

October 3, 2023 [Sent Via Email]

Stephen Dopudja, P.E. President / C.E.O. Dopudja & Wells Consulting 6789 Quail Hill Parkway, #421 Irvine, California 92603

RE: Eastern Coachella Valley Input for the Alternative Governance and Electricity Services Study: Imperial Irrigation District

Dear Mr. Dopudja,

On behalf of Leadership Counsel for Justice and Accountability and in partnership with community residents in the Eastern Coachella Valley (ECV), we respectfully submit the following comments in response to the March 2023 version of the "Alternative Governance & Electricity Services Study – Imperial Irrigation District" (the study).¹

Our advocacy has been centered around uplifting the interest of the unincorporated communities of the Eastern Coachella Valley, including Thermal, Oasis, Mecca, and North Shore, to ensure that the objectives and priorities of these underserved communities are incorporated, particularly in matters that directly impact community well-being and development. We ask that the following recommendations be fully incorporated into the expected November 2023 amended final study).

- 1. The final study must include recommendations for ongoing residential customer engagement throughout the development of the alternative energy service and governance structure.
- 2. The final study must comprehensively outline and address the unique priorities of ECV customers.
 - a. The study must address ECV customers' vision for clean, reliable, and affordable energy service.
 - b. The study must address ECV customers' vision of a transparent and publicly accessible governance system with tailored representation.

¹ <u>Dopudja & Wells Consulting. Alternative Governance and Electricity Service Study - Imperial Irrigation District. (2023, March)</u>.

3. The study does not adequately discuss potential barriers to the formation of a Joint Powers Authority. The final study's recommendations must adequately reflect the priorities and visions of residential customers.

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1. The final study must include recommendations for ongoing residential customer engagement throughout the development of the alternative energy service and governance structure.

As stated in the study, a clear understanding of the needs of the entire electrical service territory is vital to properly identifying alternative services and governance options.² Therefore, the lack of accessible engagement and outreach to residential customers in the development of the study, particularly with regard to ECV residential customers, is a matter of significant concern.

We made multiple requests, both verbally and in writing, for the consultants to establish direct communication with the ECV community. Unfortunately, these requests were not given the appropriate attention, resulting in methods of input collection that were insufficient in capturing a comprehensive understanding of the lived experiences and priorities throughout the ECV. Consequently, the study is not based on a clear understanding of the region's needs and falls short in identifying potential alternative service and governance options that align with these needs.

The October 2022 Stakeholder Questionnaire was available only in English for 16 business days, limited to 55 stakeholders, and resulted in only 12 responses.³ To enhance transparency and engagement from residential customers, a shorter, more accessible version available in Spanish and Purepecha should be sent to all homes in the form of a comprehensive customer survey. Additionally, direct stakeholder outreach should include consultation with the Mecca/North Shore Community Council and the Thermal/Oasis Community Council, along with more community-centered and accessible discussions.

To ensure continued residential customer engagement, the study should explicitly outline additional engagement opportunities, processes, and strategies to be implemented throughout the development of a new governance and energy service structure. The outlined recommendations must be based on previously received comments and reflect lessons learned to date.

²Dopudja & Wells Consulting. *Alternative Governance and Electricity Service Study - Imperial Irrigation District*. (2023, March) Pg 40.

²Dopudja & Wells Consulting. Distributed stakeholder questionnaire template. "*IID Energy Questionnaire*". (2022, October 7).

2. The final study must comprehensively outline and address the unique priorities of ECV customers.

The final study must, "assess each alternative option against criteria that has been established by local stakeholders." While the study does present a range of alternative options with a general discussion of governance and service structures for each, it falls short of incorporating local stakeholder priorities and objectives, and of presenting subsequent recommendations. The failure to incorporate the priorities of ECV residential customers, coupled with insufficient efforts to directly engage with these residents, raises significant concerns about the omission of essential community input. This issue is particularly worrisome because the ECV's experience with energy service and governance is unique compared to the rest of the region. The ECV is comprised of unincorporated disadvantaged communities impacted by various social and environmental challenges, including increased vulnerability to power outages during extreme weather events and energy affordability insecurity.

Given the unique needs of ECV communities, it is imperative that the final study comprehensively address these disparities in order to ensure equitable and sustainable energy solutions for the whole region. The following is a summary of the priorities of ECV residents and customers whom we work alongside on the topic of energy service and governance. These priorities must be reflected in the final study.

a. The study must address ECV customers' vision for clean, reliable, and affordable energy service.

A top priority for ECV residents is to ensure the region's future energy service and governance structure is capable of providing clean, reliable, and affordable energy. As California increases its renewable energy portfolio, ECV residents require an energy service with the capability to keep up with the state's clean energy goals and regulations while ensuring that energy remains affordable and avoiding harm to disadvantaged communities. Projects of interest include public lighting powered by solar energy, localized clean energy sources like microgrids, and home weatherization. Moreover, residents want to see the IID transition entirely away from polluting energy sources such as the Desert View Power Plant, which was recently issued a Notice of Violation from the U.S. Environmental Protection Agency Region 9 for violating the Federal Clean Air Act ⁵

In recent years, the region has experienced both short-term and prolonged power outages due to deteriorating energy infrastructure that cannot withstand increasingly frequent and extreme

⁴ <u>Dopudja & Wells Consulting. Alternative Governance and Electricity Service Study - Imperial Irrigation District.</u> (2023. March) Pg 2.

⁵Janet Wilson. Article published in Desert Sun regarding the EPA Notice of Violation received by Desert View Power Plant. "Illegal levels of mercury and more emitted from east valley power plant, feds say". (2023, August 8).

weather conditions. As these weather patterns are expected to intensify in the coming years, residents are in need of an energy service that not only aligns with their environmental goals, but that also provides the necessary infrastructure upgrades and dependable energy service in the face of extreme weather conditions.

Further, in August 2023, IID energy customers saw their energy bills double and triple due to volatile market conditions and extreme weather events that drastically impacted energy rates. ECV energy customers have long experienced a lack of transparency and unsettling fluctuations in monthly billing statements that cause severe financial strain. There must be a billing system that clearly communicates bill formatting and calculation in a transparent and accessible manner. In keeping with billing transparency and service affordability, it is imperative that the LAFCO study incorporate residential customer cost estimates for all governance options along with recommendations on cost-effective consumer billing structures, rate regulation, and oversight information.

b. The study must address ECV customers' vision of a transparent and publicly accessible governance system with tailored representation.

Future governance structures must prioritize key principles such as equity, public accessibility, and transparency. ECV residents have consistently emphasized the pressing need for tailored representation, as described in previous comments to the Coachella Valley Energy Commission⁶ and IID.⁷ To this end, governance structures based on public elections by district are preferred. It is vital that we implement a voting system with eligibility based on IID customer accounts rather than exclusively registered voters. This approach ensures that no customer is unrepresented due to their citizenship or renter status. Additionally, we strongly encourage a recommendation that all members of any future committee or governing board make a concerted effort to visit the ECV in order to gain a comprehensive understanding of the unique needs of the community, regardless of whether they directly represent the ECV.

For the sake of improved public engagement and accessibility, future governance structures must emphasize the significance of community workshops and engagement initiatives. At a minimum, options should offer public engagement opportunities such as community workshops, the employment of Community Outreach Liaisons, and the establishment of a Disadvantaged Communities Advisory Group, among other opportunities for the public to engage with and shape energy governance. Community members should also have the chance to provide public

⁶ Eastern Coachella Valley Residents. Letter to the Coachella Valley Energy Commission supporting the appointment of two ECV representatives. "CVEC Comment". (2021, October).

⁷ Janet Wilson. "Illegal levels of mercury and more emitted from East Valley power plant, feds say". (2023, August 8). Leadership Counsel for Justice and Accountability and Eastern Coachella Valley Residents. Letter to Imperial Irrigation District's Board of Directors. "RE: Community concerns regarding representation on Imperial Irrigation District's Board of Directors and energy in the Eastern Coachella Valley". (2021, July 13).

comments, with a robust follow-up mechanism in place to ensure meaningful incorporation of comments received. Furthermore, there is interest in a long-term commitment to a system that allows for periodic re-evaluation and potential alterations to ensure that our community's evolving needs are met.

3. The study does not adequately discuss potential barriers to the formation of a Joint Powers Authority. The final study's recommendations must adequately reflect the priorities and visions of residential customers.

Under Governance Option 1.D, the study evaluates the establishment of a Joint Powers of Authority (JPA). While this alternative may have merit, the study fails to adequately consider potential barriers to the formation of a JPA in this circumstance and to a JPA's ability to govern electricity generation, transmission, and distribution in the Coachella Valley. Specifically, the study lacks analysis of the applicability of the "common powers rule," which restricts the authority of a JPA to a "power common to the contracting parties." The study should be revised to evaluate which public agencies in the Coachella Valley (if any) have active or latent powers related to the generation, transmission, and distribution of electricity.

The final study must include a comprehensive and detailed discussion on each alternative option's impact on stakeholders, its alignment with community objectives, and recommendations on the most effective ways to align with community goals. This will enable Imperial Irrigation District (IID) service customers to make more informed assessments and actively participate in the development of an alternative energy service and governance structure.

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ECV residents we work with support the establishment of an energy governance and service system that is democratic, accessible, representative of their needs, and resilient to worsening regional weather conditions. This system must ensure affordable, clean, and dependable energy for the region's future while addressing the increasing energy demands driven by population and industrial growth, worsening weather patterns, and the shift to clean energy sources.

We look forward to further engagement and collaboration. Please reach out to Krystal Otworth at kotworth@leadershipcounsel.org with any follow-up inquiries.

Sincerely,

⁸ Gov. Code, § 6502; see also Crawley v. Alameda County Waste Management Authority (2015) 243 Cal.App.4th 396, 412.

Krystal Otworth Policy Advocate Leadership Counsel for Justice and Accountability