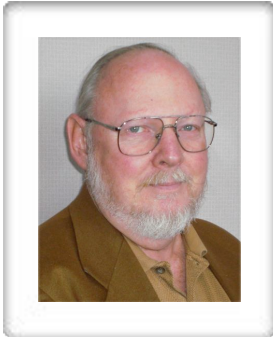


Water and Power Associates, Inc.

Newsletter

Year 42, Volume 1 -

January 2013



President's Message

Edward A. Schlotman

In a December 13, 2012 story the Los Angeles Times reported that California's water demand would exceed supply in the not so distant future (LA Times pAA4). The story, referencing a report released by Interior Secretary Ken Salazar reported that by 2060 California would be 3.2 million acre feet of water short from the Colorado River basin. That amount of water is more than five times what Los Angeles uses.

Today, California's population is about 37,800,000 people. 9,900,000 alone live in Los Angeles County, about 26% of the state's total population. The City of Los Angeles itself has 3,800,000 residents. The California Department of Finance has estimated that by 2048 there will be 50 million people in California. In other words in just 36 years our state's population will go up by another 13 million people. To put that in perspective the equivalent of more than three cities the size of Los Angeles will exist in the next 13 years and, no surprise, most of course, will be in Southern California.

Where do we get water for those 13 million people in their three new cities? The Times story didn't point to any magic sources. Yes, agricultural users can sell

some of their water, that's already being done. But that is really a zero sum game. While "we" the people get water "we" the farmers and California's economy lose water. Yes, existing supplies will have to be ever more efficient, that's a no-brainer. But more efficient use will not make up that much of the difference. That's also a no-brainer.

Our Northern California brethren have liked to think that the water that originates in northern California belongs just to them. But that was never true. It is the water of the people of California in their entirety. "All water within the state is the property of the people of the state..."(California Water Code Section 102). Our Northern friends will have no choice but to adopt less parochial attitudes. Increasing demands for water by the increasing population will give them no choice.

It would be better, and better for everyone's interests if we could begin to have a more civilized discussion on these subject matters and begin planning today for a more efficient and reasonable use of California's water resources. More water may be in the North, that's true, but more people are in the South, that's also true. ❖

Annual Membership Meeting

Saturday, February 9, 2013

10:00 A.M. ~ Noon

L.A. DWP John Ferraro Building

111 North Hope Street ~ A Level

Los Angeles, CA 90012

All members are invited to attend.

Parking: Enter Gate 6 on Hope Street
Bring DWP or photo I. D. for access to both the parking lot and the building.

HAPPY
NEW YEAR
2013

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Water And Power Associates, Inc. is a non profit, independent, private organization incorporated in 1971 to inform and educate its members, public officials and the general public on critical water and energy issues affecting the citizens of Los Angeles, of Southern California and of the State of California.

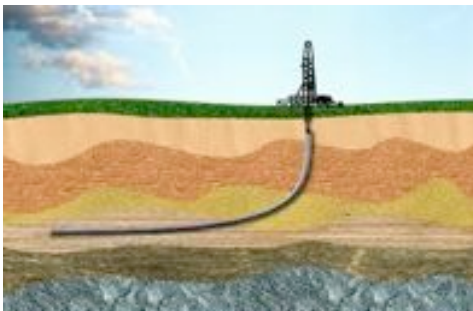


By
Thomas McCarthy

OTHERS ARE ALSO TALKING ABOUT POWER ISSUES

Britain Gives Go-Ahead for Hydraulically Fracturing Wells

The British government has given approval for exploratory hydraulic fracturing to develop the country's oil and natural gas reserves, with the fracking process to be regulated by the new Office of Unconventional Gas and Oil, the New York Times reported today. Rules for fracking will seek to eliminate the potential for drilling-induced earthquakes, with the government finding "that the seismic risks associated with fracking can be managed effectively with controls."



U.K. Energy and Climate Change Secretary Edward Davey stated that shale gas "could contribute significantly to our energy security, reducing our reliance on imported gas as we move to a low-carbon economy." Successful development would limit the U.K.'s dependence on expensive gas imports from Russia and North Africa, but Davey cautioned: "We are still in the very early stages of shale gas exploration in the U.K., and it is likely to develop slowly." Environmentalists criticized the approval.

[New York Times](#), Dec. 14.

California's CO₂ Auctions Called Revenue Grab



The Wall Street Journal, in an editorial published today, wrote of the beginning of California's CO₂ auctions: "Liberals are counting on this to raise billions in new revenue, as if it won't drive more jobs out of the state." In questioning whether the revenue will in fact be raised, the Journal cited a California Manufacturers & Technology Association study estimating that the cap-and-trade programs will cause job losses in the hundreds of thousands and cut economic growth 5.6 percent by 2020.

The Journal concluded: "This is the same policy that President Obama wanted to impose at the national level before West Virginia Democrat Joe Manchin literally put a bullet in it. Cap and tax has been sold as a way to end global warming, which it has no chance of doing. As California shows, its real purpose is to subject even more of the private economy to political direction and grab more revenue to spend."

[Wall Street Journal](#), Nov. 15.

California's First Pollution Permit Auction Deemed a Success

The California Air Resources Board said the state's first auction of GHG permits resulted in the sale of 23.1 million 2013 permits, each allowing the release of one ton of carbon for \$10.09 apiece, the Associated Press reported. California Air Resources Board Chairwoman Mary Nichols was quoted as saying: "By putting a price on carbon, we know we are beginning the process of breaking our dependence on fossil fuels." The auction, part of California's new cap-and-trade program, opened the largest carbon marketplace in the U.S. and second-largest in the world after the EU.

The price at which the permits sold was \$0.09 above the \$10 reserve. Nichols was quoted as saying: "The fact that the prices are clearing a little above the reserve is a good sign that people's fears about out of control costs for cleanup are not justified by the way the market actually worked." Ninety-seven percent of the allowances were purchased by companies regulated under the program with the remaining permits taken up by financial traders. The state netted \$252 million, the San Gabriel Valley Tribune reported. In a separate auction, 5.6 million of the 39.4 million permits for 2015 were sold for \$10 each, the Sacramento Business Journal reported.

[Associated Press](#) via [Bloomberg Businessweek](#), [Orange County \(Calif.\) Register](#), [Portland \(Ore.\) Business Journal](#), [Sacramento \(Calif.\) Business Journal](#), [San Gabriel Valley \(Calif.\) Tribune](#), Nov. 19.



Calif. ISO Sees Renewables Growth Requiring Doubling of Reserves

California ISO CEO Stephen Berberich said the state's requirement for renewables to make up 33 percent of generation by 2020 will require the California grid to double its reserve margin, from about 7 percent currently to 15 percent in 2020, the Los Angeles Times reported today. The ISO has also predicted a 3,100 MW shortage of backup capacity by 2017, and requested that the California PUC require the capacity to go online.

Mike Jaske, senior policy analyst for electricity supply at the California Energy Commission, said the commission has not determined whether the new capacity needs forecast by the ISO were accurate. Severin Borenstein, a grid expert and professor at University of California-Berkeley's Haas School of Business, was quoted as saying: "This issue is someplace between a significant concern and a major problem. There is definitely going to be a need for more reserves."

Advocates of wind and solar power dismissed warnings about the need to add reserve capacity and add fossil fuel-based generation as a backup for unreliable renewable generation, claiming that wind and solar output will be balanced due to the geographical range of projects in California. Jan Smutny-Jones, executive director of the Independent Energy Producers Association, a California trade group representing electricity generators, said the renewable energy mandate, coupled with the closure of coastal power plants, have created "one big happy dysfunctional system."

Los Angeles Times, Dec. 10.

Investors Business Daily: Calif.'s Renewables Goal Comes at Cost

Investor's Business Daily, in an editorial published today, wrote of California's 33 percent by 2020 renewables requirement and other state policies supporting wind and solar power: "These costs will be buried in future utility bills, and their gradual rise may raise little notice. If more businesses leave the state because of them, they'll do so quietly. The state's residents may grumble, but they'll pay more in the belief that their state is doing something for the planet. Even so, fewer jobs, lower incomes and higher energy prices loom."

The California PUC has estimated that achieving the 2020 requirement will cost about \$115 billion, and Investor's Business Daily added that accommodating the growth of wind and solar would require a doubling of reserve capacity on the state's grid, to be supplied by natural-gas-based generation. The newspaper wrote: "We have to wonder what the public will think when it learns that the 'freedom from fossil fuels' pitch is so much hot gas."

Investor's Business Daily, Dec. 12.

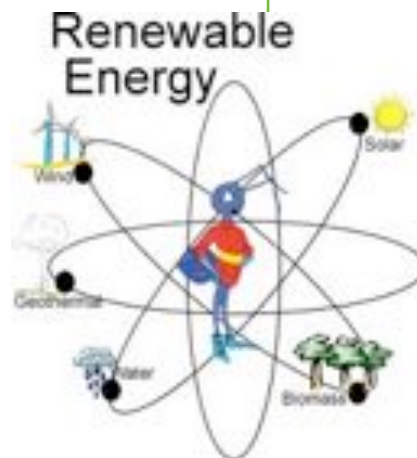
WSJ Op-Ed Claims Sandy Showed Inadequacy of Renewables

Robert Bryce, energy author and senior fellow at the Manhattan Institute, wrote in a Wall Street Journal op-ed published today: "The Sierra Club and its allies on the green left will doubtless continue their decades-long war on the oil and gas industry, but the Sandy disaster-response efforts are showing again that there is no substitute for oil." Bryce wrote that environmental groups claim

"we can run our economies solely on renewable-energy sources such as wind. But if you are trying to pump water out of your rapidly molding basement, would you prefer a wind turbine that operates at full power about one-third of the time, or a greasy, diesel-fueled V-8?"

As an example, he cited the loss of power at NYU's Langone Medical Center during Superstorm Sandy and its use of diesel-fired emergency generators to provide emergency power. Bryce wrote that while a single trailer-mounted generator could provide 1 MW, "providing that much wind-generation capacity would require about 5.6 million square feet of land - an area of nearly 100 football fields.

Wall Street Journal, Nov. 7.



Mystery History

By Jack Feldman



This photo shows an electric powered street light truck used by an early streetlight crew.

When was this photo taken?:

A) 1920s B) 1930s C) 1940s D) 1950s

Answer can be found at the following link:

http://waterandpower.org/museum/Early_Bureau_of_Power_and_Light_Streetlights.html



This photo of a Water and Power* Commercial Branch Office was taken in 1933.

Can you name the community and/or street it was on?

Answer can be found at the following link:

http://waterandpower.org/museum/Early_DWP_Branch_Offices.html

*Note: At the time of this photo (1933) the Department was still called the Bureau of Water Works and Supply.

DWP's name change chronology can be found at the following link:
http://waterandpower.org/museum/Name_Change_Chronology_of_DWP.html



The setting of LA's first Municipal Power Pole. Little could the crowd that assembled at this street intersection on March 30, 1916 know that they were seeing the start of the municipal electric distribution system that one day would be the largest city-owned electric utility in the Nation (LADWP).

Can you name the street intersection?

Answer can be found at the following link:

http://waterandpower.org/museum/First_Power_Pole_Installation.html

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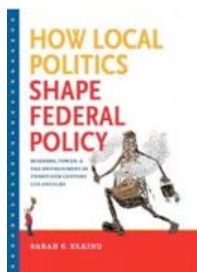
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Book Review



Tip O'Neill's famous adage that "All politics is local" may need revision as a result of Sarah Elkind's study of the influence of business on politics in Los Angeles. Maybe "all politics is local including the federal level." Elkind examines five political issues, of which three actually focus on Los Angeles, two deal with Los Angeles tangentially. And it's Metropolitan Los Angeles, or Los Angeles County, not the city, though she has a few things to say about the Los Angeles Department of Water and Power.

Elkind argues that essentially business interests, mainly the Los Angeles Chamber of Commerce, have had a major influence on local government in determining public policy. Her five case studies are the campaign to restrict oil production on southern California beaches and the effort to clean those beaches up; the challenge of air pollution and how to control it; flood control and the Whittier Narrows Dam; public v. private power issues at Hoover Dam; and the effort to create a national water planning policy in 1950.

Who speaks for the public in determining policy issues at the local, state, and federal levels? Elkind argues that the Los Angeles Chamber of Commerce (LACC), a county-wide organization representing business, campaigned effectively against the pollution of beaches by oil derricks, processing plants, and other facilities. The LACC worked on behalf of making the beaches public places,

HOW LOCAL POLITICS SHAPE FEDERAL POLICY: *Business, Power, and the Environment in Twentieth-Century Los Angeles*, by Sarah S. Elkind. Chapel Hill: University of North Carolina Press, 2011. 267 pp. Maps, Illustrations, Notes, Bibliography, Index. Hardbound, \$45.

opposing private clubs and industrial plants. The organization was generally successful in this campaign, though there was a major blind spot; the public beaches long segregated non-whites from the use of beaches except for very restricted spots. When smog became a major health hazard during and after World War II, the LACC played a leading role in urging business to adapt technologies that reduced air pollution. In the case of Whittier Narrows, the dispute was over the location of a flood control dam and whether a small number of agricultural operations should be sacrificed in the El Monte area in order to benefit a far larger number of people and businesses downstream in Long Beach. The question of Hoover Dam providing public power instead of private companies continued through the 1920s until a compromise was reached wherein the Bureau of Reclamation built the dam and Southern California Edison controlled the electrical distribution. In the late 1940s the rivalry between the Bureau of Reclamation and the Army Corps of Engineers over water policy, with supporters and opponents on both sides, helped kill a proposed bill on national water planning policy.

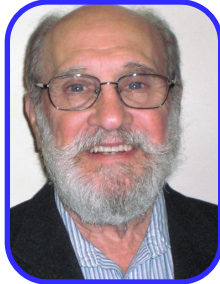
Elkind finds that the Los Angeles Chamber of Commerce dominated in persuading local government in adopting policies because other organizations lacked staying power or were too narrowly focused to exercise influence on issues that were debated over lengthy periods of time. This doesn't mean that the LACC had evil intentions. For example, Elkind concedes that the creation of Whittier Narrows

benefited hundreds of thousands of southern California residents through its flood control. "By measures of economics, engineering, and social costs then, Whittier Narrows Dam was a good project," she says (p. 114). But what concerns her is the politics involved in local issues that were affected at the federal level by organizations that, in claiming to be the voice of the public, effectively shut out viewpoints other than their own.

The subtitle of the book is misleading since her study is restricted to the first half of the 20th century. Thus she doesn't mention the evolution of the Air Pollution Control District into the Air Quality Management District or developments after 1950; the desegregation of public beaches or recent issues involving wealthy owners of beachfront homes restricting or barring people from access to public beaches; or competing organizations and agencies in more recent controversies surrounding the Metropolitan Water District, the Bass brothers and Cadiz, or the Salton Sea. Some of these issues are beyond Los Angeles, but Elkind opens the door for broader discussion when she examines the failure to create a national policy on water planning. The decades that pass in many of the issues in this book demonstrate that history does not deal with topics that are dead and buried but have long-standing consequences that are still with us today. ❖



Review by
Abraham Hoffman, PhD
who teaches history at
Los Angeles Valley College.



Associates' Owens Lake Dust Mitigation Inspection Trip

Conducted by Bill VanWagoner, LADWP Engineer;
Educational Tour coordinated by Gerald Gewe, reviewed by David Oliphant,

mitigation project, on their way up to the winter/summer resort that is Mammoth. It is 45 square miles of dust mitigation; **\$1.2 billion dollars the cost so far of the projects – about two months of the average Los Angeles ratepayer's water bill.** Items such as two square miles of white gravel laid down at a cost of \$61 million, long rows of acres of tufted yellow green salt grass rhizomes *all having to be planted by hand*, brown fields of tilled ridges of soil in acreage resembling a farmer's mucked-out planting area are just *some* of the projects involved in this forced original research into preventing dust from a dried-up desert lake. Nor, despite the obvious public relations possibilities, is there any sign displayed

that this is your DWP rates at work.

☞ This project is to mitigate dust caused by the drying up of the Owens Lake from DWP diversion of Owens River water streams. As pointed out in **Jim Wickser's** book, *My 40 Years at LADWP* (1999), by 1890, long before DWP water rights acquisitions, there were about 250 miles of canals diverting streams and parts of the Owens River from emptying into the Owens Lake.

☞ In *The Owens Valley Controversy and A.A. Brierly* (1999) **Robert A. Pearce, Ph.D.** lists nine articles from the Inyo Independent describing the dust problems which long predated DWP acquisition of water rights in the

Owens Basin. And, in a **Hewell Howser California Gold** episode dealing with the re-watering of the Owens Lake, a speaker notes that **before** Los Angeles looked to acquire water rights, the Owens River was not reaching the Lake for much of the year. So, long before DWP was on the scene, there were dust problems and local diversion was drying up the water source of the lake.

☞ On October 14th, some 13 Associates board members and guests viewed the Owens Lake Dust Mitigation Project on a tour conducted by **Bill Van Wagoner, Manager of the Program.** Two reflections come to mind at the conclusion of the tour. (Continued on page 7)

A patchwork of different shades of brown, green, and white fields of sand, saltgrass, gravel, and water pools, visible from Highway 395, are what drivers see of the LADWP Owens Lake dust



Robert Yoshimura, Rebecca & John Schumann, Tom McCarthy, Dorothy Fuller, Timothy Brick, Bill Van Wagoner, Robert Strub, Helyne & Kent Noyes, Jerry Gewe, Chin & Marlee Chang, Phil Shiner, Dave Oliphant.

Owens Lake Dust Mitigation

(Continued from page 6)

First, in keeping with the DWP 110-year tradition of leading the way with state-of-the-art innovation, Bill's team has successfully developed and is continuing to develop new methods of keeping dust controlled, while conserving water, and creating and increasing wildlife habitat.

The second reflection is the constantly moving, ever-expanding target the District (the **Great Basin Air Pollution Control District**) has created in this last decade and which the District continues to create, to reach a goal which apparently will never be settled.

In addition, the team is also contending with competing demands, from the District, the **State Lands Commission, the Environmental Protection Agency, the State Department of Fish and Game** and others.

95,000 acre feet of water annually has been committed to this project as a maximum. *That is enough water, we are told, to provide San Francisco with all its needs, or to fill the Rose Bowl twice daily for the year.* What started as a ten-mile perimeter is now up to 76 miles and the District wants to grow it further. With the use of gravel, tillage, and planted salt grass, the DWP is able to cut back on the amount of water needed to keep the dust down while maintaining an optimum area for habitat maintenance.



Timothy Brick, Gerald Gewe; R. Strub; Jason Olin; Bill VanWagoner; M. Chang, Thomas Gackstedder



Gravel Cover



Hand planted Salt Grass



Flooded Fields Dust Mitigation

As you can see from the accompanying pictures, this is a remarkable program. And, it has some salutary side benefits. Each separate mitigation project has the potential for employment for local residents. Excavating the site for soil preparation has provided Indian artifacts which are fodder for university historians and evidence of how shallow the lake has been at other *times when Indian villages occupied some of its sometime bed area.* This last is an argument for limiting how much of the lake should be included in any re-watering area. In addition, the purchase of building supplies, tools and equipment, from ploughs to solar panels, provides additional commerce for the Inyo business communities.

But, the questions remain:

“How much should LADWP be required to do to control dust in a desert?” Apparently, the District sees no limit and seeks to have Los Angeles pay to mitigate every last grain. The authorizing statute requires only “reasonable measures” which “shall not affect the right of the city to produce, divert, store, or convey water...”

“Is the District being reasonable?” “What are the responsibilities of the state and federal governments which claim ownership of much of the lake bed?”

“What of the responsibility of other man-made sources of dust in the Valley, which are apparently being ignored?”

It is hoped the city's litigation against the District to limit the mitigation requirements will answer these questions in ways that fairly benefit all parties. ❖

(Additional photos on page 8)

Mojave Owens Valley Dust Mitigation

(Continued from page 7)



Plough for Tillage



Tillage

“The City of Los Angeles has more than fulfilled its legal and moral obligation to control dust emanating from Owens lake. Any further efforts by the Great Basin Air Pollution Control District to require additional mitigations from the City would be unreasonable and beyond the scope of the District’s authority. The District needs to look elsewhere for solutions to the dust problem and act within the authority delegated to them by the air quality regulations.” ❖

Robert Yoshimura



Flooded Fields



Tillage in Flooded Field



Jason Olin



(excerpt)

Owens Lake in 1885

by T.E. Jones

Owens Lake is nearly of an oval form, its greater diameter is about 14 miles, its lesser, eight. Its main supply of water is the Owens River, 2 or 3 creeks coming down from Mt. Whitney and its titanic neighbors along its western shore.

It has no outlet and therefore for unknown ages, the depository of all manner of soluble substances pervading the rocks and soils of many hundreds of square miles. ❖

Bay Delta – Part II



By Robert Yoshimura

The original Peripheral Canal around the Delta was conceived in the early ‘60s and formally proposed to the electorate of California in a referendum that was defeated in the general election of 1982. The Peripheral Canal was intended to route up to 22,000 cfs of water around the Delta and into the Clifton Court Forebay where both the Central Valley Project and State Water Project pumping stations are located. The proposed Canal included turnouts at various locations intended to assure sufficient flows in the tributary streams of the Delta to protect aquatic habitats in general and focused on the specific preservation of two species of fish: salmon and striped bass. The proposal seemed to be a reasonable solution at the time, to both the water supply needs of California and the environmental concerns within the Delta. The Peripheral Canal was to be the final link in the State Water Project (SWP) that would provide for the water needs of Southern California and the Central Valley for the foreseeable future.

The failure of the Peripheral Canal referendum was, predictably, a north vs. south phenomenon, with most of the no votes coming from northern California and most of the yes votes coming from the south. The same pattern was seen 50 years earlier when the Central Valley Project (CVP), and 22 years earlier when Proposition One providing bond funding for the SWP, were presented to the people of California. Those measures passed by slim margins, presumably because of an understanding of the importance of the project to the economy of California and the lack of concern/awareness of environmental impacts held by the general population in earlier times. *(Continued on page 9)*

The Bay Delta Controversy – Part II

(Continued from page 8)

In all three cases (Peripheral Canal, SEP, and CVP), opposition to those projects was based largely on two **misperceptions** about those projects that persist even to this day:

1. *That water in northern California belongs to the people of northern California and should not be shipped south.* This is both legally and logically incorrect because all of the waters of the state belong to all of the citizens of the state, and the majority of the flows in northern California rivers and streams tributary to the Delta flow out to the sea giving no benefit to anyone. The concerns that either of these projects would shortchange northern Californians were addressed in legislation passed in the '50s including the Burns-Porter Act, the Davis-Grunsky Act, and the Delta Protection Act. Those laws provide for water resources development in the north, protect the water rights of citizens in the counties of origin and watersheds of origin, and assure the water rights and quality for agricultural users in the Delta.
2. *That the costs of those projects would be partially allocated to northern Californians who gain no benefit from the projects.* The CVP, the SWP, and all proposals for a through-Delta facility are and will be paid for exclusively by the water users who benefit from the projects including numerous environmental mitigations that are now the driving force behind the Bay Delta Conservation Planning process.



Much of the opposition to the current proposal for Delta conveyance facilities (as defined in the Bay Delta Conservation Plan's Project Framework) among the general public in northern California is based upon these same misperceptions. Furthermore, many local legislators in the north reaffirm such misperceptions by promising to oppose the Delta water supply facilities on the same incorrect bases! Northern politicians take such positions in order to be elected by a constituency that feels strongly about water rights and cost issues, even though they are based on false information.

In my opinion, much of the reason for the lack of progress on Delta issues is the result of a lack of concern about them among the general population in southern California. That lack of concern is reflected in the reluctance of southern California's elected representatives (in the Assembly, State Senate, and Congress) to voice their opinions about those issues and to proactively represent southern California's interests with regard to those issues.

The current proposal for Delta conveyance facilities has been downsized from 22,000 cfs (in the originally proposed Peripheral Canal) to 9,000 cfs and includes protections for 57 [!] species of fish, wildlife, and plants. The urban and agricultural stakeholders have compromised significantly to accommodate the interests and concerns of the environmentalists. Yet the process drags on and on and is likely to do so for years or perhaps decades before the needed water facilities are actually constructed.

Perhaps our politicians should keep in mind that the taxpayers of southern California (not the water ratepayers) have already paid for much of the capital cost of the significant unused capacity of the SWP. They paid those taxes in good faith with the expectation that their future water needs would be fulfilled in the most economical way possible. A failure of the Bay Delta Conservation Planning process would be viewed by most southern Californians as a failure on the part of our politicians to represent them appropriately.

In a future newsletter, I will provide an explanation of the Bay Delta Conservation Plan, its current status, and my thoughts on where the planning process will take us in the years ahead. ❖

