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### **Power games**

Why is S.F. letting PG&E grab \$16 million in conservation funds?

By Shadi Rahimi and Rachel Brahinsky

The city of San Francisco should have exclusive control over \$16 million in energy-efficiency funds because Pacific Gas and Electric Co. is not accountable to the public and could misspend the money, a public power advocate says. Barbara George, executive director of Women's Energy Matters in Rio Linda charged in a Jan. 13 statement that PG&E has a conflict of interest when it comes to efficiency programs because the utility would be, in essence, entrusted with convincing customers to buy less of the very product it sells.

The \$16 million is a portion of the approximately \$300 million PG&E is expected to spend on its statewide energy-use reduction plan, which is funded by California residents through their utility bills.

"This is the wrong time to give PG&E control over such a highly visible project," George said. "It would basically mean handing them a huge public relations bonus at a time when the people of San Francisco are fighting to get public power."

PG&E and the San Francisco Department of the Environment have agreed to partner on the plan, which is intended to reduce power use so much that PG&E's 40-year-old Hunters Point power plant, a highly polluting facility that remains open under a state order, can be shut down.

In the past, communities have been allowed to submit requests to the California Public Utilities Commission on how energy-efficiency money was to be spent. Last year, however, the commission was so inundated by proposals that it decided to give utilities the exclusive right to spend the money. The CPUC will make its final decision in the next few months on how to spend this year's funds.

Ed Smeloff, the San Francisco Public Utilities Commission assistant general manager for power policy, said he is comfortable having PG&E in charge of this particular pilot program. He said although it generally makes no sense for a private utility to run energy-efficiency programs ("It's like trying to step on the gas and the brake at the same time," he said), San Francisco is a different case. Here, he said, it is in PG&E's interest to keep energy use down so the company can close the Hunters Point plant and avoid spending money to retrofit it.

But both George and Greenaction executive director Bradley Angel said they don't believe PG&E is serious about shutting down the plant, which they link to the high rates of childhood asthma and heart disease in the neighborhood. Angel points out that the utility is currently applying for a five-year Clean Air Act permit to keep the plant open.

"We believe this shows that PG&E's actions do not match their rhetoric," Angel said, "and we think that it's a bald violation of environmental justice."

Repeated calls to PG&E were not returned by press time.

Department of the Environment director Jared Blumenthal said it is too late for the city to protest the CPUC's decision. He is focused on making sure the \$16 million is designated to help San Francisco reduce the city's power use and respond to public health concerns about the plant.

But George says the city is giving up too soon. "It isn't over," she said. "The stakes are too high to let PG&E have the money without a fight."

George recommends San Franciscans pressure the Board of Supervisors and call CPUC commissioner Loretta Lynch at (415) 703-2444 and CPUC chair Michael Peevey at (415) 703-3703. For more information, e-mail George at [bgwem@igc.org](mailto:bgwem@igc.org). E-mail Rachel Brahinsky at [rachel@sfbg.com](mailto:rachel@sfbg.com).