

MID ASSUMPTIONS ON GROWTH ARE WRONG

Contributed by Administrator
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Unrealistic projections for demand‏
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 From: Sent: Wed 2/24/10 9:29 PM

Allen, today's BEE told us a story about MID. I hope the story is incorrect, but I fear it is far too accurate. Let address only one issue mentioned on the back page, which is so totally out of line with reality that it requires fixing. have already addressed the MID BoD regarding the assumptions for growth of demand furnished to me due to a PRA request. Those growth assumptions (that is, demand for electricity) range from 1.6% to 2.1% per year for 10 years. Those assumptions are actually higher than the city of Modesto's fraudulent assumptions for demand for water. As I explained at a recent MID BoD meeting, the Modesto water system has experienced a dramatic reduction in demand since 2002. And it makes a great deal of sense, since the cost of Modesto water has almost tripled since then. As MID increases its cost of electricity, and Modesto increases its cost of water, people will reduce their usage. In fact, that is one of the reasons bureaucrats use to raise rates; people will conserve. Today's BEE story tells us that MID manager Greg Salyer says that MID expects demand for electricity will increase by 50 to 75 megawatts by 2012. I think you should sit Mr Salyer down and ask him to justify that expectation. If you will not, I will. I would ask him to tell us what the mean daily demand for MID energy has been for the last 5 years. I would also ask how many customers have been served during that time span. Every public entity in the Valley has experienced reduction in demand for its services. Modesto city schools have lost 4000 students in the last 2 years. Fifteen percent of Modesto homes are empty. The loss of businesses is almost catastrophic. Whole office buildings are empty, malls are empty, parking lots are empty, the Gallo Center plays to 40% houses, unemployment is at least 17.5%, gasoline usage is down, car dealers and makers disappear every day and manufacturing is virtually a historical concept. Please, do not tell us that the demand in MID service area is going to increase by over 4% to 7.5% per year for the next two years. We need realistic expectations to justify spending the ratepayer's money. The Taxpayers Association appreciates the open line of communication you and the BoD allows. We want to participate in an efficient, healthy and responsive MID. Sincerely,
 Dave and the Association