

**IMPERIAL IRRIGATION DISTRICT**  
**Energy Consumers Advisory Committee**

**Condit Auditorium**  
**1285 Broadway**  
**EI Centro, CA**



Imperial Irrigation District  
*Protecting the flow of progress.*

**REGULAR MEETING: March 1, 2010**

**I. Call to Order / Roll Call / Pledge of Allegiance**

Chairman Matt Dessert called the meeting to order at 6:03 p.m. and asked Norma Sierra-Galindo to lead the Pledge of Allegiance.

**Members Present:** Roy Alsip, Michael Anderson, Becky Broughton, Matt Dessert, Richard Macknicki, Freddy Nuñez, Chris Nunn, Gil Perez, Brad Ramos, Lupe Ramos Watson, Patricia Saleh, Ken Sharp and Norma Sierra-Galindo.

**Members Absent:** Frank Blum, Enrique Cervantès, Kristy Franklin, Steven Hernandez, and Luis Zendejas.

**II. Approval of Minutes**

Minutes from  
2/1/2010

Chairman Dessert noted that the February minutes did not include his member comments regarding the availability and the interruptions of staff during committee meetings. Approval with the revisions moved by Ms. Ramos Watson seconded by Mr. Perez. Motion carried unanimously.

**III. Public Comment Period**

IID Director John Pierre Menvielle addressed the committee stating he would be bringing a policy to the board that would prohibit candidates that have filed to run for a position on the IID Board from sitting on the Energy Consumers Advisory Committee or the Water Conservation Advisory Board. He noted he would present this as an informational item on March 9 and that it would likely be voted on at a subsequent meeting.

IID assistant counsel Vance Taylor provided a brief presentation on IID's new conflict of interest policy which requires ECAC and WCAB members to submit a Statement of Economic Interest (California Fair Political Practices Commission form 700). Noting the presentation was not on the agenda, several members including Chairman Dessert, Mr. Ramos, Ms. Ramos Watson and Ms. Sierra-Galindo expressed their displeasure with the way in which the presentation was brought forward.

**IV. Informational Items**

Overview of  
Internal Audit

IID chief internal auditor Thomas Kaiser provided the committee with a brief overview of the internal audit section explaining its role and responsibility within IID.

Chairman Dessert asked if the internal audit team was involved in IID's new whistleblowers policy and if IID investigators were part of the audit team. Mr. Kaiser stated whistleblowers could go directly to management or to internal audit and that IID has a special fraud, waste and abuse hotline that goes directly to the internal audit section. IID investigators are part of security and claims and are completely separate from the audit section.

Ms. Ramos Watson thanked Mr. Kaiser for his presentation saying she appreciated all the information that was presented.

With no further questions, Chairman Dessert thanked Mr. Kaiser for his presentation.

Rate  
Comparison

Energy manager of resource planning Dave Kolk presented rate comparison information for IID and other utilities showing that IID's retail rates are generally among the lowest in Southern California.

With no questions, Chairman Dessert thanked Mr. Kolk for a very informative presentation.

Smart Meters

Mario Escalera, operations and energy infrastructure manager, and management consultant Mike Bell presented an overview of IID's current advanced metering infrastructure as well as several scenarios for further implementation.

Ms. Ramos-Watson noted the city of Indio is working on a partnership with the gas company to piggyback on technology and she strongly suggested IID look into the possibility of doing the same.

In reference to the cost of the Niland pilot project, Mr. Perez asked what the projected cost estimates covered. Mr. Bell stated a majority of the cost was attributed to the necessary software and hardware required.

Chairman Dessert asked if a cost benefit analysis was performed. Mr. Bell answered affirmatively and that the topic would be covered in more detail during the next committee presentation. Chairman Dessert asked if a rate increase would be necessary to implement AMI. Mr. Bell stated by using an incremental approach the cost can be spread out over 20 years and be funded through IID's current rate structure.

Chairman Dessert asked how many of IID's current meters are outdated or out of standard. Mr. Escalera stated that approximately 70 percent of IID's meters are outdated; however, none are out of standard.

Chairman Dessert asked if changing to AMI would increase revenues. Mr. Bell replied affirmatively, stating that as magnetic meters get older they tend to slow down but they can remain within standard as long as they have less than a 2 percent variance.

Mr. Perez asked what technology was currently being used in remote areas such as Niland and Desert Center. Mr. Escalera stated that in Niland the Power Line Carrier technology was being used and that in Desert Center radio technology was being used. Mr. Bell stated that cell phone technology poses a problem for IID because many of its remote meters are not in cell tower range.

Ms. Saleh asked if the new AMI meters would have the ability to monitor net metering customers. Mr. Bell answered affirmatively.

Mr. Nunn asked if the cost benefit analysis took into consideration labor costs for the removal of old meters and the installation of new meters. Mr. Bell stated yes, adding that it also took into consideration the labor needed to read the new meters.

Ms. Ramos Watson asked if this would lead to meter reader layoffs. Mr. Bell stated these positions are typically entry level leading to other positions within the organization. In his experience, using natural attrition and an incremental approach defrays the need for layoffs.

Mr. Nunn asked if stimulus money was available. Mr. Bell stated that IID was not at a point in which it was ready to apply for stimulus money; however, it should be ready to apply for the next available round of funds.

Ms. Ramos Watson asked that the next AMI presentation have information about the possibility of working with other utilities to utilize economies of scale opportunities.

With no further questions, Chairman Dessert thanked both Mr. Escalera and Mr. Bell for their presentation.

Transmission  
Cluster Study

Mr. Kolk presented the committee with an overview of a recently completed transmission report known as the Transitional Clustered System Impact Study. The report detailed the effects of adding more than 2,180 megawatts of renewable energy to the IID transmission system from 14 new generators within the IID service territory.

With no questions from the committee, vice chairwoman Ramos Watson thanked Mr. Kolk for his presentation.

EI Centro Unit 3  
Repower Project

Assistant energy manager Henryk Olstowski presented a project overview of IID's EI Centro Unit 3 Repower Project.

Mr. Perez asked if the project included the replacement of the unit's steam turbine. Mr. Olstowski stated the existing boiler and steam turbine would be decommissioned and replaced with two new combustion gas turbines and a new steam turbine.

Chairman Dessert asked what the generation capacity would be on the new unit. Mr. Olstowski stated it would be upgraded from 44 MWs to a maximum capacity of 144 MWs. Chairman Dessert asked how IID was paying for the project. Mr. Olstowski stated that IID's chief financial officer Greg Broeking was working on a long-term financing strategy and that Mr. Broeking could provide more detail.

With no further questions, Chairman Dessert thanked Mr. Olstowski for the presentation.

## **VI. Energy Department Update**

None.

## **VII. Member Comments**

Mr. Alsip stated he would like an update on the snowbird billing issue in the Coachella Valley. Mr. Escalera stated that the department is diligently working on the issue.

Mr. Ramos stated he felt Director Menvielle's proposal would be bad public policy. Mr. Macknicki agreed. Ms. Sierra-Galindo agreed noting that members of the ECAC serve at the pleasure of the board. Mr. Perez agreed and suggested the ECAC craft a letter in opposition of the policy. Chairman Dessert asked for any objections from the committee and with none noted he asked Ms. Ramos Watson and Mr. Ramos if they would craft it.

Ms. Saleh stated that this is a good example as to why the ECAC needs to define its true purpose. Adding that she feels it's important the committee also establishes goals and guidelines. If the committee is advising the administration on how to run the agency then members need technical training before they can give meaningful advice.

Ms. Broughton thanked staff for the recent tour of the command center. She also thanked IID for its support at the Riverside County Fair and Date Festival. She noted that the day IID had a table, more than 57,000 attendees were at the fair.

Chairman Dessert reminded staff to work through the proper channels to have items placed on the agenda prior to bringing them up at a meeting.

**VIII. Next Meeting**

The next meeting is scheduled for Monday, April 19, 2010 in La Quinta.

**IX. Adjournment**

There being no further business, the meeting was adjourned at 7:53 p.m.