



CALIFORNIA MUNICIPAL UTILITIES ASSOCIATION

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DAVID L. MODISETTE, EXECUTIVE DIRECTOR

June 4, 2014

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Thuy Hua

LA County Department of Regional Planning
320 W Temple St 13th Floor
Los Angeles CA 90012

RE: Notice of Preparation of a Draft Environmental Impact Report and Notice of Public Scoping Meeting, Renewable Energy Ordinance

Dear Ms. Hua:

The California Municipal Utilities Association (“CMUA”) respectfully submits these comments on the proposed Renewable Energy Ordinance to “establish regulations, which include definitions and development standards, for the development of small-scale renewable energy systems, utility-scale renewable energy facilities, and temporary meteorological towers.” CMUA is concerned that the proposed ordinance, as set forth in the April 30, 2014 *Notice of Preparation of a Draft Environmental Impact Report and Notice of Public Scoping Meeting* may have potentially unintended consequences on statewide energy policy, including the ability to meet climate change goals. Further, the proposals may increase the cost to provide electric service to California consumers. CMUA urges the County to initiate formal consultation with state agencies and other relevant policy-makers responsible for electric grid operation to assess cost and other implications of the proposals.

Formed in 1932, CMUA is a statewide organization of local public agencies that provide water, gas, and electricity service to California consumers. CMUA membership includes cities, irrigation districts, public utility districts, municipal utility districts and joint powers agencies. These agencies provide water, wastewater, and retail electric and gas service to millions of Californians. Certain of CMUA members provide wholesale water conveyance, storage, electric generation and transmission services for the benefit of their public agencies’ consumers. With respect to retail electric services, CMUA members serve approximately one-quarter of total electric demand statewide.

The proposed ordinance must be considered in a larger context. Collectively, California is in the midst of a dramatic change in how

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the electricity needs of its citizens are met, reducing dependence on fossil fuels while increasing procurement of renewable resources such as wind and solar energy. Current state mandates require load serving entities like CMUA's members to procure at least 33% of all customer needs from eligible renewable sources by 2020. (Cal. Pub. Util. Code § 399.30(b)). Further, California is in the midst of considering more aggressive Greenhouse Gas Emission reduction goals as set forth in the First Update to the Amended Scoping Plan approved by the California Air Resources Board ("ARB") on May 22, 2014. It is very possible that aggressive climate policies will require renewable resource penetration beyond the current 33% mandate.

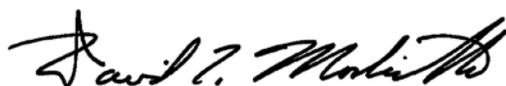
The proposed ordinance contains many elements. CMUA is most concerned about the treatment of electric transmission facilities, specifically the proposal that transmission lines must be undergrounded in most circumstances. Undergrounding high voltage transmission lines is technically challenging, and includes safety considerations. Further, the cost of undergrounding high voltage transmission lines is extraordinary. As observed recently at the California Public Utilities Commission ("CPUC") in its consideration of portions of the Tehachapi Renewable Transmission Project, even conservative estimates of undergrounding a small portion of this high-voltage transmission line were *50 times* in excess of estimates over using overhead lines for that portion.

Under the California Environmental Quality Act ("CEQA") Guidelines, the decision-making agency must balance, as applicable, the economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project against its unavoidable environmental risks when determining whether to approve the project. (Cal. Code Regs. tit. 14 § 15093). If the specific economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered "acceptable." (*Id.*).

In order to properly assess these balancing factors, the County should reach out and coordinate with several agencies and other policymakers to assess its effect on achievement of state energy policy goals. State agencies such as the California Energy Commission, CPUC, and ARB, must be consulted to ensure consistency of the proposed ordinance with overall state policy objectives. Further, the California Independent System Operator Corporation, which is the public benefit corporation that operates much of the state electric grid, should be formally consulted to inform and ensure a complete record of decision on which to base any action on the proposed ordinance.

Thank you for the opportunity to provide these comments.

Sincerely,



David L. Modisette
Executive Director