

## *Press Release*



Valley Voters Organized Toward Empowerment  
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Feb.17,2009      Contact: Joe Vitti -President  
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**The Valley VOTE Board of Directors has overwhelming approved the following Motion:**

**RESOLVED, that Valley VOTE OPPOSE Measure B:“Green Energy and Good Jobs for Los Angeles Program,” which will be on the March 3, 2009 Ballot.**

### **Discussion**

The Mayor and the DWP issued the “Los Angeles Solar Energy Plan,” dated November 24, 2008, which calls for three programs:

- 1} Custom Solar Program 380MW by 2020 \_Primarily a residential program to implement VCA SB1
- 2} LADWP - **Measure B** 400MW by 2014\_Owned Solar Projects
- 3} Large Scale Solar Projects 500 MW by 2020 \_Primarily desert based solar farms

Measure B, the “Green Energy and Good Jobs Program for L.A.,” seeks to implement the second of these three programs.

The noble objective of Measure B is to generate up to 400 megawatts of electric power from rooftop solar panels mounted on the roofs of public and private buildings throughout the city by 2014. (Owners of private property would participate voluntarily.) The panels would be owned by the LADWP, and installed only by the DWP’s main union, the IBEW.

### **Arguments in favor of Measure B**

1. All utilities, including the DWP, are under a mandate to reduce their carbon emissions to certain levels by certain dates in the future. To achieve these goals will require implementation of various technologies, including solar, thermal, wind, and other. Sunshine is one of L.A.’s greatest assets, so solar energy makes a lot of sense for this City.
2. The LADWP’s plan would avoid the transmission problem of moving power generated in the desert to the regional power grid by generating electricity totally within the City of L.A., where each installation would be connected to the DWP’s local power grid. Power transmission at high voltage over long distances is achieved by above ground transmission lines, and environmental groups oppose any such towers that may disturb the visual scene or make other harmful environmental impacts. [See <http://greenenergygoodjobsla.com>]

### **Arguments against Measure B:**

1. The DWP has not produced any verifiable data showing that this proposed program would meet the stated goal of generating 400 megawatts of additional power by 2014
2. Two different consulting firms, one hired by the city and one by the DWP, have come up with sharply divergent estimates of the cost of this program.
  - a. DWP itself estimates that the cost of generating solar power presently runs two to three times the cost of fossil fuel-based energy.[1]
  - b. The DWP's consultant, Huron group, estimates that the cost of this project would be about \$1.5 billion, but the other consulting firm, PA Knowledge Ltd., says that the project cost would more likely range between \$2.8 billion and \$3.6 billion.[2] Huron argues that the expected solar tax credits would reduce the cost to \$1.5 billion. These credits would be obtained by allowing financial institutions to own a portion of the rooftop installations subject to power purchase agreements with the DWP.
3. The IEA Report (draft)<sup>2</sup> was critical of the DWP's lack of a comprehensive approach to strategic planning and analysis, its inefficient decision-making, cloudy accountability for key decision-making, and its long-term failure to manage costs and complex projects. The IEA Report said that the project proposed in Measure B would cost considerably more than the DWP projects, and it questioned whether the DWP has sufficient staffing in place to plan and manage the project. These are issues that the Huron Report did not address.
4. The DWP's proposal requires that all labor involved in the installation of the solar equipment on rooftops not only be union labor, but specifically members of the IBEW union locals that are under contract with the DWP. Currently, there are not nearly a sufficient number of IBEW members available to handle this work, meaning that IBEW members will be imported from other states rather than using qualified electrical contractors and electricians who are members of other unions or are not union members.
5. Measure B, if adopted, would amend the City Charter, making any future changes in the proposed program very difficult to make. There is no reason why this proposed project needs a charter amendment, as the City Council has the authority to approve it without any charter amendment.
6. Measure B virtually mandates the City Council to approve the DWP's plans.
7. This measure was rushed through the City Council and onto the ballot in only three weeks, and critical information reportedly was knowingly withheld from the Council during that process. There has been virtually no opportunity to vet the details of the program and to debate the program's merits prior to the election. It appears to be an attempt to make a political payoff to the IBEW.  
[See:<http://www.nomeasureb.com>]

"There is a better way "as suggested by Richard Bort of the Valley VOTE Executive Committee and principle investigator on Measure B. If solar energy is a good idea for Los Angeles, and if generating the power in-basin rather than hundreds of miles away is a good idea, and if there is the will to make a substantial financial commitment to make such a program a reality, then there is a better – more transparent and more fair – way to achieve “green energy and good jobs for L.A.”

First, no change in any laws or charter is required to permit an owner of a residential, commercial, or industrial building from installing solar power-generating equipment on the roof, or for the DWP to install such equipment on city-owned property. While such an installation is expensive for a private property owner, income tax credits are available and the federal government is ramping up new credits for energy generated

from alternative sources in accordance with the economic stimulus act of October 2008.

The first of the three programs – The Customer Solar Program – should be expanded beyond residential properties to include commercial, industrial, and public properties, in lieu of the LADWP-Owner Solar Projects (i.e., Measure B). The private sector of electrical contractors should be enlisted to participate with DWP providing training and technical support as well as offering credits and power purchase agreements to customers that elect to install solar rooftop power generation equipment.

Giving a monopoly to the DWP to own all rooftop equipment on privately owned rooftops, and giving a monopoly to a union for all such installations, we believe will lead to excess costs and uncontrolled project management, resulting in a financial disaster beyond what any consultants may believe the true cost of such a project would likely be.

[1] The Los Angeles Solar Energy Plan, 11/24/08, P. 7.

[2] The Industrial, Economic and Administrative Report (draft) by PA Knowledge Ltd, which was hired by the City's CLA to report on the DWP, as mandated by the City Charter.