From: david powell <dopowell@earthlink.net>
Date: March 19, 2011 1:16:47 PM PDT
To: mjomsky@cityofpasadena.net
Subject: Comments on item 10, Agenda of 3/21/11

Mr. Jomski:

I would appreciate it if you could include the following in the Council members' agenda folders for the 3/11 meeting. I will not be able to attend the meeting.

Many thanks.

David O. Powell

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Pasadena City Council:

Set forth herein are comments on the energy report scheduled for discussion as item 10 on the agenda for the March 21 Council Meeting.

It is stated that "Through a mix of long-term renewable resources and short-term procurement, PWP will continue to pursue meeting the IRP RPS goals in the near term".

The report also states the following: "To date, implementation of the IRP has not resulted in significant cost or rate increases." It then goes on to state "Table II shows that renewable resources cost approximately $5.7 million more than an equivalent amount of spot market energy would have cost in 2010." To say that the first of the two above-cited quotes is disingenuous is an understatement. $5.7 million per year is not insignificant!!

The report then discusses the future. Figure 1 shows that the IRP RPS portfolio (which PWP proposes to continue to pursue) will result in increases in energy costs per kilowatt-hour over the current portfolio by 0.3, 0.6, and 1.0 cents in fiscal years 2012, 2016 and 2020, respectively. Based on a rough interpolation, this would suggest an average increase of about 0.6 cents per kilowatt-hour over the period. Applying this differential to the 1.13 billion kilowatt-hour energy usage experiences in 2010, would indicate a cost increase nearing $7 million per year. Again, to dismiss this as insignificant seems cavalier. Particularly in the light of the fiscal sword of Damocles poised over the head of Pasadena.

I am sure that you have complied with all the legal requirements for community outreach on this important issue. I am equally sure that there no broad community awareness of the fiscal implication of your energy policies. Don't you think there should be?

Thank you for allowing me to provide my comments.
David O. Powell

03/21/2011
Item 10