OYO841 Commission Comment 1/11/05 IDUM TO APPENDIX B Comm. Lowl

SUGGESTED ADDENDUM TO APPENDIX B

The following questions are included to further illustrate the questions and concerns the City Commission wishes to address through the Independent Consultation.

Demand

Is the demand projected for GRU accurately based upon an accurate population growth of the service area and per capita consumption?

Conservation and Affordability

- (a) What is the optimal tiered rate structure and conservation strategy with respect to impact on income groups or socioeconomic status, maximization of total conservation, and conservation as an economic development tool and alternate tests of conservation such as rate impact versus total resource cost or participant cost?
- (b) Could rate structures be implemented that would provide stronger incentives that GRU's current rate structures while being considerate of low income groups?

Emissions

- (a) Which fuel and/or mix of fuels and technologies, and/or mitigation or offsetting strategies could be used to give us the least amount of regulated air emissions, mercury, and greenhouse gas emissions?
- (b) What is the availability and cost of the various fuel supplies and their transportation over the next 30 years?
- (c) Is there a better way to factor environmental externalities, such as the potential impact on property values, healthcare costs, transportation congestion. water supply, and the environmental effects of fuel extraction, as well as economic impacts on residents and businesses, into the decision making process?
- (d) Which options minimize the effects on air pollution and the emission of greenhouse gases and are consistent with the City's values as to the negative impacts of fuel extraction on other communities?

Fuel Cost and the Regulatory Environment

What are the projected costs of fuels based on an evolving regulatory environment?

Distributed Versus Point Source

What is the cost effectiveness, economic impact and pollution control impact of a distributed rather than a point source energy generation strategy over the life of the project?

Evolving Technology

What is the optimal technology or mix of technologies based on the factors mentioned above? Does the mix include coal, natural gas, photovoltaic electricity, other solar, biomass, conservation or other?

General Fund Transfer

What is the impact on the General Fund Transfer? What are the impacts of various options on bond ratings?

Reliability

What is the effect on service reliability of the options to be considered?

External Funding Opportunities

What external funding opportunities such as Department of Energy grants exist for alternative approaches?

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