

# Attention

Honorable Mayor and Members of the City Council

*The attached email from Rudy Gonzales, Region Manager, Southern California Edison, was received following the printing and distribution of the Agenda packet.*

*A copy of the attached was distributed on Wednesday (emailed to the City Council, placed at the front counter for public review, and posted to the City's website), prior to the City Council meeting, and copies will be placed in the Council foyer and at the dais for Council consideration the night of the meeting (Wednesday, September 10, 2008).*

## Kimberly Rodrigues

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**From:** Nathan Hamburger  
**Sent:** Tuesday, September 09, 2008 1:39 PM  
**To:** Kimberly Rodrigues  
**Subject:** FW: Information on Prop. 7

**Attachments:** No on 7 Local Government.pdf; No on 7 Environmental.pdf; No on 7 Education.pdf; No on Prop 7 Coalition List 8.29.08.pdf



No on 7 Local



No on 7



No on 7



No on Prop 7

Government.pdf (...nvironmental.pdf (11...ducation.pdf (106 KB) Coalition List 8...

FYI regarding the item on the agenda.

Nathan Hamburger  
Assistant City Manager  
Serving the City of Agoura Hills  
(818) 597-7308 Direct  
(818) 597-7341 Fax  
Nhamburger@ci.agoura-hills.ca.us

-----Original Message-----

**From:** Rudolph.Gonzales@sce.com [mailto:Rudolph.Gonzales@sce.com]  
**Sent:** Tuesday, September 09, 2008 12:09 PM  
**To:** John Edelston; Denis Weber; Dan Kuperberg; William Koehler; Harry Schwarz  
**Cc:** Greg Ramirez; Nathan Hamburger; Louis Celaya; gonzalra@sce.com  
**Subject:** Information on Prop. 7

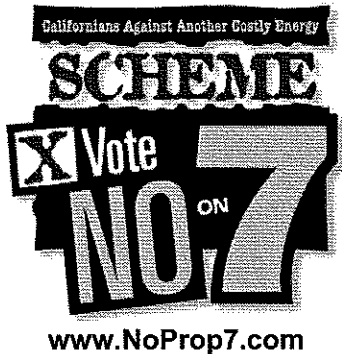
Mr. Mayor and Councilmembers,

I look forward to coming out to tomorrow evening's council meeting to discuss SCE concerns with Prop. 7. I wanted to take the opportunity to clarify that Prop. 7 is an initiative that has qualified for the November ballot. Funding came primarily from Peter Sperling, founder of the University of Phoenix and a resident of Arizona. There is no connection between Prop. 7 and Senate Bill 411. S.B. 411 is a legislative effort that Southern California Edison has participated in to increase the amount of renewable power provided by investor-owned utilities from 20% to 33% by the year 2020. At this point, S.B. 411 is stalled and not likely to move forward. However, we do anticipate that new legislation will be introduced next year with a similar goal of 33% by 2020.

Attached you will find documents with specific concerns about Prop. 7. I have also included the latest list of coalition members who have joined the No on 7 campaign. Please call me should you have any questions. Thank you.

(See attached file: No on 7 Local Government.pdf)(See attached file: No on 7 Environmental.pdf)(See attached file: No on 7 Education.pdf)(See attached file: No on Prop 7 Coalition List 8.29.08.pdf)

RUDY GONZALES  
Region Manager, SCE  
Thousand Oaks Service Center  
(805) 497-5616/FAX (805) 494-7015  
PAX 76616/FAX 76215



## NO on Proposition 7 Measure Bad for Local Governments and Their Residents

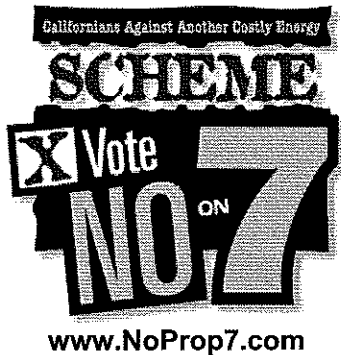
Prop. 7 is opposed by the League of California Cities, the California Municipal Utilities Association, California Special Districts Association and many other diverse organizations because it strips local governments of some of their land use authority and control of their energy resource mix, and will lead to higher electricity costs. Prop. 7 is also opposed by renewable power companies and environmental organizations who warn the measure is "fatally flawed" and will actually "slam the brakes" on renewable energy development in California. Prop. 7 was placed on the November ballot by an Arizona billionaire with no expertise in renewable power issues. Local governments oppose Prop. 7 because it will:

- **Usurp local land use authority.** Prop. 7 strips local governments of certain land-use authority relating to power plant siting and approval and hands it to the California Energy Commission (CEC). Additionally, Prop. 7 authorizes the state to cut down the time to 100 days in which local governments can file comments with the CEC on certain proposed power plant projects in their communities. Without sufficient time to submit comments, cities and counties could be forced to move forward with a project that doesn't coincide with their general plan. And since the CEC has exclusive jurisdiction over the siting of certain plants anyway, it's unclear whether they will have to consider local comments at all.
- **Eliminate local control over the best resource mix.** Publicly owned municipal utilities will be subjected to the renewable targets under this initiative, curtailing local control over the best resource mix for a municipal utility's customers. Municipal utilities currently evaluate renewable resources and how to best balance them with rates, reliability and financial resources.
- **Lead to higher electric bills for local governments.** Prop. 7 allows renewable power providers to always charge 10% above the market price of power, stifling competition for renewable power and artificially increasing the cost. The cost of energy is one of the largest expenses for local governments. **Economists estimate that by 2025, when the initiative is fully implemented, Prop. 7 will increase electricity costs for state and local governments by \$874 million annually and lead to a loss of revenue for local governments of \$216.4 million annually.** Furthermore, the non-partisan Legislative Analyst cautions that, "...the prospects for higher electricity rates are more likely in the short term..." and the initiative might "...also lead to higher long-run electricity rates." In addition, nothing in the text of Prop. 7 limits increases in electric bills to 3% like proponents claim. Even the Legislative Analyst warns that "*the measure includes no specific provisions to implement or enforce this declaration.*"
- **Force small wind and solar companies out of the market.** Prop. 7 contains a "competition elimination" provision that forces smaller renewable energy companies out of California's market. It excludes power from renewable plants smaller than 30 megawatts from counting toward the new requirements. Today, nearly 60% of contracts under California's renewable requirements are with these small providers. That's why the California Solar Energy Industries Association warns: "*Proposition 7 would devastate California's small solar businesses by forcing us out of the market – eliminating a major source of clean power and thousands of jobs.*"

### California Needs More Renewable Energy, NOT Higher Bills & Another Energy Crisis.

California leads the nation with tough, clean energy standards that require utilities to use significantly more renewable power. Prop. 7 will jeopardize this progress and disrupt renewable power development. What's worse, if passed by voters, no changes can be made to this law without another vote of the people or 2/3 of the legislature. Further, Prop. 7 creates new market conditions ripe for manipulation, much like those that caused the last energy crisis. Electricity consumers are still paying almost \$1 billion each year – nearly \$100 for every electricity customer – to pay off the last energy crisis. The last thing we need is a poorly written measure that will lead to higher electric bills and possibly even another energy crisis.

Paid for by Californians Against Another Costly Energy Scheme - No on 7,  
major funding from PG&E Corporation and Southern California Edison Company,  
a coalition of environmentalists, renewable energy companies, taxpayers, and labor  
Phone 866-811-9255 Fax 866-811-9258 [www.NoProp7.com](http://www.NoProp7.com)



## NO on Proposition 7

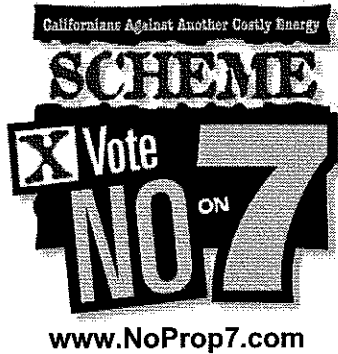
### Measure Opposed by Key Environmental and Renewable Energy Providers in the State

An unprecedented coalition of solar, wind and renewable energy companies and environmental organizations all oppose Proposition 7 and warn the measure is so poorly drafted it will slam the brakes on renewable energy development in California. Prop. 7:

- **Forces small wind and solar companies out of the market.** Prop. 7 contains a "competition elimination" provision that forces smaller renewable energy companies out of California's market. It excludes power from renewable plants smaller than 30 megawatts from counting toward the new requirements. Today, nearly 60% of contracts under California's renewable requirements are with these small providers. The California Solar Energy Industries Association warns: *"Proposition 7 would devastate California's small solar businesses by forcing us out of the market – eliminating a major source of clean power and thousands of jobs."*
- **Does nothing to address current barriers to renewable energy and instead creates new roadblocks that will stall renewable energy development.** Prop. 7 locks into law many flaws that are currently stifling renewable power development in California and creates new roadblocks to renewable development. For example, the California Public Utilities Commission (CPUC) and the California Energy Commission (CEC) have identified transmission line development to be one of the greatest barriers to more renewable energy and this initiative does nothing to address this challenge. Instead, Prop. 7 would make matters worse by shifting a number of key responsibilities from the CPUC to the CEC, including transmission line approval, adding to more bureaucracy and delays.
- **Significantly reduces public input and comment on power plant and transmission line approvals.** Prop. 7 authorizes the state to cut down the time to 100 days in which local, regional and state agencies can file comments on certain proposed power plant projects. This would severely limit public participation and feedback from the scientific community, the public and local governments. And by giving the CEC exclusive jurisdiction over the siting of certain plants, it's unclear whether they will have to consider local comments at all. Also, Prop. 7 strips local governments of certain land-use authority relating to power plant siting and approval and hands it to the California Energy Commission (CEC).

### California Needs To Maintain Leadership in Renewable Energy, Not Start Taking Steps Backward Under Prop. 7.

California is one of the top in the nation with tough, clean energy standards that require utilities to use significantly more renewable power. Prop. 7 will jeopardize our leadership position, hinder progress and disrupt renewable power development. What's worse, if passed by voters, no changes can be made to this law without another vote of the people or 2/3 of the legislature. In order to move to more clean sources of energy in the state we need to implement sound policy that encourages more renewable development, not less as Prop. 7 clearly will.



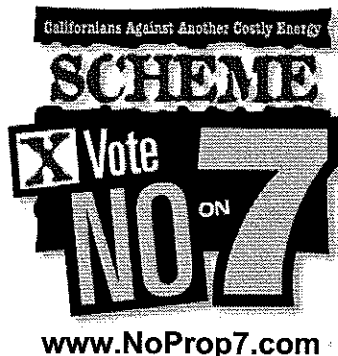
## NO on Proposition 7 Measure Bad for our Public Schools

Proposition 7 is opposed by a diverse coalition of solar, wind and renewable energy companies, consumer, taxpayer, senior, labor, small businesses, local governments and environmental organizations because it is fatally flawed, will slam the brakes on renewable energy development in California and lead to a significant increase in electric bills. Higher electric rates are of particular concern for California's K-12 public schools, UC, CSU, and Community Colleges who are large consumers of power. Prop. 7 was placed on the November ballot by an Arizona billionaire with no expertise in renewable power issues. The education community opposes Prop. 7 because it will:

- **Increase electricity costs for K-12 schools and UC, CSU and Community Colleges.** Prop. 7 allows renewable power providers to always charge 10% above the market price of power, stifling competition for renewable power and artificially increasing the cost. The cost of energy is one of the largest expenses for schools and Prop. 7 will significantly increase electricity costs, making less money available for investment in teachers, books and technology. Economists estimate that by 2025, Prop. 7 will increase electric bills for K-12 school districts by \$233.3 million annually, and by \$126 million annually for higher education facilities. The non-partisan Legislative Analyst cautions that, "...the prospects for higher electricity rates are more likely in the short term..." and the initiative might "...also lead to higher long-run electricity rates." And, contrary to proponents' false claims, nothing in the text of Prop. 7 limits increases in electric bills. The Legislative Analyst states unequivocally that "*the measure includes no specific provisions to implement or enforce this declaration.*"
- **Drain state revenues and, as a result, reduce revenues available for K-12 public schools.** Economists predict that Prop. 7's higher electric rates will lead to reduced economic output and tax revenues which, in turn, will reduce state revenues to the tune of \$285.6 million annually by the year 2025. Since as much as 40% or more of state general fund revenues go to K-12 schools, this means public schools could lose tens of millions of dollars each year due to Prop. 7's negative impacts on our economy and state revenues.
- **Slam the brakes on renewable energy development.** Environmental leaders warn Prop. 7 will not achieve its goals and, instead, will actually lead to less, not more, renewable power. That's because Prop. 7 locks into law many flaws that are currently stifling renewable power development and creates new roadblocks to renewable development. For instance, Prop. 7 contains a "competition elimination" provision that forces smaller renewable energy companies out of California's market. It excludes power from renewable plants smaller than 30 megawatts from counting toward the new requirements. Today, nearly 60% of contracts under California's renewable requirements are with these small providers.

### **California Needs More Renewable Energy, NOT Higher Bills & Another Energy Crisis.**

California leads the nation with tough, clean energy standards that require utilities to use significantly more renewable power. Prop. 7 will jeopardize this progress and disrupt renewable power development. What's worse, if passed by voters, no changes can be made to this law without another vote of the people or 2/3 of the legislature. Further, Prop. 7 creates new market conditions ripe for manipulation, much like those that caused the last energy crisis. Electricity consumers are still paying almost \$1 billion each year – nearly \$100 for every electricity customer – to pay off the last energy crisis. The last thing we need is a poorly written measure that will lead to higher electric bills and possibly even another energy crisis.



## We Oppose Proposition 7!

(Member list as of 8.29.08)

### RENEWABLE ENERGY PROVIDERS

California Solar Energy Industries Association  
Large Scale Solar Association  
California Wind Energy Association Independent  
Energy Producers Association  
Bright Source Energy  
First Solar  
Solel Inc.  
Sun Light & Power

### ENVIRONMENTAL

California League of Conservation Voters  
Acterra: Action for a Sustainable Earth  
Alliance for Responsible Energy Policy  
Endangered Habitats League  
Orange County Coastkeeper  
San Jose Conservation Corps  
Trees for Seal Beach  
World Wide Green Corps

### LABOR

California Labor Federation  
American Federation of State, County and  
Municipal Employees  
Coalition of California Utility Employees  
State Building and Construction Trades Council  
of California  
International Brotherhood of Electrical Workers,  
Local 47  
International Brotherhood of Electrical Workers,  
Local 1245  
International Brotherhood of Electrical Workers,  
9<sup>th</sup> District

### SENIOR

California Alliance for Retired Americans  
California Senior Advocates League  
Congress of California Seniors

### GOOD GOVERNMENT

League of Women Voters of California

### TAXPAYER GROUPS

California Taxpayers' Association  
The California Taxpayer Protection Committee  
Sacramento County Taxpayers League  
Kern County Taxpayers Association  
Alliance of Contra Costa Taxpayers  
Orange County Taxpayers Association  
Contra Costa Taxpayers Association  
Humboldt Taxpayer's League  
Inland Empire Taxpayers Association  
Lafayette Taxpayers Association  
League of Placer County Taxpayers  
San Diego Tax Fighters  
Valley Taxpayers' Coalition, Inc.  
Ventura County Taxpayers Association  
Waste Watchers, Inc.

### BUSINESS

California Small Business Association  
California Small Business Roundtable  
Small Business Action Committee  
California Chamber of Commerce  
California Council for Environmental  
and Economic Balance  
California Manufacturers & Technology  
Association  
California Retailers Association  
California Business Properties Association  
California Business Roundtable  
California Grocers Association  
National Association of Industrial & Office  
Properties, California Chapter  
Bay Area Council  
Orange County Business Council  
Silicon Valley Leadership Group  
Valley Industry and Commerce Association  
Ventura/Santa Barbara Counties Regional  
Legislative Alliance  
American Association of Business Persons with  
Disabilities  
Antelope Valley Board of Trade

Paid for by Californians Against Another Costly Energy Scheme - No on 7,  
major funding from PG&E Corporation and Southern California Edison Company,  
a coalition of environmentalists, renewable energy companies, taxpayers, and labor  
Phone 866-811-9255 Fax 866-811-9258 www.NoProp7.com

**(MORE)**

**BUSINESS (CONT.)**

Elite Small Disabled Veteran Owned  
Businesses, Los Angeles Chapter  
Alhambra Chamber of Commerce  
Antelope Valley Chambers of Commerce  
Bell Chamber of Commerce  
Camarillo Chamber of Commerce  
Carson Chamber of Commerce  
Cerritos Regional Chamber of Commerce  
Compton Chamber of Commerce  
Costa Mesa Chamber of Commerce  
Covina Chamber of Commerce  
Culver City Chamber of Commerce  
Downey Chamber of Commerce  
Duarte Chamber of Commerce  
East Los Angeles Chamber of Commerce  
El Centro Chamber of Commerce and Visitors  
Bureau  
Fillmore Chamber of Commerce  
Fresno Chamber of Commerce  
Gardena Valley Chamber of Commerce  
Gateway Regional Chambers Alliance  
Goleta Valley Chamber of Commerce  
Glendora Chamber of Commerce  
Greater Huntington Park Area Chamber of  
Commerce  
Greater Lakewood Chamber of Commerce  
Hanford Chamber of Commerce  
Huntington Beach Chamber of Commerce  
Irvine Chamber of Commerce  
Irwindale Chamber of Commerce  
La Mirada Chamber of Commerce  
La Verne Chamber of Commerce  
LAX Coastal Area Chamber of Commerce  
Lomita Chamber of Commerce  
Manhattan Beach Chamber of Commerce  
Montebello Chamber of Commerce  
Moorpark Chamber of Commerce  
Newport Beach Chamber of Commerce  
Norwalk Chamber of Commerce  
Oxnard Chamber of Commerce  
Palmdale Chamber of Commerce  
Palm Desert Chamber of Commerce  
Pico Rivera Chamber of Commerce  
Pomona Chamber of Commerce  
Port Hueneme Chamber of Commerce  
Porterville Chamber of Commerce  
Greater Riverside Chamber of Commerce  
Rosemead Chamber of Commerce  
San Dimas Chamber of Commerce  
Santa Fe Springs Chamber of Commerce and  
Industrial League, Inc.  
South Bay Association of Chambers of  
Commerce  
South Gate Chamber of Commerce

**BUSINESS (CONT.)**

South Orange County Regional Chamber of  
Commerce  
South Pasadena Chamber of Commerce  
Thousand Oaks - Westlake Regional Chamber  
of Commerce  
Torrance Area Chamber of Commerce  
Tulare Chamber of Commerce  
Tustin Chamber of Commerce  
United Chambers of Commerce of the San  
Fernando Valley  
Ventura Chamber of Commerce  
Visalia Chamber of Commerce  
West Covina Chamber of Commerce  
Whittier Area Chamber of Commerce  
Yucca Valley Chamber of Commerce  
Economic Development Corporation of  
Southwest California  
Greater Antelope Valley Economic Alliance  
San Gabriel Valley Economic Partnership  
San Mateo County Economic Development  
Association  
Ventura County Economic Development  
Association

**CONSUMER GROUPS**

California Alliance for Consumer Protection  
Consumers Coalition of California  
Consumers First, Inc.  
Citizens Against Regulatory Excesses

**POLITICAL ORGANIZATIONS**

California Democratic Party  
California Republican Party  
California Republican Assembly  
California Young Democrats  
California Log Cabin Republicans  
Los Angeles County Lincoln Clubs  
Placer County Republican Party  
Republican Party of Los Angeles County  
Republican Party of Tulare County  
Solano County Republican Party  
Young Republican Federation of California,  
Sacramento Chapter

**ETHNIC**

California Black Chamber of Commerce  
American GI Forum of California  
African American Cultural Complex  
Asian Business Association, Los Angeles  
Black Business Association of Los Angeles  
Asian Business Association of Orange County  
Black Chamber of Commerce of Orange County  
Filipino American Chamber of Commerce of  
Orange County



**ETHNIC (CONT.)**

National Council of Negro Women – High Desert Section  
Orange County Hispanic Chamber of Commerce  
Republican National Hispanic Assembly of Greater L.A.  
Asian Americans in Commercial Real Estate  
Barstow Hispanic Chamber of Commerce  
Korean Health Education Information and Research Center  
Regional Hispanic Chamber of Commerce  
Tulare Kings Hispanic Chamber of Commerce  
United Cambodian Community, Inc.  
Victor Valley African American Chamber of Commerce

**CIVIC AND COMMUNITY ORGANIZATIONS**

East Los Angeles Boys & Girls Club  
GrassRoots Community Network Connecting Communities  
Rosamond Community Services District  
San Francisco Planning and Urban Research  
Southeast Community Development Corporation  
Total Education Solutions, South Pasadena

**FAITH BASED ORGANIZATIONS**

Reverend Eric P. Lee, Southern Christian Minister Eddie Pierson, Academic Uprise, Signal Hill  
Dr. H.L. Pierre, Pilgrim Community Leadership Conference, Los Angeles  
Cosmopolitan Baptist Church, San Francisco  
Metropolitan Baptist Church, San Francisco  
Progressive Jewish Alliance  
The Salvation Army, Southeast Corps  
True Hope Church of God in Christ, San Francisco  
Voice of Pentecost Church, San Francisco

**PUBLIC SAFETY**

Los Bomberos de Los Angeles

**LOCAL GOVERNMENT**

League of California Cities  
California Special Districts Association  
City of Blythe  
City of Cathedral City  
City of Claremont  
City of El Monte  
City of Indian Wells  
City of La Puente  
City of La Verne  
City of Monterey Park  
City of Pasadena  
City of Porterville  
City of Rosemead

**LOCAL GOVERNMENT (CONT.)**

City of Seal Beach  
City of Tustin

**UTILITIES**

California Municipal Utilities Association  
Sacramento Municipal Utility District Board of Directors  
PG&E Corporation  
Sempra Energy  
Southern California Edison Company

**STATE AND LOCAL ELECTED OFFICIALS**

Assembly Speaker Emeritus Fabian Núñez – D  
Senator Sam Aanestad – R  
Senator Jim Battin – R  
Senator Dave Cox – R  
Senator Robert Dutton – R  
Senator Dennis Hollingsworth – R  
Senator George Runner – R  
Assemblyman Chuck DeVore – R  
Assemblyman Bill Maze – R  
Assemblyman Hector De la Torre – D  
Assemblywoman Sharon Runner – R  
Assemblywoman Mimi Walters – R  
City of Alhambra Mayor, Luis Ayala  
City of Hesperia Mayor, Mike Leonard  
City of La Puente Mayor, Louie Lujan  
City of San Gabriel Mayor, Harry Baldwin  
City of Calimesa Mayor Pro Tem, James O. Hyatt  
City of Hesperia Mayor Pro Tem, Thurston E. Smith  
City of San Gabriel Vice-Mayor, Juli Costanzo  
City of South El Monte Mayor Pro Tem, Hector Delgado  
City of Westminster Mayor Pro Tem, Andy Quach  
City of Alhambra Councilmember, Barbara Messina  
City of Alhambra Councilmember, Stephen Sham  
City of Alhambra Councilmember, Gary Yamauchi  
City of Aliso Viejo Councilmember, Phil Tsunoda  
City of Aliso Viejo Councilmember, Greg Ficke  
City of Aliso Viejo Councilmember, Carmen Cave  
City of Chino Councilmember, Glenn Duncan  
City of Cypress Councilmember, Phil Luebben  
City of Fontana Councilmember, Janice Rutherford  
City of La Palma, Councilmember, Christine Barnes  
City of Lomita, Councilmember, Don Suminaga

**ELECTED OFFICIALS (CONT.)**

City of Montclair Councilmember,  
Leonard Paulitz  
City of Montebello Councilmember,  
Robert Urteaga  
City of Rancho Cucamonga Councilmember,  
Salvatore Spagnolo  
City of Rosemead Councilmember, John Nuñez  
City of San Gabriel Councilmember,  
Albert Huang  
City of San Gabriel Councilmember,  
Kevin Sawkins  
City of South El Monte Councilmember,  
Luis A. Aguiñaga  
City of South El Monte Councilmember,  
Angelica Garcia  
City of Stanton Councilmember, David John  
Shawver  
City of Tustin Councilmember, Lou Bone  
City of Ventura Councilmember,  
James Monahan  
City of West Covina Councilmember,  
Steve Herfert  
Town of La Crescenta Valley Councilmember,  
Bruce Campbell  
Town of La Crescenta Valley Councilmember,  
Stephen Pierce