



# AMP Receives National Award for Energy Innovation

Alameda Municipal Power was honored recently by receipt of the American Public Power Association's (APPA) 2010 Energy Innovator Award.

The award, presented at the APPA National Conference in late June, recognizes innovative utility programs that provide better service to electricity customers or increases the efficiency of utility operations. AMP was cited for work in developing landfill-gas-to-energy facilities.

About 10 years ago, AMP recognized that garbage-laden landfills are a valuable source of renewable energy and began seeking methane capture opportunities to incorporate in our power portfolio. Today, Alameda receives power from four landfill-gas-to-energy plants, with other opportunities being pursued. About 16 percent of the power consumed in Alameda is generated by landfill-gas-to-energy facilities.

Alamedans benefit from a clean, renewable, reliable, and economical resource. The landfill-gas-to-energy projects offset the need for non-renewable resources such as coal, natural gas, and oil, and reduce air pollutants, including methane



APPA's 2009–2010 Chair, Marc Gerken presents the 2010 Energy Innovator Award to City of Alameda Public Utilities Board President Greg Hamm and Commissioner John McCahan. Photo courtesy APPA.

emissions. The project also creates local employment opportunities associated with design, construction, and operation of energy-recovery systems to help the economy. Landfill-gas-to-energy use reinforces better waste management and converts a regional liability, namely land-polluting and -clogging trash, into an asset. The purchase of energy from landfill-gas-to-energy facilities

is one contributing factor that allows Alameda to provide electricity to the residents and businesses of Alameda at rates that are 20–25 percent lower than electric rates in surrounding communities.

APPA is the service organization for the nation's more than 2,000 community-owned electric utilities

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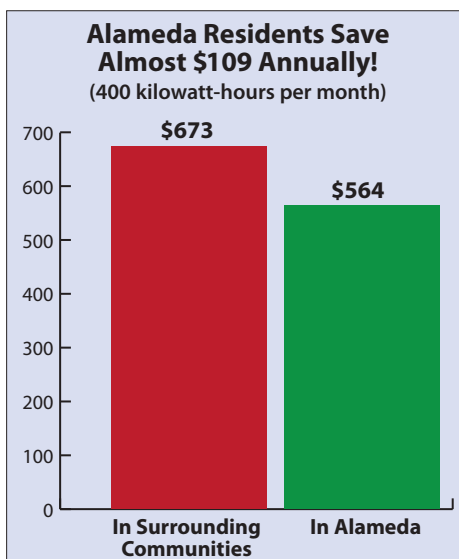
# PUB Adopts AMP Fiscal Year 2011 Budget, Adjusts Rates

At its regular June meeting, the Public Utilities Board approved a budget for AMP's 2011 Fiscal Year. To support the 2011 budget, address long-term power and transmission cost increases, and minimize any potential for "rate shock," the Board approved a 3.7% overall rate adjustment effective July 1.

All AMP customer groups will continue to see significant savings over rates in nearby communities. And AMP remains as first among all electric utilities in California in the amount of renewable power it provides to its customer-owners.

Board President Gregory Hamm stated, "AMP continues to be fiscally stable; we're maintaining lower rates; and we are doing our part by also maintaining our contributions to the City."

The Board's actions are the culmination of a 6-month effort,



which included an Annual Planning Workshop, development of a 10-year financial plan, Annual Budget Workshop, and several rate analyses.

As part of its considerations, the Board conceptually approved

moderate rate increases (less than 5 percent) for the coming several Fiscal Years, contingent on its explicit approval in each year.

AMP has not raised residential electric rates in the past 5 years, and rates for the average residential customer have actually decreased since the year 2000. A typical household using 400 kilowatt-hours per month will see an increase of about \$1.51 in their monthly bill in the coming year. Even with the increase, AMP customers will continue to pay substantially lower electric rates. Residential rates will be approximately 27% below, and commercial rates will be 14% to 18% below surrounding communities.

As previously reported, extensive financial assessment showed that a revenue increase is needed

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# Solar Super-Sized

The largest solar photovoltaic (PV) system constructed in Alameda to date came on line in June. The 244-kilowatt commercial installation is on the roof of the “Del Monte” building on Buena Vista Avenue, east of Sherman Street. The project received a rebate of over \$395,000, funded by AMP’s Solar Rebate Program.



The electricity generated by this project alone is enough power to meet the needs of almost 100 typical Alameda homes. The project is one of 42 solar installations in Alameda, and more are in the planning stages, including a system at the Alameda Main Library. The output of this one installation alone is equivalent to planting almost 3,000 trees.

As reported last month, solar energy is a growing part of AMP’s power profile, and the solar contribution to Alameda’s energy mix from projects within the City now is approaching 500 kilowatts. AMP is offering \$4.2 million in financial incentives over 10 years to customers who install solar PV systems. Rebates unused in a given year will

be made available the following year until our target of slightly over 2 megawatts has been reached.

Solar PV systems convert the energy of the sun into electricity that is pollution-free, renewable, reliable, and safe. There has never been a better time to look at a solar energy system, as the installation costs have come down, and rebates and tax credits have made going green through solar more affordable than ever.

AMP rebates and tax credits could pay well over half the cost of a residential solar installation, but more than half of the funds budgeted for the 2010 calendar year already is committed. So don’t delay! Visit the AMP web site, [www.alamedamp.com](http://www.alamedamp.com) to learn more.

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that serve more than 45 million Americans. APPA created the Energy Innovator Award to honor Public Power utilities that have made outstanding advances in the development or application of highly creative energy-efficient techniques and technologies.

## CLIP and KEEP!

Important AMP contact numbers:

Customer Service..... 748-3900

After Hours/Emergency ..... 748-3902

TDD (hearing impaired)..... 522-7538

E-mail..... [info@alamedamp.com](mailto:info@alamedamp.com)

Internet ..... [www.alamedamp.com](http://www.alamedamp.com)

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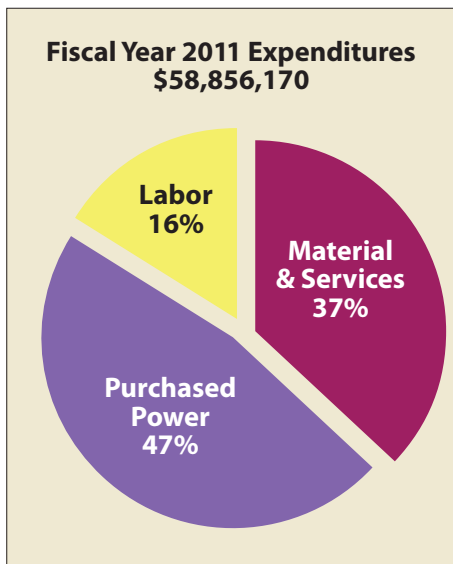
### ALAMEDA MUNICIPAL POWER

Girish Balachandran,  
General Manager

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due to higher power and transmission costs not controlled by AMP. By the end of 2014, AMP must replace an existing inexpensive power contract, with a new contract that would be double or triple in cost, depending upon whether the replacement power is “brown” or renewable. Transmission costs throughout the State also are expected to double over the coming decade due to the cost of replacing and constructing facilities. Approximately 70% of AMP’s forecasted cost increases over the next 10 years are attributable to uncontrollable power and transmission costs. These two factors could have resulted in double-digit spikes; however, the Board has favored a plan that results in lower rate increases spread over several years.

Power costs are the largest items in the AMP budget. Almost \$28 million, or almost half of total expenditures, will be spent for power by the end of Fiscal Year 2011. AMP buys power from the Northern California Power Agency, a group of 15 public power entities that has developed hydroelectric, geothermal, and gas-fired combustion turbine plants. AMP also buys power from the federal government’s Western Area Power Administration, including the Central Valley (hydroelectric) Project. Additionally, AMP has contracts for the output of several



landfill-gas-to-energy facilities. Over 60% of Alameda’s power portfolio consists of renewable resources as defined by the State and is 80% carbon-free.

As in the prior Fiscal Year, the City General Fund will benefit from a direct transfer of \$2.8 million by AMP. An additional payment in lieu of taxes and as a return on investment of almost \$2.7 million will be provided to the City. Other direct cost allocations and fees paid to the City by AMP will total almost \$1.2 million. By the close of Fiscal Year 2011, AMP will have transferred over \$101 million to the City since its first transfer in 1914.

AMP is one of the largest businesses based in Alameda, with a budget for the 2011 Fiscal Year

approaching \$59 million. “This budget demonstrates our success at streamlining the AMP organization. The utility is continuing to take all feasible steps to control costs and has reduced employee count to pre-1993 levels,” President Hamm continued. “Our power portfolio remains exceptionally strong, and we are well positioned to continue our commitment of providing environmentally responsible power at low rates.”

AMP serves our community with a reliability record within the top quartile of all U.S. utilities, and is the leading renewable utility in all of California.

Additionally, AMP provides low-income assistance and services to assist customers in managing and controlling their energy costs. AMP encourages customers to take advantage of the wide array of the utility’s energy-management programs and services.

President Hamm summed, “We continue our commitment to be service-driven and a direct contributor to our community’s economic well-being and unique quality of life.”

All Board materials are available on the AMP web site, [www.alamedamp.com](http://www.alamedamp.com). AMP’s 2011 Fiscal begins on July 1 and runs through June 30, 2011.