

GLENDALE WATER & POWER COMMISSION MEETING

Monday, June 4, 2007

City Hall – Council Chambers

Present: Commissioners Scott Dellinger, Ed Ebrahimian, Greg Gregorian, John Miller

Absent: Commissioner Patrick Foley

Staff: Ramon Abueg, Electrical Services Administrator
Valerie Apmadoc, Executive Analyst
Ned Bassin, Power Management Administrator
Sheila Enriquez, Office Services Supervisor/Steno
Joy Gaines, Resource Efficiency Advisor
Herbert Garcia, Public Education Coordinator
E. Richard Germond, Principal Electrical Engineer
Patrick Hayes, Principal Engineer
Craig Herman, Information Services Administrator
Peter Kavounas, Water Services Administrator
Rosanna Lau, Civil Engineering Assistant
Steve Lins, Sr. Assistant City Attorney
Ruwen Liu, Sr. Executive Analyst
Bolaji Sojobi, Administrative Analyst
Ignacio R. Troncoso, Director of Glendale *Water & Power*
Tami Vallier, Customer Services Operations Manager
Dan Waters, Interim Director of Glendale *Water & Power*

Also Present: Vincent Antonino, MWD
Jim Rez, MWD Director
Herbert Molano, Glendale Resident
Luke Deasy (Fluoride opponent)
Catherine Schaffer (Fluoride opponent)

The meeting was called to order at 4:05 p.m. by Pro tem Commission President Miller followed by roll call.

CONSENT ITEMS

Commissioner Miller recommended the minutes be amended for clarity, particularly relative to the last two pages. Therefore, approval of the minutes was postponed to the July 2, 2007 meeting.

REPORTS – INFORMATION

Water
- MWD Update

An update, accompanied by slides, was provided by Vince Antonino of MWD. The slides furnished information on the history of MWD, their current programs and future challenges. Other slides highlighted items such as the Territory of Member Agencies, Sources of Water for Southern California, Storage Facilities, Integrated Resource Plan (IRP), Transfer and Storage Programs, Water Supplies, Metropolitan's Regional Investments, Bay-Delta Issues, and Managing Future Challenges.

Jim Rez, MWD Director, briefed the Commission on the role of the MWD Director. There are currently 37 directors, each representing their respective member agency. Glendale is one of the original agencies that formed the board. The large member agencies have more than one director and are voted in by proportional representation. The board meets the second week of the month.

Mr. Rez led a brief discussion on the Sacramento and San Joaquin Delta with respect to the environmental, water supply, and aged levee issues.

The Commissioners thanked Mr. Rez for the Colorado River Aqueduct tour that took place in March and said it was enjoyable and very educational.

ACTION ITEMS

NED BASSIN OF GWP RE: REPORT ON PUBLIC UTILITY REGULATORY POLICIES ACT (PURPA) STANDARDS

Ned Bassin provided a slide presentation that highlighted the Public Utility Regulatory Policy Act Amendments (PURPA) in the Energy Policy Act of 2005. Pursuant to the PURPA process, utilities are required to consider and determine the PURPA standards it will adopt by holding a public hearing, additionally, City Council is required to issue a written decision which explains the basis for the determination and cite findings and evidence developed from the public hearing, and make the written decision available to the public. The five new standards to be considered are: Smart Metering, Interconnection Standards, Fuel Sources, Fossil Fuel Generation Efficiency, and Net Metering. Following a detailed overview of the five standards, it was recommended that GWP continue with time based rates which includes time of use rates, conduct a complete evaluation of fixed network approach for GWP application, and readdress Real Time Pricing (RTP) when the infrastructure is in place or if cost or customer base changes.

Dan Waters indicated that costs to install new meters and adding the supporting infrastructure within the system would be cost prohibitive at this time. Setting a specific timeline is difficult; however, GWP can learn by observing the pilot program developments of the Salt River Project (SRP). Staff will provide periodic updates to the Commission regarding SRP's progress, which will likely give GWP insights on how to proceed with their pilot program.

MOTION

Moved by Commissioner Miller, seconded by Commissioner Gregorian, that the Glendale Water & Power ("GWP") Commission recommends that the Glendale City Council adopt the Smart Metering, Interconnection, Fuel Sources, Fossil Fuel Generation Efficiency, and Net Metering standards as presented to the GWP Commission on June 4, 2007 Presentation entitled "Public Utility Regulatory Policies Act Amendments in the Energy Policy Act of 2005."

Ayes: Commissioners Gregorian, Miller, Dellinger

Noes: Commissioner Ebrahimian

Absent: Commissioner Foley

PUBLIC HEARING

INTERIM DIRECTOR OF GWP RE: UPDATE TO THE 2005 URBAN WATER MANAGEMENT PLAN

Rosanna Lau reported that every five years water purveyors in California are required to prepare a report on their water management activities during the previous five years as well a future plan. The Urban Management Plan includes information on sources of water, water supply reliability, water use, water supply projects, demand management, recycled water, and water conservation. The 2005 Urban Water Management Plan was adopted by City Council in November 2005 and submitted to the California Department of Water Resources (DWR) in the summer of 2005. Approximately one year later, in January 2007, GWP received comments to the 2005 Urban Water Management Plan from DWR; consequently, a letter was prepared in response to these comments. This draft letter was reviewed by DWR and GWP received their approval for submittal. The purpose of today's public hearing is to solicit any public comments and questions.

MOTION

Moved by Commissioner Gregorian, seconded by Commissioner Miller, that the Glendale Water & Power ("GWP") Commission recommends that the Glendale City Council adopt the amendments to the 2005 Urban Water Management Plan as presented to the GWP Commission in the May 9, 2007 letter to the California Department of Water Resources regarding "2005 UWMP Amendment letter City of Glendale Water & Power."

Ayes: Commissioners Ebrahimian, Gregorian, Miller, Dellinger
Noes:
Absent: Commissioner Foley

REPORTS – INFORMATION (Cont'd)

- Water Use Report

Peter Kavounas indicated that usage patterns for water supplies, consumption and production patterns were customary for the month of April 2007.

- Water Conservation

Mr. Kavounas indicated that sources for water supplies this year are severely challenged and Southern California is experiencing a record low year for the State Water Project (SWP). Glendale had record low precipitation in the local groundwater basins, and this is the eighth year of drought conditions in the Colorado River basin. MWD and member agencies which collectively serve everyone in Southern California are moving forward with a call for voluntary conservation this summer. Glendale will proceed to present to City Council a resolution to implement the City's municipal code section that pertains to water conservation. Phase I of water conservation calls for a 10% voluntary conservation for GWP customers.

Joy Gaines referred to the communications plan to be implemented in the next three months illustrating outreach methods that will be used by GWP to inform customers of the 10% voluntary reduction. Every method of communication will be utilized to reach the community to inform them that due to several factors, i.e., the dry year, the Colorado River and the State Water Project and only 60% of water supplies being delivered to MWD at this time, a strict voluntary reduction program will be executed. Staff will place a special edition for the *Source* and a issue a separate edition of the *Source* to be published at the end of June that will completely cover water conservation. In the meantime, GTV6 will be doing 30 second spots on water conservation and plans to have a live call-in program in July.

Joy suggested that Mr. Molano make an appointment with the Water & Electric auditors so they can advise him on how to reduce electric and water usage. GWP offers a myriad of programs to assist customers, a list of phone numbers and programs are located in the back of the *Source*.

Electric

- Electrical Services Reliability Indices (ESRI)

Ramon Abueg communicated that the report that was mailed to the Commission was amended to include the outage that occurred on May 31, 2007. There were seven primary outages during the month of May - three were due to feeder relays, two were due to squirrels, one was due to an underground conductor failure and one due to an underground cable failure.

The May 31st outage occurred on the Kellogg-Rossmoyne 32 line run from Kellogg Switching Station (distributed handout) affected approximately 15,000 customers and lasted one hour and 15 minutes. GWP crews continue to work on replacing the underground cable that was severely damaged.

Power

- Environmental Stewardship

Ned Bassin said that GWP is working not only to provide electricity at a cost-effective manner, but also striving to be good environmental stewards. Therefore, GWP continues to take initiatives in energy efficiency, renewable energy, working towards CO₂ reductions, and monitoring and reducing green house gas emissions. A slide presentation was used to review and highlight pertinent areas such as Investment in Energy Efficiency, Energy Efficiency Highlights, Renewable Energy Development CO₂ Sequestration and California Climate Action Registry.

Customer Service

- Customer Account Life Cycle

Tami Vallier said that GWP strives to maintain balance with the utility to conduct business efficiently and meet customer needs. The presentation was accompanied by slides and a line by line review regarding the three stages of a customer's account: the early, mid and final stages. The early stage is the account activation or the application process, the mid stage is once the customer has an active account in GWP' system, and the final stage is a closed account, i.e., a customer moved out of Glendale or under somewhere else within the service territory. The third or final stage of a customer's account will be reviewed at the next Commission meeting.

Commission

Commissioner Ebrahimian thanked Mr. Waters for the recent tour of the electric facilities; he appreciated the time and received good information.

ORAL COMMUNICATIONS

Herbert Molano offered the following suggestions: Find ways to better communicate and furnish information to the community. Establish performance measures relative to GWP water and electric system operations. Engage the schools to get children involved and aware of energy and water conservation.

Luke Deasy handed out information packets regarding fluoride in water systems. He opposes the use of fluoride and believes it is detrimental to the human body. He encouraged the Commission to read the material he provided.

Catherine Schaffer voiced her strong objections and concerns regarding fluoride and she also believes it should not be added to the water supplies. She provided material for the Commission to read and asked that staff investigate further.

OLD BUSINESS

NEW BUSINESS

Dan Waters gave a brief update on budget activities and said that through the budget review it has been determined that the cash reserves in both the water and electric systems are significantly lower than costs. As a result, aggressive steps will be taken to reduce the budget and proceed with bond issuances for the water and electric systems.

Meeting adjourned at 6:40 p.m.