megawatts of solar cells on buildings in Los Angeles. **Missing from the debate are the overall effects on the customer/ratepayer.** One report suggests that Measure B will cost about a dollar per month for the average customer. Others say it will cost three to four times as much. Considering that the 400 megawatts contained in Measure B is *only one component* of DWP's very ambitious 1,280 megawatt solar program, additional issues need to be included in the discussion.

DWP has previously announced major programs, costing hundreds of millions, if not billions of dollars, to modernize its electrical distribution system, improve the reliability and efficiency of its generation assets, and upgrade and add to its transmission system. *These programs are in addition to committed and planned renewable energy projects such as wind and geothermal projects.* Taken together, it would appear that these programs will stretch DWP's financial and human resources to the limit.

Some sources have said that, even without Measure B, the costs to DWP's customers could increase by 40% over the next three plus years. And discussing the impacts on DWP rates has to cite more than basic rates and include the impacts on the pass through, Energy Cost Adjustment Factor that does not require Council approval. The combination of the two will give a better picture of what the cost to the customers will be.

Existing commitments, mandates and proposed regulations by California and the Federal Government should be enough reasons for pause. Have the Mayor, City Council and the Board of Water and Power Commissions asked the key billion dollar questions – where is DWP going (what is its future) and how does it plan to pay for it? At the end of the day, DWP's customers will be asked to pay the bills, and a review of the City's demographics would suggest a great many are having trouble making a go of it already.



**VOTE**

**March 3, 2009**

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## Summary of Presentation by H. David Nahai to the Water and Power Associates' Board



### Water



H. David Nahai  
DWP General Manager

Mike Moore introduced David Nahai. Nahai discussed the role the DWP has played in its service to the City and praised the Associates as guardians of the role the Department has played in making the City possible. He was an attorney with an international Wall Street law firm and formed his own real estate development business. He feels privileged as an immigrant living the American dream heading up the largest municipal utility in the country and that it is part of his mission to talk about the successes of the Department, the lives lost and the sacrifices made in building the City. He noted the importance of DWP as an economic engine of the City providing \$1 billion in contracts a year in the City; and that there would not be a City without the accomplishments of Mulholland, Scattergood and Haynes.

DWP is leading the transformation of the City of Los Angeles. We are the champions leading the way. He came to the meeting from a solar press conference at an office building where the building owners were praising the Department on the quality work done installing the solar roof panel system.

We are compelled to look for new ways to provide sufficient water. We used to take 480,000 acre feet of water from the Owens Valley, now we get 207,000 acre feet. Water allotments from the Colorado are down because of the lowered rainfall in recent years and water from the State Project is down because of the Delta smelt problems in the Sacramento Delta. Groundwater is down – because of contamination, we are getting 65,000 acre feet where normally we got 80,000 acre feet. But it is not just environmental concerns we need to plan for. Los Angeles expects 400,000 to 500,000 more people in the next decade – where will the water come from? Most of the growth will be indigenous – children of existing Angelenos.

We must conserve. We need to be recyclers of logic – i.e. showing that we can recycle water safely. We need to clean up our aquifers and capture rainfall. There isn't going to be more water available from outside the City. Costs are rising. MWD raised its rates 14% last year and we did not oppose it. But now they propose raising rates 21% and Nahai appeared and argued against it, pointing out that MWD needs to do some cost-cutting.

### Power

The same is true on the power side. We want to cut emissions and reduce CO2, using more renewables. Laws are coming that will increase the costs of coal generation. We have to move to more renewables. The carbon tax on coal use will be punitive. We will be forced to be involved in the cap and trade market. If we get ahead of the problem with coal, we can be selling our credits.

We have geothermal generation resources available in the Salton Sea, but we don't have transmission lines to deliver the power.

We could use Edison's line, but even if we were willing to join Edison, its line is way in the future, there are others already lined up ahead of us, and it only has sufficient capacity to get the power part of the way. With regard to DWP's proposed green path transmission line, the opposition has been putting out much misinformation. For example, the right of way will actually be 200 – 300 feet wide but they are claiming it will be two to three miles wide. It will be a 500 kv line but in certain locations, we have taken it back to two 230's so we can underground the line through sensitive areas. And, even though we are willing to do all this to provide minimal effect on the environment, the opposition continues. In 2019, we will lose Navajo as a generating resource and in 2027 we will lose Intermountain Power Project. So, we need to move now to protect the City's power supply. Which brings us to solar power and ballot Measure B.

Our solar power proposal is ambitious. We look to get about 1300 MWs from the sun. 400 MW will be from DWP-owned facilities. The DWP **must** own all of its generation, transmission and distribution facilities. This vertical integration is what has kept the City's power supplies safe and has served the City well. The solar asset of the City is a solar asset of DWP. The role for the private sector to do is to help generate 1280 MW of solar energy. The DWP will program will consist of 150 MW through feed-in tariffs, 100 MW from sun share co-ops, 130 MW from the Solar Rebate program and 500 MW through large solar projects. The Plan which calls for 1280 MW is the most ambitious solar program in the country, making Los Angeles the leading municipal utility provider of solar power. (Continued on page 3).

## Summary of H. David Nahai Presentation to the Water and Power Associates, Inc. Board

*(Continued from page 2).*

Nahai gave the 400 MW DWP-owned Solar Plan to the Mayor who adopted it as his plan and rolled it out publicly without any discussion with the Board, and the Board has complained about that. At some point in time, **without** DWP's Commission being involved or any decision by Nahai, the plan was adopted to put the 400 MW solar proposal on the ballot. It requires a Charter amendment to do what the ballot proposes, i.e. letting the Council do it, and it chips away at the DWP's independence.

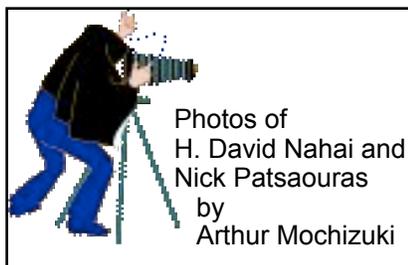
But Nahai said there are valid reasons to put the item on the ballot. It involves a substantial investment for the City. The ballot shines a cost spotlight on the proposal. There were questions about the cost and the DWP Commission had not had input so the Department told the Mayor that they would do a fiscal analysis and get it before the voters prior to the election. The program is a long-term provision for the City and the City will be buying a lot of power equipment from solar manufacturers. The manufacturers thus deserve the concrete status of a ballot measure voted in the affirmative to support their entrepreneurial enterprise. The DWP is canvassing the solar manufacturers to get costs and will provide this information to the neighborhood councils who can then vote the proposal up or down. If the proposal doesn't pass, it will be a taint that will attach to everything and set the solar proposals back for some time. Technology will bring the price down. Installation at \$4 an installed watt will be possible where it is currently at \$7.

DWP hopes to structure the cost down to 5 cents/kwh, and with the opposition to its continued use of coal, the cost of coal will not stay at the present 4 cents/kwh. President Obama is from a coal state – Illinois, and with the cap and trade\* proposal supported by him, coal use will go up in cost. Solar will never replace coal but we are seeing a different pattern of energy use now, getting spikes in usage as we did in October, a change in energy pattern which will impact cost.

We have a major capital project in power reliability and likewise a major capital project on the water side. Parts are 100 years old. All these are very large programs allowing us to move into a brighter future, as the economic anchor of the City.

We have applied at the state and federal level to get help. This is like the idea of an Eisenhower highway project for the energy sector. We have people like Nancy Sutley in the incoming administration who are friends of the City. We are ahead – no other utility has set a mandate of 35% renewables as we have. ❖❖❖

\*cap and trade ~ ~ See page 8.



## Summary of Nick Patsouras Presentation to the Water and Power Associates, Inc. Board



**Nick Patsouras,**  
Politician,  
Former president  
of the Board of  
Water and Power  
Commissioners

Nick Patsouras, former president of the Board of Water and Power Commissioners, was our guest at the December 2008 meeting. He recently resigned his position so he could run for City Controller in the March 3, 2009 election. Patsouras has extensive background as a private businessman in electrical engineering and in public service.

During his three years with the DWP, Patsouras made several changes in the way the Board conducted its business. When he joined the Board, the meetings were about two hours with most items on the consent agenda. Now, they spend almost all day, every other Tuesday going over the agenda.

Patsouras requested an audit of the CH2M Hill contract for the Owens Lake Project. and discovered that CH2M Hill had overcharges of \$9 million.

He demanded more focus on the ratepayer and formed a Customer Relations committee. It was charged with, among other things, reducing telephone customer response time to fewer minutes. He believes the improvement is not a reflection of the quality of the earlier staff, because the people are the same, but rather providing leadership

*(Continued on page 4).*

## Summary of Nick Patsouras Presentation to the Water and Power Associates, Inc. Board



(Continued from page 3)

Patsouras worked towards a zero-based budget and in the first year, by going over the entire budget line by line, cut \$47 million. He also believes in the concept of having a “ratepayer advocate” that would be independent and would look at the numbers, understand them, and gain the trust of the public.

The Mayor set a goal of 20% renewables by 2010. We should move from fossil fuels but we are spending hundreds of millions of dollars on renewables and really need to understand the costs and impacts on the ratepayer. The average kw cost for electricity per hour is 10.8 cents. By 2013, it could be 14.5 cents. The Council has tripled the trash fee. The electorate has passed big bond issues for the schools. *Where does the increase in costs to the public end? The system is crippling the middle class.*

Patsouras said he did not know about the 400 MW Solar Ballot initiative ahead of time. He believes D’Arcy came up with the plan which is going on the March 2009 ballot. The Chairman of the City’s Economic Development committee, *Deputy Mayor Nancy Sutley* (soon to be a member of President Obama’s staff) said that DWP staff assured her that there would be no increase in cost for the solar plan. Then we heard they need \$3 billion to put it into effect. They are hoping to get \$1.2 billion in tax credits. The Board was not consulted. The CLA asked General Manager Nahai why they needed to go to the voters (they could have had a bond issue) and he did not know. *Everyone is asking why the rush?* The measure just went to the Council. They are putting politics between policy and achievement.

DWP’s rates have been cheaper than Edison’s rates, but there is a trend. In three to four years, DWP rates will be very close to Edison rates. Because Edison already has 16% renewables, they are ahead of the game. In five to six years DWP’s renewable cost may be bigger than the base rate. Historically, when the rates get close, the question arises why do we need municipal power. We need to maintain the gap between DWP and Edison if the Department is to continue to exist.

We looked at AB 32<sup>1</sup> and legal counsel gave a strong opinion on it, that it is illegal. The estimated \$700 million a year cost for cap and trade<sup>2</sup> that DWP would be expected to pay could go to private electric utilities and would be a transfer of wealth from DWP ratepayers to others!

<sup>1</sup> & <sup>2</sup> See footnotes on page 8.

Let’s put that money into the DWP’s renewables. The citizens of Los Angeles are paying billions for greening but no one has explained why a 35% increase is required. Even the governor only came up with a 33% need for increase.

Then there are other problems to achieving the renewable goals. Senator Diane Feinstein and others don’t want the new transmission lines built. In order to increase 20% renewables by 2010, we will have to go out of state because of our environmental regulations. We are exporting millions but doing nothing for our own small businesses.

Los Angeles has become the most expensive city in Southern California. As an example of the added costs, one multimedia company business activity was recategorized by the City Clerk’s Finance section as professional as compared to its previous lower tax-rate category, adding \$900,000 to its City taxes. So, on January 1st they moved to Burbank, causing the City to lose \$1.2 million instead of getting the additional \$900,000.

Patsouras said he is his own man.

His campaign website is:  
[www.nick2009.com](http://www.nick2009.com) ❖

### Presentation summaries by W&PA Board Members



Thomas J. McCarthy



Kent Noyes



David J. Oliphant



John W. Schumann

*An Invitation to  
WAPA Membership*

Membership in WAPA is open to all who have an interest in the research and education of critical water and energy issues affecting the citizens of Los Angeles, Southern California and the State of California.

At present we are especially looking for those with computer, photography, or water knowledge; but *all are welcome*.

To join or to learn more about WAPA, contact our Membership Chair, Dave Oliphant at [olinlpr@aol.com](mailto:olinlpr@aol.com).

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*Our Recent Guests*



*Steven D. Davis*  
Vice President  
Communications  
and  
Community  
Partnerships,  
Sempra Energy



*Jane Scott,*  
Secretary Team  
Community  
College Coalition



*Anh-Thu Pham.*  
Graphics Manager,  
Government,  
Legislative & Public  
Affairs; Displays &  
Exhibits, LADWP



*Nico Zimmerman,*  
Verde Xchange



*Edward A. Schlotman,*  
Attorney at Law  
(formerly Assistant City  
Attorney, LADWP)

**Not pictured:**

*Norman L. Buehring*  
Retired, Assistant Chief Engineer,  
Water, LADWP.

*Larry Kerrigan,*  
Civil Engineer  
and former Safety Engineer.  
LADWP.

*Melinda A. Rho,*  
Manager of Regulatory Affairs,  
Water Quality, LADWP

*Paul V. Verburg*  
LADWP Retiree

*Roger Weisman*  
Attorney at Law  
(formerly Assistant City  
Attorney, LADWP)



*Steve P. Erie, Ph.D.*  
signed a copy of his latest book,  
**“Globalizing L. A.**  
Trade, Infrastructure, and  
Regional Development“  
(Stanford University Press, 2004)  
for guest, *Nick Patsauros*.

## Newspaper Articles and Opinions on Measure B, the Solar Initiative And Charter Amendment



*The following is a summary of recent newspaper articles about the conflicting studies dealing with Measure B:*

On January 25, the L A Daily news contained an editorial “*In the dark*” critical of the lack of “crucial cost information” on the solar initiative. It noted that the chief legislative analyst hired PA Consulting (PA Consulting was conducting the DWP Charter-required five year review) before the measure was put on the ballot to give an independent assessment of the initiative. PA Consulting Group’s report, not released until after the matter was placed on the ballot, called it “extremely risky” and would require DWP to *triple* a renewable energy surcharge to pay for it. The editorial, which mentioned that DWP said they would produce a cost analysis before the voters had to go to the polls, criticized the Mayor’s lack of “accountability and transparency.”

Next to the editorial was an op-ed editorial “Sun can offer L.A. a world of benefits” by Dave Freeman, former DWP General Manager, enthusiastically supporting the solar measure as “a splendid example of how to put thousands of Angelenos to work while simultaneously combating global-warming.” He likened the proposal to the Tennessee Valley Authority building dams to harness hydropower in the depression creating thousands of jobs and bringing the area out of poverty. He argued the cost estimates were too high because the cost for solar panels was dropping and would drop even more with the large increase in panel manufacture that would result from economies of price scale arising out of the expected increase in the use.

On January 31, the L A Daily News contained an article headed “*Solar panels getting costlier*”. It pointed out that the March 3 ballot that called for installation of rooftop solar panels to capture solar energy could cost more than double current estimates according to a draft DWP audit by PA Knowledge Limited (PA Consulting). In addition to other negative items, the report cast doubts on the DWP ability to receive solar tax credits (a factor expected to halve the cost from \$3 billion to \$1.5 billion) because DWP is a public agency that pays no taxes, and further that it would generate only 20 percent of the capacity DWP needs, with solar according to the article producing far less energy than wind power.

On Monday February 2, the L A Times contained an article headed “*Rushed solar plan had a history*” which, after noting that General Manager H. David Nahai had begun discussing the solar plan nearly a year ago, though not able to give a financial analysis until this month (February 2009), reported that on February 29, 2008, Ramon Raj (described as Nahai’s “No. 2 executive”) and a number of civic leaders had met with Brian D’Arcy at local 18 headquarters to discuss the proposition. Taking the minutes at the meeting was environmentalist Jonathan Parfrey, who was recently named in December to replace Nick Patsouras on the DWP Commission. Without mentioning his attendance at that early meeting which resulted in the measure being placed on the March 2009 ballot by the Mayor in October 2008, Parfrey complained in December at his confirmation hearing that the solar measure should have been presented to the DWP commission.

On Tuesday February 3, the L A Daily News contained an article headed “*Dispute arises on Measure B cost*” pointing out that Huron Consulting Group, which was hired by DWP specifically to report on the solar-power measure and its costs, released a report estimating the cost at only \$1 billion (a third of the DWP’s earlier projections). The article commented on the conflict with the earlier report and noted the comment by General Manager Nahai that the report “stood in sharp contrast to another report prepared without respect to the changes that were made and even before Measure B was adopted.” It noted the Mayor’s statement that “the study should resolve controversy over the proposal and allow the city to take the lead in solar power.” It reported that Jack Humphreyville, a member of the DWP oversight committee questioned why the matter was proposed as a ballot measure where it could have been proposed as an ordinance which could then be changed to meet needs as additional information was acquired.

In the same issue of the Daily News an editorial pointing to the conflict between the PA Consulting audit and the one “commissioned by officials selling the solar initiative” added to the “uncertainty of the measure.” It concluded saying “[W]hose version are you going to believe? In the month before the election, the burden will be on city leaders to show voters why they should trust theirs.”  
(Continued on page 7)



## Articles and Opinions About Measure B, the Solar Initiative And Charter Amendment

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(Continued from page 6)

Meanwhile, also on Tuesday February 3, the L A Times carried an article entitled “*Solar plan critic says ‘sorry’ to DWP*”. The article noted that P A Consulting sent a letter of apology to the Department “voicing alarm that its comments may cause it to lose out on a city contract.” The contract was related to the DWP current strategic planning. General Manager Nahai said that the company had put out a report that was “rushed, superficial and based on outdated information” and they did not get the job “in part because the firm never contacted the DWP while it was analyzing the solar measure for the council’s advisor, Chief Legislative Analyst Gerry Miller.” City controller Laura Chick called Nahai’s decision not to select PA Consulting “disturbing.” She asked, “[I]s it that the DWP hires consultants who tell them what they want to hear and everybody else gets shut out.?”

February 4, the L A Daily News carried an op-ed by Doug McIntyre headed “*Green idea guarantees L.A. red ink.*” In an editorial which describes the measure as “recklessly irresponsible” McIntyre refers to the use of “green” as needing to be added to patriotism and religion in politics as the “last refuge of scoundrels.” He goes so far as to refer to “billions of Department of Water and Power dollars pouring into the hands of the mayor, City Council, the International Brotherhood of Electrical Workers and ultimately, the Chinese manufacturers of solar panels.” (Be it noted that the editorial fails to mention the Huron Consulting Group study.) It ends with “Measure B is a green initiative guaranteed to produce red ink.”

In a separate article in the same journal “*Mayor promotes solar vote*” the newspaper reported that as the Mayor announced a new deal to buy geothermal energy from Mexico, he “kicked off his campaign for the city’s solar-power ballot measure.”

The Mayor said it would help clean the air and boost the green energy industry. The article noted that a report by the Huron Consulting Group estimated a \$1 billion cost for the project (the conflicting report had stated that it could go as high as \$3.6 billion). However, two Council members announced they were going to conduct separate public hearings to get more details on the cost. The article also noted that democrats Assembly Speaker Karen Bass, and U.S. Representatives Howard Berman and Brad Sherman, along with several environmental, labor and health groups were backing the measure.



On Friday February 6, the L A Times in an article headed “*DWP green efforts criticized as costly*” the Times stated a five-year review (the P A Consulting Group report) of the L.A. utility says the DWP decision to embrace renewable energy will have a “significant impact” on the electricity bills of customers. The PA Consulting Group 233-page report was released by City Controller Laura Chick. The article noted the report said “[A]lthough the plan would have lasting environmental benefits, the DWP has not “appropriately analyzed or communicated” the magnitude of the program’s cost to its customers.” The article stated that General Manager H. David Nahai disagreed with the report’s findings and that no additional rate hikes were planned before 2010. Measure B supporters characterized the PA Consulting Group review as superficial, one of the Mayor’s staffers describing it as “snake oil.” However, the article went on to state that Laura Chick embraced the report, quoting her as saying she agreed with the report finding that the political nature of the DWP makes it harder to hold the utility accountable for its actions.

After noting that the measure was placed on the ballot without review from the DWP commission, she stated that she would be voting no on the measure because she thought the “entire process of how it ended up on the ballot stinks.” She didn’t think the manner of placing it on the ballot was “done in an open and understandable, much less thoughtful, way.” The article then discussed the differing cost views that not counting tax credits, under the Huron Consulting Group the costs could go as high as \$1.6 billion whereas under the PA Consulting Group it could be \$3.6 billion. ❖

## BECOME A CHARTER PARTICIPANT

in the Proposed

### LeVal Lund ASCE Annual Award & LeVal Lund Youth Scholarship Fund Raising Events in the Next Few Months



Le Val Lund, Jr. (1923 - 2007) committed his entire career to public service and became an internationally recognized expert on improvement of water systems, urban lifelines, how to protect these critical systems from earthquakes and other hazards, and implementing the practice of preparing urban systems and communities for disasters. He was also committed to mentoring and developing others in the engineering field.

An award is being proposed to the American Society of Civil Engineers (ASCE), an organization Le Val Lund strongly supported, in honor of life long service and contributions he has made. The proposed Le Val Lund Award is still under development, but the initial idea is for it to be given annually to an individual who has given a lifetime of "public" service to the development and improvement of lifeline systems and/or made definite and significant contributions in the practice of reducing the risks to lifelines from natural and manmade hazards.

Additionally, the initial stages of an annual youth scholarship to encourage our younger generation to follow in Le Val Lund's engineering legacy is being planned.

The Water and Power Associates are being asked to help raise funds for the proposed award and scholarship to be instated.

More details to follow soon. To contribute ideas or volunteer to be on the fund raising committee, please contact Thu Pham at [anh-thu.pham@ladwp.com](mailto:anh-thu.pham@ladwp.com).

#### For additional views about Measure B,

visit the following websites:

- ◆ League of Women Voters
- ◆ [greenenergygoodjob.com](http://greenenergygoodjob.com)
- ◆ The *opponents* of measure B web site is; [votenomeasureb.com](http://votenomeasureb.com)
- ◆ The *proponents* of measure B web site is; [workingcalifornians.com](http://workingcalifornians.com)
- ◆ And, as always, check your Official Sample Ballot and Voter Information Pamphlet.



#### Footnotes from pages 3 & 4

**AB 32**, the California Global Warming Solutions Act of 2006, is a California bill that establishes a comprehensive program of regulatory and market mechanisms to achieve reductions of greenhouse gases. Using market-based incentives, it is designed to reduce carbon emissions to 1990 levels by the year 2020, a 25 percent reduction and by 2050, to 80 percent below 1990 levels. AB 32 requires the California Air Resources Board to develop regulations and market mechanisms that will reduce California's greenhouse gas emissions by 25 percent by 2020. Mandatory caps will begin in 2012 for significant sources and ratchet down to meet the 2020 goals.

**Cap and Trade** is a government program designed to protect the environment from potentially harmful emissions, such as carbon dioxide (CO<sub>2</sub>). A cap and trade program sets a maximum limit on emissions. Power providers covered by the program then receive authorization to emit in the form of emissions allowances, with the total amount of allowances limited by the cap. Each provider can then design its own compliance strategy to meet the overall reduction requirement, including sale or purchase of allowances, installation of pollution controls, implementation of efficiency measures, among other options.

Individual control requirements are not specified under a cap and trade program, but each emissions source must surrender allowances equal to its actual emissions in order to comply. Sources must also completely and accurately measure and report all emissions in a timely manner to guarantee that the overall cap is achieved. Companies that are above the cap can buy allowances for their excess emissions.

### Alternative energies fall short

(Op-ed article in the  
Los Angeles Daily News – 10/20/08)  
By Leon Furgatch



*Leon Furgatch*

If you follow current events, it's hard to miss the bandwagon behind solar and wind to solve our global warming and energy problems. But the shortcomings of these renewables deserve a public airing.

There is a place in the electric grid for solar and wind, just as there is for hydroelectric and geothermal power. But these alternate power sources alone do not provide the reliability necessary to prevent the possibility of interruptions in the nation's electric supply.

Even in our deserts, the sun does not always shine and the wind does not always blow, or blow at a consistent speed to operate the generators efficiently. If you visit the wind farms near Palm Springs, many of the wind propellers are barely turning.

Wind will die as the temperature climbs and the public's demand for air conditioning and electricity soars. And electric output will also decline if a sudden sand storm blankets a field of solar panels.

Thus, solar and wind farms do not eliminate fossil-fueled plants as some people believe.

Utilities must provide backup from a fossil-fueled plant.

These farms also provide little electricity for the cost and acreage they occupy. Los Angeles has a \$425-million wind farm under construction in the Tehachapi Mountains that will cover 8,000 acres and generate a miniscule 120 megawatts.

That's the equivalent to the output of one of four generators at the San Fernando Valley generating station, or enough electricity to supply 56,000 homes.

Utilities are aware of these shortcomings, but political mandates to develop green power require them to sacrifice our scenic deserts to build these flawed systems.

If our nation's goal is to combat global warming without threatening the reliability of our electric systems, then the only practical solution is to build more nuclear power plants.

Unfortunately, Congress banned the construction of these plants after the accidents at Chernobyl and Three-Mile Island frightened the public three decades ago.

The 104 reactors authorized before the ban have had an impressive safety record and provide about 20 per cent of our electricity today.



It is unfortunate that these peaceful commercial plants are characterized by naysayers as doomsday machines. They do not produce weapons material or threaten the public with meltdowns.

Other countries are rapidly transitioning to nuclear power to reduce their reliance on fossil fuels. France is the leader, with 80 per cent of its electricity generated by nuclear power.

The disconnect between our energy policy and that of France was underscored in July when President Nicolas Sarkozy announced that France is constructing a new type of nuclear reactor that will revolutionize the industry and help put an end to his country's use of expensive fossil fuels to generate electricity.

What is encouraging is that Washington has taken notice, including both presidential candidates.

No one should be surprised if the next administration and the Congress come together and decide it is in the nation's best interest to lift the ban on the peaceful atom. ❖

Leon Furgatch is a member of Water and Power Associates,



# WATER POLITICS IN SOUTHERN CALIFORNIA

## A CONFERENCE Held At LOYOLA MARYMOUNT UNIVERSITY, October 4, 2008

sponsored by The Haynes Foundation and Loyola Marymount University .

Ostensibly held to commemorate the hundredth anniversary of the beginning of the construction of the Los Angeles Aqueduct, "*Water Politics in Southern California*" actually encompassed a broad range of topics dealing with water in southern California.

The first session dealt with archival resources for studying water history in California. **Paul Soifer, consulting archivist for the Los Angeles Department of Water and Power**, presented a description of DWP holdings pertaining to the construction of the aqueduct, the failure of the St. Francis Dam, departmental correspondence, reports on purchase of supplies in the construction of the aqueduct, board policies, politics, and many other topics.

**Paul Wormser of the National Archives and Records Administration center at Laguna Niguel**, spoke on the NARA holdings at Laguna Niguel, focusing on Native American water rights. Records of the Bureau of Indian Affairs and its Indian Irrigation Service contain items of interest to southern California water issues. The Indian Irrigation Service was created in 1908 for southern California and Arizona (excluding the Navajo tribe). The Regional Solicitors Office, created in 1955, handles legal issues such as government litigation over Hoover Dam, reclamation projects, and the All-American Canal. Researchers will find such topics as Owens Valley and Indians, removal of Indians from the El Capitan Reservation, and the Torres-Martinez Reservation by the Salton Sea have materials at NARA Laguna Niguel.

**Linda Vida of the Water Resources Center Archives at the University of California, Berkeley**, described sources for the history of water in southern California at the WRCA. Among the collections at the WRCA are many records not available elsewhere. The WRCA has the business records of J.B. Lippincott and numerous photographs showing the L. A. Aqueduct's construction.

**Peter Blodgett of the Huntington Library** commented on the opportunities for research in these collections. Blodgett is currently working on a history of water in the West. The audience offered questions and comments, among them the issue of DWP destruction of records as opposed to its retention program.

In the second session, "*History of Water in Southern California*," **Andy Strathman, assistant professor at the University of San Diego**, spoke on "Water, Land, and Suburbanization in San Diego County". Strathman noted that Ed Fletcher, San Diego real estate developer, created communities in eastern San Diego County that successfully avoided annexation by the city of San Diego. San Diego's search for additional water supplies contrasted with the success of Los Angeles and San Francisco in their construction of aqueducts hundreds of miles from these cities.

**Eliza Martin, doctoral candidate at the University of California, Santa Cruz**, presented a paper on "*San Diego's El Capitan Dam and the Politics of Indian Removal, 1910-1932*," describing how Native Americans opposed the taking of reservation land for construction of the dam and reservoir.

**Per Reich, professor at the Whittier Law School**, discussed "*Manuscript Case Files and the Subversion of Judicial Opinions: The L.A. River Cases*." Reich consulted court decisions that demonstrated that the famous "pueblo water right" of Los Angeles was based on faulty decisions by the California courts. Judges found it easier to believe incorrect precedents from the 19th century in accepting the pueblo water right.

**Abe Hoffman, instructor at Los Angeles Valley College and a Board Member of the Water and Power Associates**, commented on the three papers. He observed that the conference had taken a broad perspective on southern California water issues by including the two papers dealing with San Diego, topics that took place concurrently with the better-known controversies surrounding Los Angeles and San Diego. Reich's paper was of particular interest as it challenged conventional views about the pueblo water right and was supported by strong archival research.

*(Continued on page 11)*

## WATER POLITICS IN SOUTHERN CALIFORNIA

(Continued from page 10)

Following lunch, **Steven Erie**, political science professor at the University of California, San Diego, and a Board Member of the Water and Power Associates, gave the keynote address, "Beyond Chinatown: The Politics of Water in Southern California." Erie observed that the history of Los Angeles's obtaining water from the Owens River, the Colorado River, and the State Water Project is seen as an "aqueduct empire" in a semi-arid region. But the empire days are over, and there is now a need for sustainability and conservation. However, the idea of water imperialism continues too often in historical scholarship.

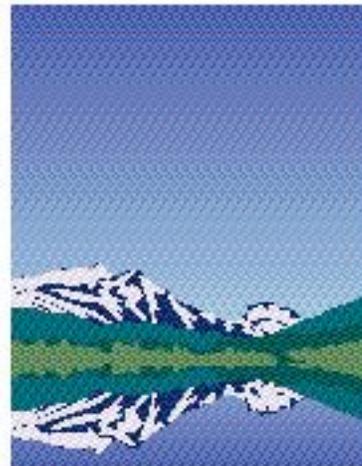
Erie asked, How does the "Chinatown" legend contribute to a mega-water transfer today? Such a question involves San Diego's water problems, and the term "Chinatown" better applies to San Diego and Imperial Valley than it does to Los Angeles. The Los Angeles-Owens River aqueduct was a public project not initiated by private landowners. Secrecy was needed at the time to avoid escalation of Owens Valley land and water prices. Land barons such as Moses Sherman did find out about the plan and made money, pursuing an ambition unethical but not illegal by the laws of the time. Contrast this famous dispute with the Bass brothers, Texas billionaires who bought Imperial Valley land for the purpose of water farming. Unfortunately for the Bass brothers, they bought land that had no water rights instead of Imperial Irrigation District land. At first the Bass brothers offered water they didn't have to the Metropolitan Water District, which said no. They then held secret meetings with the San Diego County Water Authority.

At this point the term "Chinatown" applied far more to San Diego than to Los Angeles. The brothers offered 500,000 acre-feet to San Diego, but the city refused to build an aqueduct, so San Diego hoped to use the MWD aqueduct—which had no room for a water transfer. The Bass brothers and the Imperial Irrigation District held closed meetings in the 1990s, the IID seeking independence from the MWD. Other issues intruded, particularly the question of the survival of the Salton Sea and other environmental concerns.

Meanwhile, Los Angeles acted as steward for the Owens Valley, preserving the land and essentially treating it as a national park. San Diego eventually did get its reliable water source, but at twice the cost of what the MWD would have charged per unit of water. Los Angeles and the MWD today have plans for sustainability, to use less water more efficiently. But San Diego gives lip service to water conservation and is considering getting into desalination, a very expensive process. Erie concludes that the term Chinatown is inappropriate for Los Angeles and now better fits San Diego.

Erie notes some good news on the horizon. Southern California is better prepared to deal with a water shortage much more than other metropolitan areas. However, if the recent U.S. wars were fought over oil, the wars of the 21st century may well be over water.

Most cities joined the MWD, but Alhambra, Azusa, Sierra Madre, and Monterey Park set up their own district. The San Gabriel Basin Water Master, established in 1973, sets allowable extractions from the basin.



The last session of the conference dealt with "Water Policy." **Joseph Reichenberger of Loyola Marymount University** discussed "San Gabriel Valley Groundwater Management, a History of Political Cooperation." The San Gabriel Valley is mainly dependent on groundwater. Local cities were in the courts over water resources in the 1930s and 1940s. Rather than continue litigation and dispute, the cities decided to cooperate, forming a water association. Most cities joined the MWD, but Alhambra, Azusa, Sierra Madre, and Monterey Park set up their own district. The San Gabriel Basin Water Master, established in 1973, sets allowable extractions from the basin. Principles of friendly adjudication have been a model for other areas to resolve water disputes cooperatively.

**John Walton of the University of California, Davis**, reflected on the two decades since the publication of his book *Western Times and Water Wars*. Since the book was published, Los Angeles has agreed on the mitigation project at Owens Lake, restoring the level of Mono Lake, and working for water equity. In other areas, especially Nevada, rural-urban disputes continue.

(Continued on page 12)

## Water Politics

(Continued from page 11)

In the final session of the day, **David Feldman of the University of California, Irvine**, spoke on "Preventing the Repetition, or What Can LA's Experience Teach Us About Contemporary Urban Water Disputes?" He compared the city of Atlanta, Georgia's water problems with those of Los Angeles a century ago. Similarities include limited water supplies, contentious civic leaders, drought and the need for conservation, and the pursuit of exclusive rather than inclusive approaches to water problems. Neighboring states are in conflict with Atlanta, and some critics have labeled the Tennessee River area as "Atlanta's Owens Valley."

**Sarah Elkind of San Diego State University** commented on the session. She noted that the San Gabriel Valley cooperative works because the MWD provides water when groundwater pumping is overused. Technological fixes work better than raising a public awareness that ebbs when there's a good rain. Distant water supplies are clean and available and defer the costs of taking water elsewhere.

Concluding the conference, participants attended a reception at the Von der Ahe Library for continuing conversation and conviviality.

WAPA directors David Oliphant and Dorothy Fuller also attended the event.



Conference  
Summary by  
Abraham  
Hoffman, Ph.D.



## Book Review

### Cool It

by Bjorn Lomborg\*

Published 2007 by Alfred A. Knopf,  
a division of Random House Inc.  
Portions of this work originally appeared in  
*Discover Magazine*.  
Barnes & Noble list price \$13.95



**Cool It**, is a book which raises serious questions that need to be addressed about the proposed solutions to global warming and the Kyoto accords. Bjorn Lomborg looks at the facts behind global warming, finds them misleading and extremely distorted, and the solutions imposed unnecessary if not downright regressive. He takes on each of the problems which are suggested as arising out of global warming or are exacerbated by it and finds far more effective and cheaper ways of solving them.

In **Cool It**, he shows how Gore's *An Inconvenient Truth* misleads the public in interpreting signs of global warming. Gore looks at the shrinking Ross Peninsula in Antarctica to conclude that the whole of Antarctica is melting rapidly and will cause the ocean to rise, when in fact it is only the peninsula which is breaking up and the rest of Antarctica is actually undergoing lower temperatures. Lomborg points out:

- 1.) That even if the peninsula breaks off, it will not raise the ocean because the peninsula was always a floating ice floe, and
- 2.) That evidence is that the peninsula was ice that was formed recently during the Little Ice Age about five hundred or so years ago, prior to which it was ocean anyway, and
- 3) That if the peninsula does break up, it will increase the precipitation in Antarctica which would actually increase the ice in the rest of Antarctica.

Al Gore predicts that if nothing is done by the year 2100, the oceans will rise 18 – 20 feet. Lomborg points out that the Intergovernmental Panel on Climate Change, whose parent is the United Nations World Meteorological Organization, after studying the matter determined that the most increase in ocean level that could occur by 2100 was one foot.

Gore shows pictures of polar bears on a melting ice floe and says that polar bears are drowning in significant numbers as a consequence of global warming. Lomborg points out that there was only one incident of polar bear deaths, consisting of the death of four polar bears after an abrupt windstorm, that this occurred in an area where the climate has been getting colder, that there were only one or two subspecies of polar bear out of some twenty in which the remainder are either stationary in population size or increasing, and that the global polar-bear population has increased dramatically over the past decades.

Gore's movie suggests that the lowering of the population of emperor penguins is a result of global warming in Antarctica. Lomborg points out that this was, like the bears, based on a limited study of one group in one location, and that the majority of penguins as a whole are either stable in population size or in fact increasing. (Continued on page 13)

## Book Review ~ Cool It

(Continued from page 12)

Lomborg is not arguing that global warming does not exist. He is arguing that the environmentalist predictions of the results of global warming are extremist and that the requirement of the Kyoto accords and environmentalists for the U.S. to spend hundreds of billions a year to combat it is putting our money in the wrong place that will actually increase the conditions it is designed to prevent. He makes a strong case. He suggests that scientists who “sex up” their conclusions cease to be scientific in order to carry out their agendas.

He notes that the media, by favoring the Gore position on global warming, paints only one side of the situation. For example, the media points to the 35,000 European deaths in the unusual 2003 European heat wave as what can happen from global warming. Lomborg notes that while the media spoke of the 2,000 deaths in England from the heat, it failed to mention average number of deaths from cold hovered around 25,000, with the winters of 1998-2000 seeing about 47,000 each year.

Where Gore suggests that Hurricane Katrina was a result of global warming, he points out that leading scientists note that there is no scientific evidence which can connect the two events.



Review by  
David J. Oliphant

To understand Lomborg, he makes four points which present his position at the beginning of his book:

1. Global warming is real and man-made.
2. Statements about its consequences are often wildly exaggerated.
3. We need simpler, smarter, and more efficient solutions for global warming rather than excessive if well-intentioned efforts. Large and very expensive CO2 cuts made now will have only a rather small and insignificant impact for the future.
4. Many other issues are much more important than global warming.

He concludes that we need to remind ourselves that our ultimate goal is not to reduce greenhouse gases or global warming per se but to improve the quality of life and the environment. His book pleads for rational debate and discussion on these issues, rather than censoring and name-calling as some environmental leaders do when faced with questions. That does not seem too much to ask before expecting us to foot \$billions in annual expenditures. ❖

\*Lomborg is the eye of a storm between Danish scientists arising from a previous book he wrote critical of the environmental movement. This dispute is written up in Wikipedia in connection with his biography. He is an adjunct professor at the Copenhagen Business School, with a Ph.D. in political science from the University of Copenhagen, having lectured in statistics at the University of Aarhus and been a former director of the Environmental Assessment Institute in Copenhagen..

## FYI: More Reviews



♦ H-Net is a website that publishes reviews of books dealing with numerous fields of interest, including water issues.

♦ Books are often interdisciplinary, so they may be on history, hydrology, ecology, biology, and other fields.

♦ WAPA member Abe Hoffman's review of **The Great Lakes Water Wars**, by Peter Annin, may be read at <http://www.hnet.org/reviews/showpdf.php?id=23434>.



VOTE

MARCH 3, 2009

