THE LEAGUE OF WOMEN VOTERS OF SAN DIEGO

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Irene Stillings, Executive Director
San Diego Regional Energy Office
8520 Tech Way, Suite 110
San Diego, CA 92123

November 27, 2002

Dear Ms. Stillings,

The League of Women Voters of San Diego commends the San Diego Regional Energy Office and the other agencies and organizations that contributed to the development of the *San Diego Regional Energy Infrastructure Study* for their effort in producing a fact-based document to serve as the basis for future regional energy infrastructure planning.

We have appreciated the opportunity you have provided for a League representative to sit on the REPAC board as a non-voting member. We sincerely hope that in the future you will see the value of having a League representative serve as a ***voting*** member, representing the public interest in the important debates that will follow.

In addition to its role as a non-voting member of REPAC, the League has shown a high degree of interest in the issue of energy in San Diego as evidenced by (1) the forum we produced on April 13, 2002, titled "Focus on San Diego's Energy Future," which was attended by approximately 150 people from across the San Diego region, and which was featured as the lead story in the Sunday Union Tribune's city section the following day; and (2) the two letters we have written to Mayor Murphy and the San Diego City Council on energy issues in the past two months.

Our Natural Resources Committee, which spearheaded these activities, awaited with great interest the release of the *San Diego Regional Energy Infrastructure Study* in October. Upon careful review of this document, the League of Women Voters of San Diego respectfully submits the attached comments for your consideration.

Sincerely,

Catherine Stoll
Co-president

Beryl Flom
Co-president

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Comments on San Diego Regional Energy Infrastructure Study

1. We strongly support developing a mechanism to enable planning at a regional level to ensure the adequacy of the region's energy supply. This mechanism should be closely coordinated with the regional infrastructure planning function of SANDAG or the new regional planning agency that replaces SANDAG.
2. Any future draft of this study should include a discussion of how energy prices are set and at what level power purchases are made. It is not clear from the study that constructing a new power plant in the region as recommended would lead to lower prices because power prices are apparently set now by the amount the highest bidder is willing to pay, with bidding taking place both within and outside the region.
3. A further discussion of mechanisms to reduce prices and demand would be valuable. Real time pricing for large classes of consumers is required to ensure that decisions to use power take cost into account. If such a program were instituted on a large scale this could significantly reduce the need for peaker plants, which are the highest cost and most polluting.
4. Your study states that as much as a five to one return on investment is possible on energy efficiency and small scale distributed generation investments worth up to $3.6 billion (p. ES-4). Such opportunities to reduce demand for energy and for large-scale infrastructure investments should be vigorously pursued. Further analysis along these lines (perhaps modeled after ***The Public Benefit of California's Investment in Energy Efficiency***, Mark Bernstein, Robert Lempert, David Loughran, and David Ortiz, MR-1212.0-CEC, 2000 (http://www.rand.org/publications/MR/MR1068/)) would strengthen the report and help bolster arguments for intensive public investment in conservation and efficiency and incentives for private investments in efficiency.
5. If a "cohesive regional vision" on the most preferable energy supply and demand options is desired (p. 2-17), the REPAC should at minimum allow one stakeholder representing the public interest such as the League of Women Voters to sit as a *voting* member.