

## Los Angeles Times

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From the Los Angeles Times

### DWP solar plan was rushed to ballot despite months-earlier talks

The utility's chief discussed a \$3-billion energy proposal in February 2008, documents show, but later told council members that he couldn't provide a financial analysis before it was OK'd for the ballot.

By David Zahniser

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Three months ago, Los Angeles' plan for a \$3-billion solar energy installation seemed like it had come out of nowhere, with Mayor Antonio Villaraigosa and seven City Council members saying they needed to act quickly to get it on the March 3 ballot.

With events moving so rapidly, Department of Water and Power General Manager H. David Nahai told the council that he couldn't give voters a financial analysis of the plan -- including its effect on electricity rates -- until this month, four weeks before the election.

Yet documents obtained by The Times show that Nahai began discussing the solar plan with proponents nearly a year ago and had requested financial information from the DWP employee union that conceived the idea.

Nahai sent his No. 2 executive to a Feb. 29, 2008, briefing where, according to meeting minutes obtained through a public records request, union officials proposed the idea of a ballot measure and presented polling data showing it would secure support from two-thirds of voters.

Councilwoman Janice Hahn, who has called the DWP's public information effort on the solar plan "abysmal," said she was unaware of the 12-month-old briefing.

Councilman Greig Smith said he regrets having voted to put the issue on the ballot in such haste -- and questioned why the mayor's office was in such a hurry in the first place.

"For some reason, they decided to wait until the last minute to take it to the council, probably because they thought they could slip it through without the facts, which they did," said Smith, who now opposes the measure.

Villaraigosa spokeswoman Parita Shah noted Friday that the proposal -- now known as Measure B -- was approved unanimously "after an open and public process."

Nahai, in turn, defended his handling of the solar plan, saying that he did not know with certainty until late September that the mayor and Working Californians -- an advocacy group linked to the International Brotherhood of Electrical Workers, the DWP's employee union -- had decided to pursue the ballot measure.

Nahai said he had been working over the last year on a much larger solar plan that included the proposal for DWP-owned panels.

Because the plan changed repeatedly until Nov. 7, the day the council put it on the ballot, there was no way to prepare an accurate analysis, Nahai said. "A fiscal analysis would have been meaningless had we done it before" the final draft was adopted, he added. "What would we have analyzed?"

Nahai has already had to contend with an unfavorable, if preliminary, analysis of the solar plan prepared by P.A. Consulting, a firm that expressed doubts about the DWP's ability to install so many new solar panels and obtain \$1.5 billion in federal tax credits to pay for them.

Nahai and other supporters of Measure B have called the consulting firm's comments out of date and based on an early draft of the ballot measure.

Word of a solar ballot measure went public in early October, when Villaraigosa announced that he and the council's leadership planned to send it to voters.

Within three weeks, it had sailed onto the March 3 ballot, with some council members saying they did not fully understand it but trusted that a debate would occur during the course of the campaign.

Since then, Measure B has racked up endorsements from more than a dozen nonprofit groups, including the Coalition for Clean Air and the Los Angeles League of Conservation Voters, who argue that it would provide good jobs while improving the environment by helping the city to wean itself off of fossil fuels.

Still, some policy makers are waiting for the DWP's analysis, which is expected this week.

Councilman Bill Rosendahl said he was reserving judgment on Measure B until he reviews the document, which will look at the effect of the solar plan on electricity bills.

Measure B was originally proposed by Brian D'Arcy, the head of International Brotherhood of Electrical Workers Local 18.

On Feb. 29, D'Arcy brought Raman Raj, the DWP's chief operating officer, who runs the municipal utility when Nahai is out of town, and two dozen other civic leaders to union headquarters to discuss the plan.

During the meeting, D'Arcy said the DWP would own all of the panels, with installation split between his local and IBEW Local 11.

Details of the meeting were revealed in minutes recorded by environmentalist Jonathan Parfrey.

The minutes, contained in an e-mail obtained by The Times through the California Public Records Act, showed that Nahai had conferred with the union president a year ago on the financial underpinnings of the plan.

D'Arcy "recounted that he has been pitching the idea for a long time," Parfrey wrote in the minutes. "LADWP general manager H. David Nahai -- who Brian likes -- asked IBEW to create an economic model of the solar plan."

D'Arcy also told the group that he did not like Villaraigosa's plan to have the DWP obtain 20% of its energy from renewable sources by 2010, because much of that power would not be owned by the agency.

He warned the group that the DWP was not on track to reach that goal and complained that the initiative, which focuses on wind, solar and geothermal energy, had caused the DWP to spend \$1 billion annually on "external power purchases."

"Brian believes in pursuing the initiative process as an immediate strategy," Parfrey wrote.

Since the meeting, the union's solar proposal quadrupled in size, expanding to 400 megawatts -- enough energy to power 100,000 households -- when it was announced by

Villaraigosa in October.

Parfrey was named in December as the mayor's newest DWP commissioner, filling the seat previously held by engineer Nick Patsouras.

When he was confirmed by the council last week, Parfrey complained that Nahai and Patsouras should have presented the solar measure to the DWP commission.

He did not tell the council about his attendance at the solar briefing a year ago.

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