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A bad PG&E 'partnership'

A CONTROVERSY HAS erupted in the public power movement over Sup. Matt Gonzalez's resolution endorsing a plan to allow Pacific Gas and Electric Co. to manage a \$16 million energy-efficiency program in San Francisco. And although the money involved isn't a huge amount, there's an important principle here that ought to be at the center of future discussions about the city's role in energy programs.

At issue is a grant from the California Public Utilities Commission to help communities save power. The city's Department of the Environment wants to let PG&E control how the money is spent in San Francisco. Barbara George, director of Women's Energy Matters, argues that the city should get the cash, and PG&E – which has never had any real interest in energy conservation – should have no role in how it's spent.

At first Gonzalez agreed with George and drafted a resolution urging the CPUC to let the city run the program. Two weeks ago, without public debate or a public hearing, he modified that resolution to one that endorses the joint PG&E-city plan.

Gonzalez says he changed his mind after talking to senior staffers at the DOE, who argue that the department isn't prepared to handle the program and couldn't meet state deadlines for implementation. Rather than lose the money – which could be used to help shut down PG&E's dirty Hunters Point plant – Gonzalez suggests that the city work with PG&E.

The problem is, no private utility has any incentive to curb power use (which, of course, reduces sales and revenue). The only effective energy-conservation programs are those mandated (and closely monitored) by the government or run by nonprofits or the public sector. If the city expects to get anything out of a partnership with PG&E, officials will have to monitor the deal very carefully – and San Francisco has a terrible record of monitoring PG&E.

Besides, the deal Gonzalez is championing will only help PG&E's public-relations campaign against public power. The utility loves to argue that San Francisco isn't prepared to run its own power system and that such complex tasks are best left to the private sector.

If the city's own environmental department can't handle a simple,

\$16 million energy-efficiency program, then there's a problem with the DOE, and the supervisors should be demanding that it get fixed – instead of giving up and handing over millions of dollars over to PG&E. At the very least, Gonzalez should be demanding that the department get ready to take over the program next year.

The bottom line: any time a city department says it can't handle a project, whether it's the Public Utilities Commission begging help from Bechtel Corp. or the DOE inviting in PG&E, the supervisors should demand the agency explain, in public, why city employees can't do the job – and then the supes should work to fix that agency's problem, instead of handing more programs over to the private sector.