

Battered by criticism, H. David Nahai resigns from DWP

Utility official joins Bill Clinton's climate initiative, bruised by system failures and union battles.

By David Zahniser and Phil Willon

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After nearly two years of fending off criticism from ratepayers and his own employees, H. David Nahai stepped down Friday as head of the nation's largest municipally owned utility, the Los Angeles Department of Water and Power.

Nahai, 56, said in a letter to Mayor Antonio Villaraigosa that he would leave immediately to take a position as an advisor to former President Clinton's climate initiative to battle global warming.



In stepping down from the DWP, H. David Nahai touted his record on water conservation and renewable energy. (Glenn Koenig/Los Angeles Times / August 20)

But well before he announced his new job, the Iranian-born environmentalist and attorney found himself under fire on several fronts. Support within Villaraigosa's office had eroded dramatically, and Brian D'Arcy, the head of the DWP's powerful employees union, had stopped speaking to him, sources familiar with the situation said.

D'Arcy, business manager of the International Brotherhood of Electrical Workers, Local 18, did not return a call seeking comment. But earlier this year, he blamed Nahai for the defeat of Measure B, a solar power ballot measure that was narrowly rejected in March.

In addition, San Fernando Valley residents have been complaining about the DWP's water conservation measures, which limit sprinkler use to two days per week. Neighborhood councils have spoken against a proposal for increasing electricity rates. And City Council members have demanded answers on the cause of several recent water main breaks, including one that resulted in a huge sinkhole in Valley Village.

Added to those pressures was Villaraigosa's decision to hire S. David Freeman, a former head of the DWP, as his deputy mayor for energy and the environment. While saying publicly that he supported Nahai, Freeman had sharply different views on certain DWP initiatives, opposing Nahai's effort to build a transmission line known as Green Path North through sensitive desert habitat east of Los Angeles.

"It's disappointing that two such strong environmental leaders couldn't work better together," said Heal the Bay President Mark Gold, one of several environmental leaders who voiced dismay over Nahai's departure.

Villaraigosa has asked DWP commissioners to name Freeman as the interim general manager for the utility, which has a \$6.1-billion budget and 1.4 million customers. In a statement, D'Arcy said the selection of Freeman would be a "great benefit to Los Angeles residents and businesses."

DWP spokesman Joe Ramallo referred The Times to a letter in which Nahai described his accomplishments, such as water conservation and ensuring that 14% of the DWP's electricity comes from renewable fuel sources -- wind, solar and geothermal energy.

"I'm immensely proud of what I have been able to accomplish and will be forever grateful for the invaluable experience," Nahai wrote.

DWP commission President Lee Kanon Alpert, a Villaraigosa appointee, dismissed the notion of discord at the utility. "His resignation has nothing to do with, to my knowledge, Measure B or any other measure," Alpert said. "In terms of his leaving, we wish him the very, very best."

Nahai's replacement will be charged with fulfilling Villaraigosa's promise to halt the use of coal-burning power plants by

2020 and -- that same year -- generate at least 40% of its energy from renewable resources. As part of that initiative, the DWP is working to resurrect the Measure B solar plan without going to voters for approval.

Nahai was hired by Villaraigosa in 2007 after spending two years as DWP commission president. At the time, some council members questioned whether Nahai -- best known for his service on the Los Angeles Regional Water Quality Control Board - had the skills to navigate in a politically charged atmosphere.

Environmentalists were thrilled to have one of their own at the agency but acknowledged the competing forces he faced at the agency. "It's a really difficult department to manage," said Mary Luevano, who works for Global Green USA. "It's a beast."

Last year, the DWP took a back seat as Villaraigosa and the utility's employee union pushed for Measure B, which called for 400 megawatts worth of solar panels to be installed by DWP employees. In the wake of the measure's defeat, D'Arcy accused Nahai of being unsupportive. Nahai said he favored the measure but was barred from campaigning on public time.

At the same time, desert activists vilified Nahai and the mayor over the Green Path North proposal. One website showed a mug shot of Nahai morphing into an image of William Mulholland, the former DWP chief who, famously or infamously, secured the water from the Owens Valley that allowed Los Angeles to expand.

Worried about Nahai's future, environmental leaders sent Villaraigosa a letter in April urging him to ignore D'Arcy's campaign against Nahai. On Friday, some of those leaders voiced disappointment.

"Fundamental change at the DWP has proven far more difficult than we imagined," said Rhonda Mills, Southern California director of the Clean Power Campaign. "If the mayor's promises are going to be kept, he and his leadership team have to focus on crucial action items like building new renewable transmission lines and a clean-energy portfolio."

Villaraigosa thanked Nahai in writing. Deputy Mayor Janelle Erickson said the resignation does not mean that the mayor will ease up on his push for renewable energy.

"Mayor Villaraigosa is 100% committed to turning the Department of Water and Power into the greenest utility in the country," she said.

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