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**Riverside Energy Resource Center Units 3&4
06-SPPE-1**

Data Request 44

BACKGROUND

The time value of money should be reflected for all economic estimates. Staff needs to know the year that corresponds to the dollar estimate.

DATA REQUEST

44. Please indicate the year for all economic estimates (e.g., economic impact analysis, capital costs, construction and operation sales tax, locally purchased (within Riverside/San Bernardino counties) equipment and material during construction and operation).

RESPONSE

44. Section 6.12.4 (all): All cost estimates and other financial data related to the Economic Impact Analysis in this section are in year 2007 dollars (construction estimates, construction and operation sales tax predictions, etc).

**Riverside Energy Resource Center Units 3&4
06-SPPE-1**

Data Request 45

BACKGROUND

Economic benefits of the project, including the payment of property taxes and school impact fees, are an important component of socioeconomic analysis. However, since RERC is owned by a local public agency (i.e., the City of Riverside Public Utilities), it is exempt from paying any property taxes and school impact fees.

DATA REQUEST

45. Please discuss whether there are any in lieu payments or other economic benefits to the City of Riverside because the RPU does not pay property taxes or school impact fees.

RESPONSE

45. The City of Riverside derives a number of economic benefits from RPU. First, attached hereto is RPU's 2007 Annual Report of Community Benefits (Socioeconomics Attachment 1), detailing RPU's expenditure of funds derived from public benefit funds collected in accordance with the guidelines of AB 1890. RPU has been collecting and expending such funds since January 1, 1998, and have provided more than \$400 million dollars to fund rebates, incentives, school programs and photovoltaic projects that directly benefit Riverside.

Also, having a locally controlled utility ensures that the City has a reliable and source of power from a utility which is very aware of and responsive to the needs of the City. RPU also provides a significant number of job opportunities to Riverside residents, currently employing over 470 individuals.

Finally, RPU has been an integral part of the City of Riverside's "Clean and Green Sustainable Riverside Action Plan". RPU is responsible for five of the Plan's 38 goals, which include the following: (1) To adopt and implement a policy to increase the use of renewable energy to meet 33% of the City's electric load by 2020; (2) To promote Riverside as a Solar City by implementing programs for residential and commercial customers that will increase solar generation in the City to 1 MW by 2015 (enough for 1,000 homes), and 3 MW by 2020; (3) To generate at least 10 MW (enough for 10,000 homes) of electric load from regional zero emissions sources by 2025; (4) To reduce the City's per capita base load energy consumption by 10% through energy efficiency and conservation programs by 2016; and (5) To

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implement programs to encourage load shifting to off-peak hours and explore demand response solutions by the end of 2008.”

**Riverside Energy Resource Center Units 3&4
06-SPPE-1**

Data Request 46

BACKGROUND

Economic benefits, including the payment of sales taxes for all project equipment and material purchases are an important component of socioeconomic analysis.

DATA REQUEST

46. The SPPE application states that equipment purchase costs would be approximately \$4,263,000.
- a. Of this amount, please discuss what would be directed back to the City of Riverside.
 - b. Please state how much sales tax would go to Riverside County, San Bernardino County, and finally to the State of California.

RESPONSE

46. a. The Data Request incorrectly states that equipment purchase costs would be \$4,263,000. Equipment purchases are estimated to be \$55,000,000, and the sales tax on such procurements is approximately \$4,263,000. The City, upon appropriate application to the State Board of Equalization, will receive 1%, or \$550,000, of such estimated sales tax.
- b. Riverside County will receive 0.5% of such estimated sales tax, or \$275,000. San Bernardino County will not directly receive any portion of the estimated sales tax. The State of California will receive 6.25% of such estimated sales tax, or \$3,437,500.

The following sets forth the sales tax applied to the procurements:

State General Fund	5.50%
State wide for County Transportation	
Development Act of 1991 (SB 325)	.25%
State wide Public Safety Prop 172	.50%
City of Riverside	1.00%
County transportation Measure A	<u>.50%</u>
Total	7.75%