

**THE STATE OF CALIFORNIA
BEFORE THE
CALIFORNIA ENERGY COMMISSION**

In the Matter of:

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Docket Nos. 09-IEP-1G and
03-RPS-1078

Preparation of the 2009 Integrated Energy
Policy Report

And

Implementation of Renewables
Portfolio Standard Legislation

03-RPS-1078

DOCKET

09-IEP-1G

DATE DEC 10 2008

RECD. DEC 11 2008

**POST WORKSHOP COMMENTS
OF THE
LOS ANGELES DEPARTMENT OF WATER AND POWER**

Pursuant to the Notice of the Staff Workshop on Renewable Energy “Feed-In” Tariffs, the Los Angeles Department of Water and Power (LADWP) respectfully submits these post-workshop comments on “Feed-In” Tariffs (No. 08-IEP-1G and No. 03-RPS-1078, 2009 IEPR). LADWP greatly appreciates the opportunity to participate in CEC workshops and comment accordingly. The December 1 workshop was the final of three provided by the CEC on “Feed-In Tariffs” and the second for which LADWP has provided comment.

As stated in our previous comments, LADWP is committed to reaching its goals of twenty percent (20%) renewable energy by 2010 and thirty-five percent (35%) by 2020. LADWP will meet these goals with a combination of new wind and geothermal energy generation, bilateral contracts for renewable energy, and a comprehensive solar program.

Since LADWP is already proceeding with an aggressive renewable energy plan best-suited to the needs of Los Angeles ratepayers, LADWP believes that a statewide “Feed-In” Tariff that would include Publicly-Owned Utilities would be unnecessary, procedurally burdensome, and impede the ability of local authorities to provide the best-fit-at-least-cost renewable energy to their ratepayers.

LADWP and the City of Los Angeles are already taking a strong leadership role by moving ahead with a program that will bring a total of 1.3 GW of solar energy to its customers by 2020. This extensive plan will be broken down as follows:

- Customer Solar – 380 MW
- Large-Scale Solar – 500 MW
- LADWP-Owned Solar – 400 MW

As part of its Customer Solar Program, LADWP will be implementing its own “Feed-In” Tariff. This component will provide up to 150 MW of solar energy by 2016. It would allow an entity in the City of Los Angeles to sell wholesale power directly to LADWP through a long-term contract between the entity and LADWP. The remaining capacity of customer solar will be 130 MW of the expanded residential solar, which includes funds set aside in support of SB1, and 100MW from LADWP’s “SunShares” program. “SunShares” will give customers the opportunity to purchase shares of commercial-sized solar power plants built and operated by LADWP. These customers would receive “dividends” through net-metering credits on their own energy bills earned on their share of a centralized solar plant.

LADWP's large-scale 500W solar projects, to be located in the nearby Mojave desert, will be at full capacity by 2020. These utility-scale projects will be developed by private developers through power purchase agreements that give LADWP the option to purchase the plants after about eight years.

The City of Los Angeles will be placing an initiative on the March, 2009 ballot that will amend the Los Angeles Administrative Code to authorize the creation of an LADWP program requiring production of at least four-hundred megawatts of solar power by 2014. This measure will also establish a jobs program and training academy to meet program participation demand and provide contract bid preferences for local solar power equipment manufacturers.

The City of Los Angeles and LADWP are clearly moving forward to attain renewable energy goals that exceed those of the State of California. The multi-faceted solar energy program, tied with plans for wind, geothermal, and other renewables, demonstrates forthright leadership and substantiation to support this commitment.

While LADWP fully appreciates the examination of "Feed-In" Tariffs by the State of California as a means to address the deficiency in renewable energy, LADWP believes that a statewide tariff imposed upon municipal utilities could serve to undermine important renewable energy projects that are already underway.

LADWP is grateful to the CEC Commissioners and Staff for all their hard work on "Feed-In" Tariffs and for allowing the opportunity to participate and comment. LADWP is hopeful that its comments and concerns receive due consideration when the CEC decides upon the pursuit of legislative action or any other measures on this subject.

Dated: December 10, 2008

Respectfully submitted,

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