CITY OF RIVERSIDE

Public Utilities Department
Administration

DOCKET
08-EPS-2
DATE JUN 26 2008
RECD. JUN 27 2008

June 26, 2008

Mr. David Vidaver
California Energy Commission
1516 Ninth Street, Mail Stop 20
Sacramento, CA 95814

SUBJECT: City of Riverside Emissions Performance Standards Compliance Filing

Dear Dave:

As we've discussed, Riverside's City Council recently approved a thirty-year, 64 megawatt, baseload, unit- contingent, geothermal power purchase agreement. As part of our EPS compliance filing, you have requested certain documents for the Commission's consideration in determining the contract's compliance with the EPS.

Please find enclosed:
1) the City Council June 17, 2008 Agenda (Item #10),
2) the City Council Report concerning the referenced contract, and
3) the Powerpoint presentation used to present this item to the City Council and the public.

Although originally scheduled for City Council approval on June 24, 2008, it was accelerated to the June 17th meeting, in order to accommodate scheduling conflicts. The meeting was televised live, and the streaming video for the June 17th evening City Council meeting can be viewed at: http://209.128.123.170/ppportal/agenda/webcast.aspx. This item received rave reviews from City Council Members and the Mayor, lots of congratulations to staff and the General Manager for bringing this forth, and received unanimous approval.

Since 2002, the Riverside City Council and Public Utilities Board have been very supportive, and have endorsed, proactively procuring green resources, as demonstrated by their adoption of Riverside's first Renewable Portfolio Standard in 2003, to procure 20% of resources from renewable sources by 2015. This has since been updated to reflect 20% by 2010, 25% by 2015 and 33% by 2020.

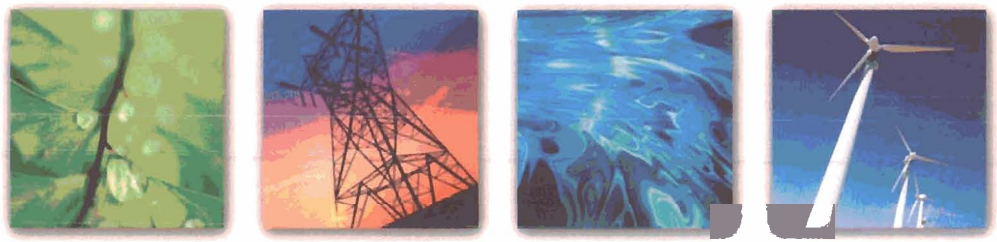
We still plan on attending the July 16th Commission meeting to address any/all questions/concerns that may arise.

Again—thank you so much for all your aid in helping us understand the requirements to ensure that the City of Riverside is in compliance with the Emissions Performance Standards under SB 1368. If you should have any questions or additional concerns, please feel free to give me a call.

Sincerely,

Reiko Kerr

Utilities Projects/Contracts Manager



RIVERSIDE PUBLIC UTILITIES

Renaissance Geothermal Project, Northern Utah

WATER ENERGY LIFE

CITY OF RIVERSIDE

PUBLIC UTILITIES

Renewable Portfolio Standard

- 20% - 2010
- 25% - 2015
- 33% - 2020

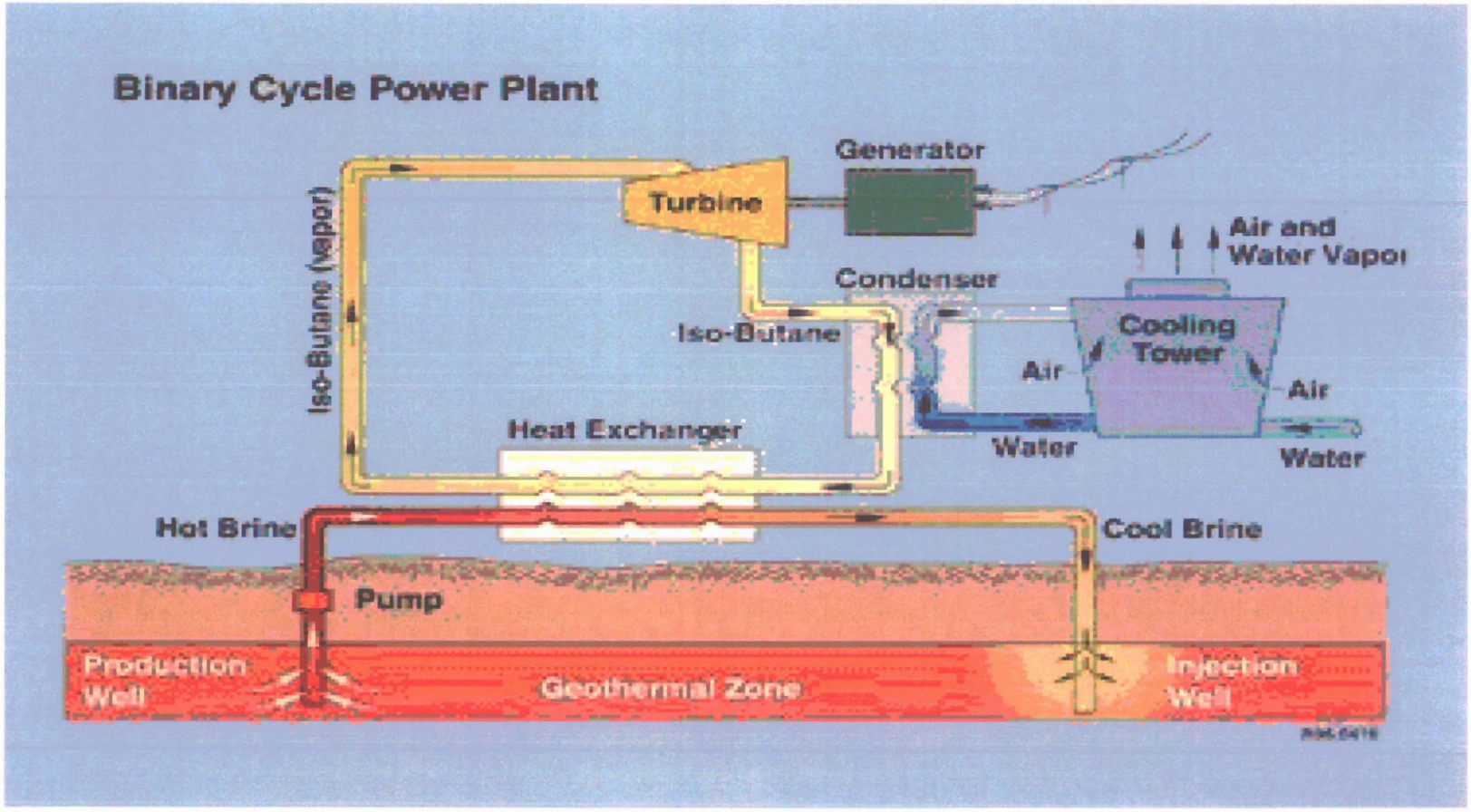
Renaissance Project

- Expiring coal contract
- New renewable Geothermal contract
- 20% baseload needs: 64 MWs
- Agreement through LLC with Shoshone Nation Indian Tribe

Renaissance Project (cont.)

- Term: 30 Years
- Competitively priced
- Low-risk contract
- Ready in 2010
- Uses existing transmission

Geothermal Energy:
The earth's heat generates electricity



Renewable Energy

- With the Renaissance project:

Total renewable resources

33% in 2011

Renaissance Project Recommendation

That the City Council:

- Approve the proposed Power Purchase Agreement for geothermal renewable energy; and

- Authorize the City Manager, or his designee, to enact the various components of the Renaissance Power Agreement