



**Office of the Mayor
City of Los Angeles**

ANTONIO R. VILLARAIGOSA

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MAYOR VILLARAIGOSA, LADWP SIGN AGREEMENT TO REACH RENEWABLE ENERGY MILESTONE

Agreement with Mexico's power agency will bring Los Angeles to 10 percent renewable power supply, on track for 20 percent renewable power by 2010

LOS ANGELES – Mayor Antonio Villaraigosa announced today an agreement between Mexico's power agency - the Comisión Federal de Electricidad (CFE) - and the Los Angeles Department of Water and Power (LADWP) to provide geothermal power that will enable LADWP to reach a milestone of 10 percent renewable power supply, on track for 20 percent renewables by 2010.

Mayor Villaraigosa, LADWP CEO David Nahai, Mexican Consul General Juan Marcos Gutierrez Gonzalez, and Alfredo Elias Ayub of CFE signed the historic inaugural agreement today, which will remain in effect for three years.

"With this landmark agreement, Los Angeles takes a major step in our transition to renewable power," Mayor Villaraigosa said. "This renewable milestone helps us continue our greening of the LADWP and keeps us on track for 20 percent renewable power by 2010."

"With this agreement, LADWP and CFE are affirming that climate change is a global problem and that reversing the effects of greenhouse gases will require a global effort," Nahai said. "I want to thank CFE for their cooperation in forming this agreement and for their support of our goal to generate 20 percent of our energy from renewable sources by the year 2010 and 35 percent by 2020."

The agreement enables LADWP to make wholesale purchases of up to 100 megawatts (MW) of green energy from CFE's Cerro Prieto Geothermal facility in Mexicali, Baja California, depending upon availability.

Unlike intermittent renewable energy such as wind or solar power, geothermal can provide continuous power, making it especially significant as LADWP seeks to reduce its use of coal to cut back on greenhouse gas emissions and transition to a green power mix.

The agreement has enabled LADWP to purchase 25 MW of around-the-clock geothermal power in December 2008 and 50 MW during January 2009. In January, the CFE geothermal power provided 22 percent of LADWP's renewable power – 2 percent of total energy sales – enough to serve approximately 32,500 households. Renewable energy supplied by LADWP has increased from about 3 percent in 2005 to 10.6 percent at its highest level in October 2008.

The CFE geothermal plan taps into geothermal resources from the same system as the Salton Sea geothermal resources. It is electrically connected to the grid via the Imperial Irrigation District (IID) transmission system. LADWP has initiated a separate agreement with IID for point-to-point transmission service to bring that power home to Los Angeles.

In May 2007, under Mayor Villaraigosa's leadership, Los Angeles adopted Green LA - an action plan to fight global climate change with the most ambitious carbon emissions reduction targets of any major American city. At the cornerstone of Green LA is a plan to supply 20 percent of LADWP's power through renewables by 2010 and 35 percent renewables by 2020.

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