



# COUNTY OF SAN DIEGO

## AGENDA ITEM

### BOARD OF SUPERVISORS

GREG COX  
First District

DIANNE JACOB  
Second District

PAM SLATER  
Third District

RON ROBERTS  
Fourth District

BILL HORN  
Fifth District

**DATE:** April 24, 2001

**TO:** Board of Supervisors

**SUBJECT:** **ENSURING FAIRNESS DURING STATEWIDE POWER EMERGENCIES** (District: All)

### **SUMMARY:**

#### **Overview**

On January 17, 2001, the agency which oversees California's electricity grid, the California Independent System Operator (ISO), declared a statewide Stage 3 power emergency indicating that state power reserves had fallen below one and a half percent.

The San Diego region responded with a massive conservation effort. Homes, businesses, schools and institutions, including all County-owned facilities, were asked to scale back electric use. Businesses terminated shifts and sent employees home to alleviate strain on the grid. The County extinguished all unnecessary lighting and installed back-up generators at a number of facilities. Schools held classes outside rather than operate costly lighting and electric equipment.

It was later determined by the Independent Systems Operator, that on January 17, 2001 there was enough power to cover electricity demand in San Diego. In fact, one local generating unit was actually placed on idle during the Stage 3 emergency.

Because power emergencies are declared on a statewide basis, regions are unfairly penalized for power shortfalls in other areas. Today's action seeks to change the state's current Electrical Emergency Plan by calling for regional, rather than statewide, emergency stages.

#### **Recommendation(s)**

##### **SUPERVISOR JACOB:**

Direct the Chief Administrative Officer to draft a letter to the California Independent System Operator, the Governor, and the San Diego members of the State Legislature asking that statewide electricity emergency stages be declared on a regional, not statewide, basis.

#### **Fiscal Impact**

These actions can be preformed within the existing budget.

#### **Business Impact Statement**

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**Advisory Board Statement**

**BACKGROUND:**

San Diego homes and businesses are struggling to withstand the state's worst power crisis in history. Light rainfall, tight power supply, the high price of natural gas and unscheduled generator maintenance have compromised the state's unsteady electricity market. In January, California experienced and unprecedented 26 days of Stage 3 power emergencies.

State power officials warn that power demand will far surpass supply during the warm summer months and counties have been urged to prepare for power curtailments in the form of additional rolling blackouts statewide. San Diego County has been working diligently to help the San Diego region escape blackouts and withstand the state's power crisis.

In anticipation of the summer shortage, the Board unanimously approved a massive conservation effort which includes the elimination of unnecessary lighting and the installment of cost effective and motion sensitive lighting in County buildings. The Board also directed the Air Pollution Control District to locate and help permit all back-up generation sources countywide and approved a project to convert landfill gas into electricity by installing turbines at the Jamacha Landfill in Rancho San Diego.

In addition, the Board directed the Chief Administrative Officer (CAO) to investigate energy independence for the County by exploring ways to become our own power supplier. Also, the Board directed the CAO to work with the region's largest power consumers to develop a demand reduction program to distribute power demand more evenly during peak use hours.

Bringing more generation on-line and cutting demand may take stress off the state's grid and help the County meet regional summer demand. However, even if the San Diego region can provide for itself this summer, ratepayers still could be exposed to rolling blackouts under the state's current emergency plan.

This was the case on January 17, 2001 when a Stage 3 emergency was declared, and by current ISO guidelines, went into effect for all of California. In San Diego County, homes, businesses, schools and institutions, including all County-owned facilities, were asked to scale back electric use. Businesses terminated shifts and sent employees home to alleviate strain on the grid. The County extinguished all unnecessary lighting and installed back-up generators at a number of facilities. Schools held classes outside rather than operate costly lighting and electric equipment.

Several weeks later, the local ABC television news affiliate, KGTV 10, obtained the production logs from one of the County's largest privately-owned wholesale power plants. It was revealed that one of the plant's generating units was placed on idle during the January 17 stage three emergency.

According to Independent System Operator, the company did not purposefully withhold power from the grid. Rather, the state's transmission system was simply not capable of transporting the

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plant's available power to Northern California to compensate for shortfalls in that area. San Diego County was plunged into a statewide Stage 3 power emergency when, all the while, the region not only had enough power to sustain itself, at least one generator had surplus power to spare.

By demanding that power emergencies be implemented regionally rather than statewide, the County strives to shield itself from shortages in other parts of the state. It is my belief that rolling blackouts are more manageable, predictable and, above all, fair, if they are implemented regionally. San Diego ratepayers must not pay the price for shortfalls in Northern California when supply is adequate in our own backyard, especially when our consumption efforts are among the most successful in the state. I urge your support.

Respectfully submitted,

DIANNE JACOB  
Supervisor Second District

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**AGENDA ITEM INFORMATION SHEET**

**CONCURRENCE(S)**

- |  |                              |                              |
|--|------------------------------|------------------------------|
| <b>COUNTY COUNSEL REVIEW</b>                             | <input type="checkbox"/> Yes |                              |
| Written disclosure per County Charter § 1000.1 required? | <input type="checkbox"/> Yes | <input type="checkbox"/> No  |
| <b>GROUP/AGENCY FINANCE DIRECTOR</b>                     | <input type="checkbox"/> Yes | <input type="checkbox"/> N/A |
| <b>CHIEF FINANCIAL OFFICER</b>                           | <input type="checkbox"/> Yes | <input type="checkbox"/> N/A |
| Requires Four Votes                                      | <input type="checkbox"/> Yes | <input type="checkbox"/> No  |
| <b>GROUP/AGENCY INFORMATION TECHNOLOGY DIRECTOR</b>      | <input type="checkbox"/> Yes | <input type="checkbox"/> N/A |
| <b>CHIEF TECHNOLOGY OFFICER</b>                          | <input type="checkbox"/> Yes | <input type="checkbox"/> N/A |
| <b>DEPARTMENT OF HUMAN RESOURCES</b>                     | <input type="checkbox"/> Yes | <input type="checkbox"/> N/A |

**Other Concurrence(s):**

**ORIGINATING DEPARTMENT:** Supervisor Dianne Jacob, District Two

**CONTACT PERSON(S):**

Jennifer Stone

Name

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**AUTHORIZED REPRESENTATIVE:** \_\_\_\_\_

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**AGENDA ITEM INFORMATION SHEET**  
(continued)

**PREVIOUS RELEVANT BOARD ACTIONS:**

**BOARD POLICIES APPLICABLE:**

**BOARD POLICY STATEMENTS:**

**CONTRACT NUMBER(S):**

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**FISCAL IMPACT STATEMENT**

**DEPARTMENT:**  
**PROGRAM:**  
**PROPOSAL:**

	FUTURE YEARS ESTIMATED BUDGET OF PROPOSAL IF ADOPTED				
	(a)	(b)	(c)	(d)	(e)
	Budgeted Amount For Proposal	Proposed Change in Budgeted Amount	Proposed Revised Current Year Budget (a+b)	1st Subsequent Year	2nd Subsequent Year
Direct Cost					
Revenue/Other Offset					
<b>NET GENERAL FUND COST</b>					
Staff Years					

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Sources of Revenue/Other Offset for Proposed Change and Subsequent Years:

**Space-Related Impacts:** Will this proposal result in any additional space requirements?  Yes  N/A

**Support/Other Departmental Impacts:**  Yes  N/A

**Remarks:**  Yes  N/A