

CALIFORNIA ENERGY COMMISSION

REPORT OF CONVERSATION Page 1 of 1

DOCKET

11-AFC-2

DATE Nov. 23 2011

RECD. Dec. 14 2011



Siting, Transportation, and Environmental Protection Division

FILE: 11-AFC-2

PROJECT TITLE: Hidden Hills SEGS

<input type="checkbox"/> Telephone	Email	<input type="checkbox"/> Meeting Location:			
NAME:	Lisa Worrall	DATE:	Nov. 23, 2011	TIME:	2:21 pm
WITH:	Fatuma Yusuf, CH2MHill				
SUBJECT:	HHSEGS- Follow up on which fiscal benefit figures in the Socioeconomics section of the AFC are accurate to use (text or tables)				

I emailed Fatuma Yusuf with CH2MHill to follow up on a question I had expressed in the Data Response Workshop (Data Request 1A) held on Nov. 18, 2011 in Sacramento. While reviewing the socioeconomics section of the AFC, I noticed that some of the figures reported in the text as fiscal benefits did not match the figures in the tables. I was going to use the figures in the text, but want to make sure that my assumption is correct. I requested that the figures be confirmed.

The following is the content of our email:

>>> <Fatuma.Yusuf@CH2M.com> 11/23/2011 2:21 PM >>>

Hi Lisa,

Here's the ROC with Inyo County Sheriff's Department.

Per our telephone conversation, I'm confirming that the numbers shown in the text preceding Tables 5.10-20 are correct so the sales tax revenues to Inyo County in the text of \$141,900 is the correct amount and not the \$733,150 shown in Table 5.10-20.

As far as I can see, the numbers in Table 5.10-23 are the same as those in the text. Any differences are due to rounding.

With respect to Table 5.10-24, please see the text changes in the attached document. The changes are in track change mode.

Thanks and have a safe and enjoyable Thanksgiving,
Fatuma

Attachment:

HHSEGS_5.10_Socioecon_estimate corrections_11-23-11.pdf

cc: Project file	Signed: Signed Original on File
Dick Ratliff, Staff Counsel	Name: Lisa Worrall

5.10.4.4.4. Impacts to the Local Economy and Employment

Operation of HHSEGS will generate a small, permanent beneficial impact by creating employment opportunities for local workers through local expenditures for materials, such as office supplies and services. HHSEGS will provide about \$15.65 million (in 2011 dollars) in operational payroll, at an average salary of \$130,435 per year (including benefits) for the assumed 120 full-time employees. There will be an annual operations and maintenance budget of approximately \$0.54 million (in 2011 dollars), 5 percent of which is assumed to be spent within Inyo County while the remaining 95 percent is assumed to be spent within the two-county region. These additional jobs and spending will generate other employment opportunities and spending in Inyo County and the two-county region. However, the addition of 120 (6 in Inyo County, 104 in the two-county region) full-time jobs would not significantly reduce unemployment rates.

Indirect and Induced Economic Impacts from Operation. Operation of HHSEGS would result in indirect and induced economic impacts that would occur within the counties depending on the point of sale. These indirect and induced impacts represent permanent increases in each county's economic variables. The indirect and induced impacts would result from annual expenditures for payroll as well as those on operations and maintenance and were estimated using separate IMPLAN Input-Output models of Inyo County and the two-county region.

The estimated HHSEGS indirect and induced employment within Inyo County would be none and three permanent jobs, respectively. The additional jobs result from the \$782,600 in payroll and the \$27,000 in local O&M expenditures. The operational phase employment multiplier is estimated at 1.65 (i.e., $[6 + 0 + 3]/6$) and is based on a Type SAM multiplier.

Indirect and induced income impacts are estimated at \$6,100 and \$109,490,470, respectively. The income multiplier associated with the operational phase of the project is approximately 1.1 (i.e., $[\$809,700,600,000 + \$6,100 + \$109,490,470]/\$809,700,600$) and is based on a Type SAM model.

The HHSEGS estimated indirect and induced impacts within the two-county region in Nevada would be 2 and 107 permanent jobs, respectively. These additional 109 jobs result from the \$15,382,570 (\$14,869,570 in payroll, \$513,000 in operations and maintenance) in annual operational budget. The operational phase employment multiplier is estimated at 2.0 (i.e., $[114 + 2 + 109,107]/114$) and is based on a Type SAM multiplier.

Indirect and induced income impacts are estimated at \$139,040 and \$4,616,900, respectively. The income multiplier associated with the operational phase of the project is approximately 1.3 (i.e., $[\$15,382,570 + \$139,040 + \$4,616,900]/\$15,382,570$) and is based on a Type SAM model.

TABLE 5.10-24
Summary of Economic Impacts from Operation

	Inyo County	Two-County Region	Total
Indirect Employment	0	2	2
Induced Employment	3	107	110

TABLE 5.10-24

Summary of Economic Impacts from Operation

	Inyo County	Two-County Region	Total
Annual O&M Employment	6	114	120
O&M Employment Multiplier	1.5	2.0	NA
Indirect Income	\$6,0100	\$139,03040	\$145,140
Induced Income	\$109,470	\$4,616,900	\$4,726,370
Operation Phase Income Multiplier	1.1	1.3	NA
Total Annual Sales Taxes	\$410	\$38,990	\$39,400