

CITY OF BIGGS



465 C STREET

P.O. Box 307

BIGGS, CALIFORNIA 95917
TELEPHONE (530) 868-5493
www.biggs-ca.gov

July 26, 2012

The municipality was established in 1903 and employs 10 people. Biggs **voted** to create their own electric utility in 1903 and secured bond financing of \$12,000 in 1904 and has been in continuous operation from that day. It has three industrial customers, 37 commercial customers, 12 municipal customers, and 611 residential customers. The peak demand is 4.0 mW (August 2008) and annual energy sales are 16.9 gWh. Its resource profile is Geothermal 12%, small hydro 1%, large hydro 40% (Western Preference Customer), and other (Natural Gas, Coal, and Nuclear) 47%.

The City of Biggs implemented residential energy efficiency programs in 1997 and revised all of the programs in 2005. Since 2006 programs being implemented have expanded and to include commercial audits and educational programs.

The City of Biggs offers free (Energy Efficiency or Demand Side Management (DSM) Programs), customized commercial energy audits, including lighting assessment, HVAC assessment, equipment assessment and a review of energy usage. Specific recommendations to improve energy efficiency and reduce energy use are provided.

Third-party Evaluation, Measurement and Verification studies performed at the close of fiscal years 2008, 2009 & 2010 confirmed an average of 97% of energy savings reported by the City of Biggs in the annual SB1037 report. Verification of demand savings averaged 96%. Energy Efficiency and Conservation Block Grant (EECBG) funding for the LED Streetlight Project have resulted in program savings that were realized beginning in the second half of 2011.

As Biggs has been required by **statute** to meet certain goals and requirements of lawfully enacted legislation of both the State and Federal Government, this has been achieved through an open and transparent process as to how Biggs would best achieve this based on need to do so and any potential financial impact. This is the same approach of openness and transparency that is always used when implementing any program.

As an elected official, I know first hand the importance of process and the transparency that is required to assure the public's input is meaningful, real and considered in the final decision.

From my perspective, the Department of Energy has failed to do likewise. From the beginning, Western customers have been concerned about this process and, in fact, it now appears that some decisions in this area are already foregone conclusions – and determinations are being made without waiting for public input or guidance.

In the pre-read material the purpose of this workshop is to attain consensus as to how "Western might exercise its existing authorities to achieve the foundational goals and policy objectives identified within Secretary Chu's March 16th memorandum while maintaining Western's commitment to its historic core mission."

I don't believe it is legally possible to achieve these "goals"! Despite promises of an open and robust process, the Department has done little to mitigate those concerns. If anything, the actions to date have simply made the situation worse:

- The Department of Energy asserts that Western is stuck in a former century and in desperate need of modernization, but no assessment of the infrastructure has been conducted and no effort has been done to evaluate the adequacy of existing financing tools;

- The Department of Energy professes a commitment to lowering costs to consumers, but doesn't inform customers that they are paying for this ill-guided exercise;

- The Department of Energy promises an open process, and yet:
 - Registration for this session was cut off two weeks in advance;
 - There is no clear answer on whether comments made during the breakout sessions are transcribed and recorded; and
 - The Department has not answered precisely what process and procedural protections there will be between the final workshop and any next steps undertaken in this exercise.

Perhaps as partners, there are actions that we could agree on that make Western an even more effective program. Not in conflict with California regulation and doesn't create duplicative cost without any benefit. Unfortunately, this process has failed to understand or recognize how and what the relationship is as a "Preference Customer" and this is fatal in any partnership and this process in particular!

Sincerely,



Roger L. Frith

Mayor

City of Biggs

P.O. Box 307

rogerf@biggs-ca.gov