Much to the surprise of many observers, including me, the Los Angeles Department of Water and Power (the country's largest municipally-owned utility) has met its 2010 goal of providing 20 percent of its electricity from renewable sources. I've written previously about the implementation problems LADWP and other utilities are likely to face in cutting greenhouse gas emissions, including transmission issues, siting difficulties, pressure from workers to find in-state supplies and the need to raise rates to fund renewable projects. But despite a very short timeline (the 20 percent goal was set in 2005), Mayor Antonio Villaraigosa announced the accomplishment yesterday.

Wind energy makes up almost half DWP's supply of renewable energy, followed by hydropower. Solar energy -represents only a single percentage of the supply. (See here for a breakdown of the sources). DWP reduced its reliance on coal — the most carbon-intensive fossil fuel — to the lowest level ever.

With all that said, the road to the next renewable energy goal — 35 percent by 2020 — will be a long and difficult one. Even maintaining the 20 percent renewable mix will be tough. As DWP recently acknowledged in a <u>draft report</u>, it met the 20 percent goal in significant part by entering into short term contracts to purchase renewable supplies. Without those short term contracts the utility 's renewable energy mix will guickly dip well below 20 percent. And to increase its supplies to 35 percent in the next decade the utility will continue to face massive issues concerning transmission, siting and cost. Just to highlight the cost question: DWP estimates it will need rate increases of between 5 and 8 percent every year for the next five years to finance the investments necessary to meet the renewable goals. Rate increases require city council approval. The mayor, DWP and city council have been publicly feuding over proposed rate hikes and DWP management and Mayor Villaraigosa just appointed the ninth head of the agency in ten years. So a lot has to happen between now and 2020 even to maintain, let alone increase, a 20 percent supply of renewable power.

Nevertheless, Los Angeles met its 2010 goal of 20 percent renewable energy. That's a real accomplishment.