

<http://citywatchla.com/lead-stories-hidden/6333-shocker-owens-valley-and-the-plundering-of-the-dwp-ratepayers>

## City Watch LA January 21, 2014

### Shocker: Owens Valley and the Plundering of the DWP Ratepayers!

Written by Jack Humphreville

21 Jan 2014



**LA WATCHDOG**-It is impossible for mere mortals to understand all the legal, procedural, and environmental mumbo jumbo contained in the lawsuits that have been filed by our Department of Water and Power in the United States District Court or the Superior Court of California against the overzealous Great Basin Unified Air Pollution Control District and the California Air Resources Board.

But when you learn that DWP and its Ratepayers are going to be soaked for a total of almost \$1.9 billion for dust mitigation on Owens Lake in sparsely populated Inyo County, you know Ratepayers are being hosed.

Overall, annual operating expenses, including water replacement costs, and the cost to service the massive amounts of debt needed to fund almost \$1 billion of related capital expenditures will cost Ratepayers \$150 million a year, or about 14% of Water System revenues. Or putting it another way, the first seven weeks of our water bill will be flushed down the Owens Lake drain, thanks to the unelected Great Basin regulator.

Alternatively, the total cost of almost \$1.9 billion represents more than \$100,000 for each the 18,500 residents of Inyo County, the second largest in the State with a density of less than two residents for each of its 10,181 square miles.

The Great Basin regulator has very little respect for the DWP Ratepayers. Rather, DWP, according to the regulator's own words, is the big "fish on the hook" that you do not want to let go.

In other words, DWP and its Ratepayers are the deep pocket that are being given a bath, especially as the impacted area that needed to be watered down has been expanded from 11 square

miles in the late 1990's to 29 miles by 2003 and then to 42 square miles in 2006 and now 45 square miles. At the same time, DWP has been forced to shoulder 100% of the costs, even though other parties, including Mother Nature, are responsible for a sizable portion of the dust.

Today, the Owens Lake dust mitigation project is consuming 95,000 acre feet of quality drinking water, representing between 15% and 20% of DWP's overall consumption.

Ironically, the cost of replacing Owens Valley water that flows downhill via the Los Angeles Aqueduct generating many megawatts of non-polluting hydroelectric power along its 230 mile journey to LA is significantly greater than the environmental benefits derived from dust mitigation in this sparsely populated area because of the high energy costs and higher levels of greenhouse gas needed to transport replacement water from Northern California via the California Aqueduct to DWP's distribution facilities.

According to the court documents, DWP believes that it is being railroaded by the Great Basin regulator who has overstepped his authority and the California Air Resources Board and its staff as there are numerous violations of the Brown Act, the California Environmental Quality Act, and rules and procedures of the State and the Environmental Protection Agency.

Unfortunately, while the Ratepayers are being drowned by almost \$2 billion of costs, our political leaders at City Hall and our representatives in Sacramento have been unwilling to risk any political capital to protect our wallets since this issue does not concern their budgets and spending priorities. We have not seen Felipe Fuentes, a former member of the Assembly and now chair of the Energy and Environment Committee, schedule any hearings on this wholesale fleecing of DWP and its Ratepayers. Nor were any scheduled under his predecessor, Jose Huizar.

There are many legal, environmental, procedural, and financial issues involving this circus at the sparsely populated Owens Lake. Before DWP and the Ratepayers get tagged for even more money, the Board of Commissioners, the Mayor, Herb Wesson, the former Speaker of the Assembly, and his City Council need to work with the California Air Resources Board that is chaired by Mary Nichols, a former DWP Commissioner. They also need to step up to the plate and protect the Ratepayers from the Great Basin regulator who is constantly expanding the scope of his assignment.

City Hall needs to know that Ratepayers vote as witnessed in the last election where they elected Eric Garcetti over Wendy Greuel and rejected Proposition A, the permanent increase in our sales tax, despite millions spent by the Herb Wesson's slush fund.

Does City Hall want to see our hard earned money go down the Owens Lake drain or be invested in our City? The answer is very simple.

***(Jack Humphreville writes LA Watchdog for CityWatch. He is the President of the DWP Advocacy Committee, The Ratepayer Advocate for the Greater Wilshire Neighborhood Council, and a Neighborhood Council Budget Advocate. Humphreville is the publisher of the Recycler Classifieds -- [www.recycler.com](http://www.recycler.com). He can be reached at: [lajack@gmail.com](mailto:lajack@gmail.com). Hear Jack every Tuesday morning at 6:20 on McIntyre in the Morning, KABC Radio 790.) -cw***